
**UNDERSTANDING THE DYNAMICS OF DISCONNECTION FROM
EMPLOYMENT AND ASSISTANCE**

FINAL REPORT EXECUTIVE SUMMARY

OPRE Report 2014-42

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Heather Sandstrom, Sandra Huerta, and Pamela Loprest, Urban Institute

Kristin Seefeldt, University of Michigan

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Emily Schmitt
Department of Health and Human Services
Administration for Children and Families
Office of Planning, Research and Evaluation
370 L'Enfant Promenade SW
Washington, DC 20447

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Project Director: Pamela Loprest
Urban Institute
2100 M Street NW
Washington, DC 20037

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Executive Summary

Since the creation of Temporary Assistance for Needy Families (TANF) in 1996, there has been concern about low-income individuals who may be eligible for TANF cash assistance but are neither receiving TANF nor working. These individuals are often referred to as “disconnected.” Many studies have explored the pervasiveness and circumstances of disconnected families; however, significant gaps in our knowledge remain. In particular, research is limited on the following related questions:

1. Why do women become disconnected? What are the barriers these mothers face in seeking and maintaining employment and public benefits? Are there characteristics or specific challenges faced by some mothers that put them at higher risk for disconnection? What could be done to address or avoid these circumstances or help to mitigate these challenges and thus limit disconnection?
2. How do disconnected women manage financially? Are women who are disconnected from work and TANF also disconnected from other sources of support? What role do cohabiting partners and social support networks play in families’ economic coping strategies?
3. What are the circumstances of families while disconnected from work or TANF benefits? What kind of hardships or negative impacts do women and their children experience? In particular, what is the effect of being disconnected on housing stability, food security, and child and family well-being? What could be done to improve these circumstances and mitigate these hardships?

Furthermore, little is known about disconnected immigrant families—some of whom may be eligible for TANF or who have citizen children eligible for the program.

In 2011, the Office of Planning, Research and Evaluation in the Administration for Children and Families, U.S. Department of Health and Human Services, contracted the Urban Institute to conduct the study *Understanding the Dynamics of Disconnection from Employment and Assistance*. The main goal of the project was to gather information about low-income mothers who are disconnected from employment and assistance to enhance the government’s knowledge about the circumstances, experiences, and well-being of disconnected mothers and their children, and to develop hypotheses for potential future research.

The study included two sites, one in Southeast Michigan that had been economically devastated by the Great Recession, and the second in Los Angeles, California, that had a large Latino immigrant population. The sample was drawn from two existing household surveys being implemented in these areas. The sample included 51 unmarried, low-income women—22 in Michigan and 29 in Los Angeles—who met the following eligibility criteria: (1) had at least one resident child under the age of 18, (2) had been unemployed for a cumulative six months within the past two years, and (3) did not receive TANF cash assistance during periods of unemployment. The Michigan

sample included predominantly African American citizens whereas the Los Angeles sample was largely Latino immigrant women. All participants in Los Angeles were mothers with a 3-year-old child due to the survey from which the sample was drawn.

Researchers conducted in-depth qualitative interviews approximately 90 minutes in length in respondents' homes. A semi-structured interview guide targeted specific topics of interest, including employment history, experience applying for and receiving public benefits, reasons for disconnection from employment and TANF, material hardship and residential stability, family and child well-being, sources of support, and coping strategies. Analyses of interview data within and across sites identified key themes related to respondents' experiences of being disconnected from employment and public assistance.

The results from the two study samples highlight some important differences among disconnected mothers associated with place, immigration status, and having young children. However, despite differences in the two samples, many similarities in circumstances and struggles emerged that suggest more universal issues among all disconnected mothers.

Reasons for Disconnection from Employment

- Limited job opportunities and work experience kept women unemployed.

The 22 women in the Michigan sample identified themselves as workers, even though many had not worked in several years. They had worked primarily in low-wage jobs, but some had held service positions within the municipal government. After leaving jobs for reasons including child care and transportation problems, being fired, or being laid off, women in Michigan cited the lack of employment opportunities in the area as being the main reason they were still unemployed. Some of them expressed concern that the length of time they had been unemployed was a barrier to finding a job. Several women in Los Angeles also struggled to find jobs for which they were qualified and were frustrated with the lack of response from potential employers.

- Many immigrant women lacked working papers and English proficiency.

Recent and undocumented immigrants faced particular barriers to finding work. For some, past experience did not translate to the US job market; for others, employers took advantage of their circumstances to pay very low wages. Some also noted their limited ability to speak English as a barrier.

- Women struggled to balance caregiving responsibilities with employment outside the home.

Many women prioritized their role as mothers over work, even when their disconnection from employment led to great material hardship. Some mothers in Los Angeles opted not to work at present so that they could stay at home with their young children until

they started school. This was particularly the case for families with special needs children.

- High child care expenses made working not worth it financially.

For women who did want to work, lack of affordable and reliable child care was a large constraint for women, particularly in Los Angeles. The high costs of care exceeded the pay they could earn in low-wage jobs, making working not worth it financially. Women also had issues arranging care with hours that matched jobs' unpredictable or nonstandard hours, finding care for multiple children or children with special needs, and accessing public programs such as Head Start, prekindergarten, and child care subsidies, which had waiting lists.

- Transportation in isolated areas was a significant barrier to finding and maintaining employment.

Transportation was also reported as a major barrier to working and retaining jobs, particularly in Michigan where public transportation was not a viable solution for many mothers because it did not reach available jobs, was infrequent, or did not run at necessary hours. The necessity of having a car and the cost of maintaining and paying for gas was a significant barrier for many mothers.

Reasons for Disconnection from TANF

The majority of women in Michigan had some TANF experience while less than one-third of women in Los Angeles had ever used TANF. In Michigan, one-third of women no longer used the program because they had hit the state's time limit. Other women reported that they opted not to use the program because of the hassle involved in applying and complying with work requirements and/or they believed others needed to use the program more than they did. Some women opted for child support or Supplemental Security Income (SSI) benefits for children (where eligible) in lieu of TANF. (Even though federal and state policy do not limit receipt to one or the other program, some women believed based on what caseworkers told them that both benefits could not be received simultaneously, some preferred child support or SSI due to the stigma associated with TANF, and some thought they could get more money (or the same amount) from child support or SSI than from TANF with less effort. Additionally, child support payments to TANF recipients may be reduced by the state to recoup TANF expenses; mothers preferred receiving the full child support payment if possible).

Immigrant women in Los Angeles had concerns that applying for TANF would negatively affect their families. Within the community, there was a widespread misconception that any TANF received would have to be paid back by their children, either through military service or through paychecks. Additionally, some women believed that being on TANF could adversely affect their pathway toward citizenship.

For the most part, women in Los Angeles who had experience with TANF found the program to be helpful but difficult to access and maintain (e.g., long wait times, multiple interactions and paperwork, intrusive questions). In Michigan, most women held mixed or negative views of the program but would likely still be receiving the benefit were it not for the program's time limit. A few women in both sites lost their benefits for unknown reasons, and not all followed through with reapplying because of the effort required.

Family Coping Strategies

In both sites, women implemented different strategies to manage financially. In particular, they pieced together public benefits other than TANF, income made from side jobs, and financial and material support from partners, relatives, and friends.

- Take-up of WIC, SNAP, and Medicaid was high.

A clearly important part of families' income was the Supplemental Nutrition Assistance Program (SNAP) and Women, Infants, and Children (WIC) benefits for those with young children. Both of these benefits were commonly received, had less of a stigma associated with them, and generated mainly positive experiences for the women using them. This is in strong contrast to families' experiences with the TANF program. Nutritional assistance programs helped families afford the high costs of food, and in some cases, covered most or all food expenses. The money that otherwise would have been used for food could then be used to pay for other necessities. Medicaid, for those who were eligible, covered costs of health care and prescriptions, lessening the financial burden on families.

- Women worked side jobs to help earn extra money.

Many women worked side jobs, such as informal child care, cleaning homes, cutting and styling hair, providing transportation to neighbors, and making and selling food. Although sporadic and offering low pay, the little income women made helped support their families during tough economic times.

- Male partners and children's fathers provided informal and formal support.

Most women in Los Angeles were living with the father of one or more children or a new partner who was employed and covered the basic household expenses such as rent and utilities. But several relationships were maintained for the sake of financial stability and not intimacy, which threatened mothers' mental health and feelings of security. Some women were receiving formal or informal child support from nonresidential fathers. While cohabitation was rare among the Michigan sample, half of the women were receiving significant financial help from the fathers of their children; in a couple of cases, the father was paying for nearly all expenses.

- Women doubled-up and lived in subsidized housing to afford rent.

Living in multifamily and multigenerational households or in subsidized housing were ways to minimize housing costs. Most Los Angeles participants were living with or had recently lived with relatives—their parents, aunts and uncles, adult siblings, and cousins—and families often pooled together resources to cover housing and food costs. Subsidized housing was more common in Michigan but hard to obtain; many families doubled-up out of necessity. Some mothers reported the reciprocal nature of the assistance—they were receiving help while they were out of work but would provide assistance to others when they were working.

- Family and friends offered various levels of financial, material, instrumental, and emotional support.

Women in Los Angeles and Michigan had social support networks of varying size, ranging from one woman who believed she had no one upon whom she could rely and others with a dozen or more relatives and friends. Most women listed more family members than nonfamily members in their networks, particularly when asked to name the people who were closest to them and who helped them the most. The types of support women reported receiving included help with rent and other bills, providing food or money for food, and receiving child care or items for their children. Emotional support was also important for many women.

Ongoing Struggles

Despite receiving help from public programs and from social support networks, experiences of material hardship were quite common.

- In Michigan, nearly half of respondents reported housing problems, and these problems were often a result of losing income from jobs and benefits like TANF. In Los Angeles, many families experienced overcrowding and substandard housing conditions. Although beneficial economically, multifamily and multigenerational living arrangements were often unstable, overcrowded, and stressful on mothers and children.
- Most women held debt that was difficult to pay off without sufficient income; women were not making payments or putting very little toward the debt.
- Problems providing sufficient food for their families was less frequently mentioned by respondents, but many did report limiting the types of food they bought and paring down their lifestyles to “just the basics” in an effort to make ends meet.

According to a combination of interview data and the survey data from which the Los Angeles sample was drawn, about one-third of women in the sample suffered from symptoms of depression and many experienced high levels of parenting stress. Children also suffered from poor housing conditions and residential instability, and demonstrated poor child health and developmental outcomes.

Overall, these results confirm past research that disconnected mothers are extremely poor. Some cycle in and out of disconnection and some remain disconnected for long periods. The cycling is mainly associated with movement in and out of the labor market. Mothers who are longer-term disconnected include mothers who are pregnant or with very young children who are unable to or choose not to work at present, but plan to seek work as children age. Others are long-term unemployed who lost jobs during the Great Recession and have few prospects for work in the current job market. Disconnection from TANF was primarily because of expired time limits, misinformation about the program, or a disinterest in applying to the program. Women relied on different sources of support to try to make ends meet, but still faced significant material hardship. Differences in social networks are potentially important factors in the well-being of these disconnected mothers. Women who cohabited with partners or received significant financial support from children's fathers or other family and friends generally managed better financially than women who lived alone or had few people to turn to for support. In both study sites, mothers who were more isolated and less supported appeared to be worse-off or more vulnerable. However, some cohabiting relationships and large support networks still brought more stress than resources.