

**The Study of Families Formerly
Receiving Aid to Families with
Dependent Children**

Interim Report: 1999 Survey

**For The Missouri Department of Social Services
Through the Local Investment Commission**

MRI Project No. 1033-01

May 3, 1999

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Receiving Aid to Families with
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**For The Missouri Department of Social Services
Broadway State Office Building
P.O. Box 1527
Jefferson City, MO 65102**

**Through the Local Investment Commission
3100 Broadway, Ste. 226
Kansas City, MO 64111**

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Preface

Midwest Research Institute (MRI) is participating in “The Study of Families Formerly Receiving Temporary Assistance to Needy Families.” This study assesses the impact of welfare reform on the lives of former Missouri public assistance recipients. One of 14 studies across the nation, it is being funded by the U.S. Department of Health and Human Services, Office of the Assistant Secretary for Program and Evaluation (ASPE). The Missouri Department of Social Services (DSS) received the ASPE grant, and MRI is participating in this project under contract to the Local Investment Commission (LINC) on behalf of the DSS.

The Missouri project is under the general direction of Mr. Tom Jones, associate director for welfare reform, DSS. The MRI portion of the study is being conducted under the direction of Dr. Nancy Dunton. In addition to MRI staff, other senior researchers working on the project are Dr. Richard Koon, manager of research and evaluation at DSS; Dr. Tracy Dranginis, research analyst, LINC; and Dr. Sharon Ryan, research assistant professor, Department of Economics, University of Missouri-Columbia (MU).

The Missouri study is based on two types of information—data collected from surveys of former recipients and analyses of administrative records data. The survey is designed to determine how persons fared after leaving the welfare system, in terms of workforce attachment, income, household composition, and other factors. Two groups of former recipients are being surveyed: those who stopped receiving Aid to Families with Dependent Children (AFDC) in fourth quarter 1996 and those who left the Temporary Assistance to Needy Families (TANF) rolls in fourth quarter 1997. The survey data are being collected, under subcontract to MRI, by Macro International, Inc.

This interim report presents preliminary findings from the interviews with a small percentage (about 25 percent) of the 1996 cohort of former AFDC recipients. Thus, the information in this report should not be construed as the “results” of the survey, but rather as a snapshot of the data collected in the first phase of data collection. The interim report is intended for use in ongoing policy discussions among state officials.

Specifically, this report describes preliminary findings about the respondents from the 1996 cohort who were the easiest to contact by telephone. Survey administration will continue through June 1999, and the latter phases of data collection will include interviews with persons who are more difficult to contact than those interviewed to date and interviews with respondents without telephone service. Therefore, it is possible that the data gathered in the latter phases of data collection will be quite different from those reported here.

This report was written by Dr. Nancy Dunton, with the assistance of Lola Butcher. Questions regarding this report can be directed to Dr. Dunton at (816) 753-7600, ext. 1169.

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Section 1.

Executive Summary

Midwest Research Institute (MRI) is participating in “The Study of Families Formerly Receiving Temporary Assistance to Needy Families,” which assesses the impact of welfare reform on the lives of former Missouri public assistance recipients. One of 14 studies across the nation, the Missouri study, as it is referred to, is being funded by the U.S. Department of Health and Human Services, Office of the Assistant Secretary for Program and Evaluation (ASPE). The Missouri Department of Social Services (DSS) received the ASPE grant and MRI is participating in this project under contract to the Local Investment Commission (LINC) on behalf of the DSS.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) brought about an unprecedented change in the system of governmental supports for needy families. PRWORA ended the entitlement of needy families with children to cash assistance and, under general guidelines, gave each state the responsibility for developing its own programs. The two key hallmarks of this reform were a lifetime limit on the number of months of assistance and a work requirement. The goals of welfare reform were to reduce dependency on governmental assistance and to help former recipients move toward economic self-sufficiency. Federal and state governments are looking to understand the impact that these policy changes have had.

Assessing the well-being of former cash assistance recipients is a difficult task, since they are no longer within the cash assistance system. The Missouri study is using two approaches in order to maximize the amount of information available on the transitions of former recipients toward self-sufficiency. The first is to search for former recipients in state administrative records to determine, for example, if they are receiving any kind of human services, if they have wages reported through the Department of Labor, or if they are in the care or custody of the state. The second approach is to conduct surveys, collecting exactly the needed information. The survey is designed to find out how persons fared after leaving the welfare system, in terms of workforce attachment, income, household composition, and other factors.¹

This interim report is being released to support the current policy and budget discussions in state government. It is based on interviews with the first initial respondents to the survey of former recipients who left Aid to Families with Dependent Children (AFDC) in the fourth quarter of 1996. Since data collection has been under way for only a month, information has been collected from only 25 percent of the intended sample. Moreover, early responders to a survey typically differ in unknown ways from those who respond at a later time. Survey administration will continue through June 1999. Therefore, it is possible that the data gathered in the latter phases of data collection will be quite different of those reported here. Thus, the information presented in this

¹ The survey data are being collected, under subcontract to MRI, by Macro International, Inc.

report should not be construed as the “results” of the study, but rather as a snapshot of the first phase of data collection.

Preliminary Findings

- The reason cited most frequently for leaving AFDC was “getting a job” (63 percent).
- There were two patterns of work effort among former AFDC recipients. Approximately two-thirds showed a substantial attachment to the labor force, and one-third did not. Indeed, one-tenth of the former recipients had not held a job since leaving AFDC.
- Many former recipients showed a consistent workforce attachment. Half had worked for 24 months or more since leaving AFDC. Among those currently working, the median number of hours worked per week was 40.
- Among the one-third who were not currently working, the main reasons cited by respondents were that they were ill or disabled or that they were taking care of the home or other family members.
- Many of these early respondents to the survey showed a pattern of steady wage progression. In the two years since leaving AFDC, the median wages of respondents had increased from \$6.00 per hour to \$6.67 per hour. This level of earnings, however, would not lift the typical family of three above the poverty line.
- Across all sources of income, the median household income for the prior month was \$1,100. The amount required to lift a family of three above the poverty level in 1999 is \$1,157.
- Two years after leaving AFDC, 60 percent of the former recipients were living below the poverty line.
- Many of the former AFDC recipients had sources of income in addition to their own earnings. In over half of the households, there were other people who had earnings. The median monthly earnings for former recipients was \$645. One-fifth of the households received child support. The median monthly amount received was \$162.50. Twelve percent of the households were back on cash assistance received TANF benefits during the prior month.
- One-quarter of the former AFDC recipients had returned to the TANF rolls. Fifteen percent had received TANF cash assistance during the previous month.

- In summary, for these early responders, the average household had a fairly substantial work effort, but had an income that was just below the federal poverty line. Thus, many respondents continued to rely on other forms of assistance.
- Approximately half of the households were receiving Food Stamps or WIC benefits. One-quarter of the households were unable to buy food to meet their needs during the prior month. Only half of those who said they were in this circumstance actually received help.
- Two years after having left AFDC, one-quarter of the sample was covered by Medicaid. An additional third of the respondents were not covered by health insurance. Even among two-thirds who were employed respondents, only half had health insurance through their employer.
- One-third of the former recipients lived in public housing or received a rent subsidy. Despite this, one-quarter of the respondents reported that during the prior month they were unable to pay the rent, mortgage, or utility bills. Fewer than half of those in need of help received assistance.
- Persons who receive cash assistance have characteristics and experiences that may help or hinder their movement toward self-sufficiency: training, education, affordable childcare, and reliable transportation.
- Overall, many respondents reported that they believed the training programs that they had participated in had been helpful in their obtaining jobs. Highest ratings were given to short skill-oriented courses, on-the-job-training, and vocational/skills training.
- Former AFDC recipients had relatively low levels of educational achievement: 30 percent had not completed high school or a GED.
- Childcare arrangements presented a barrier to some former recipients. Since leaving AFDC, 20 percent reported that there was a time in which they lost more than a week's pay, lost a job, or could not look for a job because they lacked childcare. One-quarter said that ongoing childcare problems were a serious threat to their ability to keep an existing job.
- Similarly, 60 percent of the respondents said there had been a time since they had left AFDC that they could not get to work because they lacked transportation. One-third said this had happened during the last month.

Future Reports

This interim report provides preliminary insights to our study of former cash assistance recipients. Because data collection will continue into June, the final report on the survey of 1996 leavers will be released this summer. It will contain more detailed information, as well as results for St. Louis City/County, Jackson County, and the rest of the state. There will be other reports issued during the course of this project. A survey of people who left TANF in the fourth quarter of 1997 will be conducted in the spring of 2000, with the report issued in the summer of that year. In the interim, reports will be produced, based on administrative data that examine the process of making the transition from welfare to work. These reports will address the roles of work, training, and transitional and emergency assistance. By the conclusion of this project, there will be a significant amount of new information to support policy and program development for low-income families.

Section 2. Introduction

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) brought about an unprecedented change in the system of governmental supports for needy families. PRWORA ended the entitlement of needy families with children to cash assistance and, under general guidelines, gave each state the responsibility for developing its own programs. The two key hallmarks of this reform were a lifetime limit on the number of months of assistance and a work requirement. The goals of welfare reform were to reduce dependency on governmental assistance and to help former recipients move toward economic self-sufficiency. Federal and state governments are looking understand whether these policy changes have had the desired impact.

Assessing the well-being of former cash assistance recipients is a difficult task, since they are no longer within the cash assistance system. One or both of two approaches generally are taken in this kind of study. The first is to search for former recipients in state administrative records to determine, for example, if they are receiving any kind of human services, if they have wages reported through the Department of Labor, or if they are in the care or custody of the state. While the use of administrative data means that new data will not have to be collected, studies using this approach have two limitations. First, former recipients simply may not appear in these data systems and, thus, no information will be available on their current status. Second, the data are collected through these systems for administrative purposes, and they may not be on-point to answer policy questions.

The second approach used in studies of former cash assistance recipients is to conduct surveys. Although surveys allow the analyst to collect the needed information, they are expensive. Furthermore, these surveys are hindered by the difficulty in locating, what is typically, a very mobile population and are characterized by low response rates. In turn, low response rates may be indicative of a biased sample.

The study detailed in this report—referred to as the Missouri study—uses both of these approaches in order to maximize the amount of information available on the transitions of former recipients toward self-sufficiency. Data collection began during the spring of 1999 and will occur through the first half of the year 2000. The study will describe the experiences of former recipients two years after having left assistance. It is also designed to compare the experiences of two cohorts of former recipients who left assistance under different policy scenarios:

- Those who left the former Aid to Families with Dependent Children (AFDC) program during the fourth quarter of 1996.
- Those who left the new Temporary Assistance to Needy Families (TANF) program in the fourth quarter of 1997.

When complete, there will be sufficient data to examine the outcomes for different subgroups of leavers, e.g., those with and without high school education. It will identify the factors that predict a successful transition from cash assistance to self-sufficiency, looking particularly at the roles of training programs and transitional benefits. Finally, there will not only be results for the state, but also for St. Louis City/County, Jackson County, and the rest of the state.

This first interim report is being released to support the current policy and budget discussions in state government. It is based on interviews with the initial respondents to the survey of former recipients who left AFDC in the fourth quarter of 1996. Since data collection has been under way for only a month, information has been collected from only 25 percent of the intended sample. Moreover, early responders to a survey typically differ in unknown ways from those who respond at a later time. Thus, the information presented in this report should not be construed as the “results” of the study, but rather as a snapshot of the first phase of data collection. Based on this preliminary information, this report describes:

- Their level of work effort and attachment to the labor force.
- The current economic status of former recipients, their sources of income, and earnings.
- Factors that might be expected to influence their economic well-being, such as education and training, childcare arrangements, and transportation.

The body of the report contains three sections: Methodological Approach, Findings, and Future Reports. This is followed by an Appendix that contains more detailed information on survey development.

Section 3.

Methodological Approach

Two surveys will be conducted for this project. The first is a survey of 1,200 former AFDC recipients who left the rolls in the fourth quarter of 1996. The second is of 1,200 former TANF recipients who left the rolls in the fourth quarter of 1997. This interim report is based on interviews with 304 former AFDC recipients, or about 25 percent of the 1996 leaver cohort. These respondents were interviewed in late March and early April 1999.

The sampling frame, obtained from the Department of Social Services (DSS), included 12,508 adults who left the AFDC rolls during the fourth quarter of 1996. Information was provided on the leaver's social security number, county of residence, last known address, and, if available, telephone number. Recipients were counted as "leaving" the roles if they remained off the caseload for at least two months. Persons who subsequently returned to the rolls were included. Child-only cases were excluded.

The sample size of 1,200 respondents represented a sampling fraction of 9.6 percent. This sample size was selected to permit analyses for three sub-areas just St. Louis of the state:

- St. Louis City and St. Louis County
- Jackson County
- Rest of state

The questionnaire for this survey was designed to collect information about respondents' lives two years after they had left the AFDC program. It included 151 items, covering 10 topic areas:

- Work effort
- Earnings and other income
- Welfare reciprocity status
- Use of food stamps, emergency assistance, and Women, Infants, and Children (WIC)
- Training
- Education
- Health insurance coverage

- Childcare
- Housing and residential mobility
- Household composition

MRI subcontracted with Macro International, Inc. of Burlington, Vermont, to administer the survey. The 14-week data collection period for the 1996 survey cohort began March 15, 1999, and will conclude in June 1999. Macro is using a computer-assisted telephone interview (CATI) system, with most interviews being conducted during weekday evenings and on weekends. On average, interviews last about 45 minutes.

Given the preliminary nature of the survey data collected to date, the findings presented in this interim report are limited to univariate frequencies and descriptive statistics.² More detailed, analytic results will be presented in the final report.

A detailed discussion of the survey methodology appears in the Appendix to this report.

² The sample design for this survey was complex, containing both strata and clusters. The results from the initial respondents, described in this interim report, have not been weighted to state totals.

Section 4. Findings

The central research question of this project is: how do former cash assistance recipients fare after they leave the rolls? The answer to this question can be characterized by their work effort, their earnings and economic circumstances, and their continued reliance on public or private assistance. Factors that might influence their chances of moving toward self-sufficiency include education and training, access to childcare, and reliability of transportation.

4.1 Demographics

The demographic characteristics of the respondents generally were representative of the former AFDC population, with no indication of substantial bias. Respondents were distributed approximately equally among St. Louis City/County, Jackson County, and the rest of the state. This was reflective of the original sampling design, although not of the former AFDC population.³

- *Gender and age.* As might be expected, 96 percent of the respondents were female and the median age was 32.
- *Household composition.* Nearly three-quarters (72 percent) of the respondents were single heads of households, 21 percent were living with a spouse, and 5 percent were living with a partner.
- *Household size.* The modal household size was three persons. In the two years since they had left AFDC, 28 percent of the respondents reported that their households had gotten larger, 17 percent reported that they had gotten smaller, while 55 percent had had no change.
- *Marital status.* Most (64 percent) of the respondents had been married at some time. As noted above, 21 percent were currently married, while 28 percent were divorced, 12 percent were separated, and 3 percent were widowed. A notable minority (35 percent), however, had never been married. The marital status of one-third of the respondents had changed since they had left AFDC, with almost equal percentages marrying and divorcing.
- *Tenure.* Most respondents (60 percent) rented their living quarters. Twenty percent owned their own homes. Perhaps indicative of their low-income status, one-fifth of the former AFDC recipients were living with family or friends.

³ See footnote 2.

- *Mobility.* Former AFDC recipients are a relatively mobile population. Over half (55 percent) of the respondents said they had moved at least once since they left AFDC. A plurality (45 percent) said they had moved for a positive economic reason—larger space, better quality, housing or the purchase of a home. One-fifth, however, had moved because of negative reasons—eviction or to a cheaper unit.

4.2 Work Effort

Two patterns of work effort among former AFDC recipients are evident. Two-thirds showed a substantial attachment to the labor force, for whom it was a case of “welfare to work.”

- “Getting a job” was the reason respondents most frequently cited (63 percent) for leaving AFDC (Table 1).
- Indeed, the large majority of respondents (89 percent) had worked for pay at some time since leaving AFDC. Fully, half had worked for 24 months or more (Table 2).
- Two years after having left assistance, two-thirds (67 percent) of the respondents were currently employed.⁴ Nearly all of them (94 percent) held a single job. The median number of hours they worked per week was 40.

On the other hand, one-third of the respondents showed intermittent or no labor force activity. Although some of these women might have been supported by a spouse or partner, others clearly were having difficulty transitioning into the work force.

- Among those respondents who were not currently employed, one-third had not been employed since leaving AFDC. This represented approximately 10 percent of the sample. Another one-third had had a single job and a final third had held two or more jobs.
- Among those who were not employed at the time of the interview, the main reasons given for not working were that they were ill or disabled or that they were taking care of home or family members. Small fractions of the sample said they were not working because they had difficulty finding childcare (7 percent) or because they lacked transportation (3 percent).

⁴ It had been approximately 27 to 30 months since the respondents had left AFDC, depending upon their exit date and interview date.

Table 1. Most Important Reason for Leaving AFDC*4th Quarter 1996 Leavers

	Percent
Got a Job	63%
Started School/Training	3%
Got Married	5%
Sanctioned	1%
Didn't Go in for Rectification	5%
Began Receiving Child Support	6%
Other	17%

*Preliminary data.

Table 2. Work Effort* 4th Quarter AFDC Leavers

Had worked for pay since leaving AFDC	89%
Number of months worked	
1 to 6	12%
6 to 12	10%
12 to 18	10%
18 to 24	15%
24 to 30	51%
Median	25 months

Currently employed	67%
Number of hours worked	
< 20	15%
20 to 39	25%
40+	60%
Median	37 hours

Primary Reasons for Not Working*

Ill/Disabled and Unable to Work	26%
Retired	2%
Taking care of Home/Family	25%
Going to School	13%
Could not Find Work	13%
No Childcare Available	7%
No Transportation	3%
Doing Something Else	3%
Do Not Want to Work	4%

*Preliminary data.

4.3 Respondents' Earnings and Work-Related Benefits

These early respondents showed a pattern of steady wage progression since leaving AFDC (Table 3). The median beginning wage rate for the first job after leaving AFDC was \$6.00 per hour. The median beginning wage rate for their current job was \$6.26 per hour. Their current median wage rate was \$6.67 per hour. Thus, these early respondents had experienced an increase in wages since leaving AFDC.

Despite the substantial work effort of the majority of the respondents and the experience of wage progression, the median earnings of former AFDC recipients would bring a family of three just to the poverty level. A year-round, full-time worker earning \$6.67 per hour would earn \$13,874 per year. The 1999 federal poverty guideline for a family of three is \$13,880. However, not all former AFDC recipients work full-time, year-round. Indeed, the median monthly earnings of respondents who had earnings was \$645.

In addition to having work characterized by low wage rates, many former AFDC recipients held jobs that had few benefits.

- 45 percent had jobs that did not offer health insurance coverage and 53 percent were in jobs that did not offer dental benefits.
- 56 percent did not have sick days with pay.
- 47 percent did not have paid vacation days.
- 64 percent were not offered employer-sponsored job training classes or tuition reimbursement.
- 92 percent did not have employer-supported childcare.

4.4 Earnings of Household Members

Not only was there a strong work effort among two-thirds of the respondents, but in many instances, other household members were also working.

- Of the quarter of respondents who had a spouse or partner, the majority (approximately 60 percent) had an employed spouse or partner. Most (92 percent) of the spouses/partners held a single job.
- Additionally, approximately half of the respondents reported having other employed individuals in the household.

Table 3. Wage Progression* 4th Quarter 1996 AFDC Leavers

Median hourly wage rate	
Beginning, 1st Job after leaving AFDC	\$6.00
Beginning, Current Job	\$6.26
Current	\$6.67

*Preliminary data.

4.5 Household Income and Poverty

The median household income reported by respondents for the prior month was \$1,100. There was a wide range of monthly incomes, ranging from \$137 to \$3,500 per month. Three common sources of income were:

- Over two-thirds of the households had earnings from a job.
- Although 78 percent of the households were maintained by a single individual, just one-fifth of the households reported receiving child support. Among those that did, the median monthly amount of child support was \$162.50.
- Fifteen percent of the respondents received TANF benefits during the prior month.

In the month prior to the interview, 60 percent of the former AFDC recipients and their families were living below the poverty line (Figure 1).⁵

4.6 Deprivation and Continued Reliance on Assistance

The most obvious measure of failure to move toward self-sufficiency is the return to public assistance. Nearly three-quarters of respondents (73 percent) had not returned to AFDC or TANF within the intervening two-year period (Table 4). Of the one-quarter that had returned, approximately half were receiving assistance at the time of the interview and half had re-exited the system.

Many persons who leave cash public assistance live in low-income households and are eligible for other forms of assistance, such as food stamps, WIC, Medicaid, or housing assistance. In part, this utilization represents a programmatic intention to aid former recipients in their transitions from welfare to work. And in part, this utilization represents continued deprivation. Three areas of assistance still utilized by former welfare recipients after leaving AFDC include food, health insurance, and housing and utilities.

⁵ Household poverty status was determined by comparing total household income, by family size, against the 1999 poverty guidelines.

Figure 1. Percent Currently Living in Poverty* 4th Quarter 1996 AFDC Leavers

Table 4. Continued Dependency * 4th Quarter 1996 AFDC Leavers

Ever Returned to AFDC/TANF after 4Q96 Exit	27%
Currently on TANF	15%

Currently participating in:	
Food Stamps	45%
WIC	50%
Medicaid	26%
Public Housing	17%
Rent Subsidy	13%

*Preliminary data.

4.6.1 Food

Many of the respondents needed assistance with food. Approximately two years after having left AFDC, 45 percent of the households used Food Stamps during the prior month and 50 percent of the households with children under age 5 received WIC benefits. Despite these supports, one-quarter of the sample said that during the prior month there had been a time when the household was unable to buy enough food to meet its needs (Table 5). Just 4 percent, however, reported that their children had skipped a meal during the prior month because there was not enough money to buy food.

- Half of those who said they needed emergency food assistance received help. Of those that got assistance, approximately half received help from family or friends and one-third received help from religious organizations.
- The needy who did not get help cited three main reasons. Approximately one-third said they did not want to ask for help. One-fifth said they did not know where to go for help. And one-tenth said the program they went to for assistance did not have enough resources or it had a waiting list

4.6.2 Health Insurance

Many of the respondents and their families continued to need assistance with health care coverage. Two years after having left cash assistance, approximately one-quarter of the sample was covered by Medicaid.⁶ An additional third of the respondents were not covered by health insurance.

- Although two-thirds worked, just 30 percent of the respondents had health insurance through an employer. One-third of those who could participate through an employer did not do so. Of those, 44 percent said that they could not afford the premium.

⁶ This included the 12 percent of the sample who were currently receiving TANF cash benefits.

Table 5. Evidence of Deprivation* 4th Quarter 1996 AFDC Leavers

Reported for prior month	
Unable to buy enough food to meet needs	26%
Children Skipped a Meal Because no Money for Food	4%
Couldn't pay Rent, Mortgage, or Utilities	22%
No Health Insurance, Self	36%

*Preliminary data.

- One-third of the respondents said that there had been a period of time since they left AFDC when their children did not have medical coverage. This was despite the fact that 76 percent of the respondents reported that they knew their children could receive Medicaid benefits even if they had left AFDC and that 69 percent had heard of the Child Health Insurance Program or MC+.⁷

4.6.3 Housing and Utilities

A substantial minority of former recipients showed a need for housing assistance. One-third lived in public housing or received rent subsidies.

- Nearly one-quarter of the respondents reported that during the prior month, they were unable to pay the rent, mortgage, or utility bills. Somewhat fewer than half of these (46 percent) said that they received help: 18 percent from a community program or religious organization, 14 percent from a government program, and 7 percent from family or friends.
- Those who did not receive help cited a variety of reasons: 17 percent did not want to ask for help, 10 percent did not know where to go for help, 8 percent said no help was available in the community, and 6 percent said the program they approached did not have the resources or had a waiting list.
- Over 40 percent of the respondents said that since they had left AFDC, the telephone company had disconnected their service for financial reasons.

4.7 Factors that Influence Progress Toward Self-Sufficiency

Persons who receive cash assistance have characteristics and experiences that may help or hinder their movement toward self-sufficiency. Some state programs are established to promote their ability to make this transition, such as education and training

⁷ Analysis of the full sample for the final report will determine if the quarter of the sample without child health insurance were the majority of those that lacked coverage at some point.

programs and transition benefits. Individuals may acquire these assets on their own, including education and training, satisfactory childcare, or transportation.⁸

4.7.1 Training

- Respondents were asked about their participation in eight types of training, work-readiness, and education programs. The four most frequently used programs were GED/high school classes (48 percent), college courses (34 percent), vocational/skills training (27 percent), and case management (25 percent).
- Most of the respondents participated in the four forementioned most popular programs before they were on AFDC. Case management was the only program that was used primarily while the respondent was on assistance or after having left assistance (75 percent).
- Respondents were asked how helpful they found each training program in finding a job. Only three of the eight programs had fewer than half of the respondents rating them “very helpful in getting a job”—unpaid job experience (42 percent), case management (41 percent) and GED/high school classes (39 percent).⁹ Highest ratings were given to the less commonly used programs, such as short skill-oriented courses (71 percent), on-the-job training (67 percent), and vocational/skills training (67 percent).

4.7.2 Educational Attainment

- As found in previous research, AFDC recipients had relatively low levels of educational attainment—43 percent had not completed high school, although 13 percent had obtained a GED certificate. Thus, 30 percent were without any educational certification.
- Fifty-seven percent had a high school diploma.
- Of those with a high school diploma or GED certificate, 13 percent had attained a college degree—7 percent had a two-year degree and another 6 percent had a four-year degree.
- In addition to these traditional educational degrees and diplomas, a third of the respondents had attained a trade or vocational certificate.

⁸ If the harder-to-reach respondents, for whom we do not yet have data, are more disadvantaged than the early responders, the results presented in this section on satisfaction with childcare and transportation may be subject to substantial change in the final report.

⁹ This could indicate that the questions did not discriminate between programs that were more or less helpful. The final report will address which programs actually assisted in attaining self-sufficiency.

4.7.3 Childcare

- Just 7 percent of those who were not employed said it was because they could not find childcare.
- While not a barrier to employment, childcare was a problem for a significant minority of the former recipients. One-in-six of the respondents reported that during the prior month there was a time they could not work, look for a job, or go to school because they lacked childcare.
- Since leaving AFDC, approximately two years earlier, 20 percent said there was a time in which they lost more than a week's pay, lost a job, or could not look for a job because they lacked childcare. One-quarter said that ongoing childcare problems were a serious threat to their ability to keep an existing job, look for a new job, or go to school.
- Over half of the respondents (55 percent) said their level of satisfaction with their childcare arrangements was about the same as when they first left AFDC. One-third of the respondents said they were more satisfied with their arrangements now than they were earlier. Just 11 percent said their childcare arrangements were worse than they were two years ago.

4.7.4 Transportation

- Transportation also was not a barrier to employment. Just 3 percent of those not working said lack of transportation was the reason they were not working.
- Nonetheless, 60 percent of the respondents said there had been a time since they had left AFDC that they could not get to work because they lacked transportation. One-third of the respondents reported that they had faced this problem in the last month.

Section 5.

Future Reports

This interim report has provided preliminary insight on some of the questions outlined in our proposed research plan. Based on the unweighted responses of the first 304 respondents, it provides a first look at the current status of respondents who left AFDC in the final quarter of 1996.

Because data collection will continue into June, we anticipate that the final report on the survey of the 1996 leavers will be released in July 1999. It will contain two types of information. First, it will describe the current economic status of AFDC recipients who left the rolls during the fourth quarter of 1996, using the weighted information from the full sample. Additionally, the final report will address policy questions through multivariate analyses. For example:

- It will describe the characteristics and experiences differentiating successful leavers from unsuccessful leavers. These characteristics include, but are not limited to, respondents' education and training, the number and ages of their children, whether they were in their teens when the first child currently living with them was born, marital status, and household work effort.
- Based on these descriptions, we will conduct a multivariate analysis that identifies which factors are most influential in effecting a successful outcome. The same analysis will identify the largest barriers to the transition to self-sufficiency.
- Analyses will also be conducted to identify the configuration of program supports that are most beneficial in supporting financial self-sufficiency. Do successful leavers differ in their use of childcare assistance, housing assistance, and medical insurance assistance? To what extent do childcare availability and affordability affect the work effort of former recipients?

With the full sample data, these analyses will be conducted for the state, St. Louis City/County, Jackson County, and the rest of the state.

The overall research design for this project contains two further analytic phases. First, this survey of former recipients will be replicated in 2000 with a cohort of former TANF recipients who left the rolls in the fourth quarter of 1997. Once these data are collected, it will be possible to compare the 1996 cohort with the 1997 cohort to identify differences in outcomes at the later point.¹⁰ Second, the survey data will be matched to administrative records. This combined data set will support a longitudinal analysis of the process of leaving cash assistance, identifying the most beneficial pathways. This

¹⁰ It is unlikely that it will be possible to determine whether any inter-cohort difference result from differences in the AFDC and TANF programs or whether they are due to different social and economic circumstances in the two time periods.

analysis will include, for the Kansas City area, an examination of the role of privately provided community assistance in the transition to self-sufficiency. Reports from these portions of the project will be released periodically throughout 1999 and 2000.

Appendix

Methodology

Introduction

Several activities are involved in fielding a survey. These include questionnaire development; pretesting of the questionnaire; sampling design, identification of a sampling frame and sample selection; respondent locating; survey administration; and confidentiality protections. Throughout this process, a number of steps are taken to ensure the protection of respondent confidentiality and to ensure the quality of the resulting data set and analyses. The details of each of these activities are described below.

Questionnaire Development

The questionnaire was developed by Midwest Research Institute (MRI) with direction and advice from Mr. Tom Jones (Missouri Department of Social Services [DSS]), Richard Koon (DDS), Dr. Tracy Dranginis (Local Investment Commission [LINC]), and Dr. Sharon Ryan (University of Missouri-Columbia [MU]). The questions were designed to collect data on respondents' lives two years after they left the Aid to Families with Dependent Children (AFDC) program in the fourth quarter of 1996. The questionnaire includes 151 items, covering 10 topic areas:

- Work effort
- Earnings and other income
- Welfare reciprocity status
- Use of food stamps, emergency assistance, and WIC
- Training
- Education
- Health insurance coverage
- Childcare
- Housing and residential mobility
- Household composition

Whenever possible, questions from previous studies were used in order to increase the comparability of Missouri results with those for other locations. Questions were drawn primarily from the National Survey of American Families, conducted by the Urban Institute; the Minnesota Families Investment Program, conducted by Manpower Demonstration Research Corporation (MDRC); and the Vermont Welfare Restructuring Program 42-Month Follow-up Survey, also conducted by MDRC.

The questionnaire used for the 1996 cohort will be used for the survey of the 1997 sample cohort, edited to reflect the different time period. The questionnaire, which is 79 pages long, is not included in this report. Those interested in receiving a copy may contact (MRI) at (816) 753-7600, ext. 1169.

Questionnaire Pretesting

The questionnaire underwent three phases of testing before actual data collection began. Pretesting was conducted to identify problems with the computer-assisted telephone interview (CATI) instrument, questionnaire wording, and question flow. MRI subcontracted with Macro International, Inc. of Burlington, Vermont, to administer the survey. Macro conducted the pretests of the questionnaire.

The CATI instrument testing, conducted internally by Macro, verified the screens, edits, skip patterns, and logic checks needed for smooth telephone interviews.

For the developmental pretest, Macro conducted interviews with 10 former AFDC recipients from a pretest sample drawn from the same pool as the survey sample. The developmental pretest, conducted the week of March 1, focused on questionnaire design issues such as wording and response categories, flow, and respondent burden. The interviews were monitored by MRI staff, and the questionnaire was modified to correct problems identified in those interviews.

An operational pretest, conducted the week of March 8, replicated the full-scale interviewing process, providing a final check on both the questionnaire and the CATI instrument.

Sampling Design

The sampling frame obtained from DSS included 12,508 adults who left the AFDC rolls during the fourth quarter of 1996. The county of residence was identified for each leaver, as well as information on the leavers' last known address and telephone number, if available. Recipients were counted as "leaving" the rolls if they remained off the caseload for at least two months. Persons who subsequently returned to the rolls were included in the sampling frame. Child-only cases were excluded.

The sample size of 1,200 respondents results in an overall sampling ratio of 9.6 percent. This sample size was selected to allow for the analysis of results in three sub-state regions:

- Jackson County
- St. Louis City and St. Louis County
- Rest of state

Sample members were drawn with a known probability of selection, although the sampling rates differed among regions. St. Louis City/County (N=3,018) and Kansas City/Jackson County (N = 1,792) were self-representing sampling units with sampling

ratios of 13.3 percent and 22.3 percent, respectively. The sampling rate in the rest of the state was 5.2 percent.

To minimize the expense of in-person locating for difficult-to-find or difficult-to-interview respondents in the areas outside of Kansas City and St. Louis, the rest-of-state sample was “clustered” to draw respondents from several specific regions. A map showing the clustering scheme is presented at the end of the appendix. The four DSS regions were further subdivided into 17 clusters of counties. Two clusters were selected from each of the four regions.

- In Region 1, the Clay/Platte County cluster had 100 percent odds of selection, that is, it was mandated that it be included in the sample. When combined with Jackson County, they give a better view of the Kansas City metropolitan area. One other county cluster was randomly selected for inclusion in the sample.
- In Region 2, two county clusters were randomly selected for inclusion in the sample.
- In Region 3, it was mandated that the Bootheel County cluster be included in the sample. A second county cluster was randomly selected for inclusion.
- In Region 4, it was mandated that Greene County (Springfield) be included in the sample. A second county cluster was randomly selected for inclusion.

The proportional sample size for each region was divided among the sampled clusters in proportion to the share of leavers.

Respondent Locating Activities

In the first three weeks of data collection, interviewers at Macro’s Burlington call center completed more than 300 telephone interviews with respondents. Although approximately 60 percent of the records for sampled leavers included telephone numbers, at least half of these were inaccurate. Thus, the remaining respondents require tracking to identify a current address or phone number.

Tracking activities, which will continue through June 1999, include the following steps:

- An informational letter was sent by Macro to respondents asking them to update their contact information either by calling the toll-free project hotline or by returning a prepaid postcard (See the end of this appendix).
- A survey announcement letter, sent by Macro in conjunction with a letter from DSS, asked respondents to return a prepaid postcard to update contact information or schedule a telephone interview. Copies of these letters are included at the end of this appendix.

- Cross-reference directories, credit bureaus, and other sources were used to identify telephone numbers or addresses for respondents.
- Contacts with local U.S. Postal Service officials were made to identify physical addresses for respondents who use a post-office box as their mailing address. DSS provided a letter for Macro's use in explaining the research project to postal officials, in accordance to guidance given Macro by the U.S. Postal Service in Washington, D.C. (See the end of this appendix).
- Contacts were made with DSS caseworkers who might have information about current Temporary Assistance to Needy Families (TANF) recipients who are in the sample.
- Field work took place in which locaters travel to respondents' last known addresses to ascertain the validity of the address. If an address was confirmed, the field worker left a letter explaining the purpose of the visit and making an urgent request for the respondent to contact Macro.

Macro subcontracted with three organizations to conduct the field work: Resource Development, Inc., serving the Kansas City area; Public Policy Research Center at the University of Missouri-St. Louis, serving the St. Louis area; and the Center for Advanced Social Research, University of Missouri-Columbia, serving the rest of the state.

Survey Administration

The 14-week data collection period for the 1996 survey cohort began March 15, 1999, and will conclude in June 1999.

Macro is using a CATI system, with most interviews being conducted during weekday evenings and on the weekends. To avoid a method bias, Macro is attempting to conduct as many interviews as possible using the CATI system, even in situations in which the respondent does not have a home telephone. In those cases, a field worker delivers a cellular telephone to the respondent, who dials Macro's toll-free number to conduct the interview while the field worker is present.

On average, interviews last about 45 minutes. Respondents are paid a \$20 incentive for participating.

Confidentiality Protections

The survey is being conducted according to protocols approved by the Institutional Review Board at MRI.

All persons associated with this project were required to sign and submit a non-disclosure pledge in which they agree not to disclose information about any respondent to anyone other than those working on MRI Project 1033. The following documents are attached at the end of this appendix:

- MRI's Statement of Confidentiality and Ethical Practice and Pledge of Confidentiality and Ethical Practice.
- Macro International's Confidentiality and Conflict of Interest Agreement.
- Assurance of Confidentiality for Macro International Inc. Data Collection Subcontractors and Their Employees.

Interviewers/locaters working in the field were trained to describe this project as “an important research study,” without revealing any association to the public assistance program, when they spoke with neighbors or relatives in their locating efforts.

Tom Jones, associate director for welfare reform of the Missouri DDS, pledged that state officials will not use any information obtained about individual respondents in the course of this research project in a way that diminishes that individual's benefits from the state either now or in the future. His letter appears at the end of this appendix.

Data files are transferred between members of the project team either through registered mail, Federal Express, or hand-delivery.

The data from this project will be used by MU to create a public-use data set, which combines administrative and survey data for each respondent. Identities of all respondents will be removed before the data set is made public.

Quality Assurance

Macro's telephone interviewers completed 14 hours of training specifically for this project. The training, which covered the purpose and goals of this survey and a question-by-question review of the survey instrument, included role-playing exercises to prepare the interviewers for their interaction with respondents. The telephone interviewers are based at Macro's call center in Burlington, Vermont, and are supervised by the project director on site.

At least 10 percent of CATI interviews are being monitored using Macro's remote monitoring technology, which allows for monitoring without either the interviewer or the respondent from knowing they are being monitored. MRI staff have also monitored many of the interviews.

Additionally, Macro's survey management team is independently verifying at least 5 percent of all completed survey interviews. Respondents are randomly selected and recontacted to confirm their participation in the study.

The CATI survey instrument is programmed to include comprehensive logic and range checks, which serve as built-in quality assurance checks. Throughout the 14-week data collection period, Macro is providing to MRI monthly data files and frequency distributions for non-verbatim survey responses. This interim report is based on the first of these monthly files. Macro conducted an initial data quality check for out-of-range responses in this file.

At the conclusion of the survey fielding period, Macro will closely examine frequency distributions to ensure data quality. Additionally, Macro and MRI will review verbatim survey responses and develop a protocol for coding and processing open-ended questions.