

MFIP

Reforming Welfare and Rewarding Work:

Final Report on the
Minnesota Family
Investment Program

Volume 2: Effects on Children

Lisa A. Gennetian
Cynthia Miller

September 2000

MDRC

Manpower Demonstration
Research Corporation

Table ES1

Summary of MFIP's Impacts for Long-Term Recipients in Urban Counties

Outcome	MFIP	AFDC	Impact (Difference)
<u>Child Outcomes</u>			
Behavioral Problems Index	11.2	12.7	-1.5 *
Positive Behavior Scale	194.2	193.7	0.5
Child's health rated by mother as very good or excellent (%)	75.0	77.8	-2.8
Any child have accident/injury that required a visit to an emergency room or clinic? (%)	44.0	36.9	7.1 *
Performance in school	4.1	4.0	0.2 *
Engagement in school	10.2	9.9	0.3 **
<u>Direct Outcomes</u>			
Average quarterly employment rate (%)	72.8	57.7	15.1 ***
Average annual earnings (\$)	4,657	3,906	751 *
Average annual welfare benefit (\$)	7,014	6,458	556 **
Average annual income from benefits and earnings (\$)	11,671	10,364	1,307 ***
<u>Intermediate Outcomes</u>			
Children continuously covered by health insurance during past 36 months (%)	75.5	67.0	8.5 **
Formal child care (%)	52.8	42.3	10.6 ***
Informal child care (%)	75.2	67.7	7.5 *
Total HOME scale	75.7	75.5	0.2
Currently married (%)	11.3	6.2	5.0 **
Mother ever abused in last 3 years (%)	49.1	59.6	-10.5 **
Mother at high risk of clinical depression (%)	28.8	31.6	-2.8
<u>Parenting behavior</u>			
Aggravation scale	1.8	1.9	-0.1
Warmth scale	3.4	3.5	0.0
Harsh-parenting scale	1.7	1.7	0.0
Supervision scale	4.7	4.5	0.1 **
Sample size (total = 587)	306	281	

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records, public assistance records, and the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who were on welfare for two years or more prior to random assignment and had a focal child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Sample size may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

See Chapter 3 and Appendix C for an explanation of the outcomes.

Table ES2
Summary of MFIP's Impacts for Recent Applicants in Urban Counties

Outcome	MFIP	AFDC	Impact (Difference)
<u>Child Outcomes</u>			
Behavioral Problems Index	10.8	9.8	1.0
Positive Behavior Scale	196.8	200.0	-3.2
Child's health rated by mother as very good or excellent (%)	77.2	78.7	-1.4
Any child have accident/injury that required a visit to an emergency room or clinic? (%)	44.8	43.5	1.4
Performance in school	4.2	4.3	-0.1
Engagement in school	10.2	10.4	-0.2
<u>Direct Outcomes</u>			
Average quarterly employment rate (%)	74.6	71.2	3.3
Average annual earnings (\$)	6,817	7,438	-620
Average annual welfare benefit (\$)	4,530	3,772	757 ***
Average annual income from benefits and earnings (\$)	11,347	11,210	137
<u>Intermediate Outcomes</u>			
Children continuously covered by health insurance during past 36 months (%)	69.9	62.7	7.2 *
Formal child care (%)	53.7	48.8	4.9
Informal child care (%)	73.9	76.6	-2.7
Total HOME scale	78.4	78.7	-0.3
Currently married (%)	23.5	20.8	2.7
Mother ever abused in last 3 years (%)	48.6	49.1	-0.4
Mother at high risk of clinical depression (%)	22.0	20.6	1.5
<u>Parenting behavior</u>			
Aggravation scale	1.8	1.7	0.0
Warmth scale	3.5	3.4	0.1
Harsh-parenting scale	1.7	1.5	0.1 **
Supervision scale	4.6	4.6	-0.1
Sample size (total = 517)	258	259	

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records, public assistance records, and the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who were on welfare for two years or more prior to random assignment and had a focal child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

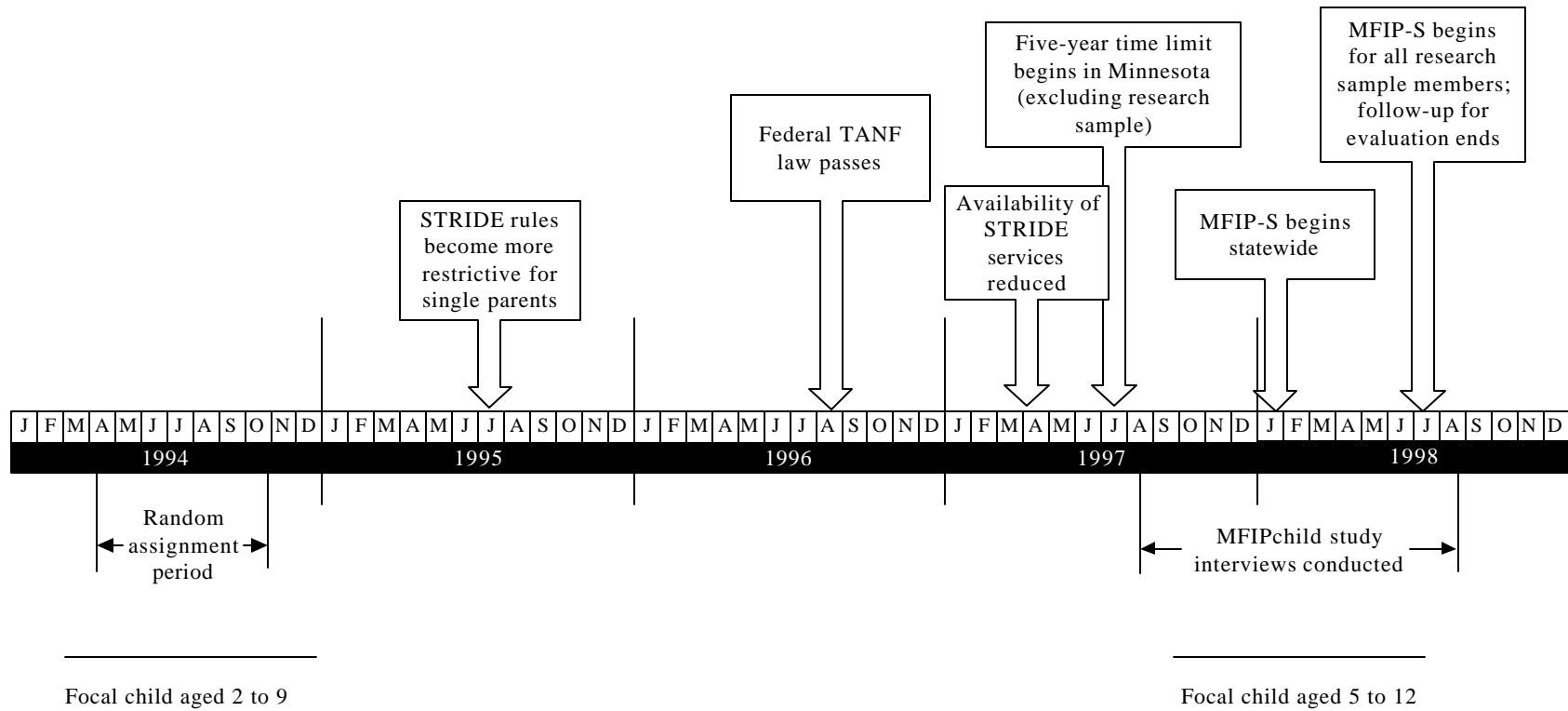
A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Sample size may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

See Chapter 3 and Appendix C for an explanation of the outcomes.

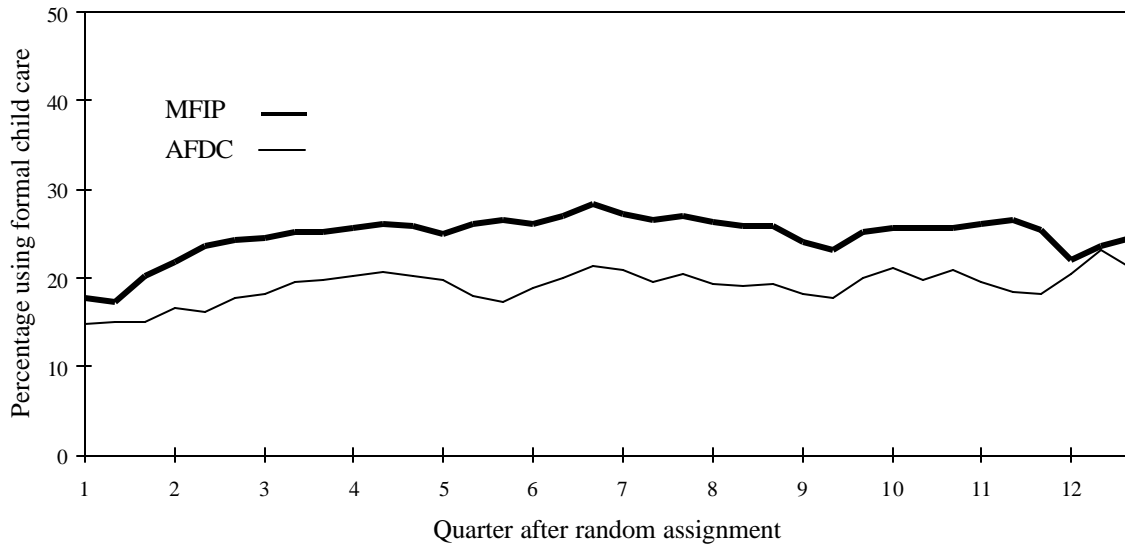
Figure 1.3
Time Line of Welfare Reform and MFIP Child Study Evaluation Milestones



NOTE: The earned income disregard was also increased for all AFDC recipients in Minnesota (outside the MFIP research sample).

Figure 3.3

Quarterly Participation in Formal Child Care for Focal Children of Long-Term Recipients in Urban Counties



SOURCE: MDRC calculations using data from the 36-month client survey.

Figure 3.4

Quarterly Participation in Informal Child Care for Focal Children of Long-Term Recipients in Urban Counties



SOURCE: MDRC calculations using data from the 36-month client survey.

Table 3.10

MFIP's Impacts on Child Outcomes by Child's Age for Long-Term Recipients in Urban Counties

Outcome	Focal Child Younger Than Age 6 at Random Assignment			Focal Child Age 6 or Older at Random Assignment			p-Value for Subgroup Differences
	MFIP	AFDC	Impact (Difference)	MFIP	AFDC	Impact (Difference)	
<u>Direct Outcomes</u>							
Average quarterly employment rate (%)	76.5	59.0	17.4 ***	66.2	55.6	10.6 **	0.34
Average annual income (\$)	12,340	10,483	1,857 ***	10,694	10,087	607	0.09 *
<u>Intermediate Outcomes</u>							
Currently married and living with spouse (%)	9.2	6.9	2.4	15.6	5.2	10.4 **	0.13
Used formal child care (%)	60.9	49.6	11.2 **	40.8	25.2	15.5 **	0.55
Used informal child care (%)	77.8	69.9	7.9 *	71.6	60.6	11.0	0.72
Mother at high risk of clinical depression (%)	30.6	25.4	5.1	24.7	44.3	-19.6 ***	0.00 ***
Mother ever abused in last 3 years (%)	53.7	57.6	-3.8	40.4	64.5	-24.1 ***	0.04 **
Total HOME score	75.6	76.3	-0.8	76.0	73.8	2.1 *	0.05 *
<u>Child Outcomes</u>							
Behavioral Problems Index	10.9	11.5	-0.7	11.5	15.4	-3.9 **	0.08 *
Positive Behavior Scale	193.9	197.3	-3.5	195.5	186.4	9.1	0.08 *
Engagement in school	10.3	10.1	0.2	10.0	9.4	0.6 *	0.30
Performance in school	4.3	4.2	0.1	3.9	3.5	0.4 **	0.23
Sample size (total = 587)	193	195		113	86		

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records and the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who had a child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

A statistical test was conducted to measure whether impacts presented for the different subgroups in this table are statistically different from one another. The p-value represents the probability that apparent variation in impacts across subgroups of these tables is simply the result of random chance. If this probability is less than 10 percent, the variation in impacts is considered statistically significant.

Sample size may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

See text and Appendix C for details regarding the construction of outcomes.

Table 3.11

MFIP's Impacts on Child Outcomes by Child's Gender for Long-Term Recipients in Urban Counties

Outcome	Girls			Boys			p-Value for Subgroup Differences
	MFIP	AFDC	Impact (Difference)	MFIP	AFDC	Impact (Difference)	
<u>Direct Outcomes</u>							
Average quarterly employment rate (%)	74.0	58.0	16.0 ***	73.5	57.7	15.8 ***	1.00
Average annual income (\$)	11,976	10,120	1,856 ***	11,732	10,737	994 *	0.46
<u>Intermediate Outcomes</u>							
Currently married and living with spouse (%)	7.8	6.1	1.7	15.3	6.2	9.1 **	0.48
Used formal child care (%)	52.5	39.0	13.6 **	53.1	45.3	7.8	0.66
Used informal child care (%)	77.6	64.7	12.9 **	73.9	69.4	4.5	0.37
Mother at high risk of clinical depression (%)	30.0	30.3	-0.3	27.2	32.8	-5.7	0.68
Mother ever abused in last 3 years (%)	46.0	53.9	-7.9	51.6	65.4	-13.8 **	0.80
Total HOME score	76.0	75.9	0.0	75.4	75.1	0.2	0.95
<u>Child Outcomes</u>							
Behavioral Problems Index	10.2	12.4	-2.3 **	12.3	12.8	-0.5	0.57
Positive Behavior Scale	198.6	191.6	7.0	191.3	194.6	-3.2	0.28
Engagement in school	10.4	10.0	0.4 *	10.0	9.7	0.3	0.77
Performance in school	4.2	4.2	0.0	4.1	3.8	0.3 **	0.43
Sample size (total = 573)	141	140		157	135		

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records and the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who had a child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

A statistical test was conducted to measure whether impacts presented for the different subgroups in this table are statistically different from one another. The p-value represents the probability that apparent variation in impacts across subgroups of these tables is simply the result of random chance. If this probability is less than 10 percent, the variation in impacts is considered statistically significant.

Sample size may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

See text and Appendix C for details regarding the construction of outcomes.

Table 3.12

MFIP's Impacts on Child Outcomes by Race/Ethnicity for Long-Term Recipients in Urban Counties

Outcome	Black			White			Other Ethnic Groups			p-Value for Subgroup Differences
	MFIP	AFDC	Impact (Difference)	MFIP	AFDC	Impact (Difference)	MFIP	AFDC	Impact (Difference)	
Direct Outcomes										
Average quarterly employment rate (%)	70.6	61.0	9.7 **	77.8	57.7	20.2 ***	61.7	47.2	14.5	0.26
Average annual income (\$)	12,006	10,526	1,479 ***	11,648	10,485	1,163 **	10,866	10,067	798	0.82
Intermediate Outcomes										
Currently married and living with spouse (%)	7.6	3.0	4.6	15.7	9.5	6.1	12.4	1.7	10.7	0.73
Used formal child care (%)	46.0	35.3	10.7 *	65.4	51.3	14.1 **	29.7	33.0	-3.4	0.45
Used informal child care (%)	77.4	64.7	12.7 **	72.2	72.0	0.2	76.5	66.1	10.4	0.30
Mother at high risk of clinical depression (%)	32.0	33.8	-1.8	23.9	30.1	-6.2	36.6	30.0	6.6	0.68
Mother ever abused in last 3 years (%)	52.8	62.4	-9.7	50.7	60.3	-9.6	32.1	49.7	-17.6	0.89
Total HOME score	74.7	74.8	-0.1	76.7	77.3	-0.6	74.1	73.2	0.9	0.81
Child Outcomes										
Behavioral Problems Index	10.5	12.1	-1.6	12.4	13.2	-0.9	8.9	11.3	-2.4	0.85
Positive Behavior Scale	199.8	197.5	2.3	185.2	192.1	-6.9	208.7	197.7	11.0	0.19
Engagement in school	10.3	9.8	0.5 **	10.0	9.9	0.1	10.8	9.7	1.0 **	0.13
Performance in school	4.2	4.0	0.2	4.1	4.0	0.1	4.2	3.8	0.3	0.67
Sample size (total = 576)	120	119		137	120		39	41		

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records and the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who had a child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

A statistical test was conducted to measure whether impacts presented for the different subgroups in this table are statistically different from one another. The p-value represents the probability that apparent variation in impacts across subgroups of these tables is simply the result of random chance. If this probability is less than 10 percent, the variation in impacts is considered statistically significant.

Sample size may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

See text and Appendix C for details regarding the construction of outcomes.

Table 3.13

MFIP's Impacts on Child Outcomes by Welfare History of Mother for Long-Term Recipients in Urban Counties

Outcome	On AFDC for More Than 5 Years Prior to Random Assignment			On AFDC for Less Than 5 Years Prior to Random Assignment			p-Value for Subgroup Differences
	MFIP	AFDC	Impact (Difference)	MFIP	AFDC	Impact (Difference)	
<u>Direct Outcomes</u>							
Average quarterly employment rate (%)	68.5	53.6	14.8 ***	76.7	62.7	14.0 ***	0.87
Average annual income (\$)	11,466	10,328	1,138 **	11,907	10,314	1,593 ***	0.53
<u>Intermediate Outcomes</u>							
Currently married and living with spouse (%)	11.0	6.0	5.0	12.5	7.6	4.9	1.00
Used formal child care (%)	42.7	31.2	11.6 **	63.0	57.5	5.5	0.39
Used informal child care (%)	72.9	62.3	10.6 *	77.8	74.2	3.6	0.38
Mother at high risk of clinical depression (%)	29.1	36.4	-7.3	25.8	28.3	-2.5	0.54
Mother ever abused in last 3 years (%)	45.1	62.7	-17.6 ***	55.1	53.8	1.3	0.04 **
Total HOME score	74.8	74.2	0.6	77.1	76.9	0.2	0.79
<u>Child Outcomes</u>							
Behavioral Problems Index	12.0	14.8	-2.8 **	10.6	10.8	-0.2	0.13
Positive Behavior Scale	192.8	187.7	5.1	195.4	199.5	-4.1	0.19
Engagement in school	10.1	9.4	0.7 ***	10.4	10.2	0.2	0.10
Performance in school	4.0	3.7	0.3 *	4.3	4.2	0.0	0.23
Sample size (total = 565)	167	135		126	137		

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records and the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who had a child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

A statistical test was conducted to measure whether impacts presented for the different subgroups in this table are statistically different from one another. If this probability is less than 10 percent, the variation in impacts is considered statistically significant.

Sample size may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

See text and Appendix C for details regarding the construction of outcomes.

Table 3.14

MFIP's Impacts on Child Outcomes by Earnings History of Mother for Long-Term Recipients in Urban Counties

Outcome	Recipient Had No Earnings in Year Prior to Random Assignment			Recipient Had Earnings in Year Prior to Random Assignment			p-Value for Subgroup Differences
	MFIP	AFDC	Impact (Difference)	MFIP	AFDC	Impact (Difference)	
Direct Outcomes							
Average quarterly employment rate (%)	65.5	39.4	26.1 ***	84.1	82.7	1.4	0.00 ***
Average annual income (\$)	11,313	9,680	1,633 ***	12,151	11,334	817	0.26
Intermediate Outcomes							
Currently married and living with spouse (%)	10.7	6.8	3.9	12.7	5.6	7.1 *	0.55
Used formal child care (%)	56.0	42.3	13.8 ***	47.2	42.4	4.8	0.27
Used informal child care (%)	75.6	67.4	8.3	75.5	69.9	5.6	0.80
Mother at high risk of clinical depression (%)	32.3	29.8	2.5	23.2	35.0	-11.7 *	0.06 *
Mother ever abused in last 3 years (%)	49.1	54.4	-5.3	48.5	64.7	-16.2 **	0.23
Total HOME score	75.8	76.1	-0.2	75.3	74.6	0.7	0.50
Child Outcomes							
Behavioral Problems Index	11.2	13.0	-1.8 *	11.5	12.5	-1.0	0.63
Positive Behavior Scale	195.7	192.2	3.5	192.0	194.2	-2.2	0.41
Engagement in school	10.3	10.0	0.2	10.1	9.6	0.6 **	0.32
Performance in school	4.1	4.0	0.2	4.1	3.9	0.2	0.96
Sample size (total = 587)	180	162		126	119		

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records and the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who had a child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

A statistical test was conducted to measure whether impacts presented for the different subgroups in this table are statistically different from one another. If this probability is less than 10 percent, the variation in impacts is considered statistically significant.

Sample size may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

See text and Appendix C for details regarding the construction of outcomes.

Table 3.15

MFIP's Impacts on Child Outcomes by Educational Attainment of Mother for Long-Term Recipients in Urban Counties

Outcome	Recipient Does Not Have a High School Diploma or Equivalent			Recipient Has a High School Diploma or Equivalent			p-Value for Subgroup Differences
	MFIP	AFDC	Impact (Difference)	MFIP	AFDC	Impact (Difference)	
<u>Direct Outcomes</u>							
Average quarterly employment rate (%)	61.3	44.4	16.9 ***	77.7	63.6	14.1 ***	0.66
Average annual income (\$)	10,866	9,231	1,635 ***	12,058	10,825	1,233 ***	0.58
<u>Intermediate Outcomes</u>							
Currently married and living with spouse (%)	12.0	2.6	9.4 **	10.8	6.7	4.1	0.36
Used formal child care (%)	36.0	25.7	10.3	60.2	48.6	11.6 **	0.81
Used informal child care (%)	67.7	66.5	1.2	78.1	68.2	9.9 **	0.32
Mother at high risk of clinical depression (%)	36.8	34.8	2.0	26.0	30.0	-3.9	0.53
Mother ever abused in last 3 years (%)	49.9	56.0	-6.2	50.1	61.6	-11.6 **	0.56
Total HOME score	73.2	72.9	0.3	76.7	76.7	0.0	0.84
<u>Child Outcomes</u>							
Behavioral Problems Index	12.1	12.2	-0.1	10.6	12.9	-2.2 **	0.24
Positive Behavior Scale	191.5	195.1	-3.7	195.7	193.2	2.4	0.46
Engagement in school	10.3	9.8	0.5 *	10.2	9.9	0.3	0.47
Performance in school	4.1	4.0	0.1	4.1	3.9	0.2 **	0.62
Sample size (total = 583)	105	74		200	204		

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records and the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who had a child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

A statistical test was conducted to measure whether impacts presented for the different subgroups in this table are statistically different from one another. If this probability is less than 10 percent, the variation in impacts is considered statistically significant.

Sample size may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

See text and Appendix C for details regarding the construction of outcomes.

Table 3.16

MFIP's Impacts on Child Outcomes by Barriers to Employment for Long-Term Recipients in Urban Counties

Outcome	Recipient Has Two or Three Barriers to Employment			Recipient Has One Barrier to Employment			Recipient Has No Barrier to Employment			p-Value for Subgroup Differences
	MFIP	AFDC	Impact (Difference)	MFIP	AFDC	Impact (Difference)	MFIP	AFDC	Impact (Difference)	
Direct Outcomes										
Average quarterly employment rate (%)	61.4	40.2	21.2 ***	79.8	64.3	15.5 ***	84.7	87.9	-3.2	0.00 ***
Average annual income (\$)	11,073	9,708	1,365 ***	11,931	10,606	1,325 **	12,425	11,702	723	0.86
Intermediate Outcomes										
Currently married and living with spouse (%)	11.1	4.7	6.4 *	11.7	9.1	2.6	15.4	2.8	12.6 **	0.38
Used formal child care (%)	40.5	34.5	6.1	65.8	42.7	23.1 ***	56.4	68.0	-11.6	0.01 **
Used informal child care (%)	70.7	64.6	6.1	79.1	70.0	9.1	79.8	78.0	1.8	0.83
Mother at high risk of clinical depression (%)	33.3	33.0	0.4	29.4	32.6	-3.1	10.9	26.4	-15.5	0.41
Mother ever abused in last 3 years (%)	46.7	59.4	-12.7 *	55.5	57.1	-1.5	42.1	61.7	-19.6	0.34
Total HOME score	74.3	73.8	0.5	76.5	77.2	-0.7	78.5	76.0	2.5	0.26
Child Outcomes										
Behavioral Problems Index	11.8	14.4	-2.5 *	11.0	11.8	-0.7	8.5	11.8	-3.3	0.48
Positive Behavior Scale	194.1	186.8	7.4	195.2	197.8	-2.6	195.3	196.0	-0.7	0.40
Engagement in school	10.3	9.6	0.7 ***	10.1	10.0	0.1	10.5	9.8	0.7	0.17
Performance in school	4.1	3.9	0.2	4.1	3.9	0.2	4.2	4.2	0.0	0.68
Sample size (total = 578)	150	112		110	121		41	44		

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records and the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who had a child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

A statistical test was conducted to measure whether impacts presented for the three different subgroups in this table are statistically different from each another. If this probability is less than 10 percent, the variation in impacts is considered statistically significant.

Barriers are defined as: receiving welfare for more than five years prior to random assignment, not having any earnings in the year prior to random assignment, and not having a high school diploma.

Sample size may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

See text and Appendix C for details regarding the construction of outcomes.

Table 4.1

MFIP's Impacts on Participation, Employment, Hours Worked, Wages, Number of Jobs Held, and Employment Stability for Long-Term Recipients in Urban Counties

Outcome	Average Outcome Levels			MFIP vs. AFDC	MFIP Incentives Only vs. AFDC	MFIP vs. MFIP Incentives Only
	MFIP	MFIP Incentives Only	AFDC	Impacts of Full MFIP Program	Impacts of Financial Incentives Alone	Impacts of Adding Mandatory Services and Reinforced Incentive Messages
<u>Participation and employment since random assignment (%)</u>						
Ever participated in an employment-related activity (from survey)	91.4	76.7	71.6	19.8 ***	5.0	14.8 ***
Average quarterly employment rate (from administrative records)	72.8	66.2	57.7	15.1 ***	8.5 ***	6.6 **
Worked since random assignment (survey)	88.3	86.1	74.9	13.4 ***	11.2 ***	2.2
<u>Hours worked in current or most recent job (%)</u>						
Did not work	11.7	13.9	25.1	-13.4 ***	-11.2 ***	-2.2
Worked part time	25.4	32.2	17.5	7.9 **	14.7 ***	-6.8 *
1-19 hours	8.0	12.6	8.9	-0.9	3.7	-4.6 *
20-29 hours	17.0	19.3	8.7	8.3 ***	10.6 ***	-2.3
Worked full time	62.6	53.9	57.4	5.2	-3.5	8.7 **
30-34 hours	14.2	10.1	8.3	6.0 **	1.8	4.1
35-44 hours	40.8	33.1	39.7	1.1	-6.6	7.7 *
45 hours or more	7.6	10.7	9.5	-1.9	1.3	-3.1
<i>Average weekly hours worked among those employed</i>	33.3	31.7	34.8	-1.5	-3.1	1.6
<u>Hourly wage in current or most recent job (%)</u>						
Did not work	11.7	13.9	25.1	-13.4 ***	-11.2 ***	-2.2
Less than \$5	5.4	6.5	7.3	-1.9	-0.8	-1.0
\$5 to \$6.99	20.8	27.7	14.7	6.1 *	13.0 ***	-6.9 **
\$7 to \$8.99	33.3	27.2	25.6	7.7 **	1.6	6.1
\$9 or above	27.7	23.5	26.2	1.5	-2.8	4.3
<i>Average hourly wage among those employed (\$)</i>	8.26	7.75	8.48	-0.22	-0.73	0.51

(continued)

Table 4.1 (continued)

Outcome	Average Outcome Levels			MFIP vs. AFDC	MFIP Incentives Only vs. AFDC	MFIP vs. MFIP Incentives Only
	MFIP	MFIP Incentives Only	AFDC	Impacts of Full MFIP Program	Impacts of Financial Incentives Alone	Impacts of Adding Mandatory Services and Reinforced Incentive Messages
<u>Number of jobs held since random assignment</u>						
1	27.4	32.8	26.9	0.5	5.9	-5.4
2 or 3	34.8	34.2	29.1	5.7	5.1	0.6
4 or more	15.4	9.1	10.8	4.6 *	-1.7	6.2 **
<u>Employment stability</u>						
Respondent worked since random assignment and reported all job dates	76.5	75.0	66.1	10.5 ***	9.0 **	1.5
First employment spell began within 12 months of random assignment	54.4	46.8	38.8	15.6 ***	8.0 **	7.6 *
First spell lasted less than 12 months	18.2	14.1	13.9	4.2	0.2	4.1
Employed after first spell	16.2	11.1	9.3	6.8 **	1.8	5.1 *
Not employed after first spell	2.0	3.0	4.6	-2.6 *	-1.6	-1.0
First spell lasted more than 12 months	36.2	32.7	24.8	11.4 ***	7.9 **	3.6
First employment spell began 12 or more months after random assignment	22.1	28.3	27.3	-5.2	1.0	-6.1 *
Sample size (total = 879)	306	292	281			

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records and the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who had a child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Sample sizes may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

Outcomes shown in italics are nonexperimental.

See Chapter 3 and Appendix C for details regarding the construction of outcomes.

Table 4.2

MFIP's Impacts on Earnings, Welfare, Income, and Poverty for Long-Term Recipients in Urban Counties

Outcome	Average Outcome Levels			MFIP vs. AFDC	MFIP Incentives Only vs. AFDC	MFIP vs. MFIP Incentives Only
	MFIP	MFIP Incentives Only	AFDC	Impacts of Full MFIP Program	Impacts of Financial Incentives Alone	Impacts of Adding Mandatory Services and Reinforced Incentive Messages
<u>Earnings and welfare since random assignment</u>						
Average annual earnings (\$)	4,657	3,967	3,906	751 *	60	691 *
Average quarterly receipt rate (%)	91.0	90.6	86.5	4.5 **	4.1 **	0.4
Average annual welfare benefit (\$)	7,014	7,535	6,458	556 **	1,078 ***	-522 **
<u>Income and poverty since random assignment</u>						
Average annual income from welfare and earnings (\$)	11,671	11,502	10,364	1,307 ***	1,138 ***	169
Measured poverty ^a (%)	68.5	73.3	81.3	-12.8 ***	-8.0 **	-4.7
<u>Income and poverty since random assignment with estimated EIC^b</u>						
Average annual income from welfare and earnings with estimated EIC (\$)	12,734	12,509	11,128	1,606 ***	1,381 ***	225
Measured poverty with EIC ^a (%)	57.7	63.4	74.5	-16.8 ***	-11.1 ***	-5.7
<u>Income sources</u>						
Proportion of income from earnings ^c (%)	33.9	30.2	30.1	3.8	0.0	3.8
In last quarter of follow-up (%)						
Earnings, welfare	38.2	36.5	22.6	15.7 ***	14.0 ***	1.7
Earnings, no welfare	18.4	19.5	25.9	-7.5 **	-6.4 *	-1.1
No earnings, welfare	33.7	37.2	42.8	-9.2 **	-5.6	-3.6
No earnings, no welfare	9.7	6.8	8.7	1.0	-1.9	3.0
Sample size (total = 879)	306	292	281			

(continued)

Table 4.2 (continued)

SOURCES: MDRC calculations using data from Minnesota's Unemployment Insurance (UI) earnings records and welfare benefit records.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who had a child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Rounding may cause slight discrepancies in sums and differences.

See Chapter 3 and Appendix C for details regarding the construction of outcomes.

^aMeasured poverty is defined as the percentage of families whose earnings plus welfare benefits are below the official poverty threshold. The appropriate threshold is determined by the number of children in the family. Because the measure of income used here includes earnings, cash welfare, and Food Stamp benefits but does not include income from other sources, the measured poverty rate presented here is not comparable with the official poverty rate.

^bThese estimates are calculated assuming that all eligible individuals receive both the federal and the state Earned Income Credit. Estimated payroll taxes and federal and state income taxes are also subtracted.

^cProportion of income is an average over three years. It is slightly different than average earnings divided by average income.

Table 4.3

MFIP's Impacts on Material Hardship, Food Security, and Health Insurance for Long-Term Recipients in Urban Counties

Outcome	Average Outcome Levels			MFIP vs. AFDC	MFIP Incentives Only vs. AFDC	MFIP vs. MFIP Incentives Only
	MFIP	MFIP Incentives Only	AFDC	Impacts of Full MFIP Program	Impacts of Financial Incentives Alone	Impacts of Adding Mandatory Services and Reinforced Incentive Messages
Material hardship						
Perceptions of financial strain	2.8	2.8	2.9	-0.1	-0.1	0.0
Index of material hardship	1.6	1.4	1.6	0.0	-0.2 *	0.2 *
Own home (%)	12.8	14.3	15.3	-2.6	-1.0	-1.6
Live in public or subsidized housing (%)	17.2	24.4	19.4	-2.2	5.0	-7.2 **
Live in other housing (%)	70.1	61.3	65.2	4.9	-3.9	8.8 **
Food security						
In last month, family had enough to eat (%)	79.8	84.9	80.1	-0.3	4.8	-5.1
In the last month, did any children skip a meal because not enough money for food? (%)	5.9	4.9	3.9	2.0	1.1	0.9
Health insurance						
Children continuously covered by health insurance during past 36 months (%)	75.5	78.7	67.0	8.5 **	11.7 ***	-3.2
In the last month, were children covered by Medicaid or MinnCare? (%)	73.9	76.6	67.6	6.3 *	9.0 **	-2.7
In the last month, were children covered by private insurance? (%)	20.9	19.2	23.9	-3.0	-4.8	1.8
Sample size (total = 879)	306	292	281			

(continued)

Table 4.3 (continued)

SOURCE: MDRC calculations using data from the 36-month client survey.

NOTES: The sample includes members randomly assigned from April 1, 1994, to October 31, 1994, who had a child age 5 to 12 at the time of the survey, excluding the small percentage who were receiving or applying only for Food Stamps at random assignment.

A two-tailed t-test is applied to regression-adjusted impact estimates. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Sample sizes may slightly vary for each outcome variable.

Rounding may cause slight discrepancies in sums and differences.

See Chapter 3 and Appendix C for details regarding the construction of outcomes.

