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**Off Welfare and Into Work
A Report Series of the Postemployment
Services Demonstration**

**The Struggle to Sustain
Employment:
The Effectiveness of the
Postemployment Services
Demonstration**

Final Report

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I

INTRODUCTION

The Postemployment Services Demonstration (PESD) is the first large-scale demonstration program to examine the effectiveness of providing case management services to newly employed welfare recipients as a way to promote job retention. The demonstration arose in response to the increasing focus on work in state welfare reform initiatives established under waivers to the Job Opportunities and Basic Skills Training (JOBS) program. These efforts to increase welfare recipients' employment (either by providing direct incentives to work or by making work mandatory), combined with the general strength of the economy, have enabled many welfare recipients to *find* employment. It is unclear, however, whether, and for how long, welfare recipients who find jobs can *keep* their jobs.

Previous studies of welfare dynamics showed that many individuals who exit welfare through work return to welfare.¹ These findings fostered the interest of the Administration for Children and Families (ACF) of the U.S. Department of Health and Human Services (DHHS) in understanding what services promote job retention. In 1993, four states were awarded grants to establish demonstration programs to provide additional case management services to newly employed welfare recipients; the programs were fashioned broadly on the approach used in Project Match.² The major goals of these PESD programs were to promote job retention and to provide rapid reemployment for those who lost jobs, thereby reducing welfare dependency.

The passage of the 1996 welfare reform law, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), has focused further attention on job retention and the role of services in promoting job retention. PRWORA, which ended the AFDC program and awarded states block grants to help families under Temporary Assistance to Needy Families (TANF), requires most able-bodied welfare recipients to either find employment within two years of welfare receipt or lose their welfare benefits. The law also imposes a lifetime limit of five years of welfare receipt.

¹In general, research shows that between 25 and 40 percent of welfare recipients who stopped receiving assistance under the Aid to Families with Dependent Children (AFDC) program because of employment lost their jobs and returned to the program within one year (Blank 1989; Gritz and MaCurdy 1991; Harris 1991; Pavetti 1992; and Gleason et al. 1998).

²Project Match is an intensive, supportive, employment-oriented program providing services to residents of the Cabrini-Green Community in Chicago. Its approach to service delivery is based on the philosophy that most welfare recipients do not make steady progress in the labor market; Project Match counselors provide intensive case management services to help clients keep their jobs. Project Match was one of the first programs to recognize the importance of continuing to help welfare recipients after they begin their jobs (Olson et al. 1990).

Given these federal time limits on welfare receipt (and the work requirements that states have imposed on welfare recipients), it is critical that welfare recipients both find jobs and maintain employment in their move toward self-sufficiency. Although TANF's work requirement provisions and additional transitional assistance should increase the attachment of some welfare recipients to their jobs, PRWORA will also require many welfare recipients with few skills and limited job readiness to enter the labor market. These individuals are more likely to need help keeping their jobs or finding new employment quickly. As a result, many states are now assessing the types of services or programs that will enable welfare recipients to keep their jobs longer. The PESD effort provides valuable lessons for states that are attempting to establish job retention programs.

The PESD evaluation had three main objectives: (1) to better understand and characterize the experiences of individuals after they become employed and to examine the factors contributing to job loss or job stability, (2) to examine the feasibility of providing services to newly employed welfare recipients and to study issues related to service delivery, and (3) to determine whether postemployment services can help individuals keep their jobs longer or regain employment more quickly after job loss. This report focuses on the third objective and provides an update of our initial findings of the programs' effectiveness in promoting employment and reducing welfare dependency.³ In particular, this report examines the effectiveness of the PESD programs in increasing employment and reducing welfare dependency over a two-year period, using administrative records data on program enrollees.

Here, we summarize the key findings related to program implementation and impacts:

- ***Extensive outreach and rapid followup enabled program case managers to reach most clients and to establish prompt communications.*** The central ingredient of the programs consisted of individualized counseling and support. PESD case managers tried to maintain ongoing contact with clients in order to develop relationships based on trust. Large numbers of PESD clients (between 60 and 80 percent) in the four sites received counseling and support services during the six months after program enrollment.
- ***Overall levels of employment among sample members (in both the program and control groups) were fairly high in all four sites. Welfare receipt among sample members also varied across the sites and reflected the level of generosity of the welfare programs in each site.*** The demonstration programs operated during a period of economic strength, which helped many welfare recipients who found jobs keep these jobs or quickly find other jobs.⁴ Control group members, who did not receive any PESD services, were employed between 60 and 80 percent of the time during the two-year period after job start. Welfare receipt in all four sites decreased gradually over time. In the sites with more generous welfare programs, nearly 40 to 55 percent of all sample members

³A list of project reports completed to date is given at the end of this report.

⁴In addition, two of the four PESD programs enrolled more job-ready individuals into the demonstration programs who may have been more able to maintain employment.

continued to receive welfare at the end of 24 months after job start, compared with less than 30 percent in the sites with less generous welfare programs.

- ***Overall, the programs had little effect on increasing earnings, reducing welfare, or promoting the move toward self-sufficiency.*** We found indications that one program had small effects on promoting employment and reducing welfare, another program had a small effect on promoting employment but did not reduce welfare receipt, and a third program reduced welfare receipt without increasing earnings. In the fourth site, the program had no effect on either employment or welfare receipt. Several factors may account for these findings, including the pioneering nature of the PESD programs, the populations they served, and contextual factors such as the strong economic conditions and services already available in the welfare offices in the communities. These factors are discussed in greater detail in Chapter IV.

The overall findings on the modest effects of PESD services are disappointing. However, our comprehensive study of the PESD programs and of their client population has enabled us to identify several operational lessons that can serve as a guide for other programs considering providing job retention services.

- ***Programs should attempt to tailor services to meet client needs and target clients appropriately for different types of job retention services.*** We observe from the PESD data (as well as other national data) that welfare recipients who find jobs are fairly diverse in their characteristics, in the types of jobs they find, and in their ability to maintain employment. Between 60 and 80 percent of PESD control group members maintained employment for the two-year period after job start. These individuals would probably need only child care or Medicaid assistance, or other short-term assistance (such as access to resource rooms to find job leads or update their resumes). The remaining 20 to 40 percent of welfare recipients who found jobs had a much harder time holding on to their jobs. Programs should attempt to target such clients for ongoing case management support and other more intensive services. Identifying up front who is likely to need more ongoing assistance will be a challenging task. Researchers are currently developing targeting strategies that suggest that characteristics such as education level, health status, starting wages, and availability of benefits on the job may be good indicators of subsequent employment outcomes. These targeting strategies, as well as other assessment mechanisms, need to be tested for effectiveness to find the best targeting mechanisms.
- ***Simplifying service delivery mechanisms can enable program staff to focus more on service coordination and on meeting other needs of clients.*** Some states have large paperwork requirements for accessing supports such as child care funding that may make it difficult for some individuals to get the funding they need. In some states, clients who have lost jobs may have to go back on welfare before they can use job placement services provided by welfare

agencies. Altering administrative procedures so that clients can more easily access services and integrating functions across agencies to eliminate duplication and delays could give program staff more time to meet clients' other needs more efficiently.

- ***Programs considering adding job retention assistance to their current set of services should carefully assess what services their programs currently provide and make changes to fill gaps in their current systems.*** Many states are considering providing job retention programs. To the extent that these programs offer services that are currently available (or are very similar to services available for all welfare recipients), programs may find that these services do not yield large “program impacts.” Programs should use available data or gather new data to carefully assess the extent to which their current systems are meeting clients’ job retention and job advancement needs and identify the current gaps in their systems. They can gather data from current and former employed welfare recipients, as well as from other sources (such as case managers and other service providers), to identify the needs of newly employed welfare recipients in their areas. Based on a careful assessment, programs can make significant changes to their current systems to offer a comprehensive set of supports to clients to help meet programs’ job retention and advancement goals.

II

THE POSTEMPLOYMENT SERVICES DEMONSTRATION

Sustained employment is the primary route to economic self-sufficiency. The 1996 welfare reform law recognizes this relationship by requiring states to intensify their efforts to move individuals from welfare to work. However, as states impose work requirements and time limits on welfare recipients, many individuals who are not fully job ready will enter the job market. These individuals are likely to have difficulty obtaining jobs, and even greater difficulty sustaining employment. Therefore, it is important to identify strategies that help welfare recipients keep their jobs, and, if necessary, quickly find new ones.

Between spring 1994 and fall 1996, four sites (Chicago, Illinois; Portland, Oregon; Riverside, California; and San Antonio, Texas) operated demonstration programs under grants from ACF. Welfare recipients who had participated in the states' JOBS programs and had found employment during a 12- to 18-month period between March 1994 and December 1995 were identified soon after job start and were enrolled in the demonstration. The sites enrolled between 800 and 1,500 welfare recipients who had recently found jobs during this period (Table II.1). One-half to one-third of the individuals in each site were selected at random to receive program services; the rest, as control group members, continued to receive the regular services available to employed welfare recipients in their respective states.¹

TABLE II.1

THE STUDY SAMPLE

	Sample Sizes			
	Chicago	Portland	Riverside	San Antonio
Overall	1,545	804	1,506	778
Program group	552	425	500	386
Control group	993	379	1,006	392

¹The term "employed welfare recipients" refers to individuals who found jobs while receiving welfare. Some of these individuals may have left welfare either when they obtained employment or shortly thereafter, whereas others may have continued to receive welfare while employed.

PESD services were designed to achieve two objectives: (1) to help welfare recipients keep their jobs, and (2) to help individuals who lost their initial jobs quickly obtain new ones. Toward this end, ACF established the following key guidelines for the design and delivery of demonstration services:

- ***Serve Nonexempt JOBS Participants.***² The PESD programs were to primarily serve AFDC recipients who were required to participate in JOBS program activities. Those assigned to the PESD programs would continue to receive services after leaving AFDC, even if an increase in earnings was not the reason for case closure.
- ***Focus on Job Retention and Reemployment.*** Job clubs and job search services provided under the JOBS program would be made available for an extended period to all individuals assigned to the PESD programs who lost their jobs or who wanted to obtain better ones, regardless of their JOBS program status.
- ***Extend Case Management Services.*** Demonstration sites were to assign program group members to PESD case managers. These case managers were to maintain regular contact with their clients, identify problems that might affect employment adversely, and intervene as early as possible to help clients keep their jobs.
- ***Adopt a Flexible Service Delivery Approach.*** The involvement of case managers and the services delivered were to be tailored to meet the needs of individual participants. The PESD programs were to recognize that some clients would need intensive, long-term help, while others would need little or no assistance.
- ***Enhance Temporary Financial Support.*** The PESD programs were to provide financial support over and above what was available to newly employed welfare recipients under the JOBS program. The PESD programs could increase the amounts of payments and also make payments cover a wider range of expenses.

The case management and financial support services were expected to promote job retention and reemployment, either directly or indirectly. In addition, the personalized efforts to promote employment were expected to translate into reductions in the number of people receiving welfare and the amounts of benefits received.

All four sites built their PESD programs on the common framework provided by the demonstration design guidelines, but actual implementation of guidelines and delivery of services varied. The four sponsoring agencies (1) had slightly different populations; (2) had different program contexts (that is, different levels of preexisting services for newly employed welfare recipients); and (3) provided postemployment services to program participants in different ways. To interpret more accurately the effectiveness of the four

²AFDC participants who met certain criteria related to the age of their children or to their education status and were required to participate in the states' JOBS program were called "nonexempt" participants.

programs, in the rest of this chapter, we briefly describe the features of each state's program design.

A. TARGET POPULATION

The federal guidelines specified that the PESD programs focus primarily on nonexempt JOBS clients who had recently obtained employment and serve all clients, regardless of their subsequent AFDC status. The four sites followed these broad guidelines but targeted different groups of welfare recipients for enrollment into the demonstration.³ The programs in Portland and San Antonio had more job ready clients because they enrolled individuals who had recently participated in their JOBS program job placement centers and found employment. The Portland program targeted JOBS clients who had been assigned to job placement centers after completing other JOBS components (or who were deemed job ready at the time of their JOBS assessments) and had subsequently obtained employment. The San Antonio program primarily served clients who had their high school diplomas or General Educational Development [GED] certificates, had worked for at least 12 of the previous 24 months, or had received certificates from a training program. In contrast, the PESD programs in Chicago and Riverside included in program enrollment all welfare recipients who had been referred to or had participated in their JOBS programs and who had recently obtained employment that was reported to the JOBS program staff.⁴ Thus these two sites had a slightly more diverse client population than did the PESD programs in Portland and San Antonio. Finally, all four PESD programs served clients regardless of whether they had full- or part-time jobs.⁵

1. Characteristics of the Study Sample

At the time of program entry, the average sample member was almost 30 years old. Although the programs did not exclude teenage parents, few such individuals were enrolled, and only four to seven percent of clients served were age 20 or younger (Table II.2).⁶ At the

³The PESD programs were not voluntary programs. All four PESD programs enrolled individuals who were identified by JOBS case managers or other program staff as newly employed. In general, the four PESD programs' "targeting" was not a decision to explicitly serve some groups they thought were more in need of services. Rather, selection for program enrollment was more a function of how the sites set up their random-assignment processes and procedures they used for identifying people for enrollment into the demonstration programs.

⁴To focus on early intervention, the Chicago PESD program screened out individuals whose jobs had started one month before the report of the job was received. The Portland PESD program initially screened out individuals whose jobs began more than two weeks before they were referred to the demonstration for program enrollment, but low intake volume led it to eliminate this screening criterion.

⁵The Riverside program required individuals to have started jobs involving at least 15 hours of work per week; the San Antonio program served individuals who were working at least 10 hours per week.

⁶The Illinois Department of Public Aid, which was operating a Young Parent Services program to provide teenage parents with intensive ongoing services, chose to focus its PESD program on adults. Similarly, targeting more job ready individuals probably had the effect of excluding many teenagers in Portland and San Antonio.

TABLE II.2
CHARACTERISTICS OF THE SAMPLE AT PROGRAM INTAKE
(In Percentages)

	Chicago	Portland	Riverside	San Antonio
Age (in Years)				
20 or younger	6.7	5.8	3.5	5.9
21 to 25	29.9	30.5	18.6	28.9
26 to 30	22.4	22.9	22.3	24.8
31 to 35	21.2	19.5	25.9	19.8
36 or older	19.8	21.3	29.7	20.7
(Mean)	(29.5)	(29.5)	(31.9)	(29.5)
Race				
Hispanic	10.2	2.1	33.4	67.6
Black, non-Hispanic	82.3	25.9	17.1	19.0
White, non-Hispanic	7.1	68.1	47.2	13.1
Other, non-Hispanic	0.4	3.9	2.4	0.3
Number of Children				
1 or none	36.9	51.4	45.3	37.3
2 or 3	52.3	42.1	46.8	52.0
4 or more	10.8	6.5	7.9	10.7
(Mean)	(2.1)	(1.7)	(1.9)	(2.0)
Age of Youngest Child (in Years)				
Younger than 3	33.5	40.2	8.0	30.2
3 to 5	31.3	27.3	51.5	39.0
6 or older	35.2	32.5	40.6	30.8
(Mean)	(5.1)	(4.8)	(6.1)	(4.7)
Teenager at Birth of First Child	51.3	40.9	35.3	44.4
Education				
No high school diploma or GED	42.7	25.3	36.6	12.9
High school diploma or GED	40.0	63.2	46.2	60.9
More than high school diploma or GED	17.3	11.5	17.2	26.2
JOBS Status--Mandatory	75.2	96.4	100.0	68.4
Employed During Two Quarters Preceding Program Enrollment	27.6	34.2	21.0	32.8
AFDC Status During Year Preceding Program Enrollment^a				
Receiving for only part of year	18.3	37.2	2.1	48.5
Receiving for entire year	81.7	62.8	97.8	51.5
Sample Size^b	1,506 to 1,545	794 to 804	1,397 to 1,506	750 to 778

SOURCE: PESD administrative records data.

^aFor nearly 35 percent of the sample members in Portland, information on AFDC status for the full year preceding program enrollment was missing. This information was missing for 6 to 15 percent of the sample members in the three other sites.

^bSample sizes fall in a range because of differing numbers of missing values for different characteristics.

time of enrollment, the average sample member had two children. The youngest child was, on average, five years old.

Education levels and work experience of sample members varied across the sites, reflecting the difference in the populations they had selected. For example, only about 10 to 25 percent of the sample members in San Antonio and Portland had failed to obtain high school diplomas or GEDs, compared with roughly 35 to 40 percent in Riverside and Chicago. Similarly, nearly 33 to 35 percent of the sample members in San Antonio and Portland had some earnings in at least two of three quarters in the year preceding program entry, compared with about 21 to 28 percent of the sample members in Chicago and Riverside.

The Riverside and Portland programs adhered closely to the requirements to serve nonexempt JOBS clients. Thus, all Riverside clients were nonexempt JOBS participants, as were more than 95 percent of clients in Portland. In contrast, between 65 and 75 percent of clients in Chicago and San Antonio could be classified as nonexempt participants, suggesting that about 35 and 25 percent of the clients in these sites were JOBS-exempt welfare recipients.

2. Types of Jobs Obtained and Patterns of Employment⁷

This section describes the types of jobs that sample members found and how long they stayed employed. It is based on a survey of a random subsample of 1,200 sample members in the four PESD sites conducted approximately a year after program enrollment. So as to avoid confusion between program impacts and observed behavior in the absence of the program, the description of employment patterns includes only those assigned to the control group.

Sample members enrolled in the demonstration found jobs that were similar to those found by welfare recipients nationally.⁸ Sample members obtained jobs that paid, on average, \$6 per hour (Table II.3). More than 40 percent of the sample members, however, earned \$5 an hour or less, and only 18 percent of the sample found jobs that paid over \$7 an hour when they started their jobs. Most of the sample members worked close to full time. Monthly earnings for these newly employed welfare recipients were low, reflecting their low hourly wages; less than a third of the sample members found jobs that paid over \$1,000 a month (in 1996 dollars).

Many of the jobs that sample members found were entry-level ones and, consequently, did not offer many fringe benefits. Less than half of the jobs offered these workers any health insurance or paid vacation, and less than a third of the jobs offered them any paid sick leave. Most of the sample members found jobs in service occupations, in administrative support jobs such as clerical work, or in sales positions. Nearly 17 percent of the sample members had found their jobs through temporary agencies.

⁷A more detailed description of clients' employment experiences can be found in Rangarajan (1996).

⁸See Brandon (1995) and Rangarajan, Schochet, and Chu (1998) for a description of the types of jobs found by welfare recipients prior to the passage of the PRWORA.

TABLE II.3

JOB CHARACTERISTICS
(Starting Job)

	Percentage of Sample Members
Hourly Wage	
Less than \$4.00	3.3
\$4.00 to \$5.00	39.5
\$5.01 to \$7.00	39.4
\$7.01 to \$10.00	14.9
More than \$10.00	3.0
(Average hourly wage)	(\$5.90)
Weekly Hours of Work	
20 hours or less	17.4
21 to 34	20.9
35 to 39	10.3
40 or more	51.3
(Average hours of work)	(33.9)
Shift Worked	
Day/afternoon shift	68.7
Evening/graveyard shift	13.1
Variable shift	18.2
Temporary Jobs	24.3
Found Any Job Through Temporary Agencies	17.6
Monthly Earnings	
Less than \$200	2.2
\$201 to \$400	9.7
\$401 to \$600	15.2
\$601 to \$800	23.0
\$801 to \$1,000	19.4
More than \$1,000	30.4
(Average monthly earnings)	(\$864)
Benefits Offered on the Job	
Health insurance	45.1
Paid vacation	45.3
Paid sick leave	32.4
Occupation	
Other administrative support	27.6
Sales	20.2
Health services	10.7
Manager/professional/technical	7.3
Secretarial	2.6
Food and beverage preparation	4.7
Private household protective services	6.5
Other services	7.9
Mechanical/construction/production	9.8
Other	2.8

SOURCE: PESD follow-up surveys conducted with 1,236 sample members approximately a year after random assignment.

Overall, sample members enrolled in the demonstration maintained high levels of employment. Nearly 58 percent of control group members were continuously employed from the time they started their jobs until the end of a year from the job start (Table II.4). Among the remaining 42 percent who had at least one period of nonemployment, half had found another job within a year of their initial job start (intermittent workers), while the other half stayed unemployed through the end of the year. Overall, sample members were employed almost 10 months, on average, during their first year after job start (not shown).⁹ These employment levels are high compared to employment levels found in studies using national data prior to the passage of the PRWORA (see Rangarajan, Schochet, and Chu 1998). We suspect that the high employment rates we observe in the PESD study are driven at least in part by the strong economic conditions that prevailed during the demonstration evaluation period.

B. PROGRAM CONTEXT AND PREEXISTING SERVICES

Before discussing the special services offered by the PESD programs, it is useful to describe both local program contexts and the services available to newly employed welfare recipients in the JOBS program. As we describe in this section, the four sites varied widely in the generosity of their welfare programs, work incentives, and resources available to newly employed welfare recipients.

Welfare Benefits. At the time of the demonstration, California had the sixth most generous welfare program in the country; in 1994, it provided maximum benefits for a family

	Percentage of Sample Members
Continuously Employed in Same Job	39.3
Continuously Employed but Switched Jobs	18.4
Worked Intermittently (More than One Job)	21.2
Worked in Starting Job and Stopped	21.2
Sample Size	468

SOURCE: PESD follow-up surveys conducted approximately a year after random assignment.

NOTE: These patterns of employment pertain to status at the end of the first 12 months following the first job start.

⁹Those who worked in the starting job and then stopped averaged just over five months of work during the one-year period, while those with intermittent jobs worked a little over eight months during this period.

of three of \$607 per month (Table II.5). By comparison, the maximum grant in Texas of \$184 for a family of three was half the national median of \$366. AFDC recipients in Oregon received benefits that were substantially higher than the median; in 1994, a family of three with no source of income could receive a maximum benefit of \$460 per month. A family of three in Illinois received grants that were about equal to the national median--\$367 in 1994.

Work Incentives. Two of the four sites had incentives encouraging all welfare recipients to obtain work (Table II.5). Illinois had received a waiver to disregard indefinitely two-thirds of earnings when calculating AFDC benefits. In addition to providing high benefit levels, which allowed many individuals to work and retain welfare benefits, California also had received a waiver to maintain indefinitely the disregard of \$30 and one-third of earnings. These waivers enabled more individuals in Chicago and Riverside than in the two other sites to continue to receive welfare while employed. In San Antonio, in contrast, the combination of a standard disregard policy and very low benefit level caused nearly all recipients who found full-time jobs to lose AFDC eligibility immediately and those with fewer than full-time hours to lose eligibility four months later, when the disregard ended. Although AFDC recipients in Portland received benefits substantially above the national median, they faced standard earnings disregard policies when they began working, leading to relatively large decreases in welfare benefits approximately four months after job start.

JOBS Program Job Retention Services. Control group members were not eligible to receive PESD services. In theory, they could receive job retention services under the JOBS

TABLE II.5
LOCAL PROGRAM CONTEXTS

	Chicago	Portland	Riverside	San Antonio
Welfare Benefits for a Family of Three (Monthly Amount; in 1994)	\$367	\$460	\$607	\$184
State Earnings Disregard	Two-thirds of earnings indefinitely	\$90 + \$30 and one-third of remaining earnings for first four months	\$90 + \$30 and one-third of remaining earnings indefinitely	\$90 + \$30 and one-third of remaining earnings for first four months
AFDC Benefits for Welfare Recipients Earning \$5 per Hour and Working 30 Hours per Week				
First four months	\$150	\$107	\$254	\$0
Subsequent months	\$150	\$0	\$254	\$0
Initial Employment Expenses Available Under the JOBS Program	\$400 within first 30 days of job start	No formal limits: vary depending on clients' needs	Payment for single work expense incurred in first week of employment	One payment of less than \$65 over a 12-month period (for expenses in first month of employment)

program for 90 days after beginning employment. In practice, however, regular JOBS program services for welfare recipients who began employment were limited. To some degree, they varied across the sites, and control group members in Portland were more likely than those in the three other sites to have received follow-up services. In Portland, placement center case managers who served JOBS program participants had relatively modest caseloads, and the counselors had previously established contact with clients in the placement center. Both these factors enabled the case managers to continue to provide some counseling after clients began working.

The other sites offered more limited services to newly employed JOBS program participants. Although JOBS program case management services were available for 90 days after job start, large caseloads of unemployed welfare recipients prevented case managers in these sites from serving employed clients to any substantial extent. Through the JOBS program, each site also offered limited work-related expense allowances to employed welfare recipients soon after job start (Table II.5). However, these payments typically were made infrequently, and restrictions were imposed on both the amounts that could be paid and the types of expenses that could be covered.

JOBS Program Reemployment Services. In two of the four sites, control group members had access to quick reemployment services as part of the JOBS program. In Riverside, the nationally recognized Greater Avenues to Independence (GAIN) program provided strong encouragement for individuals to find jobs and leave welfare.¹⁰ Therefore, many control group members who lost their jobs were likely to be immediately subject to the JOBS program emphasis on finding another job, and would be able (or even required) to participate in job search or other employment-related activities through the GAIN program.¹¹ In Portland, all clients had used and had access to a resource room for job search activities. In addition, they had previously established relationships with the placement center staff, which would have made it easier for them to go to the placement center and receive employment-related services. Finally, a work first policy was initiated in Portland for welfare recipients who lost jobs. As a result, control group members who lost jobs and returned to welfare were sent to a two-week job search program; if they did not find a job in those two weeks, they were sent back to the placement center.

Other Support Services. The availability of such support services as health care, child care, and temporary financial assistance varied from site to site. All sites had policies allowing transitional medical coverage for one year for clients who reported exiting welfare because they had obtained employment and who were recorded as having done so. In addition, each site established its own program to serve medically needy or low-income individuals for periods beginning after their transitional coverage had ended.

¹⁰The GAIN intervention in Riverside has a strong work orientation and is nationally recognized as a program that makes a strong effort to help individuals find jobs and leave welfare. Because of the strong pressure in the GAIN program for welfare recipients to be employed, welfare recipients who lose jobs are required to immediately find new ones.

¹¹Because California has such high benefits, many welfare recipients who found jobs continued to receive welfare and would be likely to be subject to JOBS rules immediately upon job loss.

Transitional child care subsidies were available to former AFDC recipients for a year in all four sites, as required by law.¹² In Oregon and Illinois, other forms of child care subsidies were available to those who had exhausted their transitional child care benefits. In Oregon, former recipients who exhausted their transitional benefits after one year could obtain financial assistance to help defray child care costs easily, through the states' Employment-Related Day Care program. Illinois also provided subsidies to former AFDC participants who had exhausted their transitional benefits, but obtaining these benefits was more difficult than in Oregon. For example, individuals in Illinois who had exhausted their year of transitional benefits usually were placed on relatively long waiting lists for subsidized child care slots.

In the two other sites, subsidies for child care were available to a lesser extent. In principle, AFDC recipients in Riverside could receive a disregard of child care expenses in amounts prescribed by Title IV-A of the Social Security Act. However, according to program staff, few actually received it. In San Antonio, some subsidized child care slots were available for low-income clients who left AFDC but did not get transitional child care or who exhausted their year of transitional benefits, but waiting lists for these child care programs usually were long.

C. PESD SERVICES AND PARTICIPATION

Case management was the cornerstone of the PESD programs. All four sites established their postemployment services units as extensions of their JOBS programs and hired case managers to provide retention services. Every client identified for the demonstration program enrollment was assigned to a PESD case manager. The case manager tried to maintain regular contact with the client in order to identify and provide services designed to alleviate emerging problems. In Chicago, Riverside, and San Antonio, PESD case managers took over the functions that JOBS case managers would have performed for the clients assigned to them. Therefore, they had the same access to databases and JOBS program services and the same authority to issue supportive service payments as did the regular JOBS case managers in their states. In Portland, PESD case managers did not perform the duties that the JOBS case managers did in this state. Therefore, PESD clients who were still receiving welfare also had a regular JOBS program case manager assigned to them. PESD case managers in Portland, were, however, stationed in the placement centers and they worked closely with JOBS staff members.

Because job-threatening problems could develop soon after job start, the PESD programs targeted and enrolled recently employed welfare recipients for the demonstration. Case managers tried to contact program group members as quickly as possible after program enrollment. During these contacts, case managers informed clients about demonstration services, attempted to develop trust and rapport, and sought to identify immediate issues that could affect employment.

¹²Transitional child care was used sparingly in Riverside. According to agency staff members, many employed clients who left AFDC did not wish to comply with ongoing reporting requirements for transitional child care, did not know or did not recall being advised of the transitional child care program, or were terminated from AFDC for reasons other than employment (Haimson, Hershey, and Rangarajan 1995).

Despite some site-by-site variation in service delivery, PESD case managers provided five key services to program participants:¹³

1. ***Counseling and Support.*** PESD case managers provided individual counseling on such topics as money management and budgeting, contingency planning for child care and transportation, workplace behavior, and ways to deal with unsupportive family members or friends. Staff members also provided encouragement and moral support and gave clients opportunities to discuss their frustrations and problems. Individual counseling and support was the service that both staff and clients valued the most highly.
2. ***Job Search Assistance.*** PESD case managers and other staff members provided assistance to clients who had lost jobs or who wanted to obtain better ones. Job search services ranged from individualized job search assistance from PESD case managers (including specific job leads and general guidance on job search methods) to more structured job search activities available through the JOBS program (including workshops and referral services).¹⁴
3. ***Help with Benefits.*** Case managers helped clients apply for and resolve eligibility or benefit problems with transitional Medicaid, transitional child care, AFDC, and food stamps. They also helped clients access child care funding subsidies, particularly in the Chicago site. In addition, case managers provided clients with information via mailings on how to obtain the earned income tax credit (EITC).
4. ***Service Referrals.*** Case managers provided clients with assistance in finding services, including health care or child care providers, referrals to education programs or skills training, and referrals to legal aid or specialized individual or family counseling.
5. ***Support Service Payments for Work-Related Expenses.*** The programs liberalized their agencies' policies on payment of transitional work-related expenses, allowing clients to obtain more frequent payments, larger payments, or payments for a wider array of expenses than was normally allowed under JOBS program rules. These payments typically covered temporary expenses associated with employment, job search, and minor emergencies that had the potential to affect employment (such as having a car break down or not being able to afford suitable work clothes).

PESD case managers tried to maintain a flexible and less bureaucratic approach to service delivery by being informal and trying to minimize an officious approach. They provided individualized services to clients and stressed personal and informal

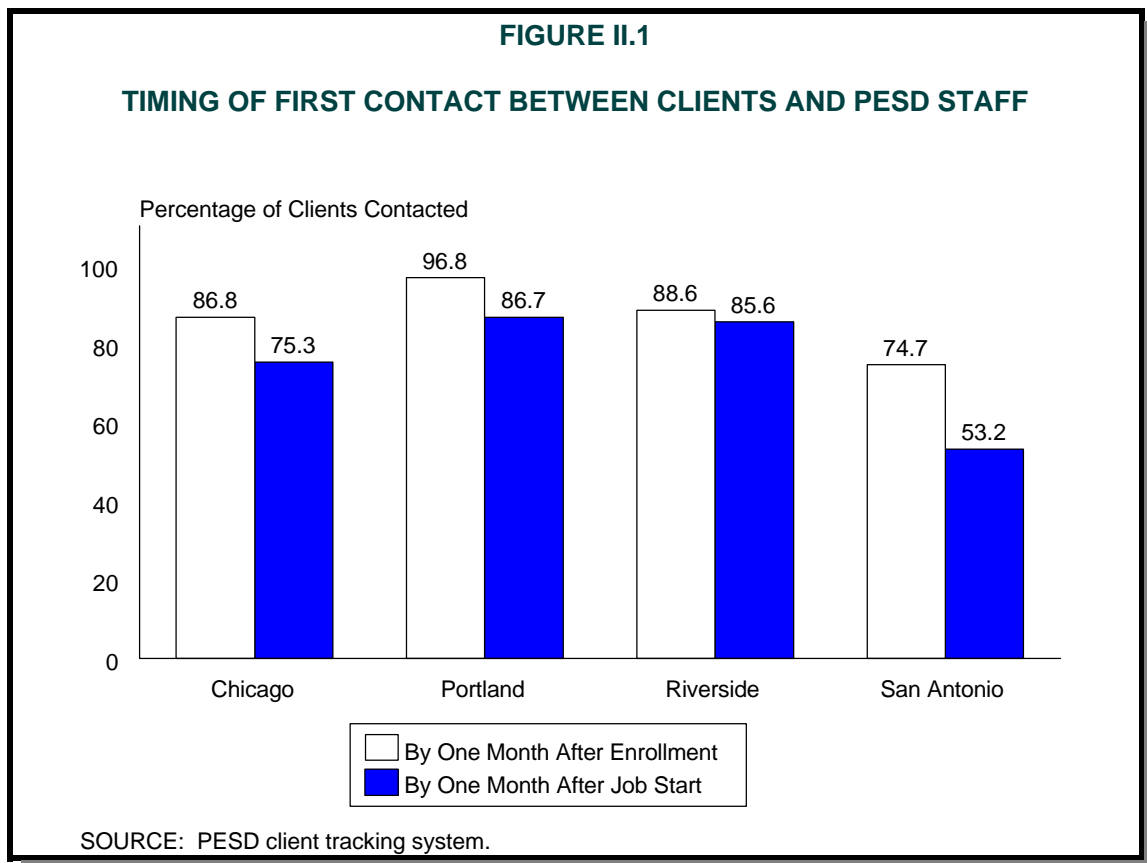
¹³For a more detailed description of program design and services at each of the four sites, see Haimson, Hershey, and Rangarajan (1995). See Haimson and Hershey (1997) for an in-depth discussion of the use of postemployment services.

¹⁴The Chicago program included a job developer who worked half her time on PESD-related activities.

communications. Case managers attempted to maintain regular contact with clients, sent them cards and newsletters, and met them at times and places that were convenient for the clients. The case managers sometimes worked in the evenings or on weekends so they could more easily reach clients who worked during the day. To make it easy for clients to contact them at various times, the case managers either used devices such as beepers or cellular phones, or had telephone answering machines or voice mail systems in their offices.

Extensive outreach and rapid followup enabled PESD case managers to reach most of the clients assigned to them, and the case managers established prompt communications with most clients.¹⁵ In three of the four sites, at least 75 percent of all clients were contacted by a PESD case manager (by telephone or in person) within one month of job start (Figure II.1). In San Antonio, slightly more than half the clients were contacted personally within one month of job start.¹⁶

PESD case managers believed that ongoing contact, especially early in their relationships, would be required to build the trust enabling clients to freely voice their concerns. The sites' schedules for maintaining this contact varied to some degree. The



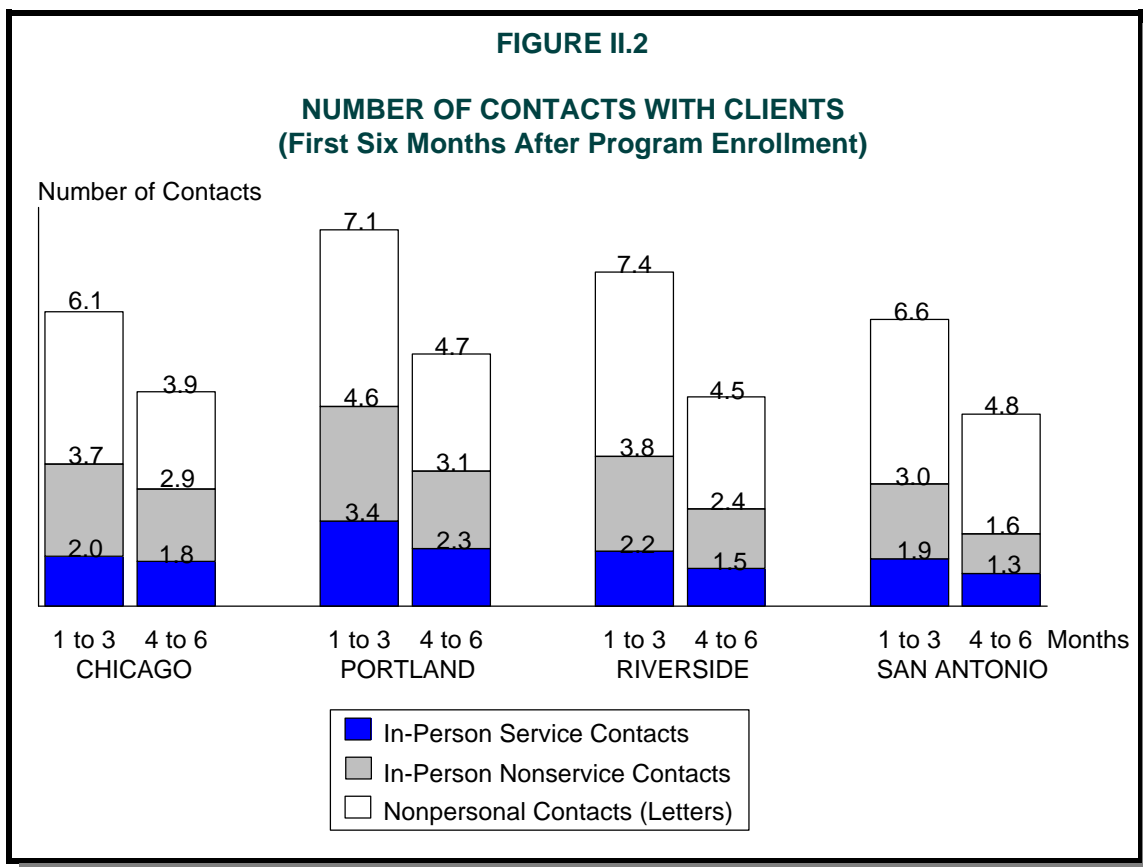
¹⁵All clients also routinely received letters informing them about the programs soon after they were assigned to the program group.

¹⁶In Chicago, Portland, and Riverside, individuals were enrolled into the program soon after job start, so there was only a short gap between job start and program enrollment. In San Antonio, employment service staff members contacted employers to verify their clients' employment status before individuals were assigned to the program. This extra step extended the interval between job start and program enrollment in this site.

Chicago program established an intensive schedule for ongoing contact with clients, and case managers had to report periodically to their supervisors about these contacts. In the other sites, the planned schedules specified less frequent contact, and case managers might have adhered to the schedules less closely, especially if a client did not want to maintain contact. During the first three months of program enrollment, case managers in all the sites had, on average, slightly more than two contacts per month with each client; about half these contacts were direct (by telephone and in person). Service contacts (as opposed to general counseling or “keep in touch” contacts) were less frequent—case managers had about one service contact per month during the first three months after program enrollment in three of the sites; in Portland, they had about 1.5 service contacts per month, on average, during this period.

The sites expected to maintain some degree of contact but also to provide fewer contacts and services with time. As Figure II.2 shows, the average number of contacts did fall, possibly because clients’ concerns decreased over time. It is also likely that growing caseloads and greater than expected difficulties both in initially reaching and in maintaining contact with some clients caused programs to alter their strategies and schedules for staying in touch, especially during the latter part of the demonstration period.

By the end of the enrollment period, each PESD case manager had been assigned an average of 100 to 170 clients. In general, the PESD programs expected to maintain contact with clients during the first few months after job start and anticipated that the need to maintain contact would decline rapidly during later months. However, many clients continued to have problems, and many quickly lost their jobs, so their need for reemployment and retention services was ongoing. After a year from job start, case



managers in Chicago, Portland, and Riverside PESD programs had contacts with 41 to 50 percent of their clients where some service was provided (not shown). Case managers in the San Antonio PESD program had these types of service contacts with about 19 percent of their clients.¹⁷

Individual counseling and support was the most commonly delivered PESD service. Between 60 and 80 percent of PESD clients in each of the four sites received counseling and support during the first six months after PESD program enrollment (Table II.6). Approximately 40 percent of clients across the four sites received job search assistance, and substantial number received help obtaining benefits (such as child care, AFDC, or food stamps) or other resolution of benefit problems.

Service utilization among clients fell over time, reflecting reduction in clients' needs, as well as a program design in which service provision was more intensive during the early months after job start (Table II.7). The reduction in the incidences of services was greatest in Riverside and San Antonio.¹⁸ Despite the reductions in service use, a large number of

TABLE II.6
INCIDENCE OF DIFFERENT CASE MANAGEMENT SERVICES
(First Six Months After Program Enrollment)

	Percentage of PESD Clients Who Ever Received Service			
	Chicago	Portland	Riverside	San Antonio
Counseling ^a	58.5	81.2	81.0	65.9
Job Search Assistance ^b	37.9	43.1	40.2	42.4
Help with Accessing Benefits ^a	50.9	32.2	23.6	64.5
Referral to Child Care Provider ^a	11.2	12.6	23.6	13.8
Referral to Other Services ^a	39.1	33.6	10.4	18.3
Work Expense Payments ^c	59.1	63.9	49.6	16.6
Sample Size	552	357	500	290

SOURCE: PESD service tracking and JOBS program data.

^aDerived from PESD service tracking data.

^bDerived from PESD and JOBS program tracking data.

^cDerived from JOBS program tracking data.

¹⁷As we discuss later, San Antonio had the highest employment level and lowest welfare receipt level among sample members across the four sites; this may partly account for the lower level of service contact in this site.

¹⁸Table II.7 shows the incidence of services provided by PESD case managers during the first six months after program enrollment and for the next six months after program enrollment for an early cohort of sample members for whom we had one year of service tracking data.

TABLE II.7

INCIDENCE OF PESD CASE MANAGEMENT SERVICES,
BY TIME AFTER ENROLLMENT

	Percentage of PESD Clients Who Ever Received Service							
	Chicago		Portland		Riverside		San Antonio	
	Months		Months		Months		Months	
	1-6	7-12	1-6	7-12	1-6	7-12	1-6	7-12
Counseling	62	50	88	70	81	39	70	38
Help With Accessing Benefits	56	28	40	25	24	13	68	33
Referral to Child Care Provider	16	5	13	12	23	8	16	2
Referral to Other Services	49	38	44	27	2	10	22	15
Sample Size	321		197		365		124	

SOURCE: PESD service tracking and JOBS program data.

NOTE: This table contains similar information to Table II.6, except that it includes only an early cohort of sample members for whom we had one year of service tracking data. Consequently, sample sizes are smaller here than in Table II.6. This table allows us to examine service receipt over the 1 to 6 month period and also during the 7 to 12 month period after enrollment for an early cohort of PESD enrollees.

sample members were still receiving services six months after program entry, especially counseling services, and help with accessing benefits.

The PESD programs were pioneering attempts to address the issue of job retention for welfare recipients; therefore, not all program elements worked as had been hoped. Although ACF gave the states general guidelines with respect to providing case management services, no other postemployment service programs existed to serve as models. Consequently, identifying the specific types of postemployment services to be provided, as well as determining how to deliver them effectively and efficiently, required the PESD case managers to exhibit both creativity and flexibility. As case managers familiarized themselves with their clients' needs and reactions to efforts to provide services, they altered aspects of service delivery as necessary. For example, program staff in all four sites had anticipated that case managers would maintain contact with clients' employers and would resolve workplace conflicts or other workplace issues. However, most clients did not want this service, so this component of case management never attained the expected level of importance. Conversely, case managers in some sites had to devote much of their time to correcting errors in welfare benefit payments or in resolving problems with child care payments. Program impacts, discussed in the next chapter, should be interpreted in the context of both the formative nature of the PESD programs and their evolutionary character.

III

IMPACTS ON EMPLOYMENT, EARNINGS, AND WELFARE

The PESD programs used a case management approach to support the employment pathways that welfare recipients take toward self-sufficiency. In this way, they sought to promote sustained employment, thereby increasing earnings and reducing welfare dependency in a manner that would ease clients' transition from welfare to work. To measure the extent to which the PESD programs met these objectives, we examined two questions:

1. Did the programs increase employment and earnings during the two years of followup?
2. Did the programs reduce clients' reliance on AFDC and food stamps during the two years of followup?

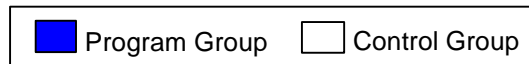
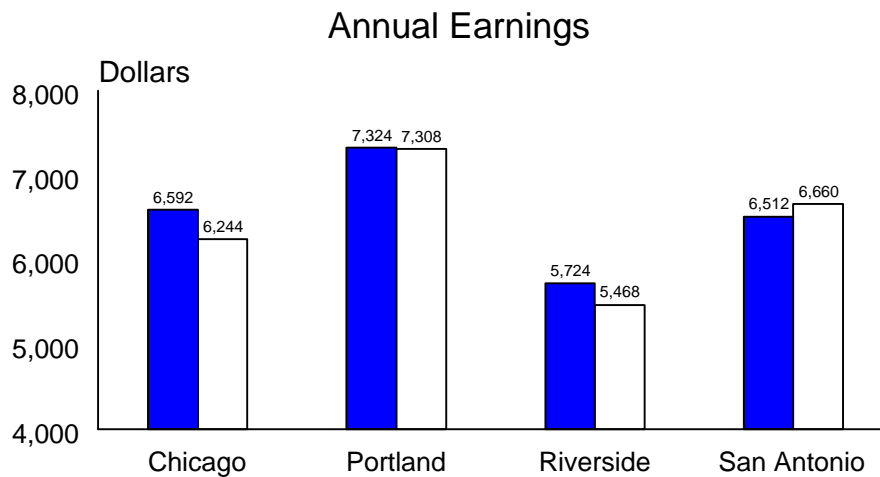
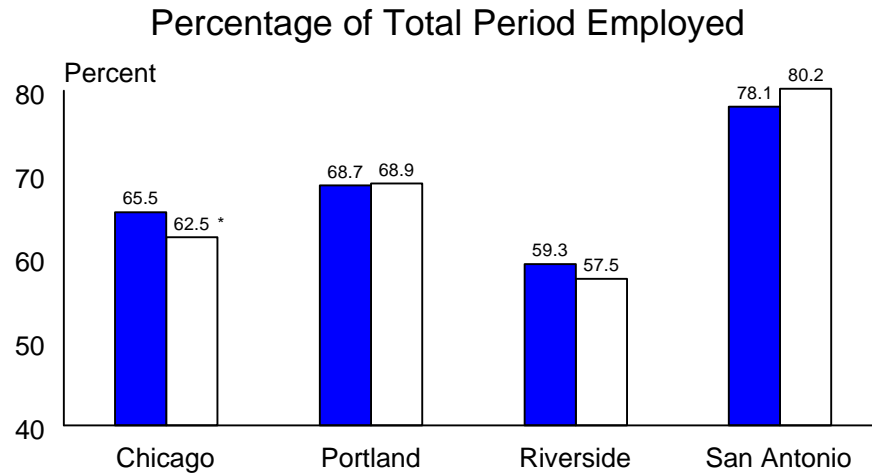
Overall, we found that the programs had small to no impacts on employment, earnings, or welfare receipt. In Chicago, we observe small positive effects on promoting employment and reducing welfare and, in Riverside, small positive effects on promoting employment but no reduction in welfare receipt. The San Antonio program reduced welfare receipt without increasing earnings; that program had small negative effects on employment. Finally, the Portland program had no effects on either employment or welfare receipt. Several factors may account for these modest findings, including the pioneering nature of the PESD programs, the services they delivered, the populations they served, and contextual factors, such as strong economic conditions and services already available in the communities. However, the findings do suggest that case-management-based programs that are similar to those in the PESD and that serve similar populations might be no more successful in promoting job retention. Programs considering providing job retention services should use the lessons learned from the PESD evaluation as they consider setting up their own job retention programs.

A. METHODS AND DATA

To evaluate the programs' effectiveness, we used a random-assignment design, which ensures the creation of two groups of individuals that initially differ only in their access to the program. Because subsequent differences between the groups can be attributed to the incremental services offered by the program, we estimated impacts by comparing mean outcome levels for program and control group members at different points after random assignment. This chapter includes figures that contain program group means and control

FIGURE III.1

EMPLOYMENT AND EARNINGS
DURING THE TWO-YEAR PERIOD AFTER INTAKE



SOURCE: PESD administrative records data.

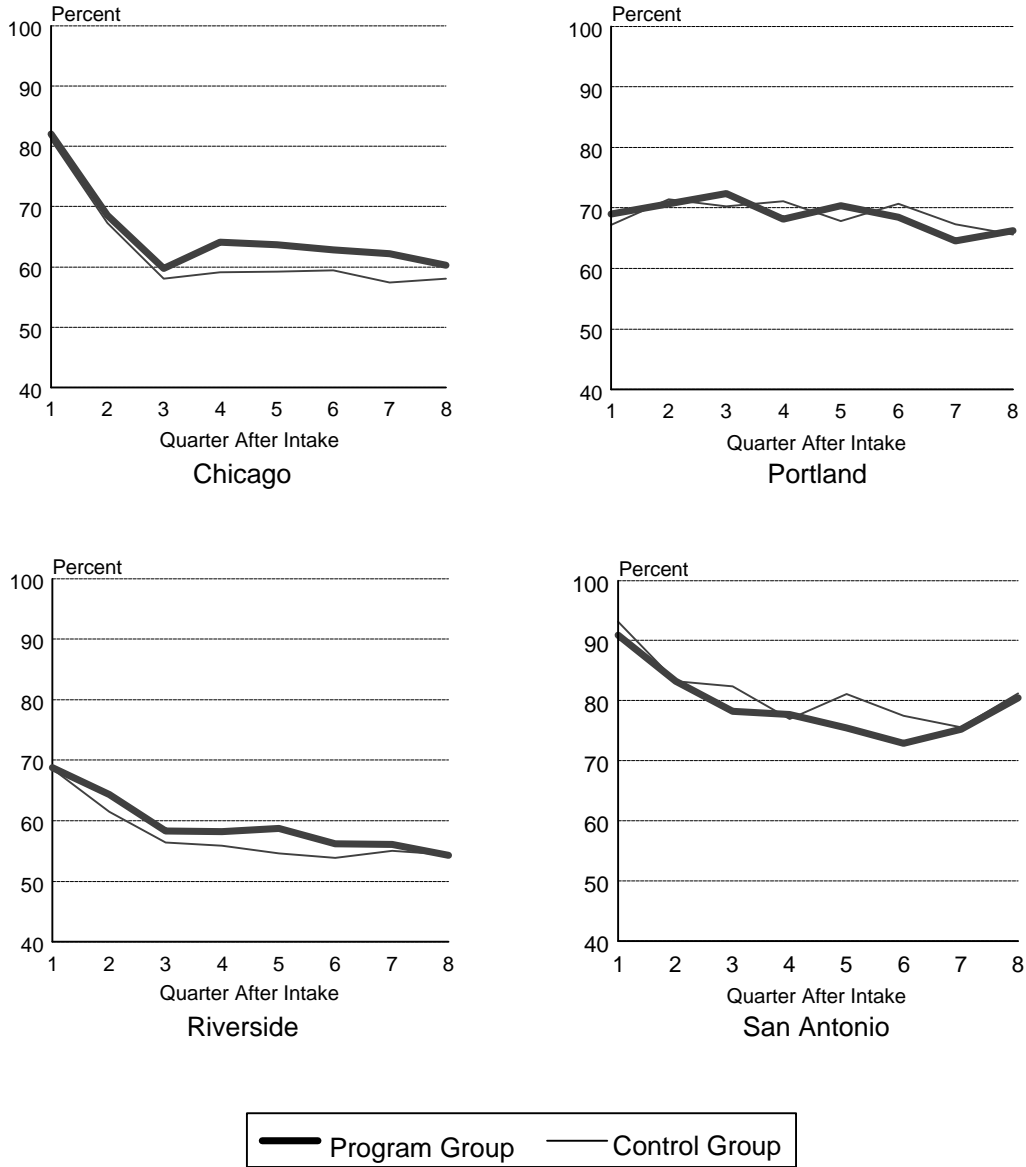
NOTE: Estimates are regression-adjusted. Earnings are in 1996 dollars. See Appendix Table A.1 for the p-values that show the level of significance of the impacts.

*Program-control group differences are significantly different from zero at the 10 percent level, two-tailed test.

**Program-control group differences are significantly different from zero at the 5 percent level, two-tailed test.

FIGURE III.2

PERCENTAGE EMPLOYED,
BY QUARTER AFTER INTAKE

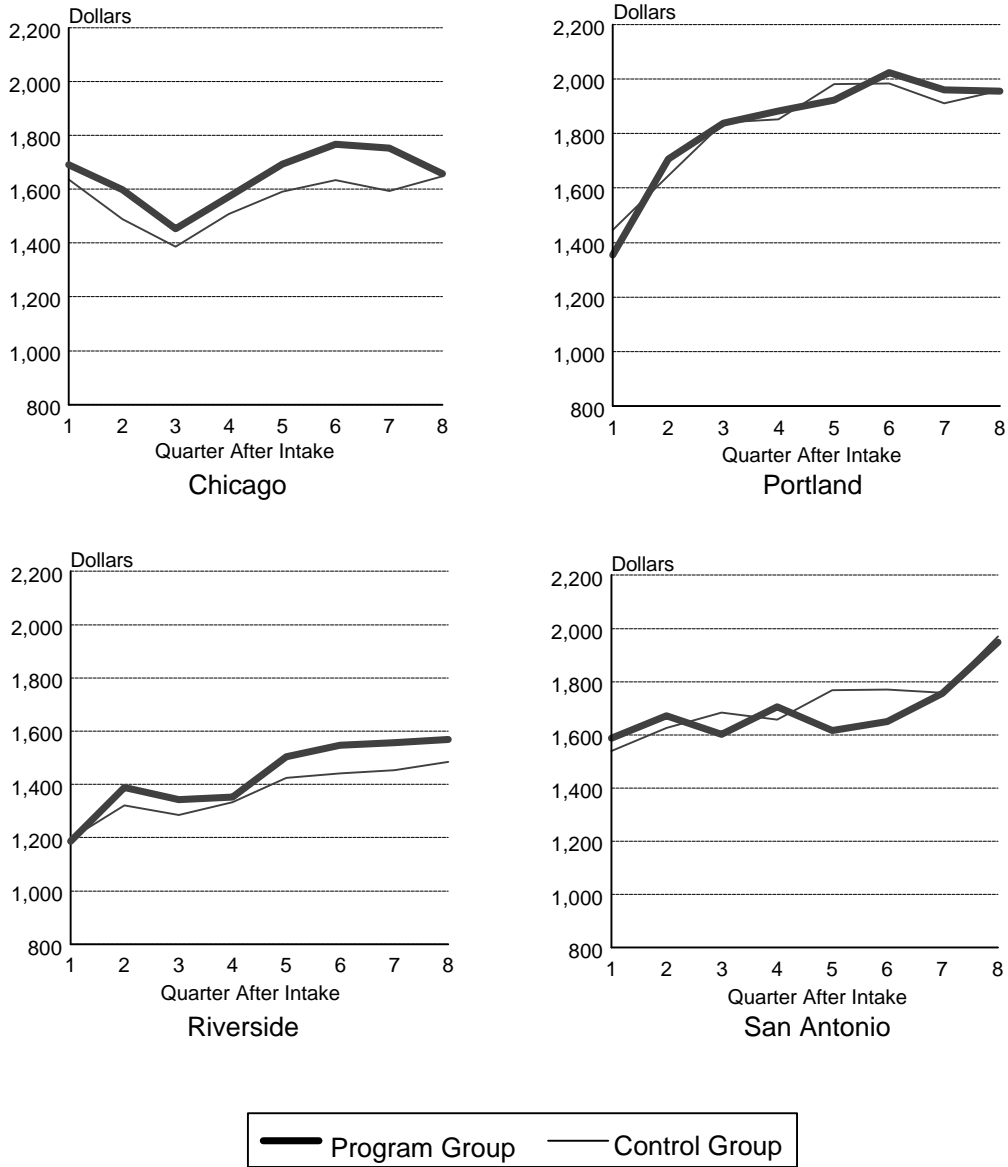


SOURCE: PESD administrative records data.

NOTE: Estimates are regression-adjusted. See Appendix Table A.2 for monthly impact estimates and the associated p-values that show the level of significance of the impacts.

FIGURE III.3

AVERAGE QUARTERLY EARNINGS,
BY QUARTER AFTER INTAKE

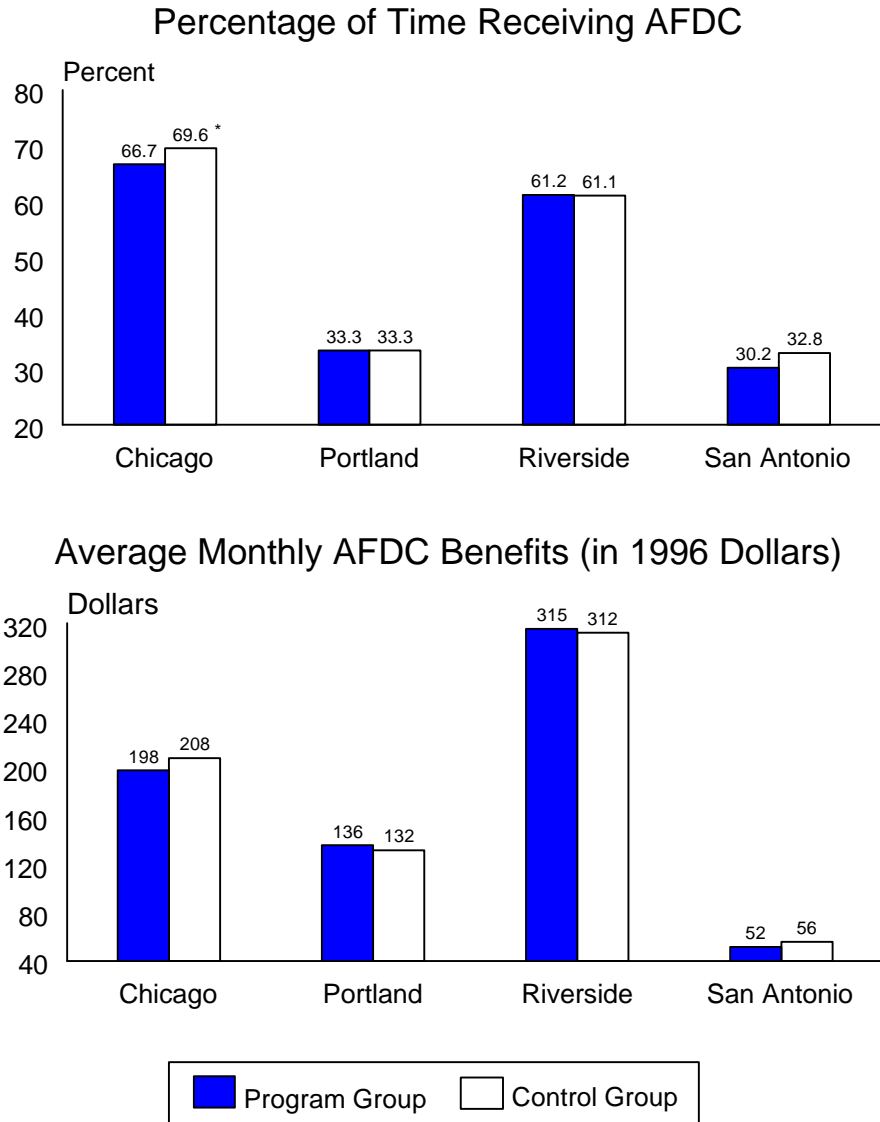


SOURCE: PESD administrative records data.

NOTE: Estimates are regression-adjusted. Earnings are in 1996 dollars. See Appendix Table A.2 for monthly impact estimates and the associated p-values that show the level of significance of the impacts.

FIGURE III.4

AFDC BENEFITS DURING THE TWO-YEAR FOLLOW-UP PERIOD



SOURCE: PESD administrative records data.

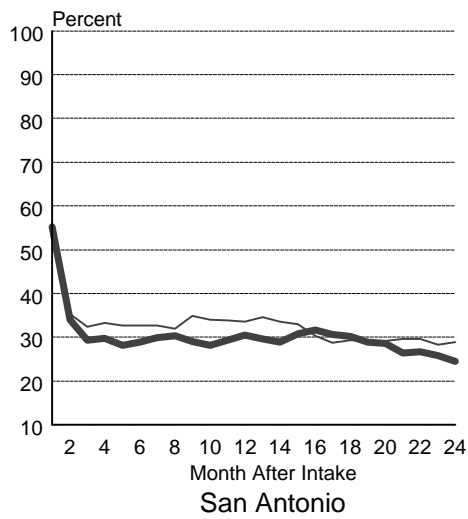
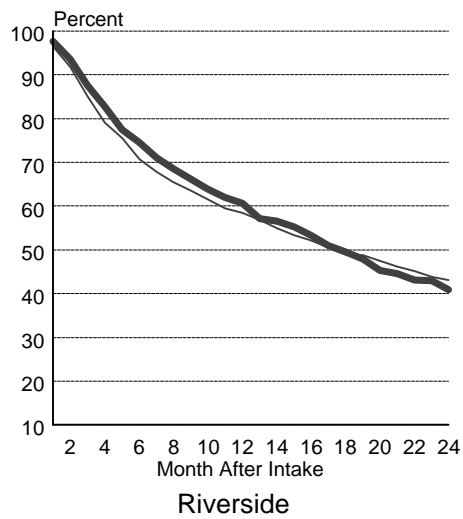
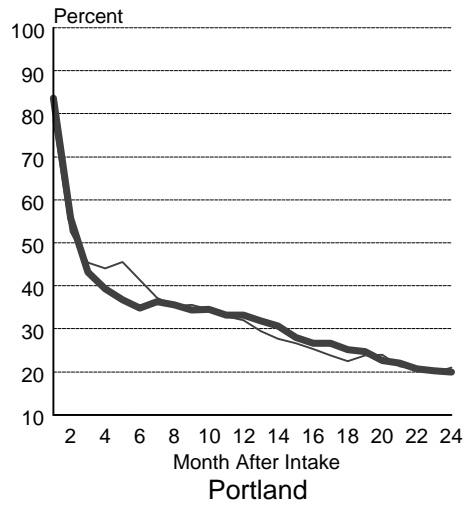
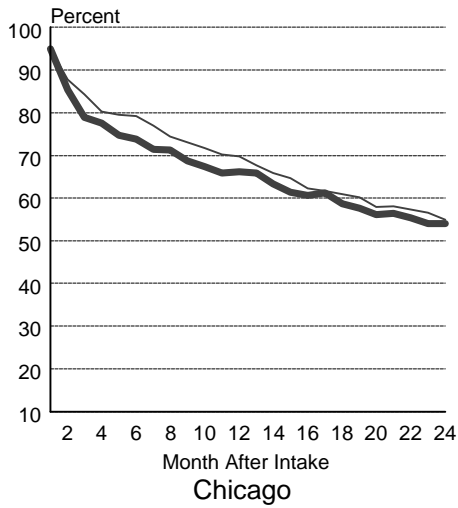
NOTE: Estimates are regression-adjusted. See Appendix Table A.3 for the p-values that show the level of significance of the impacts.

*Program-control group differences are significantly different from zero at the 10 percent level, two-tailed test.

**Program-control group differences are significantly different from zero at the 5 percent level, two-tailed test.

FIGURE III.5

PERCENTAGE RECEIVING AFDC,
BY MONTH AFTER INTAKE



— Program Group — Control Group

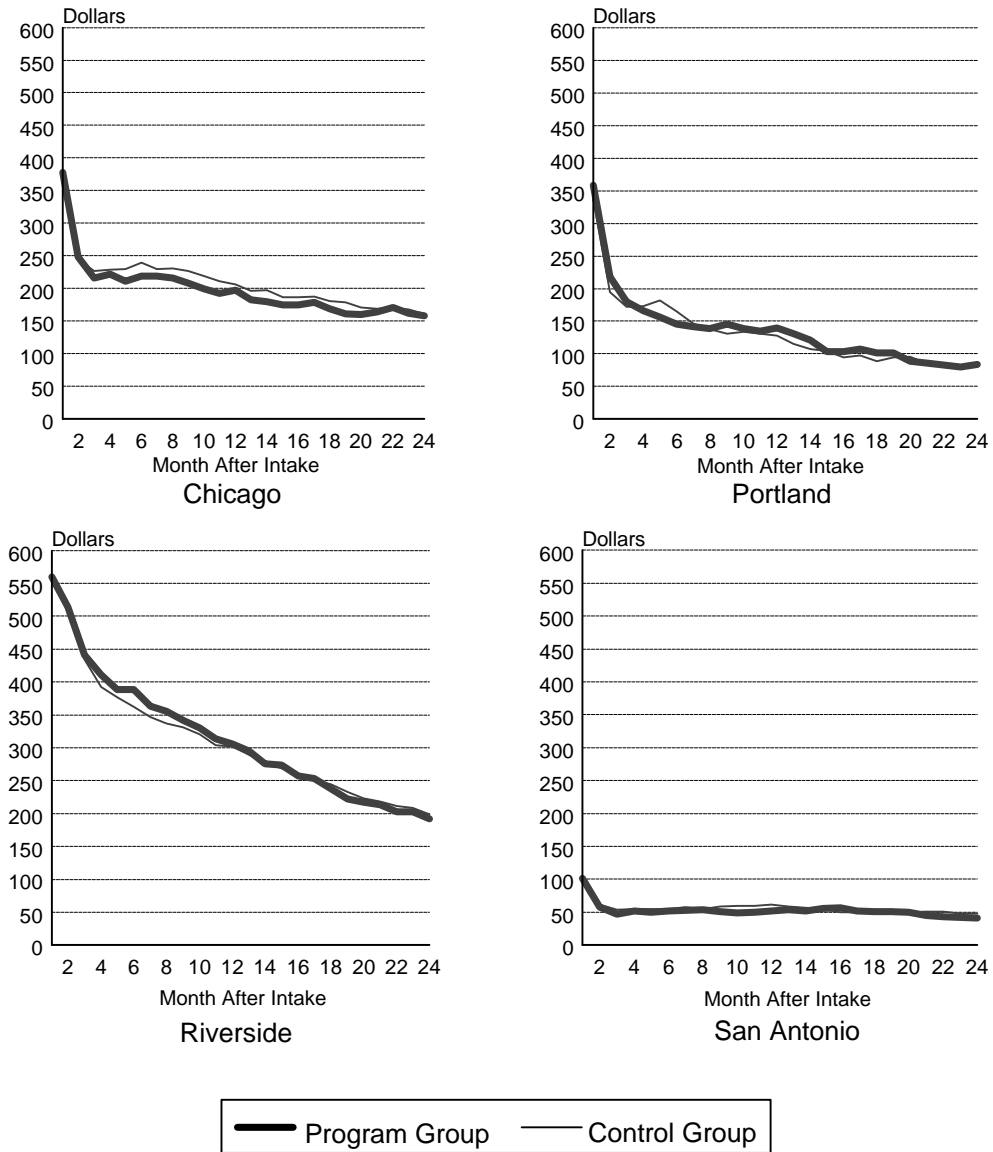
SOURCE: PESD administrative records data.

NOTE: Estimates are regression-adjusted. See Appendix Table A.4 for monthly impact estimates and the associated p-values that show the level of significance of the impacts.

Site-by-site variation in the proportion of sample members receiving AFDC primarily reflects differences in state policies and program contexts related to AFDC benefits and earnings disregards.

FIGURE III.6

AVERAGE MONTHLY AFDC BENEFIT,
BY MONTH AFTER INTAKE



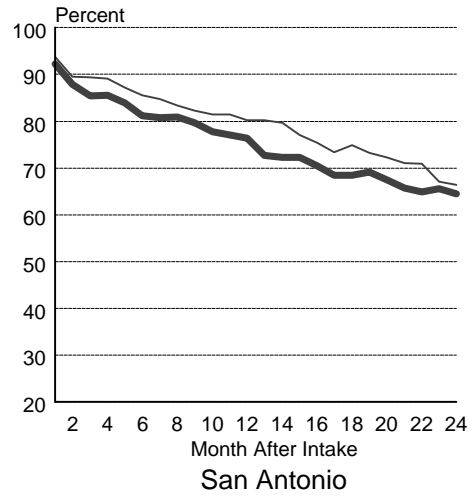
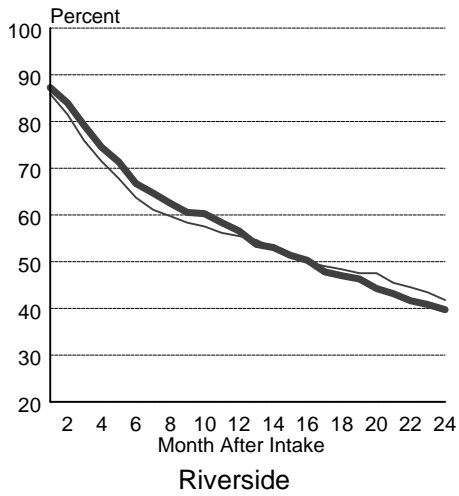
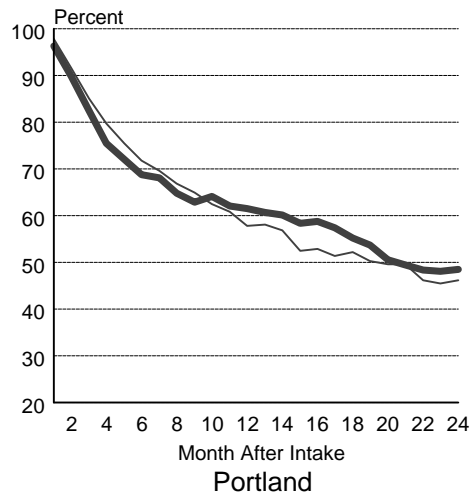
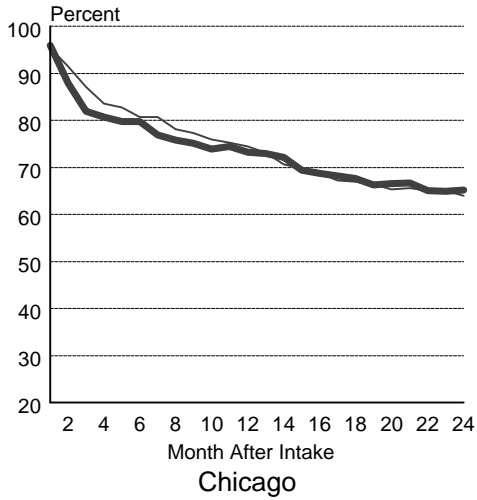
SOURCE: PESD administrative records data.

NOTE: Estimates are regression-adjusted. Benefit amounts are in 1996 dollars. See Appendix Table A.4 for monthly impact estimates and the associated p-values that show the level of significance of the impacts.

Site-by-site variation in the level of AFDC benefit amounts for sample members primarily reflects state policies and program contexts related to AFDC benefits and earnings disregards.

FIGURE III.7

PERCENTAGE RECEIVING FOOD STAMPS,
BY MONTH AFTER INTAKE



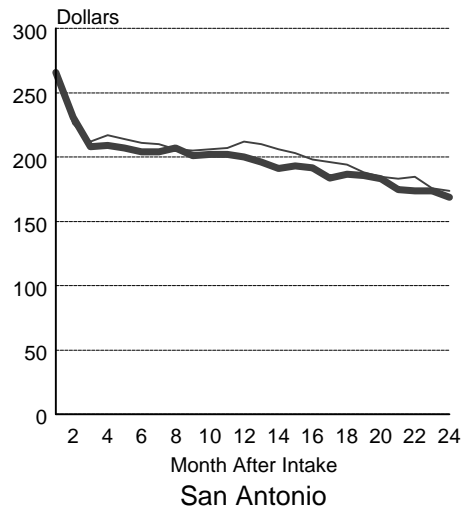
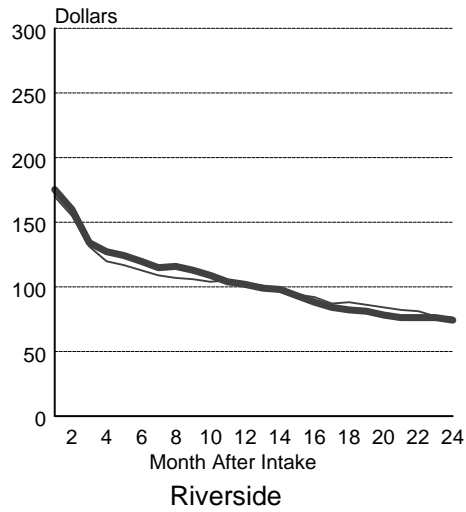
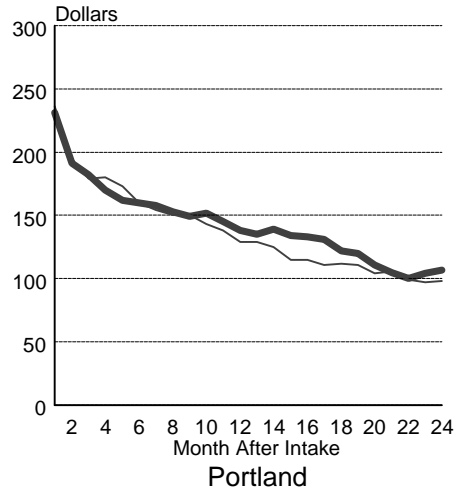
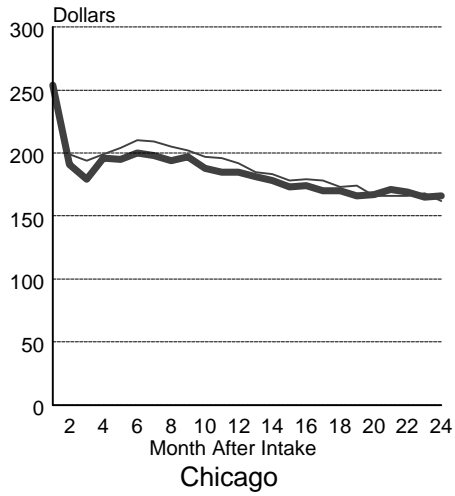
— Program Group — Control Group

SOURCE: PESD administrative records data.

NOTE: Estimates are regression-adjusted. See Appendix Table A.5 for monthly impact estimates and the associated p-values that show the level of significance of the impacts.

FIGURE III.8

AVERAGE MONTHLY FOOD STAMP BENEFIT,
BY MONTH AFTER INTAKE



— Program Group — Control Group

SOURCE: PESD administrative records data.

NOTE: Estimates are regression-adjusted. Food stamp amounts are in 1996 dollars. See Appendix Table A.5 for monthly impact estimates and the associated p-values that show the level of significance of the impacts.

APPENDIX A

SUPPLEMENTAL TABLES

TABLE A.1

EMPLOYMENT AND EARNINGS DURING THE TWO-YEAR FOLLOW-UP PERIOD

	Chicago			Portland			Riverside			San Antonio		
	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value
Percentage of Time Employed												
Two-Year Period	62.5	3.0	0.09*	68.9	-0.2	0.92	57.5	1.8	0.35	80.2	-2.1	0.26
Year 1	66.4	2.2	0.23	70.0	0.0	0.99	60.6	1.8	0.38	83.1	-1.0	0.61
Year 2	58.5	3.9	0.07*	67.8	-0.4	0.87	54.5	1.8	0.43	80.0	-3.5	0.15
Average Number of Quarters Employed												
Two-Year Period	5.0	0.2	0.13	5.5	-0.0	0.92	4.6	0.1	0.35	6.6	-0.1	0.72
Year 1	2.7	0.1	0.23	2.8	0.0	0.99	2.4	0.1	0.38	3.4	-0.0	0.60
Year 2	2.3	0.1	0.13	2.7	-0.0	0.87	2.2	0.1	0.43	3.2	-0.1	0.60
Average Quarterly Earnings (in 1996 Dollars)												
Two-Year Period	1,561	87	0.28	1,827	4	0.97	1,367	64	0.44	1,665	-37	0.67
Year 1	1,505	74	0.35	1,696	0	0.99	1,284	33	0.67	1,593	24	0.77
Year 2	1,621	107	0.26	1,958	7	0.96	1,450	94	0.34	1,793	-104	0.34
Percentage Ever Employed												
Two-Year Period	92.8	1.3	0.36	98.4	-3.4	0.01**	86.4	-0.9	0.66	100.0	0.0	0.99
Year 1	88.5	2.1	0.21	93.3	-2.4	0.22	81.7	-2.1	0.32	99.1	-1.1	0.21
Year 2	75.8	5.5	0.02**	85.5	-0.3	0.92	70.0	1.1	0.64	95.3	-1.1	0.52
Sample Size^b	494-550	1,385-1,545	--	425	804	--	500	1,506	--	318-375	663-754	--

SOURCE: PESD administrative records data.

NOTE: Estimated impacts are regression-adjusted.

^aThe estimated impact represents the difference between the program and control group means.

^bSample sizes fall in a range because of differing numbers of missing values for different characteristics.

*Significantly different from zero at the .10 level, two-tailed test.

**Significantly different from zero at the .05 level, two-tailed test.

TABLE A.2

IMPACTS ON EMPLOYMENT AND EARNINGS, BY QUARTER AFTER SAMPLE INTAKE

	Chicago			Portland			Riverside			San Antonio		
	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value
Percentage of Sample Members Employed												
Quarter 1	81.1	0.9	.65	67.2	1.8	.57	68.6	0.2	.95	93.1	-2.2	.27
Quarter 2	67.3	1.2	.62	71.4	-0.7	.84	61.5	2.8	.29	83.2	-0.0	.99
Quarter 3	58.0	1.7	.51	70.3	2.0	.53	56.4	1.9	.47	82.4	-4.2	.16
Quarter 4	59.1	5.0	.05*	71.1	-3.0	.36	55.9	2.4	.37	76.9	0.8	.81
Quarter 5	59.2	4.5	.08*	67.8	2.6	.44	54.6	4.1	.13	81.1	-5.8	.07*
Quarter 6	59.4	3.4	.19	70.7	-2.1	.52	53.9	2.3	.40	77.5	-4.5	.16
Quarter 7	57.4	4.8	.06*	67.3	-2.8	.41	55.0	1.1	.69	75.5	-0.2	.96
Quarter 8	58.0	2.3	.41	65.6	0.6	.86	54.4	-0.2	.95	81.2	-0.7	.83
Quarterly Earnings (in 1996 Dollars)												
Quarter 1	1,636	55	.50	1,446	-90	.37	1,197	-10	.89	1,540	47	.60
Quarter 2	1,489	108	.24	1,645	63	.61	1,322	67	.47	1,625	47	.64
Quarter 3	1,386	68	.47	1,840	-3	.98	1,285	57	.56	1,684	-81	.44
Quarter 4	1,508	65	.51	1,852	31	.82	1,333	20	.84	1,657	49	.67
Quarter 5	1,592	101	.33	1,981	-57	.68	1,425	79	.46	1,768	-152	.17
Quarter 6	1,634	132	.21	1,984	39	.78	1,441	105	.34	1,770	-119	.32
Quarter 7	1,594	158	.14	1,911	48	.74	1,453	105	.35	1,759	-2	.99
Quarter 8	1,649	8	.94	1,957	-1	.99	1,484	85	.45	1,970	-20	.88
Sample Size	993	1,545	--	379	804	--	1,006	1,506	--	376	748	--

SOURCE: PESD administrative records data.

NOTE: Estimated impacts are regression-adjusted. Impacts correspond to those displayed graphically in Figures 2 and 3.

^aThe estimated impact represents the difference between the program and control group means.

*Significantly different from zero at the .10 level, two-tailed test.

**Significantly different from zero at the .05 level, two-tailed test.

TABLE A.3

AFDC AND FOOD STAMP BENEFITS DURING THE TWO-YEAR FOLLOW-UP PERIOD

	Chicago			Portland			Riverside			San Antonio		
	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value
AFDC												
Percentage of Time Receiving AFDC												
Two-Year Period	69.6	-2.9*	0.10	33.3	0.0	0.99	61.1	0.1	0.54	32.8	-2.6	0.26
Year 1	78.5	-3.9**	0.02	42.9	-1.2	0.63	72.9	2.6	0.14	35.2	-3.4	0.16
Year 2	60.7	-2.0	0.37	23.8	1.2	0.65	49.3	-0.3	0.91	30.3	-1.8	0.51
Average Monthly AFDC Benefits (in 1996 Dollars)												
Two-Year Period	208	-10	0.12	132	4	0.70	312	3	0.77	56	-4	0.39
Year 1	238	-11	0.11	169	6	0.54	382	11	0.29	61	-5	0.23
Year 2	179	-10	0.21	95	5	0.66	240	-5	0.73	51	-2	0.70
Food Stamps												
Percentage of Time Receiving Food Stamps												
Two-Year Period	74.6	-0.9	0.58	62.3	0.9	0.70	57.1	0.6	0.75	79.5	-4.1**	0.04
Year 1	81.9	-2.3	0.13	73.7	-1.4	0.51	66.2	2.7	0.17	85.7	-3.3*	0.08
Year 2	67.3	0.5	0.81	50.7	3.4	0.24	48.0	-1.4	0.56	73.4	-5.0*	0.06
Average Food Stamp Benefits (in 1996 Dollars)												
Two-Year Period	189	-5	0.30	138	5	0.36	104	0	0.93	204	-6	0.33
Year 1	205	-8*	0.10	165	1	0.92	120	4	0.29	216	-4	0.46
Year 2	173	-2	0.71	110	11	0.14	87	-3	0.51	192	-8	0.33
Sample Size^b	990	1,540		411-425	784-803		494-499	1,488-1,504		384	774	

SOURCE: PESD administrative records data.

NOTE: Estimated impacts are regression adjusted.

^aThe estimated impact represents the difference between the program and control group means.

^bSample sizes fall in a range because of differing numbers of missing values for different characteristics.

*Significantly different from zero at the .10 level, two-tailed test.

**Significantly different from zero at the .05 level, two-tailed test.

TABLE A.4

IMPACTS ON AFDC RECEIPT AND BENEFIT AMOUNTS

	Chicago			Portland			Riverside			San Antonio		
	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value
Percentage of Sample Members Receiving AFDC												
Month 1	95.0	0.0	0.99	78.5	5.1	0.06*	96.5	1.2	0.20	56.1	-0.9	0.81
Month 2	87.7	-2.3	0.19	52.5	3.2	0.36	91.8	1.8	0.20	35.3	-1.3	0.72
Month 3	84.3	-5.4	0.01**	45.4	-2.3	0.51	85.1	2.5	0.17	32.3	-3.1	0.36
Month 4	80.3	-2.8	0.19	44.1	-5.0	0.15	79.1	3.6	0.09*	33.3	-3.5	0.30
Month 5	79.5	-4.8	0.02**	45.5	-8.7	0.01**	75.6	1.7	0.44	32.6	-4.6	0.17
Month 6	79.2	-5.4	0.01**	41.3	-6.5	0.05*	70.8	3.9	0.11	32.6	-3.8	0.26
Month 7	77.0	-5.6	0.01**	37.2	-0.9	0.78	67.8	3.2	0.20	32.6	-2.8	0.41
Month 8	74.5	-3.3	0.14	35.2	0.3	0.92	65.5	3.1	0.22	31.9	-1.5	0.65
Month 9	73.1	-4.2	0.06*	35.5	-1.1	0.75	63.6	2.6	0.31	34.8	-5.7	0.09*
Month 10	71.7	-4.4	0.06*	34.5	-0.0	1.00	61.6	2.2	0.37	33.9	-5.9	0.08*
Month 11	70.3	-4.5	0.05*	32.9	0.3	0.93	59.4	2.5	0.34	33.8	-4.5	0.18
Month 12	69.8	-3.7	0.12	32.0	1.1	0.75	58.5	2.1	0.43	33.6	-3.2	0.34
Month 13	67.6	-1.8	0.46	29.4	2.4	0.45	56.8	0.4	0.88	34.5	-4.9	0.14
Month 14	65.9	-2.6	0.28	27.6	3.0	0.35	54.9	1.6	0.54	33.5	-4.6	0.16
Month 15	64.6	-3.3	0.18	26.6	1.4	0.66	53.3	1.9	0.49	32.9	-2.2	0.51
Month 16	62.3	-1.6	0.53	25.2	1.4	0.65	52.1	1.2	0.65	30.3	1.3	0.69
Month 17	61.7	-0.5	0.84	23.8	2.9	0.35	50.5	0.5	0.83	28.7	1.9	0.55
Month 18	61.0	-2.4	0.35	22.4	2.7	0.38	49.0	0.7	0.81	29.3	1.0	0.77
Month 19	60.1	-2.4	0.34	23.8	1.0	0.76	48.8	-0.8	0.77	29.2	-0.4	0.89
Month 20	58.0	-1.9	0.47	23.9	-1.4	0.65	47.5	-2.2	0.42	29.1	-0.6	0.86
Month 21	58.1	-1.7	0.52	21.3	0.7	0.82	46.2	-1.6	0.55	29.6	-3.2	0.31
Month 22	57.4	-2.1	0.42	20.6	0.1	0.98	45.1	-2.0	0.45	29.6	-2.9	0.37
Month 23	56.6	-2.6	0.30	19.8	0.1	0.86	43.9	-1.0	0.69	28.3	-2.6	0.43
Month 24	54.9	-0.9	0.73	20.9	-0.1	0.77	43.1	-2.2	0.41	28.8	-4.4	0.14
Monthly AFDC Benefits (in 1996 Dollars)												
Month 1	365	22	0.36**	337	21	0.12	552	8	0.37	101	-1	0.93
Month 2	244	4	0.71	195	23	0.13	508	5	0.61	61	-3	0.60
Month 3	227	-11	0.23	172	7	0.63	434	7	0.57	54	-6	0.29
Month 4	229	-7	0.46	173	-7	0.64	392	19	0.17	55	-4	0.55
Month 5	230	-19	0.05*	182	-26	0.10*	677	12	0.41	55	5	0.45
Month 6	240	-21	0.04**	165	-18	0.22	362	26	0.07*	55	-3	0.63
Month 7	230	-11	0.27	147	-5	0.74	347	16	0.27	58	-5	0.44

TABLE A.4 (continued)

	Chicago			Portland			Riverside			San Antonio		
	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value
Month 8	231	-14	0.15	138	1	0.93	337	18	0.23	55	-1	0.93
Month 9	227	-19	0.06*	131	15	0.31	331	10	0.49	59	-8	0.89
Month 10	219	-21	0.03**	134	5	0.73	320	10	0.53	59	-10	0.10
Month 11	211	-19	0.06*	131	5	0.74	304	11	0.49	60	-10	0.12
Month 12	206	-9	0.38	128	12	0.42	302	5	0.76	61	-10	0.13
Month 13	196	-12	0.20	115	16	0.26	289	6	0.67	59	-4	0.49
Month 14	197	-17	0.09*	107	14	0.30	277	-1	0.93	57	-5	0.40
Month 15	187	-12	0.21	104	-1	0.96	269	5	0.76	55	1	0.82
Month 16	187	-12	0.24	95	9	0.50	258	-1	0.96	50	7	0.28
Month 17	188	-9	0.36	98	10	0.48	250	3	0.86	50	2	0.72
Month 18	181	-11	0.24	89	11	0.40	244	-6	0.70	50	1	0.85
Month 19	179	-17	0.07*	95	6	0.66	233	-10	0.48	50	2	0.73
Month 20	171	-10	0.26	96	-6	0.64	223	-6	0.69	50	1	0.89
Month 21	169	-5	0.57	85	1	0.93	218	-5	0.74	50	-6	0.30
Month 22	170	1	0.93	82	1	0.95	211	-8	0.57	51	-8	0.17
Month 23	168	-7	0.50	78	1	0.94	208	-5	0.74	48	-6	0.29
Month 24	161	-3	0.71	87	-2	0.85	199	-7	0.64	48	-7	0.22
Sample Size^b	990	1,540	--	375-378	781-803	--	978-1,005	1,471-1,504	--	390	773-774	--

SOURCE: PESD administrative records data.

NOTE: Estimated impacts are regression-adjusted.

^aThe estimated impact represents the difference between the program and control group means.

^bSample sizes fall in a range because of differing numbers of missing values for different characteristics.

*Significantly different from zero at the .10 level, two-tailed test.

**Significantly different from zero at the .05 level, two-tailed test.

TABLE A.5

IMPACTS ON FOOD STAMP RECEIPT AND BENEFIT AMOUNTS

	Chicago			Portland			Riverside			San Antonio		
	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value
Percentage of Sample Members Receiving Food Stamps												
Month 1	95.4	0.6	0.58	97.8	-1.4	0.24	85.8	1.4	0.45	93.8	-1.5	0.40
Month 2	91.5	-3.5	0.02**	91.6	-1.9	0.37	81.5	2.6	0.21	89.5	-1.6	0.48
Month 3	87.1	-5.2	0.01**	85.0	-2.5	0.34	75.8	3.4	0.13	89.4	-4.0	0.09*
Month 4	83.6	-2.9	0.14	79.7	-4.2	0.16	71.5	3.0	0.21	89.1	-3.5	0.13
Month 5	82.7	-2.9	0.14	75.5	-3.5	0.26	67.8	3.5	0.16	87.2	-3.3	0.19
Month 6	80.8	-1.1	0.60	71.7	-2.9	0.36	63.7	3.0	0.24	85.6	-4.5	0.09*
Month 7	80.7	-3.8	0.07*	69.5	-1.5	0.65	61.1	3.6	0.16	84.7	-4.0	0.13
Month 8	78.1	-2.3	0.30	66.9	-2.2	0.49	59.7	2.8	0.29	83.4	-2.4	0.37
Month 9	77.3	-2.2	0.31	64.9	-2.0	0.54	58.3	2.3	0.40	82.3	-2.6	0.33
Month 10	75.9	-2.0	0.36	62.4	1.8	0.59	57.6	2.6	0.33	81.4	-3.7	0.19
Month 11	75.3	-0.9	0.69	60.8	1.2	0.72	56.2	2.1	0.43	81.5	-4.5	0.11
Month 12	74.4	-1.3	0.58	57.8	3.8	0.27	55.4	1.1	0.68	80.2	-3.9	0.17
Month 13	73.1	-0.1	0.97	58.0	2.7	0.43	54.7	-1.0	0.73	80.2	-7.5	0.01**
Month 14	70.6	1.5	0.52	56.8	3.3	0.33	52.9	0.0	0.99	79.7	-7.5	0.01**
Month 15	69.8	-0.3	0.90	52.5	5.7	0.09	51.3	0.1	0.98	77.0	-4.7	0.12
Month 16	68.8	-0.0	1.00	52.9	5.8	0.09	49.8	0.5	0.86	75.4	-5.0	0.11
Month 17	67.3	1.0	0.69	51.4	5.9	0.08	49.0	-1.2	0.66	73.4	-5.0	0.11
Month 18	67.0	0.7	0.79	52.2	3.1	0.38	48.4	-1.4	0.60	74.8	-6.3	0.04**
Month 19	66.5	-0.2	0.92	50.3	3.4	0.33	47.6	-1.3	0.62	73.2	-4.1	0.19
Month 20	65.3	1.4	0.58	49.6	0.8	0.81	47.5	-3.3	0.22	72.2	-4.8	0.14
Month 21	65.6	1.1	0.64	49.6	-0.1	0.98	45.5	-2.4	0.37	71.1	-5.4	0.10*
Month 22	65.1	-0.0	1.00	46.1	2.3	0.52	44.5	-2.9	0.27	70.9	-6.1	0.06*
Month 23	65.1	-0.1	0.96	45.4	2.6	0.48	43.4	-2.6	0.33	67.1	-1.5	0.65
Month 24	64.0	1.3	0.60	46.1	2.4	0.49	41.8	-2.2	0.41	66.4	-1.9	0.57
Monthly Food Stamp Benefits (in 1996 Dollars)												
Month 1	255	-0	0.93	236	-4.5	0.46	170	4.2	0.35	267	-0	0.94
Month 2	199	-8	0.19	193	-2.7	0.72	155	5.1	0.30	266	5	0.47
Month 3	194	-14	0.03**	189	3.1	0.68	131	2.7	0.58	212	-4	0.60
Month 4	199	-3	0.69	180	-9.9	0.22	120	6.5	0.21	217	-8	0.28
Month 5	204	-9	0.17	173	-10.7	0.19	117	7.4	0.15	214	-7	0.34
Month 6	210	-10	0.19	160	-0.4	0.96	113	6.3	0.25	211	-7	0.40

TABLE A.5 (continued)

	Chicago			Portland			Riverside			San Antonio		
	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value
Month 7	209	-10	0.14	154	4.2	0.62	109	6.1	0.27	210	-6	0.45
Month 8	205	-11	0.12	150	3.6	0.68	107	8.4	0.13	206	1	0.91
Month 9	202	-5	0.46	150	-0.7	0.93	106	6.7	0.23	205	-4	0.64
Month 10	197	-9	0.21	143	8.5	0.34	104	4.6	0.42	206	-4	0.62
Month 11	196	-10	0.15	138	6.5	0.47	105	-1.2	0.84	207	-5	0.58
Month 12	192	-7	0.33	129	1.0	0.26	103	-0.6	0.91	212	-13	0.16
Month 13	185	-4	0.57	129	6.7	0.44	101	-2.6	0.66	210	-14	0.12
Month 14	193	-5	0.48	125	14.3	0.11	96	2.3	0.69	206	-15	0.10
Month 15	178	-5	0.49	115	19.5	0.03**	94	-0.5	0.93	203	-10	0.30
Month 16	179	-5	0.54	115	18.6	0.03**	92	-4.1	0.48	198	-6	0.51
Month 17	178	-8	0.29	111	19.4	0.03**	87	-2.9	0.61	196	-13	0.18
Month 18	173	-3	0.65	112	10.3	0.23	88	-5.5	0.35	194	-7	0.46
Month 19	174	-8	0.30	111	8.4	0.33	86	-4.5	0.43	188	-2	0.85
Month 20	166	-1	0.86	104	6.3	0.46	84	-6.2	0.29	185	-2	0.83
Month 21	166	5	0.48	106	-0.5	0.95	82	-5.4	0.35	183	-9	0.39
Month 22	166	3	0.68	99	1.3	0.88	81	-5.0	0.39	185	-11	0.28
Month 23	168	-3	0.67	97	7.5	0.37	77	-1.7	0.77	176	-3	0.79
Month 24	162	4	0.57	98	8.4	0.31	76	-2.8	0.63	174	-5	0.62
Sample Size^b	990	1,540	--	372-378	794-803	--	970-1,005	1,454-1,504	--	390	773-774	--

SOURCE: PESD administrative records data.

NOTE: Estimated impacts are regression-adjusted.

^aThe estimated impact represents the difference between the program and control group means.

^bSample sizes fall in a range because of differing numbers of missing values for different characteristics.

*Significantly different from zero at the .10 level, two-tailed test.

**Significantly different from zero at the .05 level, two-tailed test.

TABLE A.6

TOTAL INCOME AND ITS SOURCES DURING THE TWO-YEAR FOLLOW-UP PERIOD

	Chicago			Portland			Riverside			San Antonio		
	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value	Control Group Mean	Estimated Impact ^a	p-Value
Average Annual Income (in 1996 Dollars)	11,032	99	0.71	10,548	113	0.75	10,460	309	0.32	9,770	-301	0.38
Earnings (in 1996 Dollars)	6,244	348	0.28	7,307	15	0.97	5,469	254	0.44	6,660	-149	0.67
Unearned Income (in 1996 Dollars)												
AFDC	2,501	-120	0.12	1,580	42	0.70	3,743	38	0.77	676	-44	0.39
Food stamps	2,268	-62	0.30	1,650	66	0.36	1,248	4	0.93	2,446	-76	0.33
Proportional Contribution of Various Sources to Total Income (Percentage)												
Earnings	47.2	3.0*	0.07	60.5	-1.3	0.56	44.1	0.6	0.97	61.1	1.0	0.59
AFDC	27.9	-1.9*	0.06	19.4	0.8	0.59	42.3	-0.1	0.96	9.6	-1.0	0.20
Food stamps	24.9	-1.0	0.19	20.3	0.4	0.71	13.7	0.0	0.99	30.9	-2.4	0.86
Income as Percentage of Poverty Level (Percentage)		^b										
Less than 75	48.9	-5.3	0.07	43.7	-0.1	0.80	45.6	-2.3	0.59	58.0	-0.3	0.95
75 to 99	24.3	5.0		27.4	-1.8		27.9	0.0		23.8	0.9	
100 or higher	26.8	0.3		28.9	1.9		26.4	2.3		18.2	-0.6	
(Average)	(84.0)	(0.9)			(0.9)			(2.4)			(-2.0)	
Sample Size	990	1,540		379	804		1,002	1,500		379	754	

SOURCE: PESD administrative records data.

NOTE: Estimated impacts are regression-adjusted.

^aThe estimated impact represents the difference between the program and control group means.

^bThe distribution of income as a percentage of the poverty level is statistically significant at the .10 level, two-tailed test.

*Significantly different from zero at the .10 level, two-tailed test.

**Significantly different from zero at the .05 level, two-tailed test.

