

### **XIII. TANF RESEARCH AND EVALUATION**

This chapter highlights a number of the Department of Health and Human Services' (HHS') key research and evaluation initiatives pertaining to welfare reform and summarizes findings from recent research reports. HHS' research agenda in this area has two main goals: (1) to contribute to the success of welfare reform by providing timely, reliable data to inform policy and program design and management, especially at the State and local levels where much of the decision-making takes place; and (2) to inform the Nation of the effects of policies and programs on low-income children, families, communities, and the Nation as a whole.

The research undertaken to achieve these goals is carried out primarily by the Administration for Children and Families' (ACF's) Office of Planning, Research and Evaluation (OPRE) and the Office of the Assistant Secretary for Planning and Evaluation (ASPE), also within HHS. OPRE and ASPE carefully coordinate their research agendas with each other and with other government agencies and private foundations. Many projects involve collaboration and partnerships.

In a 2003 report, *Program Evaluation: An Evaluation Culture and Collaborative Partnerships Help Build Agency Capacity*, the U.S. General Accounting Office (since renamed the U.S. Government Accountability Office) identified ACF as one of five Federal agencies that have demonstrated a strong evaluation capacity as evidenced by a commitment to self-examination, data quality, analytical expertise, and collaborative partnerships. The report noted that at ACF, the evaluation of State welfare-to-work demonstration programs is part of a network of long-term Federal, State, and local efforts to develop effective welfare policy. It also found that ACF's longstanding and on-going collaborative relationship with ASPE has contributed to the agency's expertise directly through advising on specific evaluations, as well as indirectly through building the expertise of the larger research community that conducts the evaluations.

In a 2001 report, *Evaluating Welfare Reform in an Era of Transition*, the National Academy of Sciences also applauded HHS' broad-based welfare reform research agenda. The Academy, which had convened a Panel on "Data and Methods for Measuring the Effects of Changes in Social Welfare Programs" to provide HHS with unbiased scientific recommendations for studying the outcomes of recent changes in the welfare system, also made recommendations for improvements and expansions in data collection and the development of research questions and methodology. The Department has taken steps to address several of the Panel's recommendations. For example, HHS' efforts to build capacity for conducting high-quality program evaluations at the State level and for conducting household surveys of low-income and welfare populations continue. HHS committed resources to help improve national household survey questions including better data on marriage and divorce. Projects to improve the usefulness of State-level administrative data have been undertaken. HHS issued regulations to implement expansions in State data reporting to include recipients of State-funded TANF

assistance as called for by the Deficit Reduction Act of 2005 (DRA). State-specific data sets produced by each of the grantees studying welfare leavers and current recipients were made available for secondary data analyses of welfare outcome measures, and synthesis reports were published based on administrative data findings from all of the ASPE-funded leavers studies and survey data analyses of all of the ASPE-funded TANF caseload studies. Study and consideration of other Panel conclusions and recommendations will continue.

This chapter summarizes recent research and evaluation findings and provides an overview of additional research and evaluation initiatives related to the TANF program undertaken by HHS.

### **Highlights of Major Research and Evaluation Findings**

#### *Increasing Employment Stability and Earnings for Low-Wage Workers: Promising Programs in the Employment Retention and Advancement Project*

One of ACF's major initiatives is the *Employment Retention and Advancement Project*, which is experimentally evaluating a number of alternative approaches to help current or former TANF recipients and other low-income individuals sustain attachment to and advancement in the labor market. ACF's contractor, MDRC, has been evaluating 16 intervention strategies implemented in sites in eight States (California, Illinois, Minnesota, New York, Ohio, Oregon, South Carolina, and Texas). The study also includes an implementation evaluation in each site to document the challenges and successes in implementing and operating the strategies designed.

All of the ERA strategies, including those described in the interim report, are evaluated using a similar evaluation design. Individuals who met the site-specific ERA eligibility criteria were randomly assigned to a program group, usually called the ERA group, or to a control group. Those assigned to the ERA group were eligible to receive the special retention and advancement services (and in some programs, required to participate), while those assigned to the control group were not eligible for the special ERA services but were eligible for other services and supports available from the agency or in the community – including the services provided through the sites' standard welfare-to-work or post-employment program. Each site's control group thus represented the benchmark against which the site's ERA approach was assessed.

Most of the ERA strategies examined were found to be well implemented in accordance with the project plan. Nonetheless, eight of the twelve strategies examined in the interim report have not shown systematic positive impacts on the economic outcomes examined. The four strategies included in this report that were found to have produced positive impacts were operated in Chicago (Illinois), Riverside (California), Corpus Christi and Fort Worth (Texas) and New York City (New York).

The Chicago strategy focused on providing career advancement services through an experienced community-based organization. The strategy focused on individuals who remained on TANF even though they worked 30 hours per week and had maintained employment for at least six consecutive months. It provided a combination of services, including targeted job search assistance and assistance in identifying and accessing career ladders. Riverside implemented

two strategies; findings from the Post-Assistance Self-Sufficiency (PASS) program are included in this report. PASS targeted individuals who left TANF due to earned income and provided retention and advancement services and family-based support services delivered by community-based organizations. Texas implemented the new strategy in Corpus Christi, Fort Worth and Houston and targeted TANF applicants and recipients. This strategy provided individualized team-based case management as well as monthly stipends of \$200 to those who maintained full-time employment and completed activities related to their employment plan. The New York City PRIDE program was a mandatory employment program targeting welfare recipients with physical or mental health problems that was operated through four nonprofit, community-based organizations experienced in working with people with health problems. It included adult basic education, unpaid work experience and job search/job placement services tailored to account for health problems.

The Chicago, Riverside (PASS) sites and two of the Texas sites, Corpus Christi and Fort Worth, increased two-year average quarterly employment rates by 2.8 to 3.8 percentage points above control group levels, boosted average total (2-year) earnings by \$823 to \$1,755, produced gains in the percentage of people employed four consecutive quarters ranging from 3.8 to 4.1 percentage points, and increased the percentage earning more than \$20,000 during the two-year period by 2.8 to 4.6 percentage points. The New York City PRIDE program produced economic impacts similar in size to those in the other three promising programs in absolute terms. These results were very large in percentage terms due to the control group's very low employment levels. Subgroup analysis found that impacts tend to be concentrated among sample group members with recent work experience.

While most ERA programs were able to recruit and initially engage substantial proportions of program group members, sustained engagement was difficult to achieve. The Chicago, New York City PRIDE, and the two Texas sites produced positive impacts on measures of ongoing engagement; these impacts were concentrated among sample members with recent work experience.

The report's findings are based on two to three years of data and patterns are beginning to emerge. However, these findings do not represent the final word on these programs, as the evaluation will ultimately track employment and earnings outcomes for at least three years in every program and longer in selected programs. The experience of the 12 interventions strategies included in this report illustrates the challenges faced by agencies attempting to assist TANF applicants and recipients sustain employment and advance in the labor market. The study found high rates of job loss and limited advancement during the follow-up periods. The positive impacts found in the four sites highlighted here suggest that some strategies can produce positive results.

### *TANF Caseload Composition and Leavers Synthesis*

The *TANF Caseload Composition and Leavers Synthesis* updated past assessments of the characteristics and success in work engagement of both (a) the TANF caseload and (b) those who have left the TANF caseload (or "leavers"). The purpose of the update was to determine if the caseload of TANF recipients and the population of leavers have become more or less disadvantaged in the last 5 and 10 years. More specifically, this investigation was prompted by

two questions:

- (1) How do the characteristics of the TANF caseload compare with the Aid to Families with Dependent Children (AFDC)/TANF caseload characteristics 5 and 10 years ago? Is it more or less disadvantaged?
- (2) What are the characteristics and outcomes for families that recently left the TANF rolls compared with families on TANF, and compared with families that left the TANF rolls 5 and 10 years ago? Are TANF leavers today more or less disadvantaged?

This update was necessary because many recent studies on caseload composition and leavers have concentrated only on the early TANF period (approximately 1997 to 2001), and most of these studies do not use national data sets.

ACF contracted with the Urban Institute to conduct the study, which has two main components. First, the Urban Institute carried out a new synthesis of TANF caseload and leavers research with the most recent studies. Second, to obtain more recent national results, the Urban Institute performed secondary analyses of more recent data from three national data sets: the National Survey of America's Families (NSAF), the Survey of Income and Program Participation (SIPP) and the Current Population Survey (CPS).

The study found that, in general, there were few changes to the composition of the caseload and the characteristics of leavers in the last 5 to 10 years. Changes that did occur for both recipients and leavers were concentrated in the early TANF period (1997-2001). Typically, changes in the early period were either partially reversed or slowed in the later TANF period (1999-2005).

More specifically, despite the massive decrease in welfare caseloads (more than 50 percent reduction from 1996 to 2006) and the very different economic climate during the early (1997-2001) and late (1999-2005) TANF periods, the demographic characteristics of families on welfare are remarkably stable. Similarly, data on different cohorts of welfare leavers indicate that, in most respects, the personal and family characteristics of leavers are fairly stable. Additionally, with some exceptions (specifically health-related issues), there has been little change in barriers to employment among recipients and leavers (e.g. having less than a high school degree, having a child on SSI) over time. Over time, work participation increased for female recipients in the early TANF period (1997-2001). The trend partially reversed in the later period (1999-2005). Meanwhile, over time, employment decreased among leavers. Nevertheless, TANF recipients are better off, in terms of income, after leaving welfare than while on welfare. The authors add, "the key transition for raising household income seems to be moving from non-work to work." This transition may not coincide precisely with the transition off welfare. The report may be viewed at:

[http://www.acf.hhs.gov/programs/opre/welfare\\_employ/tanf\\_caseload/index.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/tanf_caseload/index.html).

*Implementing Healthy Marriage Programs for Unmarried Parents: Early Lessons from the Building Strong Families Project*

The *Building Strong Families (BSF) Demonstration and Evaluation* is a large-scale, multi-site test of marriage and relationship education programs for low-income unmarried parents (adults 18 or over) who are expecting or have just had a child (within the last 3 months). The BSF

evaluation provides for implementation evaluation as well as impact evaluation. This specific report documents the early lessons from the program development and pilot stages of the demonstration sites during early 2005 through early 2006. The demonstrations are in Florida (Broward and Orange counties), Georgia (Atlanta), Indiana (Allen, Lake, Marion and Miami counties), Louisiana (Baton Rouge), Maryland (Baltimore), Oklahoma (Oklahoma City), and Texas (Houston and San Angelo).

The report presents information on the number and characteristics of couples enrolled in the demonstration pilot period.<sup>1</sup> The BSF data indicate that the sites are succeeding in enrolling couples during pregnancy (46 percent) and after delivery (54 percent). On average, BSF mothers and fathers in the pilots were in their mid-twenties (24 and 26, respectively) at the time they enrolled in the program. More than three-quarters of BSF couples were cohabiting at intake and almost six percent had married post-conception. In about half the couples, one parent had a child by another partner and about one-quarter of the couples had other children in common (in addition to the child that made them eligible for BSF). About 79 percent of fathers and 21 percent of mothers were working at intake. The percent of fathers working ranged from a high of 90 percent in Texas to a low of 63 percent in Baltimore. Across all sites, 57 percent of the working fathers reported total earnings in the past 12 months of less than \$15,000, 28 percent reported earnings between \$15,000 and \$24,999, and 10 percent reported earnings over \$25,000. Across the sites, 46 percent of mothers and 52 percent of fathers entering the BSF pilots indicated they were “almost certain” they would marry their current partner; another 26 percent of mothers and 27 percent of fathers said they had a “pretty good chance” of marrying.

The report also describes how the different sites have implemented services. According to the report, the early BSF experience suggests that, although there are varied ways to develop and implement healthy marriage programs, certain characteristics of host agencies and staff may be particularly helpful, including: a strong commitment to the importance of healthy marriage; organizational experience in delivering services in a group format; utilization of male and female staff and teams; and employing staff with similar cultural backgrounds as their participants. The report also notes that, in order to enroll sufficient numbers of couples, programs must identify sources with a steady flow of potentially eligible couples. The report indicates that for pilot sites, the maternal health care system was a major and efficient recruitment source for the BSF target population, and the most effective recruitment may be achieved with outreach staff who are excited about the program and able to convey that excitement to eligible couples. Nonetheless, the data illustrate the challenge of engaging couples and maintaining participation in a program that requires ongoing attendance. The rate of participant attendance in marriage education classes across all sites was 53 percent. The evaluators conclude that although there were significant drop-offs in attendance, the overall pattern was one of steady but intermittent participation.

Lastly, the early BSF experience provides evidence that unmarried new parents are, indeed, interested in programs that focus on healthy marriage. The report indicates that overall couples were responding positively to the BSF programs, valued the group format and learning from

---

<sup>1</sup> Some of the findings presented related to individual characteristics exclude some or all of the cases in Oklahoma and Indiana because data were not available in time for the report.

other couples' experiences, and demonstrated a basic understanding of what they had been taught. The report may be viewed at:

[http://www.acf.hhs.gov/programs/opre/strengthen/build\\_fam/index.html](http://www.acf.hhs.gov/programs/opre/strengthen/build_fam/index.html)

### *The Effects of Marriage on Health: A Synthesis of Recent Research Evidence*

A growing body of literature suggests that for people at all economic levels, marriage may have a broad range of benefits including improvements in individual economic well-being, mental and physical health, and children well-being. To investigate the complex relationship between marriage and health, ASPE contracted with Mathematica Policy Research, Inc. to review recent research, and examine the extent to which marriage is a cause of better health outcomes.

The study synthesized recent literature across several fields, including public health, the social sciences, and medical science, focusing on research published in peer-reviewed journals and on studies using the most rigorous statistical methods for determining whether or not the link between marriage and health is a causal one. Focusing on research that is most relevant to the U.S. policy community, the study focused on research conducted with U.S. populations and completed since 1990.

The findings based on this synthesis suggest that marriage has positive effects on certain health-related outcomes. The studies found, for example, that marriage improves certain mental health outcomes, reduces the use of some high-cost health services (such as nursing home care), and increases the likelihood of individuals having health insurance coverage. In addition, the emerging literature suggests that growing up with married parents is associated with better health as an adult. However, marriage has mixed effects on health behaviors — leading to healthier behaviors in some cases (e.g. reduced heavy drinking) and less healthy behaviors in others (e.g. weight gain). For other key health outcomes — in particular, measures of specific physical health conditions— the effects of marriage remain largely unaddressed by rigorous research.

The report and research brief from the study can both be found at:

<http://aspe.hhs.gov/hsp/07/marriageonhealth/index.htm>

## **Overview of Research and Evaluation Efforts**

### *Evaluating Welfare Reform*

Over the past two decades, HHS has made significant investments in research and evaluation focused on the implementation and impacts of State welfare reform initiatives. These have included projects focused on reforms carried out to test welfare-to-work strategies under the Job Opportunities and Basic Skills Training (JOBS) program and a variety of policies to promote work and personal responsibility implemented by individual States under waiver demonstrations, as well as assessments of reforms enacted under TANF.

Prior to the passage of TANF, 43 States and the District of Columbia obtained waivers of certain program requirements in title IV-A of the Social Security Act (the Act), as authorized under section 1115 of the Act. ACF required an evaluation component as a part of each approved waiver. Continuation of evaluations begun under waivers was permitted but not required under

the 1996 welfare reform legislation that created TANF. Twenty States were funded to complete ongoing evaluations, either as originally planned or modified. Final reports on these evaluations were released over time, as the States completed their demonstrations; most were released during the period 2000-2003. Findings from the waiver evaluations are particularly relevant to TANF, since these demonstrations first implemented many of the policies now incorporated under State TANF plans.

In recent years, ACF has funded a number of projects related to welfare reform that synthesize results across studies:

- A contract with the Rand Corporation produced *Consequences of Welfare Reform: A Research Synthesis* (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/res\\_synthesis/reports/consequences\\_of\\_wr/rand\\_report.pdf](http://www.acf.hhs.gov/programs/opre/welfare_employ/res_synthesis/reports/consequences_of_wr/rand_report.pdf)). This report describes and synthesizes the results of non-experimental and experimental studies, mainly from the 1990s, related to welfare reform. The topics covered include employment and earnings, use of government programs other than AFDC/TANF, family structure, income and poverty, measures of well-being, and child outcomes.
- In *What Works Best for Whom? Effects of Welfare and Work Policies by Subgroup* (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/what\\_wksbest/reports/whatw\\_best/whatw\\_best.pdf](http://www.acf.hhs.gov/programs/opre/welfare_employ/what_wksbest/reports/whatw_best/whatw_best.pdf)) MDRC examines the effects of welfare and work policies on earnings, welfare benefits, income, stable employment, and stable welfare exits across a range of subgroups using information from random assignment studies of 26 welfare and work policies.
- Also looking at employment programs, researchers at the Maryland Institute for Policy Analysis and Research produced the *Report on a Meta-Analysis of Welfare-to-Work Programs* (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/meta\\_analysis/reports/report\\_wtw/meta\\_analysis.pdf](http://www.acf.hhs.gov/programs/opre/welfare_employ/meta_analysis/reports/report_wtw/meta_analysis.pdf)). This report uses meta-analysis, a set of statistically based techniques for combining quantitative findings from different studies, to synthesize estimates of program effects from random assignment evaluations of welfare-to-work programs and to explore the factors that best explain differences in the programs' performance. Using data on programs targeting AFDC recipients, extracted from published evaluation reports and from official sources, the analysis aims to establish the principal characteristics of welfare-to-work programs that were associated with differences in success, distinguishing between variations in the services received, differences in the characteristics of those who participated in each program, and variations in the socio-economic environment in which the programs operated.
- Finally, the report *Welfare Reform and Children: A Synthesis of Impacts in Five States* (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/ch\\_outcomes/reports/welfare\\_reform\\_children/wel\\_ref\\_child.pdf](http://www.acf.hhs.gov/programs/opre/welfare_employ/ch_outcomes/reports/welfare_reform_children/wel_ref_child.pdf)), compiled by researchers from Abt Associates, Child Trends, MDRC, and Mathematica Policy Research, Inc. pulls together the results from the *Project on State-Level Child Outcomes*. This project, jointly funded by ACF and ASPE, augmented the welfare waiver demonstration evaluations in five States (Connecticut, Florida, Indiana, Iowa, and Minnesota) to assess the effects of different welfare reform approaches on child well-being.

Following up on grants to States to study leavers and applicants (1998-2000), ASPE awarded

grants to several States to examine the current caseload. In 2001, ASPE funded Colorado, Maryland, Missouri, South Carolina, and the District of Columbia to study the characteristics of their TANF caseloads. Each State collected data in 2002 on personal, family, and community factors that may present barriers to employment among welfare recipients using a standardized telephone survey. Topics covered include physical and mental health, disability, substance abuse, and domestic violence. To assist ASPE in designing the survey instrument, Mathematica Policy Research, Inc., developed a summary report, *Survey Design for TANF Caseload Project: Summary Report and Recommendations*, (see <http://aspe.hhs.gov/hsp/TANF-Caseload-Studies01/survey-design03/index.htm>) that reviews existing survey questions and scales focused on potential barriers to employment among TANF recipients. Using this report, ASPE tailored a survey instrument that was used in all five State studies.

These studies document demographic and economic characteristics as well as potential assets and liabilities for employment among TANF recipients in four States and the District of Columbia. The District of Columbia found that although virtually all TANF recipients faced at least one liability, over one-quarter of the caseload was working. Having little work experience and experiencing child care problems, however, are linked with not working, even after separating out the effect on work of other barriers (see <http://aspe.hhs.gov/hsp/leavers99/state-rpts/dc/TANF-Caseload.pdf>). Maryland compared recipients in Baltimore City with those in other counties and found some differences in employment liabilities, such as physical and mental health problems, but no differences in current work status or past employment history (see <http://aspe.hhs.gov/hsp/leavers99/state-rpts/md/Life-on-Welfare.pdf>). South Carolina found that health issues (e.g., physical health problems, mental health problems, caring for a child with health problems) and learning-related challenges (e.g., low educational attainment, possible presence of a learning disability) were most closely related to employment status (see <http://aspe.hhs.gov/hsp/leavers99/state-rpts/sc/emp-assets-liab-223E.pdf>). Colorado found that mental health problems and family health needs were particularly common employment liabilities, especially among long-term recipients (see <http://aspe.hhs.gov/hsp/leavers99/state-rpts/co/Welfare-Barriers.pdf>). Missouri found that lack of job experience, having caretaking responsibilities for a family member or friend, or having a physical health problem were barriers for several economic outcomes (see <http://aspe.hhs.gov/hsp/leavers99/state-rpts/mo/families>).

ASPE staff conducted a data synthesis study across all grantees. The final synthesis paper, *Potential Employment Liabilities among TANF Recipients: A Synthesis of Data from Six State TANF Caseload Studies* (see <http://aspe.hhs.gov/hsp/leavers99/emp-liab04/index.htm>), was issued in October 2004. Findings indicate that a wide range of potential liabilities to employment are common among TANF recipients – including human capital deficits, personal and family challenges, and logistical challenges. Fewer liabilities, however, are significantly related to employment status. Net of all other liabilities measured in the studies, low levels of past work experience, low educational attainment, physical health challenges, and child care problems are most consistently related to current work status among TANF recipients. Follow-up research focused on a range of potential health-related challenges and employment among TANF recipients is currently underway.

In another study related to the TANF caseload, ASPE contracted with MDRC to study the experiences of welfare “cyclers” (those who received welfare benefits during three or more discrete spells during a four-year observation period). The April 2004 final report, *A Profile of*

Families Cycling on and off Welfare (see <http://aspe.hhs.gov/hsp/cyclers04/index.htm>), is based on analysis of five MDRC studies of welfare reform initiatives during the mid- to late- 1990s. Overall, cyclers constituted a relatively small portion of the welfare caseload (only nine percent of recipients became cyclers during the four-year observation period); however, the incidence of cycling increased during the years following implementation of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA).

As discussed more fully above under “Highlights of Major Research and Evaluation Findings,” the *TANF Caseload Composition and Leavers Synthesis* report reviewed changes in the TANF caseload – and among those leaving the caseload – during the 10 years after welfare reform. The report found that, with the exception of some changes right after the passage of welfare reform, the demographic characteristics, employment, and earnings of both groups have remained relatively stable.

ACF and ASPE have also supported *The Project on Devolution and Urban Change*, a multi-disciplinary, longitudinal study of the implementation and impacts of welfare reform in four large urban areas. For the Urban Change study, MDRC collected longitudinal administrative data and survey data, conducted an implementation study and an ethnographic study, and observed neighborhood indicators from before welfare reform to 2002. Detailed reports combining findings from all of these components were issued on the effects of welfare reform in Cleveland (Cuyahoga County), Ohio; Philadelphia, Pennsylvania; Miami, Florida; and Los Angeles, California.

Among the major findings from the Urban Change study are:

- All of the sites applied work participation requirements to a larger proportion of the welfare caseload than they had prior to TANF and succeeded in engaging a higher proportion of recipients in welfare-to-work program activities. The most common work activity was unsubsidized employment. All of the States also increased the amount of money that recipients could keep when they went to work.
- MDRC followed the experiences over time of a survey sample of single mothers who were on welfare in 1995 and who were mostly living in high poverty neighborhoods. Over time, the percentage receiving welfare decreased sharply, the percentage working increased, and average earnings and income also increased. In all four sites, the average wage in 2001 was over \$8 an hour. However, the percentage of respondents who had income from neither work nor welfare also increased.
- As this was not an experimental study, there is no control group whose experiences can be used as a reference point. Instead, MDRC attempted to estimate the counterfactual – what would have happened in the absence of welfare reform – by extending the trends from the 1992 to 1996 period. This analysis shows some positive and negative impacts on welfare entry, exit, and recidivism, and on employment, but there is not a consistent pattern of impacts across sites.

In March 2007, MDRC released a follow-up report which looked at the continued effects of welfare reform in the two earliest Urban Change sites, Cleveland, Ohio and Philadelphia,

Pennsylvania. The follow-up extended three of the analyses from the original study— implementation, administrative records, and neighborhood indicators. Of particular interest was the impact of the economic downturn that began in 2001, which led to State budget deficits and increased unemployment across the US and was not examined in the earlier study.

The follow-up study found:

- Over the period observed by MDRC, the number of open welfare cases with adults declined in both counties, even during the economic recession. Although the caseload decline was not as rapid as in the late 1990s, it was consistent with the trend found in the earlier reports. Additionally, case closures for long-term welfare recipients exceeded the rates predicted by MDRC's estimated counter-factual.
- The recidivism rate of former welfare recipients in Cleveland dropped below the rate predicted by previous trends. Data for Philadelphia was not available for this period.

ACF and ASPE have funded a number of projects to better understand specific aspects of how States are implementing the TANF program. These include projects described more fully in previous reports such as:

A two-part report titled: *Study of the TANF Application Process* (see <http://www.acf.hhs.gov/programs/ofa/ifr/index.htm>) 2003 (ACF)

The final report from: *A Study of Work Participation and Full Engagement Strategies* (see <http://aspe.hhs.gov/hsp/full-engagement04/index.htm>) September 2004 (ASPE)

The final report from: *Spending on Social Welfare Programs in Rich and Poor States* (see <http://aspe.hhs.gov/hsp/social-welfare-spending04/index.htm>) August 2004 (ASPE)

The final report from: *The Use of TANF Work-Oriented Sanctions in Illinois, New Jersey, and South Carolina* (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/sanction\\_pol/reports/sanction\\_pol/sanction\\_pol\\_title.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/sanction_pol/reports/sanction_pol/sanction_pol_title.html)) April 2004 (ACF).

ACF subsequently contracted with Mathematica Policy Research, Inc. (MPR) to do a follow-up to the study cited above. In this study MPR went to local welfare offices in eight sites to determine how sanction policies were being implemented at the local level. The major focus of this study was to look at the relationship between sanction policies and State efforts to meet the work participation rate requirements as defined in the DRA. The major findings of this study include: (1) several States switched from partial to full-family sanctions, and none switched from a full-family to partial-family sanctions; (2) in Texas and in Georgia more stringent sanction requirements appeared to increase work participation rates by closing cases, but did not increase the number of persons meeting the work participation requirements; (3) several sites sought ways to streamline the sanction process so that sanctions could be imposed more quickly, and several dedicated workers specifically to the sanction process; and (4) several sites made greater efforts to re-engage noncompliant recipients (some by a home visit) before a sanction was imposed, and several increased efforts to reengage recipients after they had been sanctioned in order to bring them back into compliance as quickly as possible. The final report from this study, *Using Work-*

*Oriented Sanctions to Increase TANF Program Participation* (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/sanction\\_pol/reports/sanction\\_pol/sanction\\_pol\\_title.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/sanction_pol/reports/sanction_pol/sanction_pol_title.html)) was issued in late 2007.

ACF contracted with the Lewin Group to conduct the *Local Implementation of TANF: A Description of Local Practices* project. This project involved a study of the local management of TANF programs in five sites now that the program has reached a relatively mature stage of implementation, including how programs are organized; the nature, quality, and frequency of staff training; management of contracted services; and outcome measurement and reporting. The sites selected were among locations where field research was conducted several years prior in order to gauge changes since the early years of TANF implementation. A report from the study released in 2007 found that most changes in policies and procedures affecting the local implementation of TANF originated at the State level; locally initiated changes most often involved office procedures; State and local policies and procedures have been adopted that by design or otherwise, have limited participation in TANF cash assistance; and institutional structures have become more complex in most of the local sites in recent years (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/local\\_impl/reports/local\\_impl/local\\_implementation.pdf](http://www.acf.hhs.gov/programs/opre/welfare_employ/local_impl/reports/local_impl/local_implementation.pdf)). The project was extended because as field work was nearing completion, TANF was reauthorized under the DRA. The new legislation includes several provisions that significantly increase the effective work participation rate requirements States must achieve and removes the option previously available to States of moving disadvantaged clients into separate State programs to exclude them from the rate calculation. Beginning in June 2006, States and local jurisdictions were also required to bring their TANF program under compliance with new regulations under the DRA. Adapting to these new requirements is likely to result in different local management practices. A follow-up report to explore local adaptations to provisions of the DRA was published in March 2008 (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/local\\_impl/index.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/local_impl/index.html)).

In late 2006, ASPE, with ACF support, contracted with Mathematica Policy Research, Inc. (MPR) to identify, describe, and assess strategies that States and localities are using to increase the work participation of TANF clients. The work is being undertaken in response to the increases in effective State participation rate requirements under the DRA. After soliciting input from experts on the range of efforts that States and local offices are undertaking, site visits were conducted to identify and document promising strategies. Practice briefs will describe barriers, population targeting, services provided, staffing plans, costs, and timelines for exemplary strategies. These briefs are expected in early 2009.

In 2006, ACF contracted with the Lewin Group for a project titled *TANF Time Limits, Separate State Programs, and Participation Requirements*. The study provides comprehensive examination of what has been learned to date about time limits, including: the number of families affected, the effect of time limits on employment and welfare receipt, the circumstances of families whose welfare cases have been closed because they reach time limits the implementation of State policies related to time limits, including establishment of separate State programs. The study is based on three activities: (1) a synthesis of the existing research on time limits; (2) an analysis of monthly TANF administrative data States report to ACF; and (3) site visits to eight States. A final report was published in April 2008 (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/sep\\_state/index.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/sep_state/index.html)).

In 2007, ACF contracted with MPR for a project titled *Identifying Promising TANF Diversion Practices*. The study will examine State and local efforts to divert TANF applicants from applying for cash assistance. Information on diversion practices will be obtained through a survey of State TANF directors and site visits to three States. The main objective of this study is to provide State and local TANF offices with information on promising strategies for diverting TANF applicants to employment, or otherwise meeting their need for assistance, and to identify and recommend potential approaches for further study and evaluation of diversion practices. A final report is expected in early 2009.

ASPE is currently examining the characteristics and caseload trends of American Indians and Alaska Natives in State and Tribal TANF programs. The project will produce a more in-depth look at TANF receipt among these populations in the State and Tribal programs since the addition of Tribal programs after welfare reform.

### *Promoting Healthy Marriage and Responsible Fatherhood*

ACF and ASPE have developed a multi-pronged approach to increasing knowledge in this important subject area and have built the knowledge base in this priority area through examination of a range of issues and the conduct of rigorous evaluations to test interventions since FY 2002. Among the early projects, ACF funded a study by the Urban Institute that examined existing and potential settings for healthy marriage services to low-income populations, and included a systematic review of the literature on the effectiveness of services to strengthen marriage. The final reports were released in winter 2004 (see [http://www.acf.hhs.gov/programs/opre/strengthen/serv\\_delivery/index.html](http://www.acf.hhs.gov/programs/opre/strengthen/serv_delivery/index.html)). ASPE funded a project to examine differences among single- and married-parent family types in the TANF and Food Stamp programs. The final report, *Public Assistance Use Among Two-Parent Families: An Analysis of TANF and Food Stamp Program Eligibility and Participation* (see <http://aspe.hhs.gov/hsp/05/2parent-part/>), was released in spring 2005.

ACF and ASPE are continuing research in this field. A broad range of projects are described in this section. Ongoing healthy marriage and responsible fatherhood projects include the *Building Strong Families (BSF) Demonstration and Evaluation Project*, which is being conducted under contract to Mathematica Policy Research, Inc. and is funded by ACF. This large-scale multi-site evaluation involves the development and rigorous evaluation of interventions to increase the well-being of children through provision of voluntary healthy marriage education services to help low-income unwed parents achieve their goals of healthy marriage and positive family functioning. This project builds on research that found that, at the time of the birth of a child, many unwed parents have high hopes of marriage to each other. However, without intervention and supports, only about 10 percent marry within a year. The evaluation will assess impacts of the intervention on the quality and stability of marriages and couple relationships and other measures of well-being including the well-being of children. In FY 2007, seven sites are implementing the BSF package of marriage-related services (marriage education classes, caseworkers, and support services), and the contractor has begun a 15-month follow-up survey to determine program impacts (later, a 36-month follow-up survey will also be conducted). One report, *Implementing Healthy Marriage programs for Unmarried Parents: Early Lessons from the Building Strong Families Project*, discusses findings from the initial program development and pilot phases of the sites; the report is discussed above under “Highlights of Major Research

and Evaluation Findings.”

ACF and ASPE also jointly funded evaluations of the *Partners for Fragile Families (PFF)* demonstrations in nine States. The PFF initiative targeted young fathers (16 to 25 years old) who had not yet established paternity and did not yet have involvement with the child support enforcement system, with the hope that the projects could assist these young parents to become strong financial and emotional resources for their children. The projects tested new ways for State-run child support enforcement programs and community-based organizations to work together to help young fathers obtain employment, make child support payments and learn parenting skills. The evaluations are intended to document the effects of these interventions on poor, young, unwed fathers’ employment, child support payments, parenting and family relationships.

Findings from the national evaluation of PFF are reported in four documents. The first report from the national evaluation of PFF, *Implementation of Partners for Fragile Families Demonstration Projects*, released in June 2007, describes the design and implementation of the 13 demonstration projects. A second report, *Voices of Young Fathers: The Partners for Fragile Families Demonstration Project*, also released in June 2007, presents ethnographic case studies of eight young (age 19-26), unmarried, low-income fathers who participated in the PFF demonstration initiatives in Boston and Indianapolis. It analyzes their life experiences in order to illuminate the opportunities and challenges in serving this population. The *Partners for Fragile Families (PFF) Demonstration Projects: Employment and Child Support Outcomes and Trends* report, issued in September 2007, describes findings from a pre-post examination of employment and child support behaviors of the PFF participants. Analysis is based on data from the PFF management information systems, unemployment insurance (UI) quarterly earnings records, and monthly child support payments records. This analysis finds that overall, most PFF participants fared poorly in the labor market (as measured by UI records), but child support outcomes were more positive, especially in light of the very modest employment gains. Findings are: (1) employment rates were low and did not change much over time. Earnings for those who worked were generally low but increased over time. However, even after the increase annualized income based on quarterly wage data was still at or near poverty levels. (2) employment outcomes were not uniform over time and across PFF sites. (3) the proportion of PFF participants with child support orders increased considerably over time. (4) the amount of child support paid and the average number of months that PFF participants made a child support payment both increased over time. A final brief, issued in February 2008, summarizes key findings from several important fatherhood initiatives that were developed and implemented during the 1990s and early 2000s, including PFF. All publications are available at: <http://aspe.hhs.gov/hsp/07/PFF/index.htm>.

In FY 2003 ASPE and ACF jointly funded a project being conducted by the Lewin Group and the Urban Institute to explore options for the collection of marriage and divorce statistics at the national, State, and local levels. This effort builds on findings and recommendations from the Counting Couples workshop sponsored by the Federal Inter-Agency Forum on Child and Family Statistics. It involves assessing the needs of various marriage and divorce data users, the strengths and gaps in current survey and administrative data on marriage and divorce, and the challenges inherent in modifying such data systems. A major task involves a survey of individuals responsible for the collection and maintenance of marriage and divorce vital records

data in each State and in selected local agencies. The researchers will use the information obtained from the various sources to describe the strengths and weaknesses of the various data collections and present potential improvements that could strengthen and divorce data. A series of reports will be released in 2009.

In late FY 2003, ACF funded two additional major evaluation efforts to assess the effectiveness of different approaches to promoting healthy marriages. The *Supporting Healthy Marriage (SHM)* evaluation is being conducted by MDRC and uses an experimental research design to assess the effectiveness of programs to support healthy marriage and positive family functioning among low-income married couples with children. Eight organizations in seven States began conducting pilot tests of the SHM program in 2007. Upon successful completion of pilot tests, demonstration programs will be included in the formal SHM evaluation. The first examination of marital and family and child well-being outcomes in SHM demonstrations will be made 12 months after couples are randomly assigned into research groups and a second round of surveys and assessments will be conducted at 36 months after entry into the study. An initial working paper assessing recent descriptive statistics on the formation and stability, characteristics, and quality of marriages in the low-income population of the U.S. has been released (see <http://www.supportinghealthymarriage.org/publications/6/workpaper.html>).

The other major evaluation study is the *Community Healthy Marriage Initiative Evaluation (CHMI)* being conducted by RTI International and the Urban Institute. The CHMI evaluation includes: (1) implementation evaluations of multiple section 1115 waiver projects authorized by the Office of Child Support Enforcement (OCSE) that utilize a community approach to healthy marriage within the goals and objectives of the child support program; and (2) an impact and implementation evaluation using longitudinal data to assess changes in marital satisfaction and stability, family well-being, and community outcomes among low-income families in three areas where large scale healthy marriage programs funded by the Office of Family Assistance (OFA) are operating; similar data will be collected in matched comparison sites to assess the impact of the demonstration services. Two implementation study reports on the implementation of community healthy marriage demonstrations in Grand Rapids, MI and in Nampa, ID have been released. (See [http://www.acf.hhs.gov/programs/opre/strengthen/eval\\_com/reports/grand\\_rapids/grand\\_title.html](http://www.acf.hhs.gov/programs/opre/strengthen/eval_com/reports/grand_rapids/grand_title.html) and [http://www.acf.hhs.gov/programs/opre/strengthen/eval\\_com/reports/nampa\\_demo/nampa\\_title.html](http://www.acf.hhs.gov/programs/opre/strengthen/eval_com/reports/nampa_demo/nampa_title.html).)

In addition, in FY 2003, ACF funded the Urban Institute to document and develop a database of financial incentives and disincentives for marriage based on a range of State and Federal policies relevant for low-income families and analyze the potential effects of the policies alone and in combination based on marital status or living arrangements. The project includes the development of a web-based interactive *Marriage Calculator* that allows interested parties to simulate the effects on benefits of different family formation decisions based on income and wages for each adult, given different family sizes. The initial project was completed in 2006 (See <http://marriagecalculator.acf.hhs.gov/marriage/>).

In 2005, ASPE contracted with Mathematica Policy Research Inc. to conduct a process evaluation of the *Oklahoma Marriage Initiative (OMI)*. OMI aims to promote and strengthen marriage, primarily by providing relationship skills education. Funded mostly through TANF, it focuses on serving low-income families but is open to all. The OMI uses existing service delivery infrastructure to provide services and has a growing cadre of volunteer relationship

skills instructors trained under the program. The process evaluation will provide information on OMI goals and objectives; design, start up and implementation issues; major programmatic components, variance between what was planned and what actually occurred; participant characteristics; and costs, in an effort to help States and the Federal government to understand how they can better support healthy marriages, particularly for low-income families. A series of short informational briefs as well as a comprehensive final report documenting the issues and implications around the program design choices made by Oklahoma were produced in the summer of 2008. The first issue brief, *An Overview of the Longest-Running Statewide Marriage Initiative in the U.S.*, was released in December 2006. It describes efforts at the highest levels of the State government to develop a philosophy of change, select an implementation strategy, and build statewide capacity to deliver relationship skills education. All briefs and the final report will be available at <http://aspe.hhs.gov/hsp/06/OMI/>.

Also in 2005, ACF contracted with the RAND Corporation to conduct a review of literature on healthy marriage precursors among youth and develop a conceptual framework. The study resulted in the development of a theoretical model depicting the connections between youth attitudes, beliefs, and behaviors regarding marriage and childhood, adolescent experiences, biological factors, and adult outcomes. The study also examined existing curriculum and program models that address healthy adolescent relationships. The final report was released in September 2007 (see [http://www.acf.dhhs.gov/programs/opre/strengthen/marr\\_precursors/reports/adolescent\\_relationships/adolescent\\_title.html](http://www.acf.dhhs.gov/programs/opre/strengthen/marr_precursors/reports/adolescent_relationships/adolescent_title.html)). In addition, in 2005, ACF contracted with Abt Associates to review research literature and lessons from practice to develop a conceptual framework for healthy marriage interventions with married stepfamily couples. The final report, *Meeting the Needs of Married, Low-income Stepfamily Couples in Marriage Education Services*, was released in April 2007 (see [http://www.acf.hhs.gov/programs/opre/strengthen/sup\\_stepfamilies/index.html](http://www.acf.hhs.gov/programs/opre/strengthen/sup_stepfamilies/index.html)).

ACF contracted with the Urban Institute in 2005 to synthesize research relevant to decision-making and behavior about marriage, family formation, employment and earnings and family functioning with a focus on low-income populations. The purpose of the project is to develop a conceptual framework for further research on inter-related aspects of family and work life to inform the development of policy and human services demonstrations and evaluations. The final project report was released in December 2007 (see [http://www.acf.hhs.gov/programs/opre/strengthen/marr\\_employ/index.html](http://www.acf.hhs.gov/programs/opre/strengthen/marr_employ/index.html)).

Also in FY 2005, ACF issued a program announcement that resulted in the award of five multi-year grants to further knowledge about healthy marriage among low-income populations. Two of the grants involve evaluations of intervention services, one assessing the effects of high-school based curriculum and the other evaluating the impacts of a curriculum specifically developed for African American couples. Two others involve analyses of existing data sets to address policy relevant questions and the fifth grant involves collecting primary data to better understand barriers to couples' participation in marriage education.

In FY 2006, ACF issued a *Responsible Fatherhood and Healthy Marriage Research Initiative* program announcement that resulted in three multi-year grant awards to support evaluations of programs that promote responsible fatherhood and support healthy marriages between low-income parents. All three evaluation studies use an experimental research design to assess the

net impact of the intervention on a range of outcome measures.

ASPE contracted with Mathematica Policy Research, Inc. in 2006 to conduct secondary analysis of existing national data sets in an effort to identify the characteristics of nationally representative samples of various target populations for healthy marriage programs. A databook, entitled *the Marriage Measures Guide of State-Level Statistics* which draws on data from several sources to provide a broad range of state-level statistical information that can be used to better assess the characteristics and needs of their state populations, identify high-priority target populations, and make informed decisions about the design and implementation of their healthy marriage programs. In addition, the guide serves as a general resource for anyone wanting to better understand current marriage patterns in their state. This guide was completed in March of 2008. A report and a research brief, *The Effects of Marriage on Health: A Synthesis of Recent Research Evidence*, were released in June 2007 (see <http://aspe.hhs.gov/hsp/07/marriageonhealth/index.htm>). They highlight the effects of marriage on health-related measures in five broad areas: health behaviors; health access, use, and costs; mental health; physical health and longevity; and intergenerational health effects. Finally, an analysis of teenagers' expectations, attitudes, and experiences concerning romantic relationships and marriage, based on four national surveys, was issued in October 2008.

Also in 2006, ASPE convened a symposium of diverse group of experts with research and practice knowledge on marriage and incarceration, for the purpose of understanding more fully the strategies for improving outcomes for couples who want to maintain healthy marriages during and after one of the partners is incarcerated. A report summarizing the presentations and discussions, *Research and Practice Symposium on Marriage and Incarceration: A Meeting Summary* (see <http://aspe.hhs.gov/hsp/07/marr-incar>), was published in January 2007. A new project is being funded to analyze data from three States to determine the effect of partner relationships on successful re-entry. Religion and spirituality will be mediating variables.

Further, in 2006, ACF and ASPE initiated a project to evaluate the *Marriage and Family Strengthening Grants for Incarcerated and Reentering Fathers and their Partners* grants funded through the ACF Responsible Fatherhood grant program priority area five – Responsible Fatherhood, Marriage and Family Strengthening Grants for Incarcerated and Re-entering Fathers and their Partners. The evaluation will lead to improved future marriage and corrections interventions by identifying how best to design interventions for couples involved with the criminal justice system and determining what kinds of marriage education programs can have an impact on stronger families and safer communities. The project includes an implementation evaluation of 14 sites and an impact evaluation, of a smaller number of the sites, designed to help determine what types of programs work best for those involved in the criminal justice system and what effects these programs may have on fostering healthy marriages, families, and children. The evaluation is being conducted through a contract with RTI, International.

In 2007, ASPE published a research brief estimating marital and non-marital fatherhood patterns for men ages 15 to 44, based on the National Survey of Family Growth, 2002. The report, *Marital and Unmarried Births to Men: Complex Patterns of Fatherhood* (see <http://aspe.hhs.gov/hsp/07/births-to-men/rb>), suggests that for most men, fatherhood is restricted to marriage. A significant fraction of men, however, have complex fertility patterns including unmarried births, but also mixtures of marital, cohabiting, and single births. A man's pattern of

births is related to a wide range of social and economic circumstances. Importantly, a man's status at the time his first child is born is very strongly related to his marital status when his other children are born.

In addition, in 2007 ACF and ASPE are beginning a number of new projects. ACF and ASPE are collaborating on a multi-year project to conduct a comprehensive process and outcome evaluation of ten *Healthy Marriage Initiative* grant projects that serve primarily Hispanic couples. This evaluation will provide an in-depth, systematic analysis of program implementation, operations, and outputs with a special focus on adaptations specifically for Hispanic couples and individuals. ACF and ASPE contracted with The Lewin Group and its subcontractors, MDRC and the Washington University Center for Latino Family Research, to conduct this implementation evaluation. ACF also awarded a contract to MPR to expand knowledge about decision making among low-income couples with regard to key topics such as marriage or cohabitation; seeking, obtaining, or advancing in employment; bearing children; and negotiating and determining parental roles and responsibilities.

Also in 2007, ASPE established the academic-based *National Center for Marriage Research* through a cooperative agreement with Bowling Green State University. The Center will improve our understanding of how marriage and family structure affect the health and well-being of individuals, families, children and communities by addressing key research questions, establishing a strong network of multi-disciplinary scholars who focus their research on marriage and family structure, develop and train future researchers, improve research methods and data to permit a fuller understanding of the effects of family structure in various domains across the life span, and actively disseminate research findings. In addition, ASPE contracted with Mathematica Policy Research to commission a series of research papers examining the interaction between marriage and health in the African American community. Papers will be presented at a symposium and compiled into an edited volume. Other ongoing ASPE projects include a study to identify the set of family strengths associated with marriage, including analysis of positive outcomes for youth, and a study to help improve the connections among financial literacy and asset accumulation and marriage skills programming for low-income couples. In February 2008, ASPE convened a roundtable which provided an opportunity for experts in the fields of marriage education, asset development, and financial education to exchange knowledge about programs and to explore collaboration.

### *Innovative Employment Strategies*

ACF has funded a range of research to address issues related to increasing employment among welfare recipients. One major initiative in this area, *The Employment Retention and Advancement Evaluation* (ERA), initiated in FY 1999, builds on earlier experience in order to test experimentally a new generation of approaches to promoting employment retention and advancement. The goal of this multi-year demonstration and evaluation project, being evaluated by MDRC, is to gain knowledge about how best to help low-income families sustain attachment to, and advancement in, the labor market. Sixteen intervention strategies have been implemented in eight States (California, Illinois, Minnesota, New York, Ohio, Oregon, South Carolina, and Texas).

Interim impact reports were released in FY 2006 for programs in South Carolina (see

[http://www.acf.hhs.gov/programs/opre/welfare\\_employ/employ\\_retention/reports/era\\_sc/era\\_sc\\_title.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/employ_retention/reports/era_sc/era_sc_title.html)) and Texas (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/employ\\_retention/reports/results\\_texas/results\\_tx\\_title.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/employ_retention/reports/results_texas/results_tx_title.html)) and in FY 2007 for programs in Illinois (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/employ\\_retention/reports/chicago\\_era/chicago\\_era\\_title.htm](http://www.acf.hhs.gov/programs/opre/welfare_employ/employ_retention/reports/chicago_era/chicago_era_title.htm)), Minnesota (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/employ\\_retention/reports/minnesota\\_tier2/mn\\_tier2\\_title.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/employ_retention/reports/minnesota_tier2/mn_tier2_title.html)), and New York (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/employ\\_retention/reports/era\\_pride/era\\_pride\\_title.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/employ_retention/reports/era_pride/era_pride_title.html)).

All sites are randomly assigned participants to control and experimental groups (except for Cleveland which randomly assigned participating employers) and several important variations on the retention and advancement themes are being tried:

- Cleveland experimented with a cooperative effort between employers and the TANF agency that offered career progression.
- New York attempted to enhance employment retention and advancement among substance abusers.
- Texas offered significant cash incentives to increase participation in its post-employment services program.
- Minnesota provided enhanced services for participants with acute mental health problems.
- Eugene, Oregon targeted newly employed TANF recipients with a variety of flexible education, training, and career development services designed to help participants advance into better jobs.
- South Carolina aggressively reached out to former welfare recipients who had been off the rolls for at least nine months, attempting to locate and work with prior TANF recipients who may need employment-related assistance in order to avoid recidivism.
- Los Angeles, California is testing a variation of “work first” in the form of enhanced job club activities.

ACF also funded evaluation of *College as a Job Advancement Strategy: New Visions Self-Sufficiency and Lifelong Learning Demonstration Project*. The purpose of this demonstration, initiated in FY 1999 with a final report released in January 2006, was to test the impact of an education program designed to improve the job prospects of TANF recipients already working at least 20 hours per week by providing them with an education program designed to meet their special needs as working recipients. The project was conducted in Riverside, California for welfare recipients of the County Department of Public Social Services. The education program was designed by the Riverside Community College (RCC) and implemented on its campus. The core components of New Visions, which lasted for 24 weeks, consisted of classes in English, math, reading, office computer software, and guidance. These courses placed special emphasis on basic communication and computational skills critical for work. After graduating from the

core New Visions program, students were encouraged to enroll in a variety of occupational programs designed to help the student enter or advance in specific careers. The evaluation of New Visions was carried out by randomly assigning eligible recipients who expressed interest in the New Visions program to a treatment or to a control group. Only subjects in the treatment group could access the New Visions program. Recipients in the control group were encouraged to pursue some other form of education and training. Impacts were estimated by comparing outcomes for treatment and control groups. Study findings include: (1) recruiting students into the program was difficult, and of those recruited and assigned to the treatment group, 38% were no-shows and only 27% completed the core sequence; (2) those in the treatment group participated in more education and training than those in the control group and also earned more college credits; (3) New Visions had a statistically significant *negative* impact on earnings for each of the three years following assignment to the program; and (4) persons assigned to New Visions received cash welfare benefits for more months and in greater amounts than those in the control group, and these differences were statistically significant in the 3<sup>rd</sup> year after assignment to treatment or control groups. The final report is available at

[http://www.acf.dhhs.gov/programs/opre/welfare\\_employ/new\\_visions/reports/clg\\_job\\_adv/clg\\_title.html](http://www.acf.dhhs.gov/programs/opre/welfare_employ/new_visions/reports/clg_job_adv/clg_title.html).

ACF's also funded a project conducted by the Urban Institute that was designed to identify potentially effective approaches and programs for promoting stable employment and wage growth among low-income populations. The report from this project, *Innovative Employment Approaches and Programs for Low-Income Families* (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/inno\\_employ/reports/innovative/innovative\\_title.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/inno_employ/reports/innovative/innovative_title.html)), was issued in 2007. It established a set of criteria to define and identify innovative approaches and programs and discusses twelve innovative approaches and 51 programs that were identified. To qualify as "innovative," an approach had to meet one or more of four criteria: (1) address at least one (and preferably more than one) of the causes of low earnings among low-wage workers; (2) provide an untested intervention, but one that is grounded in research to date; (3) address the specific policy interests of Federal or State policymakers and/or program operators; or (4) have some potential for being adapted in other States and localities. Programs implementing such approaches were classified as innovative if they met one or more of four criteria: (1) strong program design and services; (2) relatively mature programs that are operating at "steady state" implementation or for relatively long periods of time; (3) programs that operate on at least a moderate scale; or (4) evidence of positive results or outcomes, particularly economic outcomes.

Finally, in 2007 ACF initiated a new demonstration project that will test a range of promising strategies to promote self-sufficiency and reduce welfare utilization. The *Innovative Strategies for Increasing Self-Sufficiency* evaluation represents the next step in a series of evaluations of demonstrations designed to promote employment and self-sufficiency among economically disadvantaged families, including those receiving or at risk of receiving welfare benefits. Conducted by Abt Associates, this project will evaluate multiple employment-focused strategies that build on previous approaches and are adapted to the current Federal, State, and local policy environment. Approaches of particular interest include employment services that involve couples together, those that serve families with barriers such as a disability or a history of substance abuse, employment-focused diversion programs, self-employment programs, strategies involving employers, strategies to increase employment retention, and those designed to promote career advancement. However, other approaches may also be evaluated. Such programs and

services will be operating in the context of the requirements set forth in the DRA for the TANF program, which changed the work participation rate calculation among other changes in the TANF program. The goal of this evaluation is to increase empirical knowledge about the effectiveness of programs utilizing varied strategies aimed at helping low-income families sustain employment and advance to positions that enable self-sufficiency. The evaluation will utilize a random assignment design in up to six sites in order to assess the effectiveness of the multiple interventions

### *Effective Strategies for Serving the Hard-to-Employ*

State and local TANF officials and other service providers have expressed the need for more information and guidance as they develop employment-focused strategies to work more effectively with TANF recipients who face substantial barriers to employment. These include adults with substance abuse and/or mental health problems, physical or developmental disabilities, learning disabilities or very low basic skills, those who have experienced domestic violence, or those who have a general history of low and intermittent employment. In many instances, agencies will need new methods and strategies to meet the needs of individuals facing one or more of these barriers in order for them to enter and succeed in the labor market.

ACF, ASPE, and the Department of Labor (DOL) are funding a major evaluation project that builds on lessons from earlier work and is intended to increase knowledge about the most effective strategies for helping hard-to-employ low-income parents and individuals find and sustain employment and improve family and child well-being. The Enhanced Services for the Hard-to-Employ Demonstration and Evaluation project is a multi-year, multi-site effort that began with first identifying agencies and organizations already working or interested in working with such parents and individuals and then working further with promising sites towards designing and implementing programs that address barriers to employment by using state-of-the-art methods and approaches. The evaluation utilizes an experimental design to assess program effectiveness and will document the implementation and operational lessons from the perspective of program operators, administrators, and participants. The evaluation is testing intervention strategies in four sites, including: (1) a transitional work and employment support program for recent prison parolees in New York City; (2) an outreach effort in Rhode Island designed to enlist Medicaid recipients with depression into mental health treatment and connect them to employment services, (3) three Early Head Start Programs in Kansas and Missouri involving enhancing and expanding the self-sufficiency components of the program to build both employment gains and positive child impacts; and (4) a program in Philadelphia testing two promising approaches for TANF recipients with significant barriers – a transitional employment approach, and an approach relying on in-depth assessment and an individually tailored menu of employment and support services and intensive case management.

*A Hard-to-Employ Profile Report* (See [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/enhanced\\_hardto/reports/four\\_strategies/four\\_strategies\\_title.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/enhanced_hardto/reports/four_strategies/four_strategies_title.html)) was released in the fall of 2007. This report describes the origin of the project and the rationale for the demonstration, explains the study design, and describes the four sites and characteristics of the participants.

An interim impact report on one of the sites titled, *The Center for Employment Opportunities (CEO) Prisoner Reentry Program: Early Impacts from a Random Assignment Evaluation* (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/enhanced\\_hardto/reports/transitional\\_jobs/trans\\_jobs\\_title.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/enhanced_hardto/reports/transitional_jobs/trans_jobs_title.html)), was also released in the fall of 2007. CEO, in New York City, is one of the nation's largest employment-focused prisoner reentry programs. The evaluation utilized an experimental, random assignment design. Participants were randomly assigned to the regular CEO program (program group), or to receive basic job search assistance (control group). The report covers impacts for one year after participants entered the study.

CEO uses a distinctive transitional employment model. After a four-day job readiness class, participants are placed in temporary, minimum wage jobs with work crews that perform maintenance or repair work under contract to city and State agencies. Participants are paid daily. Within weeks, they also receive help finding permanent jobs and follow-up services to promote employment retention. The evaluation targeted a key subset of CEO's population – ex-prisoners who showed up at the program after being referred by a parole officer.

For the full research sample, CEO generated a large, but short-lived increase in employment covered by unemployment insurance (UI). During the early months of follow-up, when many in the program group worked in CEO crews (jobs covered by UI), the employment rate for the program group was 30 to 40 percentage points higher than for the control group. However, the program group's employment rate dropped as people left CEO jobs, and the difference between the groups disappeared by the end of the year. Nevertheless, there was a small but statistically significant decrease in felony convictions and incarceration for new crimes during Year 1.

Among those who came to CEO within three months after release, the program produced statistically significant decreases in parole revocations, felony convictions, re-incarceration for new crimes, and overall re-incarceration after Year 1. Effects on these measures are rarely seen in rigorous evaluations. The pattern of employment impacts was similar to that for the full sample, though the impacts seem to have declined more slowly for this subgroup.

In 2006, ACF began the *Identifying Promising Practices for Helping TANF Recipients with Disabilities Enter and Sustain Employment* project. This project is exploring strategies that facilitate employment of TANF adult recipients living with mental, intellectual, and/or physical disabilities. Conducted by Mathematica Policy Research, Inc., the project is exploring current innovative efforts by States to assist disabled individuals in securing and retaining employment. It is focused on providing States with information to assist them in developing programs addressing the employment needs of this population, and helping ACF to develop our research agenda in this area. Final reports were published in February 2008 (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/identify\\_promise\\_prac/index.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/identify_promise_prac/index.html)).

### *Rural Welfare-to-Work Strategies*

ACF is investing resources to learn how best to help TANF and other low-income rural families enter into and sustain employment. This evaluation, being conducted by Mathematica Policy Research, Inc., will help identify effective rural welfare-to-work strategies, operational challenges, and solutions that can be used by State and local TANF agencies and others. The project has been implemented in Illinois and Nebraska and employed a random assignment

experimental design. An implementation report (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/rural\\_wtw/reports/rwtw/rwtw\\_title.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/rural_wtw/reports/rwtw/rwtw_title.html)) was released in mid-2004. The evaluation will highlight promising models and determine the effectiveness and cost-benefits of these welfare-to-work strategies in rural areas.

- *Illinois Future Steps* implemented in five counties in southern Illinois beginning in July 2001, has an intensive employment and case management program tailored to people with low incomes. An interim impact report of the program was published and can be found at: [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/rural\\_wtw/index.html](http://www.acf.hhs.gov/programs/opre/welfare_employ/rural_wtw/index.html). The report, which presents results from an eighteen months follow-up, found no evidence that Future Steps improved employment and earning or reduced welfare dependency. The final report was released in September 2008.
- The *Building Nebraska Families Program* is an education-based developmental program that began in March 2002 and works with participants in 37 rural counties throughout the State. It provides one-on-one instruction and assistance in clients' homes focused on helping Nebraska's TANF/Employment First clients who have not found or sustained employment through regular program activities get enhanced services. A final report was released in September 2008.

### *Understanding the Low-Wage Labor Market*

Understanding the motivations, hiring practices, and workplace policies of employers – the demand side of the labor market – can provide considerable information to policy makers interested in promoting work and advancement among welfare recipients and other less-skilled workers. The ACF project, *Understanding the Demand Side of the TANF Labor Market*, conducted by the Urban Institute and Mathematica Policy Research, adds to knowledge in this area by surveying employers in the TANF/low-wage labor market. The survey, of a nationally representative sample of private-sector employers, focuses on industry sectors with the most jobs in the low-wage labor market, the employers most relevant for the majority of current and recent TANF recipients. The survey gathers information from employers on their attitudes, practices, and policies toward TANF recipient and other low-skill hires, including information on worker advancement, the use of work force intermediaries in hiring, and the role that child care plays in worker retention. The survey will allow for comparisons of employers in urban-core areas, suburbs, and exurbs/rural areas. It also measures employment outcomes for TANF recipients and other low-skilled workers, allowing analysis of the connections between employer practices and employee outcomes. In short, this national survey of employers in the low-wage labor market can provide key information on what employer practices and policies are and how they are associated with workplace success for welfare recipients and other less-skilled workers. The final report was issued in April 2008 (see [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/unders\\_demand/](http://www.acf.hhs.gov/programs/opre/welfare_employ/unders_demand/)).

An earlier ASPE-funded study conducted by Abt Associates, Inc., and the Upjohn Institute for Employment Research, provided a foundation for the current TANF employer survey referenced above. The study's May 2004 report, *Private Employers and TANF Recipients*, may be accessed at <http://aspe.hhs.gov/hsp/private-employers04/index.htm>.

To study the labor market factors that affect job retention and wage advancement among TANF recipients and other low-income and disadvantaged workers, ASPE has funded a series of analyses using panel data from the Survey of Income and Program Participation (SIPP), data from the Longitudinal Employer Household Dynamics (LEHD) program housed at the Census Bureau, and data from the Administrative Data Research and Evaluation (ADARE) consortium supported by the Department of Labor. These data programs provide longitudinal information that can be used to track the employment and economic outcomes over time of low-income and other disadvantaged populations, including TANF recipients, former recipients, and those at risk of entering TANF.

ASPE funded Mathematica Policy Research, Inc. to study the low-wage labor market for TANF recipients and other low-wage workers using longitudinal data from the SIPP. The April 2004 final report, *Characteristics of Low-Wage Workers and Their Labor Market Experiences: Evidence from the Mid- to Late-1990s* (see <http://aspe.hhs.gov/search/hsp/low-wage-workers04/index.htm>), examines the post-PRWORA labor market experiences of low-wage workers using the 1996 SIPP panel, which provides longitudinal data from 1996 to early 2000. In each year of the panel, the study shows that roughly one quarter of all workers were low-wage workers (i.e., had hourly wage rates less than \$7.50). The study also showed substantial job mobility among low-wage workers, especially among those who began the period with better quality jobs (e.g., earned somewhat higher wages, had health benefits available, worked full-time hours) and among continuous workers who switched jobs (relative to those who remained in their starting job). ASPE currently is conducting a follow-up project using the 2001 to 2003 SIPP panel to examine the relationship between the receipt of work supports and transitions to greater self-sufficiency among low-wage workers. A final report is expected in 2009.

To gain a better understanding of the factors that enable low-income single mothers to escape poverty and attain greater economic self-sufficiency, ASPE funded a related study by Mathematica Policy Research, Inc. using data from the 2001 to 2003 SIPP panel to study the employment and economic experiences of single mothers following exits from poverty. The June 2007 final report, *Economic Patterns of Single Mothers Following Their Poverty Exits* (see <http://aspe.hhs.gov/hsp/07/PovertyExits/index.htm>), examines the income, employment and poverty experiences of single mothers for two years after they exited poverty. The study found that 30 percent of single mothers were poor but then left poverty. Work effort was high among single mothers who left poverty: on average they worked for three-quarters of the subsequent two years following their poverty exit. Among this group of poverty leavers, 28 percent remained out of poverty for the next two years, 56 percent cycled in and out of poverty, and 16 percent reentered poverty and stayed poor over the next two years. Those who remained out of poverty tended to have higher paying jobs and more benefits (such as health insurance), and worked more hours than single mothers in the other two groups. The single mothers who stayed out of poverty also were somewhat older and were more likely to have more than a high school degree and to ever have been married. They were also much less likely to have a health limitation that affected their ability to work.

Several ASPE projects have used the Longitudinal Employer Household Dynamics (LEHD) data to explore employment outcomes for low-income and other disadvantaged workers over an even longer period of time. LEHD data contain administrative records on both workers and the firms that hire them, linked longitudinally over 10 years for nearly the entire labor force. One ASPE

project in this series used the LEHD data to examine TANF recipients' ability to hold a job and work their way out of low-wage status. The final report, *Successful Transitions out of Low-Wage Work for Temporary Assistance for Needy Families (TANF) Recipients* (see <http://aspe.hhs.gov/hsp/low-wage-workers-transitions04/index.htm>), was released in April 2004. Findings show that for those on TANF in 1999, average wage growth was positive between 2000 and 2001 for most income groups. Nonetheless, within each income group, roughly 50 percent did not experience wage growth. Although this analysis is limited to TANF recipients identified in the Decennial Census data, ASPE has another project that will link TANF administrative data to the LEHD database. This will enable the use of the LEHD data for studying employment progression for the full universe of current and former TANF recipients.

Two related ASPE studies using the longitudinal LEHD data on earnings linked with income and health insurance data from the Current Population Survey (CPS) are currently underway. The first examines the long-term employment and earnings outcomes of single mothers with the lowest income levels (i.e., those with total family income in the bottom two income quintiles), and the second examines the relationship between employer-sponsored health insurance coverage and a prior history of instability in the low-wage labor market. Reports for these studies are expected in early 2009.

ASPE conducted a study on the use of Unemployment Insurance (UI) as a safety net for former TANF recipients based on the longitudinal ADARE data program. This project examines transitions between TANF, work, and UI using linked administrative data from four States. Since the data are the universe in these States – not a sample – and we have matched TANF and UI data, we can follow TANF leavers longitudinally and see how UI supports TANF families who have left assistance for work and subsequently lost employment. The data are made available through the Administrative Data Research and Evaluation (ADARE) consortium of the Employment Security Agencies and partnering universities in participating States. According to analyses of these TANF leavers, receipt of UI reduces the return to TANF by 22 percent. Among these TANF leavers, of those who become newly unemployed and apply for UI benefits, nearly 91 percent will be eligible for monetary reasons, 36 percent will be eligible for non-monetary reasons, and 55 percent will ultimately draw UI benefits. Note, however, that depending on the state, between 18 and 43 percent of newly unemployed TANF leavers applied for UI benefits within 3 years after leaving TANF, a rate that is lower than the rate for other non-TANF applicants. The lower rate may reflect lower labor force attachment and experience among former TANF recipients. This report may be accessed at: <http://aspe.hhs.gov/hsp/08/UI-TANF/>.

This work builds on a previous ASPE study on the use of UI benefits among low-income single mothers. Results from this earlier study show that receipt of UI benefits increased among low-income single women with children between 2000 and 2003; this is in contrast to the lack of increased receipt during the recession of the 1990s. The report also shows that during periods of economic difficulty, many single mothers who experience interruptions in their employment have been able to use the UI system as their primary safety net. This increased use of UI has reduced some of the demand for TANF cash assistance. This 2005 report may be accessed at <http://aspe.hhs.gov/hsp/05/unemp-receipt/>.

## Child Care and TANF

Many child care policy research projects have looked at child care subsidies and services as a support for employment of low-income, at risk, and TANF-linked families.

The *National Study of Child Care for Low-Income Families*, conducted by Abt Associates and the National Center for Children in Poverty at Columbia University's Joseph Mailman School of Public Health, was a ten-year research effort in 17 States and 25 communities. Funded by ACF, the study examined: (a) how States and communities implemented child care subsidy policies and programs directly after welfare reform; (b) how parents select child care arrangements (e.g. family child care, center-based child care) and use subsidies; and (c) what family child care looks like. Final reports were issued in the fall of 2007 (see [http://www.acf.hhs.gov/programs/opre/cc/nsc\\_low\\_income/index.html](http://www.acf.hhs.gov/programs/opre/cc/nsc_low_income/index.html)).

The *Child Care, Welfare, and Families: The Nexus of Policies, Practices, and Systems*, conducted by The Urban Institute, examined the role of welfare policies and practices in shaping the child care subsidy experiences of low-income families, focusing on how these issues affect families' access and utilization of child care subsidies. Findings from this study may assist States in coordinating CCDF and TANF administrative practices.

The study conducted telephone interviews in 11 localities with State and local administrators and staff from both the welfare and child care systems and focus groups in four sites (Miami, FL; Houston, TX; Jackson, MS; and Denver, CO) with parents receiving TANF and child care subsidies, as well as parents who had recently left TANF and were still receiving child care subsidies. A series of papers released in April 2006 report findings from this study. (see <http://www.urbaninstitute.org/publications/311302.html>). The first report, *Child Care Subsidies for TANF Families: The Nexus of Systems and Policies*, provides information on the points of intersection between child care and welfare, the way localities structure child care and welfare systems and staff, and the factors that impede or aid coordination between the systems. The study found large variation in how localities structure the intersection between the welfare and child care systems, including administrative structures, policies, staffing approaches, and strategies around coordination. Further, it found a limited role of the child care subsidy agency for TANF clients, with child care workers often having no decision making role in the subsidies for TANF clients and, in some sites, the TANF clients never coming into contact with a child care worker until they left welfare. Also, levels of administrative complexity and client burden across sites often appeared to have far more to do with the policies and practices of the site rather than the particular administrative approach the site took to connect the welfare and child care systems for clients.

A second report, *Parents' Perspectives: Child Care Subsidies and Moving from Welfare to Work* focused on parents' experiences with accessing and retaining subsidies as they move through and off the welfare system. Focus group participants were asked about their child care subsidy experiences, including applying for subsidies, finding a provider, ongoing subsidy requirements, and the transition off welfare. The study found that child care subsidies play an important role for families in terms of supporting parents' efforts to work and to have their children in a safe learning environment; linking child care and welfare services has important implications for the families receiving these services in terms of how they view subsidies and their experiences with

the subsidy program; and, finding child care can be challenging for families and can be made particularly difficult when parents are given little time to find care before their work activity begins. The final phase of the study examined why welfare leavers are not using subsidies and identifies potential strategies to ensure that those who need subsidies are able to access them.

Another paper *Child Care Subsidies and Leaving Welfare: Policy Issues and Strategies* focuses on what is known about child care needs and subsidy use among those leaving welfare for work, as well as State and local policies that shape subsidy use among this population. Some findings reported include: after PRWORA, most States continued to place a high priority on ensuring that families moving from welfare to work were able to obtain child care subsidies; at the local level, providing child care subsidies to welfare leavers generally requires informing them about the benefit and exchanging information between TANF employment and child care systems on the parents new status and earnings as they leave TANF, and localities differ significantly in the way in which they have implemented these processes; and several factors appear to contribute to the relatively low use of child care subsidies among working families including a lack of awareness of the benefit, a personal decision not to use the assistance, burdensome parental requirements, and administrative and staffing structures that do not facilitate the use of subsidies.

*The Continuity and Stability of Child Care Subsidy Use in Oregon*, conducted through a State Research and Data Capacity Grant to the CCDF lead agency in Oregon, investigated the dynamics of child care subsidy use in Oregon and the relationships among patterns of child care subsidy use, TANF receipt, and employment. A paper released in March 2006 entitled “Why do they leave?: Child Care Subsidy Use in Oregon,” looked at why people leave the subsidy system by studying in depth families’ transitions from the subsidy program. (see [http://www.hhs.oregonstate.edu/familypolicy/occrp/publications/2006-C&S\\_Study\\_Final\\_Report\\_FINAL.pdf](http://www.hhs.oregonstate.edu/familypolicy/occrp/publications/2006-C&S_Study_Final_Report_FINAL.pdf)) Analyses were conducted on data from four years (1997-2001) of linked administrative records, including UI wage data, child care subsidy data, TANF data, and data from other programs such as medical assistance and Food Stamps. The study also investigated the relationship between employment outcomes (i.e., earnings, earnings growth, and number of job changes) and child care subsidy use. The study found the TANF eligibility period to be significant in predicting exits to the subsidy system. For a sample of all families who received subsidy whether in job assessment or employed, exits from subsidy were 2.7 times more likely for those who were in the last month of their eligibility period than for those not in their last month of eligibility (controlling for other covariates). When looking at the sample of families who were receiving a subsidy and were employed, exits were 3.4 times more likely for families that were in their last month of eligibility period than for those who were not. Many families exit the child care subsidy program although they are still income-eligible to receive subsidies and continue to participate in other support programs such as Food Stamps. Policies related to eligibility re-determination may have an effect in the ability of families to keep child care subsidies in support of stable employment.

In 2007, ASPE completed an administrative data study that examined the characteristics of *Child Care Subsidy Use in Urban and Rural Areas* of the United States (see <http://aspe.hhs.gov/hsp/07/cc-subsidies/index.htm>). The study found that substantial numbers of children are being served by the Child Care and Development Fund in both urban and rural areas. In addition, the study also found that rural children are less likely to receive care in center-based programs and are more likely to receive care in family homes than children residing in urban areas. ASPE conducted a

related study of *Child Care Arrangements in Urban and Rural Areas* based on the National Household Education Survey (NHES). This study showed that among preschool-age children, those in rural areas were about as likely as those in urban areas to receive care from someone other than their parents on a weekly basis. Similar to the earlier study, the NHES study also showed that when rural children participated in non-parental care they were more likely than urban children to have received this care from relatives and were less likely to have received care in center programs (see <http://aspe.hhs.gov/hsp/08/cc-urban-rural>).

*Stability and Change in Child Care and Employment: Evidence from Three States* conducted by MDRC, used data from 3,500 women targeted for welfare-to-work programs in three States to examine child care stability and its association with employment stability among current and former welfare recipients. Each of the three programs were evaluated using a random assignment design in which some women were assigned to a new program while others were assigned to the then-existing welfare system in their State. A working paper released in 2005 reports that among most women in the sample child care use was fairly stable. (see [www.mdrc.org/publications/406/full.pdf](http://www.mdrc.org/publications/406/full.pdf)). Changing care arrangements and using multiple types of care in a given month are more common than dropping care. Women who dropped child care in a given month were 8 percentage points more likely than other women to leave work in the next month, however, dropping care did not account for the majority of the transitions out of work in this sample. Although child care instability and employment instability were correlated, the evidence suggested that a significant proportion of child care instability is caused by employment instability and not the other way around. Other reasons besides child care instability contributed to job instability in this population.

*Early Care Settings and School Readiness of Low-Income Children: Cross-Cutting Lessons from Two Complementary Studies*, a study conducted by MDRC, used a pooled dataset of seven experimental studies of welfare and employment programs testing several key policies to study the relationship between family characteristics, choice of care and children's outcomes (the paper has been submitted to peer-reviewed journal). The study found that the effects of welfare and employment programs on economic, child care and children's outcomes varied by levels of initial disadvantage of the families. These intervention programs had no effect on the least disadvantaged welfare families, and had similar positive effects on employment, earnings, and income among the most and moderately disadvantaged welfare families. Program effects on participation in center-based care and on children's achievement statistically differed for the children in the moderately disadvantaged families as compared with the most disadvantaged families. Among children in moderately disadvantaged families, these programs increased use of center-based care and improved children's achievement. Among children in most disadvantaged families, these programs increased use of home-based and mixed care arrangements and had no effect on children's achievement or problem behavior. While the researchers did not formally test causal pathways, the findings are consistent with the hypothesis that participation in center-based care might have been one mediating pathway to improvements in children's achievement among preschool aged children in moderately disadvantaged families. Incremental increases in resources available through these programs might have offered the opportunity for moderately disadvantaged families to invest in center-based care. The findings seem to indicate that mothers in the most disadvantaged families are likely entering employment for the first time; might prefer home-based care; lack the resources to purchase center-care; or, their employment patterns might not match the availability of center-based care.

*Still Working in Minnesota? Follow-up Study on Parents' Employment and Earnings in the Child Care Assistance Program (CCAP)* (see <http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4512-ENG>), a study lead by the Minnesota Department of Human Services under a Child Care Research Partnership Grant, tracked starting with all parents receiving assistance in the first quarter of 2001 the industry of employment, earnings per job, and earnings per household over a three-year period. The paper, released in December 2005, reports on analyzes of changes in the sector of employment and changes in earnings of parents receiving child care assistance in four counties in Minnesota. The study reports on frequency distributions of employment by sector and median earnings. Findings show that the pattern of employment by industry sector did not change much over the three-year period. Nearly 60 percent of jobs were in four industries -- health care and social assistance, administrative and support services, retail trade, and accommodation and food services. The health care industry was the most common CCAP employer, accounting for almost one-quarter of the jobs held by these parents, and those working in health care started at higher quarterly wages and experienced faster wage growth over three years than those working in other industries. Parents who remained in the same industry tended to have higher wages and higher earnings growth over the three years (compared with those who changed industry sectors), with the exception of parents working in administrative and support services (e.g., temp agency jobs) and those in accommodation and food services; and, over the three years, average quarterly earnings rose in some industries by \$1,000, but many parents were no longer working at the end of the study period. Even though parents remained employed and saw some wage growth in many jobs, family incomes were still low and most families continue to need child care assistance to cover their child care expenses. Findings from the relative advantage to CCAP participants of working in the health care industry point to some potential strategies for improving long-term financial outcomes for families participating in State employment-related programs.

### *Improving the Use of TANF and Other Administrative Data*

ASPE and ACF have been working collaboratively on a series of projects to improve the use of TANF administrative data, both for program management and for research purposes. One such project has developed user-oriented enhancements to ACF/OFA's web-based TANF reporting system that States use to enter aggregate data for TANF and related programs. The enhancements are intended to make the system more useful to the States and others for program management and monitoring. A second project, recently completed, is making the disaggregated, micro-level TANF data submitted by States to the Federal government available to the research community through the web. A third project has been developing indicators and a new software tool for use by States in analyzing data for program management and performance measurement. To date, 20 indicators have been developed in consultation with ten States and programmed into an initial prototype of a software tool. The indicators are being revised to reflect the new regulations from the DRA, and then the tool will be pilot tested before distribution to interested States. .

In 2007, ACF began “*Understanding Two Categories in TANF Spending: “Other” and “Authorized Under Prior Law”*” project to examine these two large subcategories of reported spending for TANF and State Maintenance of Effort (MOE) which accounted for over 16 percent of the TANF and MOE spending in 2005. The project, being conducted by Mathematica Policy

Research, Inc., will review existing State program spending reports submitted to the Federal government, TANF State plans, and supporting State documents; document the types of services or activities funded by States with TANF and State MOE funds that are categorized in Federal reporting as "Other" and "Authorized Under Prior Law;" and develop recommendations, as appropriate, regarding potential revisions to the TANF financial reporting form that would provide better documentation of how funds currently reported under both categories are used. A final report is expected in 2009.

### *Contracting with Faith-Based Providers*

*State and Local Contracting for Social Services Under Charitable Choice.* Welcoming faith-based and community organizations (FBCOs) as valued partners in providing social services is a top priority for the President. In 2002, ASPE contracted with Mathematica Policy Research, Inc. and their subcontractors, the Hudson Institute, the Center for Public Justice and the Sagamore Institute for Policy Research, to examine the varying ways in which the Charitable Choice (CC) provisions covering TANF and Substance Abuse Prevention and Treatment (SAPT) programs are interpreted and implemented by State and local government officials. The contractor surveyed agencies contracting with TANF or SAPT funds in all 50 States and the District of Columbia, along with local TANF agencies in selected counties. Findings from the final report, "*State and Local Contracting for Social Services Under Charitable Choice*"

(<http://aspe.hhs.gov/hsp/05/CharitableChoice/index.htm>), indicate that CC provisions have had little or no effect on agencies' preexisting contracting policies regarding FBCOs. There are, however, significant efforts to reach out to FBCOs to encourage their involvement in TANF and SAPT and to remove barriers. The majority of agencies recognize that certain characteristics and behaviors make FBCOs ineligible for funding under CC, but in several instances, agencies did not appear to know or apply the relevant CC provisions that establish the eligibility of certain types of FBCOs for funding. These discrepancies may indicate a need for greater training of agency staff.

*Understanding Vouchers as a Tool to Expand Client Choice in TANF and CCDF.* Many social service programs are focusing on ways to expand clients' choice of service provider, to include the choice of faith-based providers. ASPE conducted a study to examine and document how vouchers are used in the TANF and Child Care and Development Fund (CCDF) programs and the degree to which this indirect funding mechanism supports the goals of maximizing client choice and expanding the service delivery network to include faith-based organizations (FBOs) among an array of providers. The study, conducted by contractor Mathematica Policy Research, Inc., utilized telephone discussions with State and local officials and site visits to selected programs to gather information. Major findings included:

- Voucher use varies greatly between TANF and CCDF. The federal framework for CCDF requires the use of vouchers and, as a result most, states offer certificates to families that can be redeemed with providers of their choice. In TANF, legislative authority is given for voucher use but there is no specific requirement to use them, and we found only a few examples of their use.
- Some TANF programs integrate client-choice concepts into their contract-based service

delivery system by offering clients a choice from among a set of contracted providers. Such models also preserve an element of financial stability for providers who depend on the consistency of contracts to create the organizational and staffing capacity to serve a certain size caseload.

- The use of vouchers alone does not maximize client choice; program policies and procedures also influence the level of choice. The value of vouchers, the provision of information to allow clients to make informed decisions, provider qualifications for program participation, the nature of the voucher-funded service, and the client's interest in receiving the service all affect client choice.
- While program officials recognize and appreciate the role of faith-based and community organizations (FBCOs) in providing child care and services to the low-income, they do not seem to consider vouchers as a specific means of expanding the role of FBCOs in the service delivery network.

The final report, released in November 2007, can be found at <http://aspe.hhs.gov/hsp/07/vouchers/experiences/index.htm>.

*The Role of State Faith Community Liaisons in Charitable Choice Implementation.* Thirty-three States now have established a formal liaison with the faith community to encourage partnerships with faith-based organizations in the provision of health and social services. ASPE has underway a study that is building on past research to understand further the unique role of Faith Community Liaisons (FCLs) in influencing and promoting States' effective implementation of Charitable Choice rules that govern how States and localities partner with faith-based organizations. The project will result in a brief that will provide guidance on how States can utilize the FCL function to improve understanding of Charitable Choice, and a final report on promising State models, expected spring 2009.

### *Disasters and Emergency Response*

Because of the unique opportunity Hurricane Katrina offers to study the consequences of major disasters and other emergencies, ACF has funded the *Feasibility Assessment of Studying the Consequences of Hurricane Katrina for ACF Service Populations*. This study, conducted by the Urban Institute, examined opportunities for research on the effects of the hurricane on migration, income and employment, program needs, and program effects. The main objective of this feasibility study was to determine which research avenues offer the best opportunities for informing policy discussion and programmatic response to major disasters and other emergencies. An annotated bibliography and a final report were completed in April 2008 (see [http://www.acf.hhs.gov/programs/opre/other\\_resrch/feasibility\\_assmt/index.html](http://www.acf.hhs.gov/programs/opre/other_resrch/feasibility_assmt/index.html)). As a complement to this effort, ACF is providing funds to help support the *Hurricane Katrina Community Advisory Group Survey*, a longitudinal survey of survivors of Hurricane Katrina, which is being conducted by Harvard University with principal funding from the National Institute of Mental Health. These funds will help to support a sub-study of child functioning and well-being, and of family use of various benefit and service programs, including TANF.

### *The Role of Faith-based and Community Organizations in Post-Hurricane Human Services*

*Relief Efforts.* After Hurricanes Katrina and Rita, faith-based and community organizations (FBCOs) played a critical role in providing emergency services throughout the Gulf Coast region. Their work represented the largest disaster response effort in US history by charitable organizations. In 2006, ASPE launched a study to examine the role of selected FBCOs in hurricane disaster relief, with the goal of helping policy makers know how best to respond to future disasters and how best to utilize the strengths of faith- and community-based private human service providers. The project involves a telephone survey of over 200 FBCOs to learn the nature and extent of the human services provided by selected FBCOs in the aftermath of Hurricanes Rita and Katrina, and in-depth visits to eight programs to document their experiences, successes, and challenges in serving the needs of the low-income. The Urban Institute is conducting the study for ASPE, in partnership with a Louisiana State University survey group, two Gulf Region-based associations of nonprofits, and a Technical Advisory Group. A final report is expected in early 2009.

*Support for White House Conference on Research Related to the Faith-based and Community Initiative.* The White House Office of Faith-based and Community Initiatives (OFBCI) is putting more emphasis on the value of research in helping to guide federal, state and local efforts to improve partnerships with faith-based and community organizations (FBCOs) and increase understanding of their contributions to public assistance programs such as TANF. The OFBCI sponsored a two-day conference June 26-27, 2008, that presented findings on research to date in this area, summarized what has been learned and what still needs to be learned, and considered how best to target and coordinate future research efforts. The conference highlighted research in two tracks: (1) research sponsored by the federal government and nationally known private or nonprofit sector research organizations that examined the results of various FBCO-related federal/state initiatives and programs, and (2) research conducted by emerging scholars studying the nexus between FBCOs and public programs from a variety of perspectives. A key goal of the conference was to generate a proposed research agenda for further exploring and supporting government/FBCO partnerships. Researchers were invited via calls for papers to submit proposals for research to present in the two conference tracks. ASPE supported the conference by funding the production of a compendium of the invited Track 1 research papers and through the development of a conference web site. The compendium of papers was publicly released in hard copy and on various web sites at the time of the conference.



