

WELFARE REFORM AND CHILDREN: A Synthesis of Impacts in Five States

The Project on State-Level Child Outcomes

March 2004

Kathryn Tout, Jennifer Brooks, Martha Zaslow, Zakia Redd,
Kristin Moore, Ayelish McGarvey, and Sharon McGroder

Child Trends

Lisa Gennetian and Pamela Morris
MDRC

Christine Ross
Mathematica Policy Research, Inc.

Erik Beecroft
Abt Associates

Project funded by the U.S. Department of Health and Human Services
Office of the Assistant Secretary for Planning and Evaluation
Administration for Children and Families

The Project on State-Level Child Outcomes

The Project on State-Level Child Outcomes is a collaboration among researchers, federal agencies, foundations, and representatives from state welfare offices to examine child and family well-being in the context of welfare reform. The project originated in the U.S. Department of Health and Human Services (HHS), under the leadership of the Administration for Children and Families (ACF) and the Office of the Assistant Secretary for Planning and Evaluation (ASPE). In an initial phase of the project, HHS awarded one-year planning grants to 12 states to augment their ongoing experimental evaluations of welfare waiver policies with studies of how welfare reform affects children. During the fall of 1996 and the spring of 1997, state and federal representatives, researchers from the firms conducting the state evaluations of adult outcomes (MDRC, Mathematica Policy Research, and Abt Associates), researchers from Child Trends, and members of the National Institute of Child Health and Human Development (NICHD) Family and Child Well-being Research Network, met to establish common terminology for discussing child outcomes, develop a conceptual model for how welfare policies affect child well-being, and choose the factors to be assessed in the evaluations.

Five of the initial 12 states (Connecticut, Florida, Indiana, Iowa, and Minnesota) were then funded for a second phase of the project, in the fall of 1997, to carry out studies of child outcomes as part of their waiver evaluations. The state representatives and research teams continued to work together jointly to develop hypotheses about the impact of state waiver policies on child and family outcomes, finalize the most important outcomes to measure in their surveys, and develop surveys and procedures for data collection that were as similar as possible across the states.

This report is a synthesis of the findings from the five state evaluations. It was compiled by researchers from Abt Associates, Child Trends, MDRC, and Mathematica Policy Research. Researchers from Child Trends coordinated the preparation and writing of this synthesis.

The Project on State-Level Child Outcomes is supported by public and private funds. In addition to financial support and expertise from ACF and ASPE, several agencies within HHS (including NICHD and the Centers for Disease Control and Prevention) as well as the U.S. Department of Agriculture contributed staff and financial support to the project. The participants in this project also gratefully acknowledge funding and other support from the Annie E. Casey Foundation, the Edna McConnell Clark Foundation, the George Gund Foundation, the Foundation for Child Development, the Charles Stewart Mott Foundation, the David and Lucile Packard Foundation, and the Smith Richardson Foundation.

The results synthesized here are drawn from the separate reports for each of the five states participating in the project. For further details about the findings, please refer to the full reports for each state (see page 80 of this report for a list of these references).

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FIGURE 4

Monthly Income for Participants Working 20 Hours per Week at \$6.00 per Hour Under the Five Welfare Reform Programs

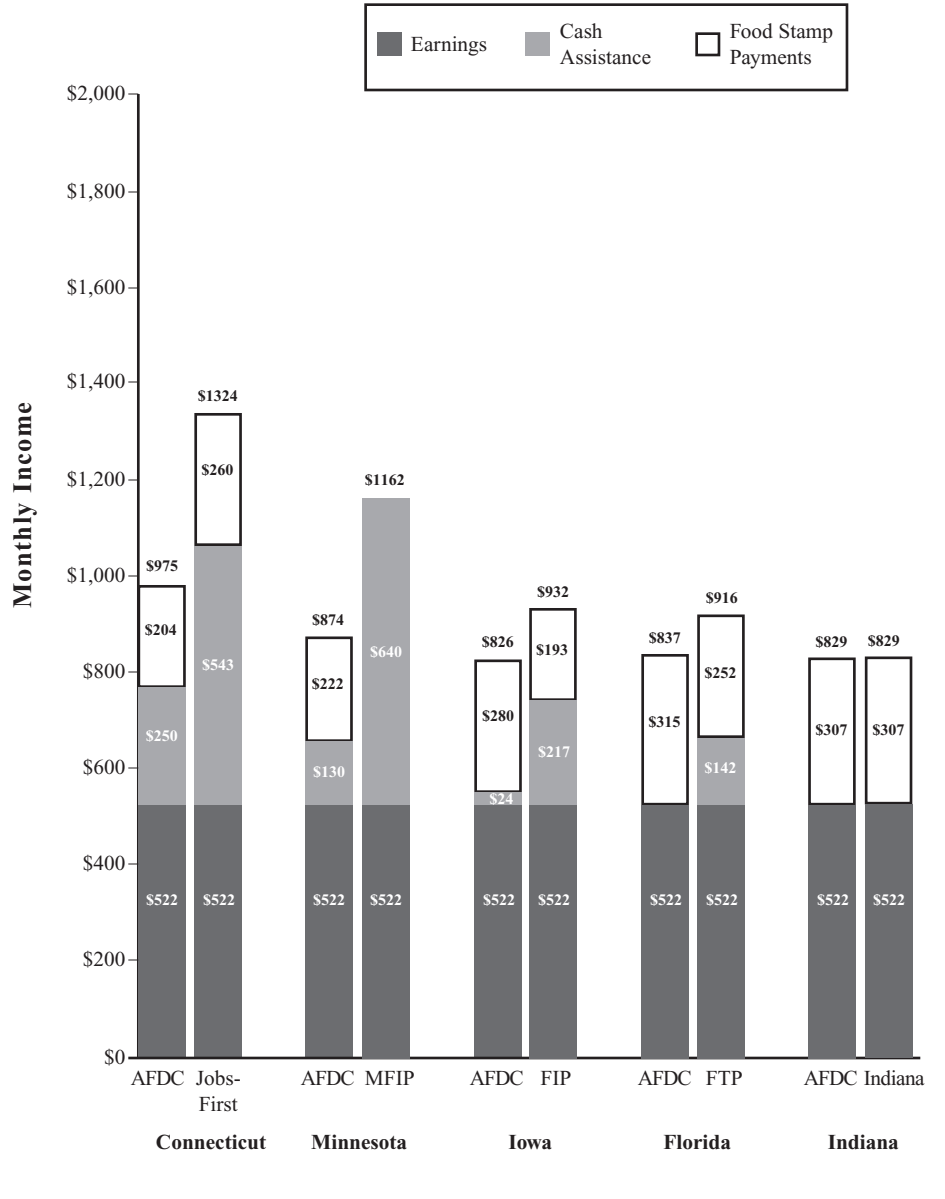
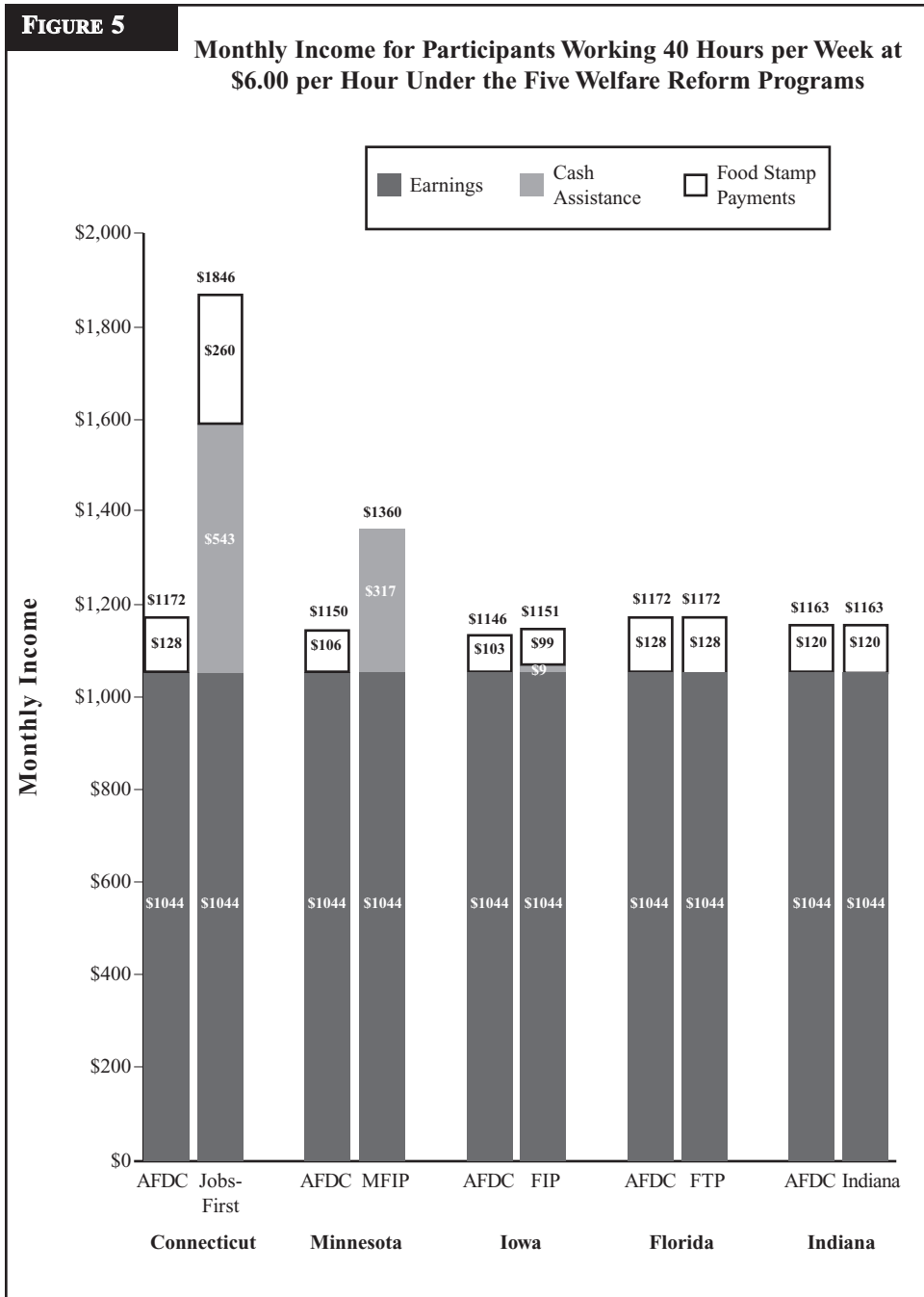
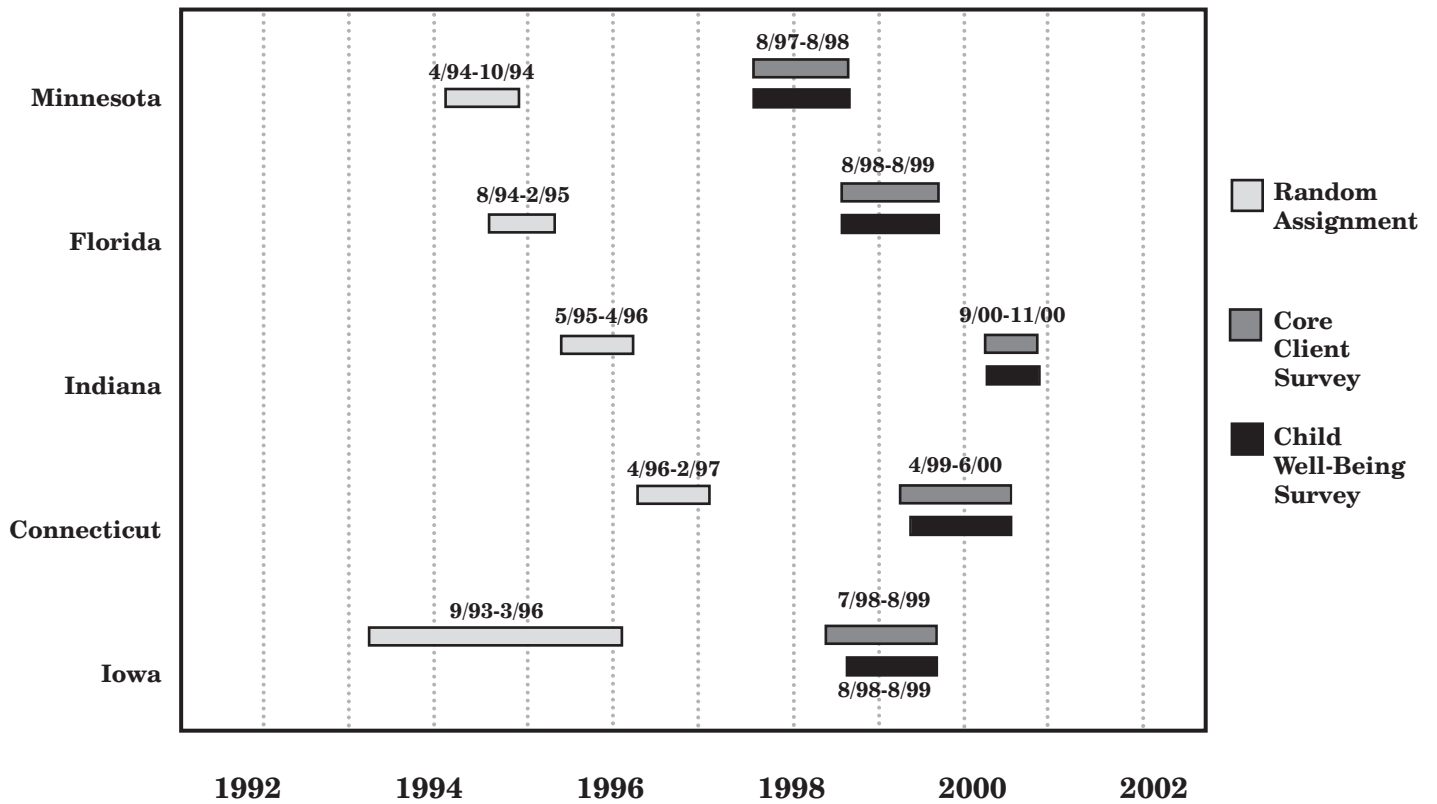


FIGURE 5

Monthly Income for Participants Working 40 Hours per Week at \$6.00 per Hour Under the Five Welfare Reform Programs



Appendix Figure 1. Time Period of Random Assignment^a, Client Survey, and Child Well-Being Survey for the Five State Programs



^a Periods of random assignment are presented for the focal child sample only. In Florida and Minnesota, random assignment spanned a longer period of time for the full administrative sample (see Appendix Table 1 for more details).

Appendix Table 7. (Continued)

	Ongoing Recipients ^a					Applicants ^a				Subgroup Difference
	No Earnings in Year Prior to Random Assignment		Earnings in Year Prior to Random Assignment		No Earnings in Year Prior to Random Assignment	Earnings in Year Prior to Random Assignment		Subgroup Difference		
	Control	Impact	Control	Impact	Control	Impact	Control		Impact	
Focal Child Sample										
Average quarterly employment rate over the follow-up period (%) (administrative data)	46.0	(0.1)	64.5	(1.9)		52.9	(-3.5)	74.7	(4.7)	
Average annual earnings, in dollars (administrative data)	4,908	(-42)	7,483	(-418)		5,987	(-335)	13,292	(-581)	
Average quarterly AFDC (TANF) receipt rate (%) (administrative data)	61.5	(2.0)	54.5	(4.1)		41.3	(-6.6)	26.3	(2.1)	
Average annual welfare payments received, in dollars (administrative data)	2,580	(78)	2,199	(30)		1,713	(-416)	862	(78)	
Focal Child Sample										
Average annual income from earnings, AFDC (TANF), and Food Stamps, in dollars (administrative data)	9,317	(-12)	11,256	(-341)		9,067	(-922)	15,011	(-770)	
Year 1	8,018	(-163)	10,111	262		8,283	(-1121)	13,242	(-167)	
Year 2	9,134	(-457)	10,570	(-183)		9,166	(-1479)	13,863	(-481)	
Year 3	9,422	(153)	11,300	(-526)		9,365	(-461)	17,299	(-2051)	
Year 4	9,437	(237)	11,893	(-663)		8,571	(1334)	16,008	(-104)	
Year 5	10,576	(173)	12,404	(-593)			n/a			
Year prior to survey ^b	10,576	(173)	12,404	(-593)		9,819	(-315)	17,267	(-1542)	
Client Survey Sample										
Total household income in month prior to survey (survey data), in dollars ^c	1,344	(146)	1,562	(15)		2,000	(-374**)	2,153	(-183)	

Note: *** p < .01, ** p < .05, * p < .10

^aThe sample is split into ongoing recipients and applicants because of the length of the intake period. See Section II of the text for more detail.

^bYear prior to survey charts included due to the length of the intake period.

^cTotal household income includes earnings from all household members, AFDC/TANF, Food Stamp payments, Child Support, and other sources.

See Appendix Table 3 for further detail on measures.

n/a: not available

**Appendix Table 8. Impacts on Targeted Outcomes for Minnesota
(Control Group Levels and Program Impacts)**

	Long-Term Recipients ^a		Recent Applicants ^a	
	Control	Impact	Control	Impact
Focal Child Sample				
Average annual employment rate over the follow-up ^b (%) (administrative data)	57.7	(15.1***)	71.2	(3.3)
Average annual earnings, in dollars (administrative data)	3,906	(751*)	7,438	(-620)
Average quarterly AFDC (TANF) receipt rate (%) (administrative data)	86.5	(4.5**)	66.2	(6.3**)
Average annual welfare payments received, in dollars (administrative data)	6,458	(556**)	3,772	(757***)
Average annual income from earnings, AFDC (TANF), and Food Stamps, in dollars (administrative data)	10,364	(1,307***)	11,210	(137)
Year 1	9,616	(1,446***)	10,364	(196)
Year 2	10,228	(1,354***)	11,031	(94)
Year 3	11,248	(1,120**)	12,235	(121)
Client Survey Sample				
Total household income in month prior to survey (survey data), in dollars ^c	1,459	(-24)	1,838	(75)

Note: *** p < .01, ** p < .05, * p < .10

^a Long-term recipients and recent applicants are presented separately because the program differed for these two groups.

^b The average quarterly employment rate is not available for Minnesota, so the average annual employment rate is presented.

^c Total household income includes earnings from all household members, AFDC/TANF, Food Stamp payments, Child Support, and other sources. See Appendix Table 3 for further detail on measures.

