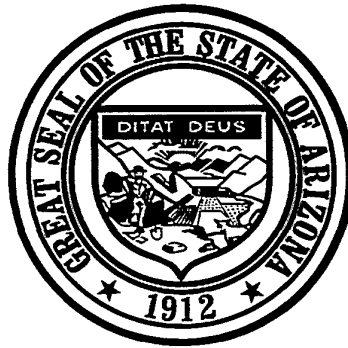


**State of Arizona**  
**Cash Assistance Exit Study; 2nd Year**



**Final Report**  
**October 2001**  
**Administrative and Survey Data Results**

**Arizona Department of Economic Security**  
**Division of Policy and Program Development**  
**Best Practices Unit**

**The Cash Assistance Exit Study; 2nd Year is funded by a grant from the**  
**U.S. Department of Health and Human Services**  
**Assistant Secretary for Planning and Evaluation (ASPE)**  
**(Grant No. 98ASPE307A)**

*A special thanks goes to Julia Isaacs of ASPE  
for her assistance in the completion of this study*

The technical assistance reported herein was performed pursuant to a cooperative agreement from the U.S. Department of Health and Human Services. The opinions and conclusions expressed herein are solely those of the author and should not be construed as representing the opinions or policy of any agency of the Federal Government.

**Executive Summary**  
Cash Assistance Exit Study; 2nd Year  
**Final Report**  
October 2001

This study followed a large group of Arizonans who left Cash Assistance rolls in the first 3 months of 1998 for two years. An initial report on this population was produced by the Arizona Department of Economic Security in January 2000; this study is a continuation of that research.

Many who left Cash Assistance in early 1998 were self-sufficient after two years and many were relying less and less on public and private support. Even so, a large proportion of these “leavers” also continued to need public support—some extensively, most sporadically. A general pattern of accessing support on a temporary, as needed basis, was common for many, if not most, study participants. Fewer study participants were relying on public and private supports at the end of the study, but those who remained used the services more often.

On a positive note, results from administrative data show fewer leavers utilized state services during the second year of the study compared to the first year and employer reported wages increased a considerable 25%. Unfortunately, results also show those who utilized state services in the second year averaged more usage than seen in the first, and only slightly fewer leavers had employer reported wages. It also appears emergency services were underutilized. Child protective services interventions for these leavers remained relatively low and unchanged from 1999.

A positive note from the survey data results was a majority of respondents felt their “general conditions” improved during both years of the study. Responses from the survey’s more detailed questions, however, were rather mixed. Food needs appear to have risen marginally and the need for help with housing has not improved. The percentage reporting employment in the second year rose marginally, yet there appears to be more respondents with chronic health problems (more testing needed). It is estimated, using select questions within the survey (able to feed family, keep housing, etc.), that 20% to 30% of leavers continued to be fairly reliant on state, family and community support during the study’s second year. Conversely, about 20% to 30% appeared to be fairly independent from others for financial needs and therefore more fully self-sufficient.

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## Section One: Introduction and Findings Overview

### ***Introduction***

On September 14, 1998, the Arizona Department of Economic Security (DES) was awarded a grant from the U.S. Department of Health and Human Services to conduct research focusing on families who leave the Arizona Temporary Assistance for Needy Families (TANF) program. This grant was subsequently extended to cover a second year and the results of that second year's research comprise this report.

The grant is helping Arizona answer the question:

*“What consequences, both intended and unintended, do recipients and their dependents experience once their link to cash assistance is severed?”*

The research is based on all cash assistance cases that were closed for at least one month during the three-month period of January 1998 through March 1998 (10,647 cases). These cases were matched with information from the DES' administrative databases to determine continued reliance on DES programs and services, and to track employer reported wages. Findings from these data sets are the focus of Section II: Administrative Data Results.

Also, a stratified random sample of 1,149 leavers was selected for intensive follow-up survey data collection during the initial survey in 1999, 821 respondents were eventually contacted. This equates to 72% of the initial random sample. During a second survey effort 618 of these 821 original respondents were successfully re-contacted. This equates to 54% of the initial random sample and 75% of the 1999 respondents. The second survey replicated many questions to allow for year to year comparisons, but it also expanded on a number of questions relating to areas of concern discovered while analyzing the 1999 survey—particularly in the areas of health and income. Also, the response rates for sanctioned and non-sanctioned respondents remained very near equal for both years; sanctioned/non-sanctioned split was 49%/51% in the first year and 49.5%/50.5% in the second. Findings from these survey data are the focus of Section III: Survey Data Results.

The body of this report is divided into six sections:

- I. Introduction and Findings Summary
- II. Administrative Data Results
- III. Survey Data Results
- IV. Overall Conclusions
- V. Methodology and Processes
- VI. Appendix: Surveys and Tables

Analyses presented in the initial Cash Assistance Exit Study focused on differences found between study participants who were sanctioned when they left the program and those who were not sanctioned. There continued to be some differences between sanctioned

and non-sanctioned leavers when examining administrative data file, as will be discussed in the section on Administrative Data results. However, differences between sanctioned and non-sanctioned respondents were generally small or non-existent in the 2000 Cash Assistance Continuation Survey. The Survey Data Results chapter, therefore, focuses on another subgroup comparison, between respondents with a diagnosed health condition and those with no reported health condition. Differences between these two groups provided to be significant in many areas surveyed.

But, with the 2000 Cash Assistance Continuation Survey the differences between sanctioned and non-sanctioned respondents were often small or non-existent. The differences between respondents with a diagnosed health condition and those with no reported condition, however, proved to be significant in many areas surveyed.

By focusing program efforts on these two groups, a) Cash Assistance recipients about to be sanctioned, as has been the case in Arizona with recent policy changes, and b) recipients who have diagnosed health conditions, the Arizona Cash Assistance program would be focusing on its identifiably hardest to serve clients.

### ***Findings Overview***

This section provides very brief highlights from the Administrative Data and Survey Data Results Sections. For more detail, please review each section. There is also a point by point, “bulleted” summary included in the Overall Conclusions Section beginning on page 40, or visit the associated tables included in the report’s Appendix.

On a positive note, results from administrative data show fewer leavers utilized state services during the second year of the study compared to the first year and employer reported wages increased a considerable 25%. Unfortunately, results also show those who utilized state services in the second year averaged more usage than seen in the first, and only slightly fewer leavers had employer reported wages. It also appears emergency services were underutilized. Child protective services interventions for these leavers remained relatively low and unchanged from 1999.

A positive note from the survey data results was a majority of respondents felt their “general conditions” improved during both years of the study. Responses from the survey’s more detailed questions, however, were rather mixed. Food needs appear to have risen marginally and the need for help with housing has not improved. The percentage reporting employment in the second year rose marginally, yet there appears to be more respondents with chronic health problems (more testing needed). It is estimated, using select questions within the survey (able to feed family, keep housing, etc.), that 20% to 30% of leavers continued to be fairly reliant on state, family and community support during the study’s second year. Conversely, about 20% to 30% appeared to be fairly independent from others for financial needs and therefore more fully self-sufficient.

To help readers quickly understand the strength of evidence presented in this report, the strength of statistical relationships that do exist are noted with a series of asterisks. Anytime an asterisk is present, the differences presented are great enough to be

appreciable and are statistically significant to the .05 level<sup>1</sup>. More asterisks means greater group differences, based on the following guidelines:

- If statistical differences were between .00 and .09, they were considered non-existent regardless of statistical significance. These differences were usually described as small, slight, marginal or insignificant throughout the report.
- Statistical relationships between .10 and .19 were considered weak and identified with a single asterisk (\*).
- Statistical relationships between .20 and .39 were considered moderate and identified with double asterisks (\*\*)
- Relationships over .40 were considered strong & identified with triple asterisks (\*\*\*)

In summary, the lives of most past Cash Assistance participants continued to improve during the second year of the study, as shown by increased wages, fewer utilizing state services and “general condition” survey responses confirming this overall improvement. Many past Cash Assistance participants, however, continued to rely on public and private supports, some extensively. Food, health, housing, clothing, domestic violence, continued employment and the general sporadic, ‘on-again, off-again’ need for support are continuing concerns for those not reaching full self-sufficiency.

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<sup>1</sup>This means the presented results have a 5% or less chance of being a random chance occurrence and therefore inaccurate.

## Section Two: Administrative Data Results

DES is utilizing administrative databases from seven programs to track the success of the participants who left Cash Assistance during the first calendar quarter of 1998. Three of these data bases, the Cash Assistance, Food Stamps and Medicaid data bases (AHCCCS in Arizona), represent the bulk of resources Arizona spends for social services and are the primary focus of welfare reform efforts in general. There are five measures of program participation presented utilizing these three data sources; a) yearly totals in 1999 and 2000, b) average number of months services utilized by calendar year and study period, c) percent of leavers utilizing services on any given month, d) average month by year and total, and e) a concept which may be new to readers, “client active months”—all of the months all leavers actually received services. Recidivism is also an important program participation measure used for the Cash Assistance program itself and is different from yearly usage in that it marks the period in which their return occurred.

Employer reported wage data, as reported to the Unemployment Insurance (UI) program, is capture and reported on a quarterly basis, as opposed to monthly for Cash Assistance, Food Stamps and Medicaid. Child Care, Child Protective Services and emergency services comprise the three remaining programs examined during the study, the latter two being much more sporadic with its data collected on an occurrence by occurrence basis.

Unfortunately, if there is no state contact with a study participant, changes are not captured in the state’s data files. For this reason, information concerning changes in marital status, education development and residence (rural or urban) have been limited to the final subsection where results were restricted to records which had been updated since the study began.

As noted in Arizona’s initial Cash Assistance Exit Study, leavers who were sanctioned at the time of leaving did not fare as well as those who were not. Since the release of the last report significant policy and program process changes have occurred, allowing for a greater level of intervention before clients become sanctioned. These efforts may help explain the reduction in difference between sanctioned and non-sanctioned leavers seen in the second year. Fewer leavers utilized Cash Assistance, Food Stamps and Medicaid (AHCCCS) in the second year after leaving than the first, but sanctioned leavers recorded greater reductions than those non-sanctioned. These changes flattened out the difference between the two groups and if these trends continued for one to two more years, there were be no measurable differences between sanctioned and non-sanctioned leavers (See Table A-VI).

Further information concerning sanctioned leaver information is contained in the Cash Assistance, Food Stamps, Medicaid (AHCCCS), and Employer Reported Wages subsections of Section II.

Note: When looking at survey data the sanctioned/non-sanctioned distinction was not as strong as the differences between respondents with and without chronic health conditions. The sanctioned/non-sanctioned differences in this report are therefore limited to the administrative data section. Respondents health condition did provide group differences

with administrative data also, but the differences were not as strong as found with the sanctioned/ non-sanctioned distinction (See Tables A-V & A-VI). As discussed above, this may not remain the case over the next one to two year period.

### **Cash Assistance Activities**

The percentage of Cash Assistance leavers who returned to Cash Assistance for the first time since leaving (recidivism), declined from 33.8% in the first year to 9.5% during the second year for a combined 43.3% covering the study period<sup>2</sup>. Moreover, the percentage of leavers who used Cash Assistance resources at anytime over the course of a year, or “yearly total”, was 2 percentage points lower in 2000 than in 1999. This reduction in recidivism, along with the 2% reduction in total number of leavers accessing Cash Assistance in 2000, suggests the economic conditions of this group as a whole stabilized two years after leaving the program (See Table A-III). However, those who used Cash Assistance during the second year of the study averaged nearly one month more in benefits when compared to the first, 6.3 compared to 5.3, suggesting greater economic need (See Table A-VI).

Thirty-four percent accessed Cash Assistance services at least once during the first year after leaving, 32% accessed Cash Assistance at least once during the second year (See Table A-I).

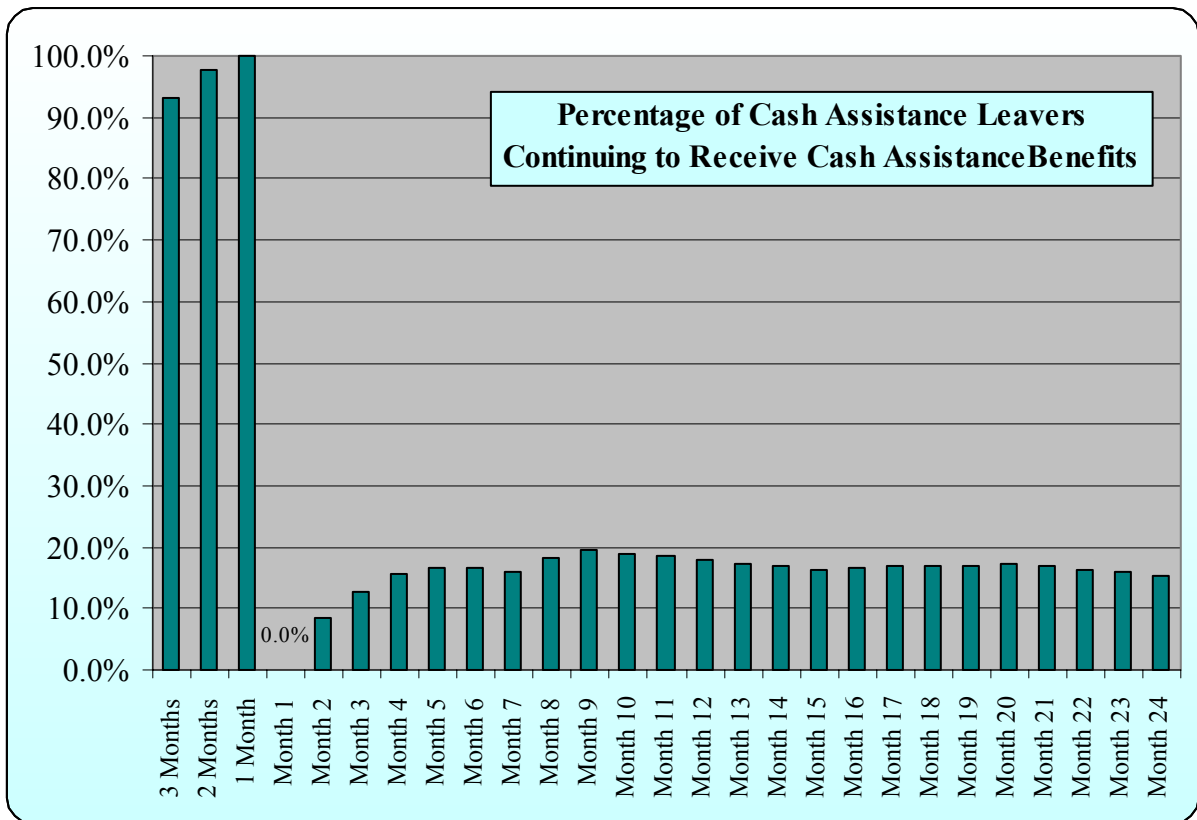
Two-thirds of leavers (66.2%) did not access Cash Assistance during the first 12 months after leaving. Of the one-third who did receive Cash Assistance benefits during the first year, 33% received benefits for 6 months or more. This figure increased by ten percentage points during the study’s second year to 43% (See Table A-I). Also, while no one could receive Cash Assistance during the first month after leaving by definition, or they wouldn’t have been included in the study, 45 of the 10,647 study participants (1.0% of Cash Assistance receivers, 0.4% of total) utilized Cash Assistance during all 23 remaining months in the two year study period.

Cash Assistance usage during the study has been sporadic and temporary. There were 15% to 20% of leavers using services on “any given month” during the two year study period. This is to say that 15% to 20% of the study population’s 10,647 participants, 1,500 to 2,100, were accessing Cash Assistance resources each month of the study. (See graph below, See Table A-II).

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<sup>2</sup> Only the parent’s portion of the cash provided by Cash Assistance is reduced once the 24 month time limit is reached. The children’s portion and support services are retained.





The “average number” of months used by participants still enrolled, however, increased from 5.3 to 6.3 months in 2000. This average increase, despite 2% fewer participants accessing Cash Assistance, pushed the number of “client active” months up 12% for the year. That is to say the total number of months all of the 10,647 participants utilized Cash Assistance rose 12% from the first year to the next (See Table A-III).

These outcomes, covering a 24 month period, point to two conclusions; a) the reduction in overall case load is stabilizing with considerably fewer participants returning to Cash Assistance in the second year, and b) those who remained on Cash Assistance during the second year received more months of service thereby increasing total usage and suggesting these remaining participants are of greater economic need.

Sanctioned vs Non-Sanctioned

More leavers sanctioned at the time they left Cash Assistance returned to and used Cash Assistance more often than those who were not sanctioned, 48% compared to 42%. Between the first and second years of the study, the percentage of sanctioned leavers using Cash Assistance dropped slightly more than non-sanctioned leavers, 6% compared to 3%. But, the sanctioned leavers who used Cash Assistance in the second year increased their average usage considerably more than their non-sanctioned counterparts (See Tables A-V & A-VI).

In year one, sanctioned leavers averaged 5.8 months on Cash Assistance. This percentage rose considerably to 7.5 average months. During this same period the non-sanctioned group saw their average number of months increase from 5.4 to 5.8. This pushed “client active” months higher for sanctioned leavers, 22% compared to 5% for non-sanctioned leavers (See Table A-IV). In essence, DES needs to continue focusing on Cash Assistance recipients nearing sanction because these recipients do demonstrate greater need.

### **Food Stamps Usage**

Continued usage of Food Stamps for the study population saw “yearly totals” decline over the two years of the study, from 69% in 1999 to 54% in 2000<sup>3</sup>. Unlike Cash Assistance where everyone had left the program at least once during the study period (the first month, that is how they became defined as “leavers”), more than half of leavers never left the Food Stamp program completely. The 15 point reduction in the percentage of participants continuing to receive Food Stamps from 1999 to 2000 suggests clients are moving to self sufficiency to a greater extent than Cash Assistance roll reductions suggest (See Table A-I).

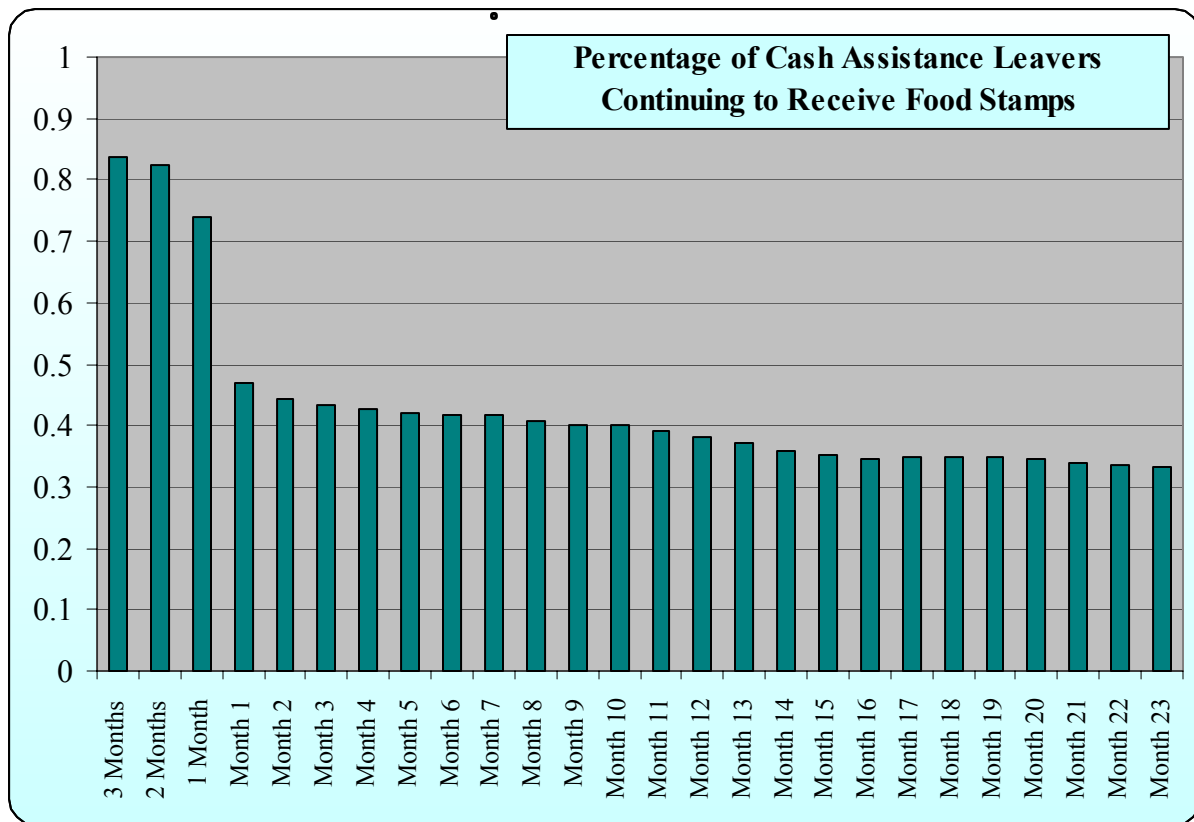
Other patterns similar to those discovered in the Cash Assistance data include increases in the “number of months” continuing participants utilized Food Stamps during the study’s second year. In 1999, 55% of participants received Food Stamps for 6 months or more and 22% received them all 12 months. In 2000, 60% of those receiving Food Stamps did so for 6 months or more and 29% received them for all 12 months, suggesting as did the Cash Assistance data, that those who remain were of greater need (See Table A-I). Of all 7,972 (75%) leavers who did receive Food Stamps during the two year study period, 892 or 11% received Food Stamps for all 24 months of the study period.

Food Stamp usage during the study period has also been sporadic and temporary with 75% of leavers using Food Stamps for at least one month during the 24 months, but not more than 32% active on “any given month”. This pattern is similar to that found in the Cash Assistance program, but more participants remained involved in the Food Stamp program during the study period (See graph below, See Table A-II).

Another pattern similar to those in Cash Assistance supports the conclusion that those who remain are of greater need has emerged—the “average number” of months utilized increased. For Food Stamps the average number of months receiving rose during the second year of the study from 7.2 to 7.7 for participants who continued to receive services (See Table A-II).

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<sup>3</sup> 74% accessed Food Stamps prior to the study period, leaving 26% receiving Cash Assistance but not Food Stamps prior to their leaving Cash Assistance.



But unlike the pattern found in Cash Assistance concerning “client active” months, the overall reduction in the number of leavers receiving Food Stamps produced a decline in the total number “client active” months used by all 10,647 participants of 17% from the first to second year of the study. This suggests more clients became self sufficient than is indicated by Cash Assistance data (See Table A-II).

These Food Stamps outcomes allow for conclusions to be drawn similar to those drawn in the Cash Assistance subsection. First, more participants became self-sufficient during the study’s second year—possibly to a greater extent than is suggested with the Cash Assistance program data. Second, those who received Food Stamps during the second year of the study had greater need, averaging more months of usage.

Sanctioned vs Non-Sanctioned

As with Cash Assistance, more sanctioned leavers utilized Food Stamps during the study than those not sanctioned, 88% compared to 79%. Between the first and second years of the study, the percentage of sanctioned leavers using Food Stamps dropped in equal percentage points with non-sanctioned leavers, 13% and 13%. Both also saw a rise in the average number of months used in the second year, 7.6 to 8.2 for sanctioned leavers and 7.1 to 7.6 for non-sanctioned leavers (See Tables A-V & A-VI).

Overall, impact on “client active” months was a decrease of 10% for sanctioned leavers and 17% for non-sanctioned leavers. This tells us both groups are using less Food Stamps, but those not sanctioned upon leaving needed less to begin with and less over

time, when compared to sanctioned leavers (See Table A-IV). In summary, DES needs to continue focusing on Cash Assistance recipients nearing sanction because they demonstrate greater need.

### **AHCCCS (Medicaid) Enrollment**

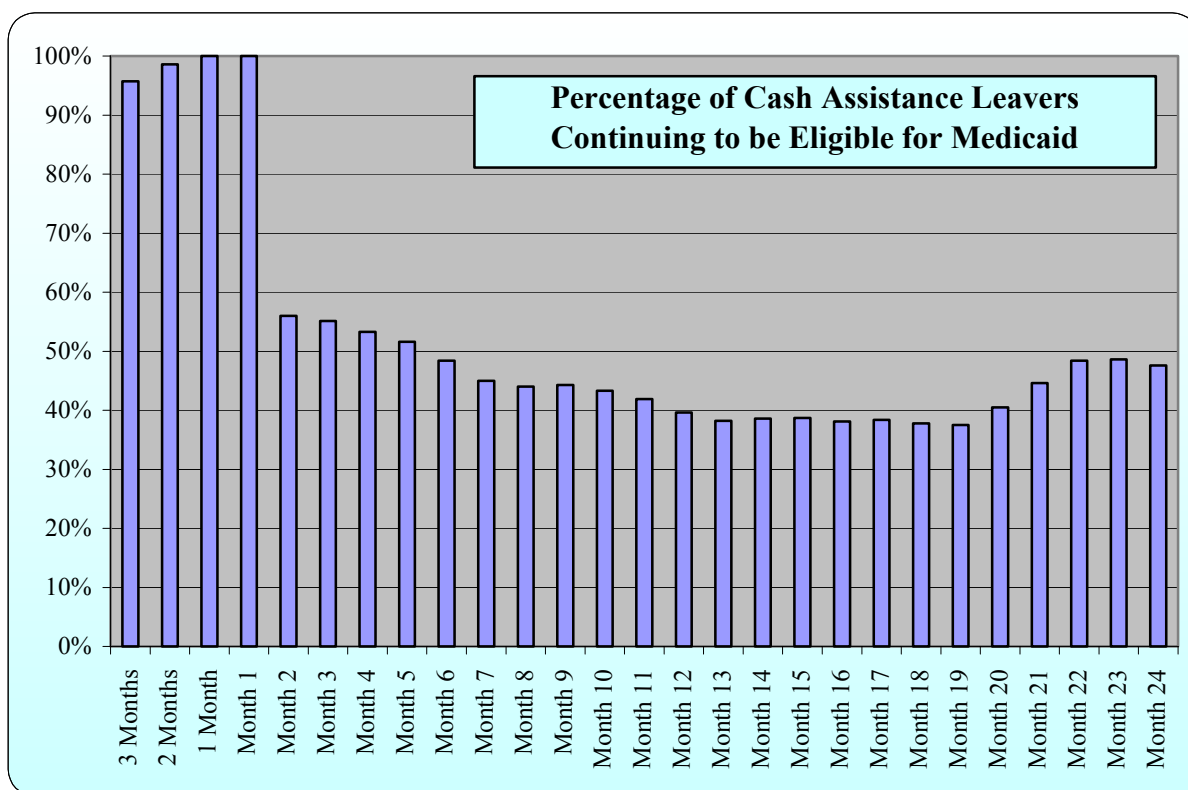
The percentage of participants enrolled at least one month in Arizona's Medicaid program, AHCCCS (pronounced "access"), declined during the second year of the study from 74% to 64%<sup>4</sup>. This 10% reduction in "yearly total", as with the 15% reduction in Food Stamp program population, suggests more total leavers are becoming self sufficient than is indicated with the Cash Assistance data (See Table A-I).

The percentage of participants who were enrolled for AHCCCS services for 6 months or more in 1999 rose just one percentage point from 62% in 1999 to 63% in 2000, suggesting year to year stability. The percentage who were enrolled for all 12 months dropped from 23% in the first year to 17% in the second (See Table A-I). Of the 8,742 leavers who were enrolled in AHCCCS over the study's two years, 539 or 6.2% were enrolled for all 24 months. These patterns, similar to patterns in Cash Assistance and Food Stamps, also demonstrate sporadic and temporary use of program services.

But, unlike Food Stamps and Cash Assistance data, the percentage of participants accessing AHCCCS services on "any given month" actually began to rise during the end of the second year. The state had engaged in promotional activities for AHCCCS during this period, and it is not possible to separate the impact of these activities from what would have otherwise occurred, but a 10% increase in monthly usage did occur in the waning months of the study. (See graph below and Table A-II). Similar patterns were seen among all state Medicaid participants, regardless of their Cash Assistance status.

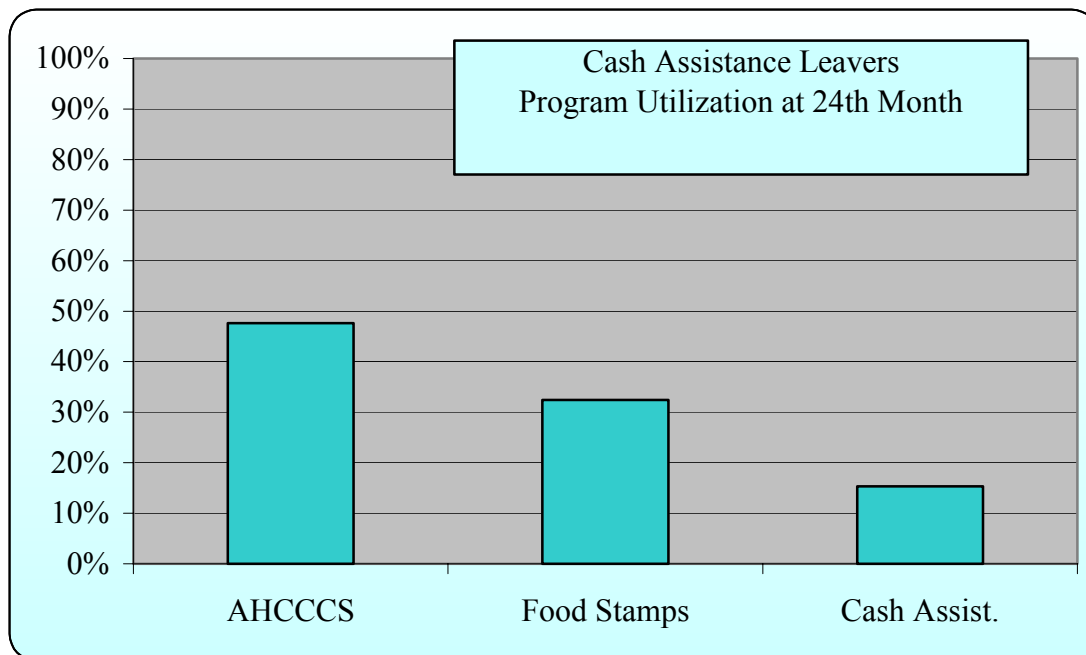
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<sup>4</sup> As noted on page 7, 74% accessed Food Stamps prior to the study period, leaving 26% receiving Cash Assistance but not Food Stamps prior to their leaving Cash Assistance.



The “average number of months” for AHCCCS usage remained steady between 1999 at 8.3 months, and 2000 at 8.4 months. Even so, the drop in the total number of participants eligible for AHCCCS services between 1999 and 2000, 74% to 64%, dropped the “client active” months by 14%. That is to say, the total number of months all the 10,647 study participants were eligible for services declined during the second year, just as it did in the Food Stamp program. (See Table A-III).

Conclusions from these AHCCCS outcomes include; a) fewer participants are continuing their AHCCCS enrollment and when they do it is sporadic and temporary b) the average number of months enrolled has not increase among those who continued to be enrolled in 2000, unlike the pattern found with Cash Assistance and Food Stamps, and c) there are more study participants remaining enrolled for AHCCCS (48%) at the study’s 24 month point in AHCCCS than Food Stamps (32%) or Cash Assistance (15%). (See graph below).



**Sanctioned vs Non-Sanctioned**

Like Cash Assistance and Food Stamps, more leavers sanctioned at the time they left Cash Assistance used Medicaid during the two years of the study than those who were not sanctioned, 98% compared to 86%. Between the first and second years of the study, the percentage of sanctioned leavers using Medicaid dropped considerably in relation to non-sanctioned leavers, 16% and 2%. But, the sanctioned and non-sanctioned leavers used nearly the same average number of months in both years, 8.22 to 8.2 for sanctioned leavers and 8.22 to 8.15 for non-sanctioned leavers (See Tables A-V & A-VI).

Overall, impact on “client active” months was a decrease of 16% for sanctioned leavers while non-sanctioned leavers remained steady, increasing just 0.8%. These numbers tell us sanctioned leavers used more to begin with, but have seen their usage decline more than the non-sanctioned leavers (See Table A-IV). There is a leveling out of the differences between sanctioned and non-sanctioned study participants.

**Employer Reported Wages (UI Wages)**

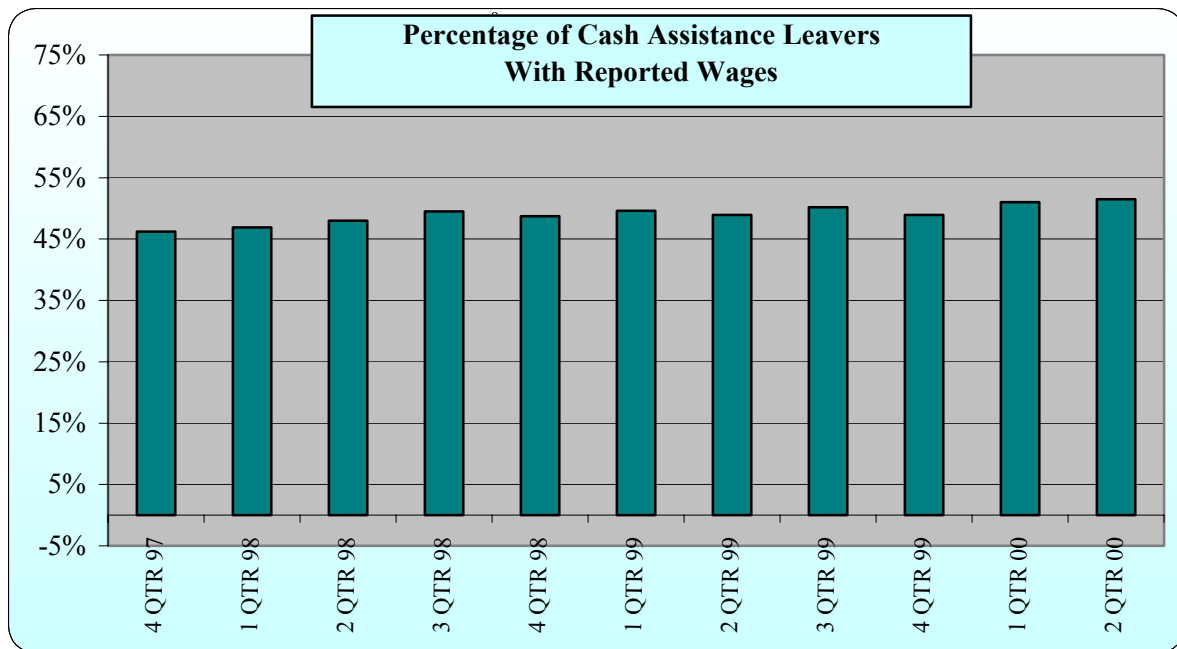
The percentage of study participants with wages reported by employers to the state as part of the Unemployment Insurance program has risen marginally during the two years of the study. Prior to leaving or being sanctioned, 46% of the population had employer reported wages. This percentage rose to a high of 50% during two of the 8 study quarters. Two-thirds (67%) of all study participants had wages reported to the state in any of the four quarters of the study’s second year, down from 71% in the first (See Table A-1). Overall, 8,343 or 78% of all 10,647 study participants had wages reported in at least one of the 8 quarters examined, yet just half worked during any given quarter<sup>5</sup>. For many

<sup>5</sup> Minimum earnings needed in a quarter to be included was set at \$1.00.

study participants, reported wages were as sporadic and temporary as program participation. This suggests many participants bounce back and forth between employment and state social services.

Note: Employer reported wage data are from wages reported to DES as part of Arizona’s Unemployment Insurance (UI) program. Employee wages from most industries are reported to the state and tracked to determine enrollment if any worker becomes unemployed. Federal and farm employment, for example, are not reported to the state. Therefore these data are not all inclusive and should be used for trending and general pattern purposes only and not as a measure of total employment. The survey data covering employment could be a better indicator of employment levels, but it should be used for estimating purposes only.

Study participants average annual wages rose a significant 25% between 1999 and 2000. Average reported wages in the first year of the study, for participants with reported wages, was \$6,598. In the second year, this average rose to \$8,234; a 25% increase of \$1,636. (See Table A-III). It should be noted that 67% of leavers had wages in the second year compared to 71% in the first year, which may or may not have a marginal impact in these increased wages. Any impact would be marginal.



These data allow for three key conclusions. First, most study participants were able to find employment during the subsequent two years. Second, wages increased considerably between 1999 and 2000—25%. And third, the sporadic and temporary usage of programs, Cash Assistance, Food Stamps and AHCCCS is mirrored in participants sporadic and temporary employment patterns.

### Sanctioned vs Non-Sanctioned

Overall, 71% of all leavers sanctioned at the time they left Cash Assistance had employer reported wages sometime during the two years of the study compared to those non-sanctioned at 83%. Both groups saw slight to small drops in the total number with employer reported wages, 2% for non-sanctioned and 5% for sanctioned. But, between the first and second years of the study, sanctioned leavers saw an increase in their average employer reported wages of 51%, from \$5,045 to \$7,646. The non-sanctioned leavers also saw appreciable increase of 26%, from \$7,410 to \$9,377. This leveling of differences suggest sanctioned leavers are slowly narrowing the gap with non-sanctioned leavers, although time is needed to tell if this leveling will continue (See Tables A-V & A-VI).

Overall, sanctioned leavers were not earning as much as non-sanctioned leavers to begin with and in the second year they are still earning less. Even so, the differences leveled out some in the second year and, in theory, these two groups could be earning comparable wages (See Table A-IV).

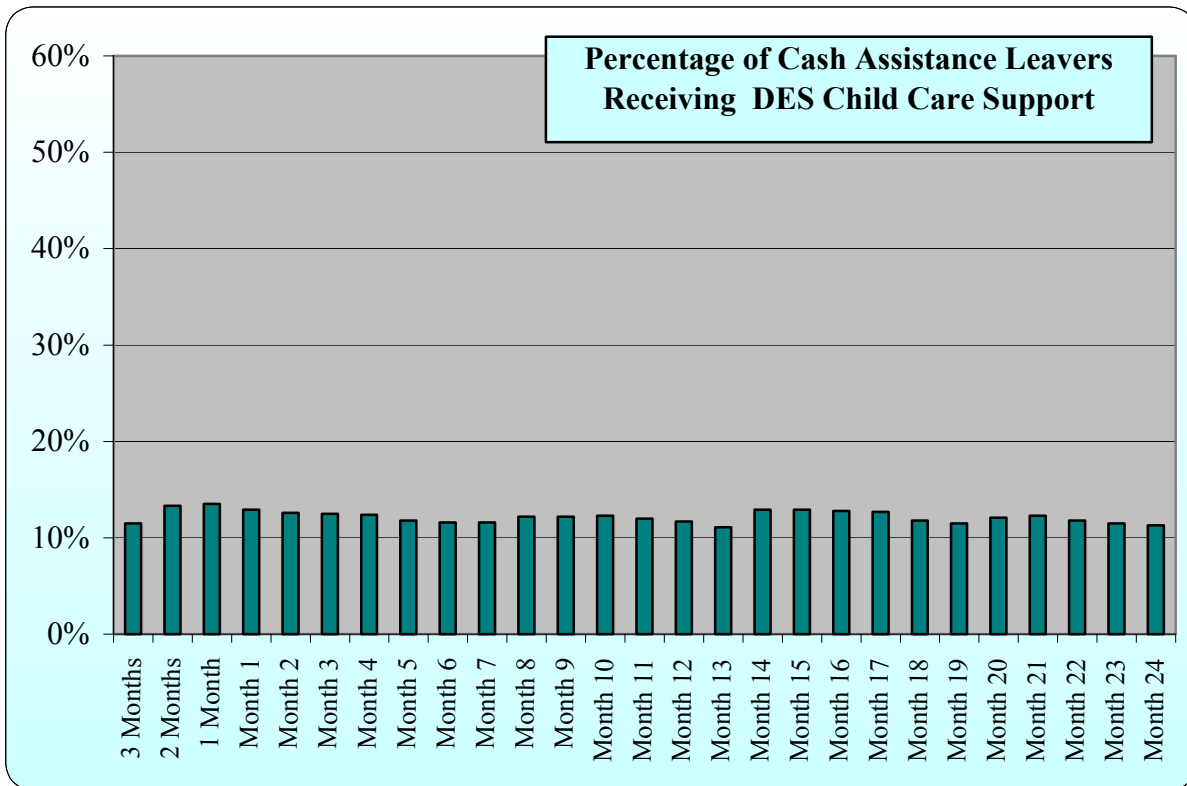
### **DES Child Care**

The percentage of study participants utilizing DES assisted Child Care remained steady for the three months prior to leaving Cash Assistance and for 24 subsequent months (See Table A-II). During these 27 months, the percentage utilizing DES Child Care ranged from a high of 13.5% the month before leaving to a low of 11.1% during the 13<sup>th</sup> month. The average number of months Child Care funds were utilized also remained steady at 6.5 in 1999 and 6.6 in 2000 (See Table A-III). Although to a lesser degree than with other DES program measures, DES Child Care usage was also sporadic and temporary, with 22% to 23% of all study participants using the services in first and second years, respectively, yet never more than 13.5% on any given month (See Table A-II). Even so, the total number of “client active” months remained steady with 0.8% less used in 2000 (See Table A-III).

Of the study participants who did receive DES supported Child Care, 45% received it for 6 months or more during the first year and 49% during the second year suggesting a slight increase. But 15% of the entire leaver population received DES supported Child Care during all 12 months of the second year, three percentage points less than the first year (See Table A-I). This shows fewer leavers were using state child care supports but those who did, did so more often.

A lack of increase in Child Care usage was not necessarily expected. With Cash Assistance clients moving to employment and other outside activities, the use of Child Care supports were expected to rise. It is positive, however, that program usage did not drop as it did with Food Stamps and Medicaid—suggesting this needed support is continuing as necessary. DES Child Care policies allow for a great deal of flexibility in who can provide these services, including relatives, yet usage simply has not changed significantly before or after Cash Assistance participation. The conclusion to be drawn is DES Child Care usage has not increased because of changes to Cash Assistance, but it does continue to be an important support for families. (See graph below).





**Sanctioned vs Non-Sanctioned**

Unlike the other administrative data sets examined, DES supported child care shows continued differences over time between the two groups. The non-sanctioned leavers use more DES sponsored child care, 33% used it at least one month during the course of the study compared to 26% of sanctioned leavers (See Tables A-V & A-VI). The client active months between these groups, as discussed for the group as a whole above, remained constant between years.

**Child Protective Services**

The percentage of study participants who had a substantiated report of child neglect and/or abuse was determined to be similar or below that of the general public during the initial Cash Assistance Exit Study. Of the study’s 10,647 participants, 269 (2.5%) had one or more substantiated Child Protective Services reports in 1999. That number remained constant in 2000, 260 (2.4%). Conclusion; the Cash Assistance leaver population has not experienced greater substantiated CPS involvement than what would be expected of the general public during the two year study period.

**DES Emergency and Supportive Services (via Community Services Admin. (CSA))**

There was an increase in the percentage of study participants utilizing DES emergency and supportive services (CSA) between 1999 and 2000, yet the number taking advantage of these services is limited. Despite many study participants continuing to qualify for these services (based on UI Wage information), only 159 (1.5%) in 1999 and 540 (5.1%)

in 2000 utilized the program. This is a large relative increase in usage, but still few who are qualified overall are accessing the services.

DES emergency and supportive services provides a wide variety of services depending on each families needs and resources, and the number of study participants utilizing these services did triple between 1999 and 2000. Even so, for many study participants who would probably qualify based on Base Wages, DES emergency and supportive services were not utilized to the extent possible.

### **Child Support**

Data for child support activity is limited to the second year of the study. Twenty seven percent, or 2,848 study participants received child support payments during the second year of the study. The average annual amount each family received was \$4,870.

### **Other Important Concerns and Issues**

Since discussions concerning changes to Cash Assistance began, numerous issues and concerns surrounding this population's well-being have arisen. The purpose of this section it to shed some light on a variety of these issues and concerns. Unfortunately, these data are limited to records which DES had the opportunity to update when clients continued Food Stamps, Cash Assistance or AHCCCS (Medicaid) services with the state. And when the information is actually collected. There were 8,790 such records updated, or 78% of the 10,647 in the study and they are used exclusively for the information presented below.

#### Education Level Increases

Less than 5% of updated cases in DES administrative data files show clients increased their education level during the two years of the study. Four percent, or 347 of the 8,790 records examined, did show an increase of one grade level, usually demonstrating high school or GED completion. Another 34 (0.4%) showed an increase of two or more education levels. It should be remembered, however, that there could easily be educational advancements that are not captured by updated DES administrative data and these figures must therefore be considered estimates.

Even so, these numbers suggest there is not a great deal of educational development occurring which is not encouraging considering this population is undereducated when compared to Arizona's general public (See Methodology Subsection, "*The TANF Population, Study Population & Survey 2000 Population*"). Education levels are an important co-variant with income and the outcomes sensitive to economics. There is certainly a great deal of room for past and current TANF participants to increase their education levels and subsequent income.

#### Marital Status Changes

There have been no dramatic shifts in marriage patterns over the two years of the study. Thirteen percent of participants had updated records indicating changes in marital status, with 6% getting married and 7% becoming separated or divorced. A change in marital

status can impact family well-being in drastically different ways. Married families report slightly fewer adverse conditions associated with food, subsidized housing and children living elsewhere. But, as many past TANF recipients were leaving marriages as were entering into them during this report's study period. This allows for the conclusion that changes to welfare policy implemented during TANF have not had any impact on study participant's marriage rates.

#### Rural to Urban Migration

When TANF efforts began, there was concern about clients having to relocate to find employment or to continue TANF services. This has not been the case, with fewer than 5% of all updated administrative data records showing any rural to urban or urban to rural changes. Also, a nearly equal percentage of study participants moved from Arizona's rural counties to the urban counties as moved from urban to rural counties, 2.3% and 2.6% respectively. Also, nearly the same number moved from Pima (Tucson Metro) to Maricopa (Phoenix Metro), 32 total (0.4%), as from Maricopa to Pima, 29 total (0.3%).

These percentages are based on updated TANF records and 78% of all records had been updated during the two years of the study. Even so, these records cannot be considered completely accurate so these figures must be considered estimates. It is therefore concluded that migration to accommodate employment or TANF service needs does not appear to be a concern for a vast majority of past TANF participants.

## Section Three: Survey Data Results

A majority of survey respondents feel their lives continued to become better during the second year of the study. Most reported their “General Condition” had improved both years, but there are others outcomes, such as food availability and paying for rent, that seem to contradict this overall assessment. Results from most of the issue areas examined were rather mixed in the 2000 survey; food needs appear to be slightly higher, housing needs were constant, yet employment appears to have increased—although marginally.

Similar to what was seen in the administrative data, survey results illustrate a population bouncing back-and-forth from employment to social services. A closer look suggests 20% to 30% appear to be rather independent financially, not relying on others for food, housing or other needs. Another 20% to 30% appear to rely on family, friends, the state, their community and others frequently for support. The respondents in-between vary considerably in terms of the types and amount of support necessary. This section of the report is divided by issue areas contained in the survey. Copies of the 1999 and the 2000 surveys, as well as associated tables, are located in the report’s Appendix.

The survey data section contains subsections focusing on respondents with diagnosed chronic health conditions, unlike the administrative data section which focused on sanction/ non-sanctioned group distinctions. This is because the sanctioned/non-sanctioned distinction did not create distinctive group outcomes as well as the health condition distinction did with the survey data. In other words, much more explanation and understanding of the survey data becomes available using the health distinction with the survey data than the sanctioned/non-sanctioned distinction. These are very different types of data and each provide an important understanding of the group as a whole.

Note: As noted elsewhere, the number of survey respondents in the 2000 survey represent 54% of the original 1,140 sampled. Interviewers were unable to contact 319 potential respondents in 1999 creating a 72% response rate. The 205 not contacted in 2000 represent 25% of 821 contacted in 2000, creating a second year response rate of 75%. And, while respondents of the 2000 survey are very similar on demographic measures (see methodology section), it is not possible to gauge what the survey results would be if it were possible to include these non-respondents. Even so, 618 respondents who are similar to the entire sample on known measures should provide adequate estimates of the population trends presented in this section. In addition, information in this report from the 1999 survey includes all 821 respondents in 1999. Also, the response rates for sanctioned and non-sanctioned respondents remained nearly equal for both years; sanctioned/non-sanctioned split was 49%/ 51% in the first year and 49.5%/50.5% in the second.

### **General Conditions**

Respondents are optimistic about their general situation, especially when compared to more detailed indicators of well-being. A substantial majority said their general condition was better during both years of the study or were better the first year and the

same the second. Some did report conditions worsening in one or both years and the primary reasons given were related to income or benefits.

Respondents with reported health conditions, however, did not fare as well as those who did not report a health condition. Only half of these respondents reported their general condition as better or much better in 2000. In addition, far more respondents with a reported health condition also reported their general condition as being worse both years than respondents without a reported condition.

Overall

Nearly two-thirds of respondents (64%) reported their general condition as being better or much better compared to the prior year. As a general rule, those who were doing better after the first year continued to do better after the second year. And, those who were doing worse after the first year continued to do worse in the second year.

Nineteen percent said their general situation was the same, and 18% reported their condition worsening between 1999 and 2000. When asked why their situation had improved, half related the improvement to earnings. When asked why their situation had worsened, benefits and earnings related problems were cited 40% of the time.

First to Second Year

When respondents who reported their general condition being better or much better off in 1999 were examined in 2000, 78% reported doing better or much better during the second year also. Thirteen percent reported their condition as the same. The remaining 9% said their condition had become worse \*\*.

<b>Respondents' General Condition</b>						
Table S-G/1						
		<b>Responses 2000</b>				
		Better or		Worse or		
<b>Responses 1999</b>	freq.	<b>Much Better</b>	freq.	<b>Same</b>	freq.	<b>Much Worse</b>
Better or Much Better	301	77.6%	62	16.0%	44	9.3%
Same	72	63.7%	20	17.7%	20	18.6%
Worse or Much Worse	<u>52</u>	48.1%	<u>25</u>	22.2%	<u>32</u>	29.6%
	425		107		96	
<b>Reported a Health Condition in 2000</b>						
Better or Much Better	67	72.0%	13	14.0%	13	14.0%
Same	23	63.9%	6	16.7%	7	19.4%
Worse or Much Worse	<u>21</u>	41.2%	<u>11</u>	21.6%	<u>19</u>	37.3%
	111		30		39	
<b>Did Not Report a Health Condition in 2000</b>						
Better or Much Better	234	79.3%	49	12.9%	31	7.8%
Same	49	63.6%	14	18.2%	13	18.2%
Worse or Much Worse	<u>31</u>	54.4%	<u>14</u>	22.8%	<u>13</u>	22.8%
	314		77		57	

When respondents' general condition was the same after the first year, 64% of the time they reported being better or much better in the second year. Another 18% remained the same both years. This leaves 19% of those who were the same after the first year reporting their condition as worse off in the second year in the second year.

When respondents reporting their general condition being worse off in 1999 were re-examined in 2000, 48% reported being worse off again during the second year. Another 22% said their general condition remained the same as the first year, which they reported as being worse off in 1999. The remaining 30% who were worse off in 1999, however, did say their general condition had become better or much better in 2000 \*\*.

These trends suggest that if a respondent was doing better or much better after the first year, they are more likely to continue to do better the second year. If they were the same in 1999, just under two-thirds also reported being better or much better in 2000. But, if they were worse off after the first year, 70% saw their general situation get worse or stay the same in 2000 \*\*. In other words, if respondents had difficulty within the first year after leaving, most continued to struggle in the second year.

### Health Conditions

Respondents with reported health conditions said their general condition was improving considerably less often than those without a health condition. As a group, 52% reported doing better or much better in 2000 compared to 69% of respondents without a health condition \*\*. Respondents with reported health conditions began or continued doing better the second year less often, and conversely, they were significantly more likely to say their general condition had become worse \*\*. Respondents with reported health conditions began the study not doing as well and fewer improved over the two years of the study, compared to those with no reported health condition.

Respondents with a health condition who reported being better or much better off in the first year were more likely to report their general condition becoming worse during the second year than those without a health condition, 14% compared to 8%. Respondents with health conditions who were doing worse after the first year were nearly twice as likely, 37% compared to 23%, to be doing much worse after the second year also \*. (*See table S-G/1, above*).

### **Parents' Health**

Respondents with reported health conditions have disproportionately more difficulty providing for themselves and their children and report living in adverse conditions more frequently than respondents with no reported health condition. These respondents earn lower wages and report a lower monthly household income level overall. When outcomes dependent on finances are examined, appreciably higher levels of adverse conditions are often reported.

In addition, a substantial number of respondents also reported having unmet medical needs and worsening health conditions from the first to second year of the study. In

essence, the 30% of respondents with a reported health condition appear to struggle more to care for their families and themselves and they haven't improved much from the first year of the study to the second.

### Overall

Thirty percent of 2000 Cash Assistance Continuation Survey respondents reported having a physical or behavioral health condition that has been diagnosed by a health professional and has lasted, or is expected to last at least one year. This number appears to have risen during the second year of the study, 30% compared to 23%, although questions were rephrased during the second year in order to capture greater detail, so accurate comparisons are not possible \*<sup>6</sup><sup>7</sup>.

Twenty two percent of all respondents did say their health worsened between the 1999 and 2000 survey period. When asked to compare their health to their peer's health, 23% said it was worse. If respondents had reported a diagnosed health condition, however, 48% said their health was "worse than their peers" compared to 10% of respondents without a reported health condition \*\*\*. (see Table S-H/1).

Also, 54% of respondents with a health condition said their condition became worse during the second year compared to only 9% for those without a reported condition \*\*\*. These worsening conditions suggests the need for more medical services is growing among respondents with health reported conditions despite a rise in insurance coverage during this same period. (see Table S-H/1).

More respondents in 2000 reported having health insurance than did in 1999, although these survey questions were also asked somewhat differently. In 1999, 40% of respondents reported no insurance for themselves. In 2000, the percentage of respondents without insurance at some point during the year dropped to 24%\*\*.

Respondents who had coverage reported an average between 9 and 9.5 months of coverage during the course of the year \*. (see Table S-H/5).

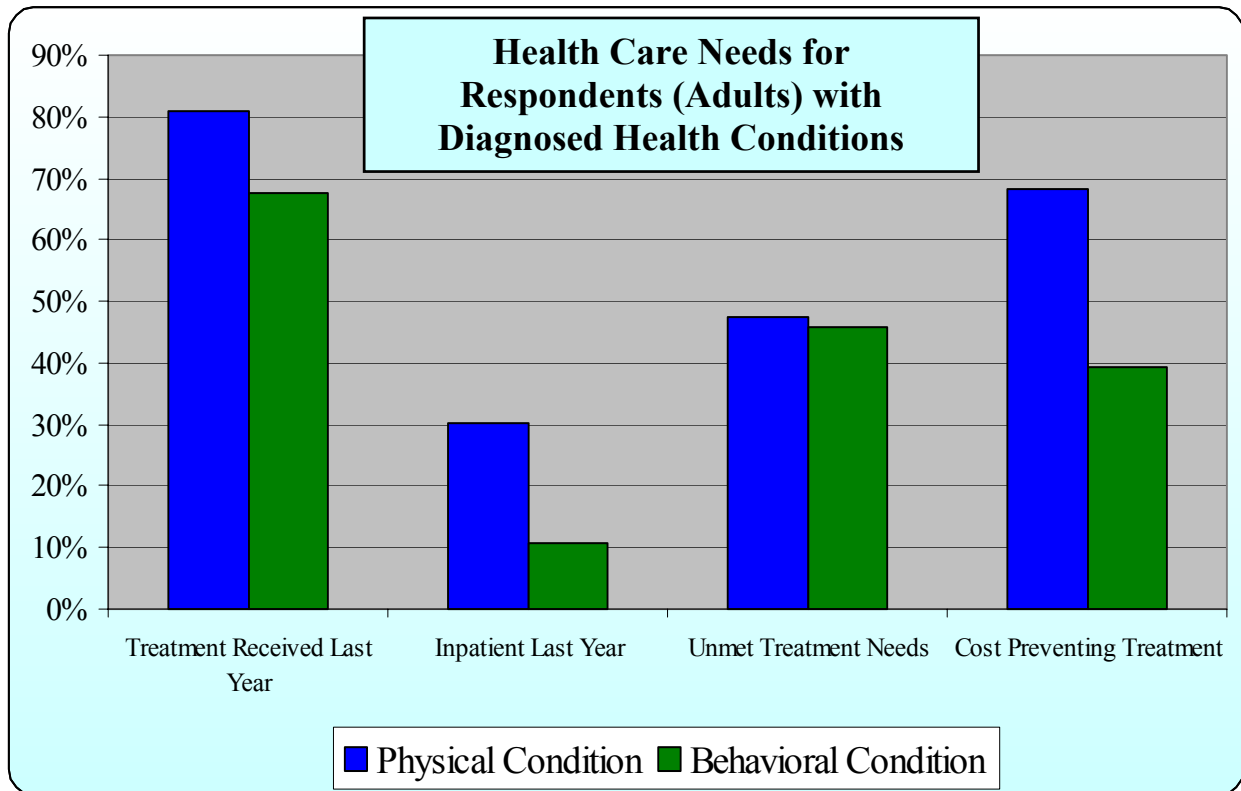
Fourteen percent of respondents reported their children did not have insurance during the second year, down substantially from 26% in 1999 \*\*. Respondent's children who had coverage reported averaged 9.6 to 9.7 months of coverage during the course of the year. DES and AHCCCS have been active in promoting greater insurance participation among eligible populations, especially to those recognized as having continuing needs. This may help explain why respondents with reported health conditions had higher levels of AHCCCS and private insurance coverage than those without a reported health condition, 81% compared to 74%\*. (see Table S-H/5).

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<sup>6</sup> The 1999 survey asked about physical and behavioral health in a single question, in 2000 these topics were separated by physical and behavioral health conditions.

<sup>7</sup> The definition of a reported health condition used in the 2000 survey was designed to be similar to eligibility requirements for federal disability assistance. Even so, unless properly assessed it is not possible to determine if these respondents with reported health conditions would qualify for Vocational Rehabilitation Services or Social Security benefits.

Despite a larger percentage of respondents reporting having insurance in 2000 than in 1999, many respondents continued to have unmet treatment needs. Forty-one percent of respondents with physical health conditions and 47% with behavioral health conditions reported receiving no treatment for their condition. This equates to 6% of the entire respondent population having unmet behavioral treatment needs and 12% having unmet physical treatment needs.



The primary reasons given for not receiving treatment were cost related. Thirty-nine percent gave cost as the reason for not receiving behavioral health treatment and 68% said cost is why they did not get needed physical treatment. No treatment available and “other” were the reasons given second most often for not receiving behavioral health treatment (both 21%). Respondents believing they were “no eligible” available was also given as the reason given second most often for not receiving physical health treatment (9%) (“Other” was given 16% of the time). (see Tables S-H/3 & S-H/4). Also, twice as many respondents with reported health conditions also reported having trouble getting to a physician or an emergency room (32% vs. 16% \*\* and 23% vs. 13%\*, respectively). (see Table S-H/1).

In addition, the need for inpatient services is substantial, especially among respondents with behavioral health conditions. Between 1999 and 2000, inpatient services or hospitalization was utilized by 11% of the respondents reporting a physical condition and 30% of those reporting a behavioral condition. (see Tables S-H/3 & S-H/4).



Also, when respondents who were not employed at the time of the 2000 survey were asked why they were not employed, the primary reasons given were illness/disability related (27%) and family needs (child care, disabled care and pregnancy—19%). For respondents with health conditions, however, these percentages were 54% and 17%, respectively \*\*\*. As reported in the family income section, when asked what needed to change before they could find employment, 76% with reported health conditions said they needed to remedy their illness, disability or substance abuse problem<sup>8</sup>. (see Table S-1/5).

When the entire population was asked why it was difficult to get to a physician or emergency room, 95% of all respondents said the reason was transportation/ distance related. Securing and maintaining a vehicle is related to finances, and the ability to generate income and maintain family health is also often dependent on a vehicle. Child care was the only other prominent response with 2% of the responses. (see Table S-H/1).

### First to Second Year

Its difficult to measure change between surveys because relevant questions in the 2000 survey are more detailed than the 1999 survey. Generally, however, there appears to be a rise from the 23% with any diagnosed health problems, whether behavioral or physical, in 1999 to 30% in 2000. Many of these respondents may qualify for vocational rehabilitation type services or federal income support, but enrollment for each must be tested individually. Assessments necessary to identify these conditions and aid to qualified clients in general are currently being refined by DES and broadening access to these processes and services could prove helpful to many Cash Assistance families.

### Health Conditions

Note: Respondents with reported health conditions were identified and used for a majority of the analyses contained in this report and earlier in this section. There were 44 among the 181 respondents with any condition who reported both a physical and a behavioral condition diagnosed by a health professional. Even so, all analyses speak of respondents with health conditions as two separate groups because of the associated questions and the survey's design.

### **Work, Wages and Household Income**

According to survey information, there were slightly more respondents employed during the 2000 survey than were during the 1999 survey. Respondents' reported wages during this period were stagnant and those with reported health conditions earned significantly less than those without health conditions (administrative data differs considerably, showing an increase of 25%). The types of work respondents had secured, however, were of higher caliber than expected with over one third reporting they were in supervisory/ professional positions and another 8% in technical fields. Another 12% reported being self-employed and averaging nearly \$12 per hour.

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<sup>8</sup> Substance abuse is a reported problem with 15% of respondents with a behavioral health condition and 2% of the entire study population.

## Overall

The percentage of respondents reporting employment at the time of the second survey rose slightly between 1999 to 2000; 57% to 59%. The percentage of respondents working two or more jobs grew from being virtually non-existent 0.8% in 1999, to 1.8%—which is still low. In 2000, the reasons helping to get and keep a job were not asked, but the primary responses in the 1999 survey were; individual effort/desire (45%), education/training (25%) and personal contacts (9%).

Respondents during the 2000 survey who were not employed said the primary reasons for their unemployment were “Illness, Disability” related at 27% and “Family Needs” related at 19%. When asked what they needed to help get the a job, a) transportation (22%), b) education/ training (19%), and then, c) remedying illness, disability or substance abuse (19%) were reported most often (see Table S-I/5). This juxtaposition between need and remedy is discussed in following “non-work” subsection.

In contrast to the employer reported wages in the administrative data file, wages reported during the surveys did not increase between the first and second year. The percentage working inched upwards a statistically insignificant 2 percentage points—same as administrative data. Those with health conditions, however, were working significantly less often than those without reported health conditions, 50% compared to 63%. (see Table S-I/1).

## Work

In this subsection, both the type of work respondents are performing as well as the type of industry they are working in were examined. Over one third of all respondents (35%) reported finding employment in professional and managerial/ supervisory positions, areas usually requiring previous experience and/or training or higher levels of education. These positions will usually pay more than entry level positions and they often offer health coverage, other employee benefits and advancement opportunities more often. These classifications were grouped based on general level of training or expertise required and from the general descriptions contained in more specific categories used during the survey (the question was open-ended). (See graph next page, see Table S-I/2).

Another one third (33%) found employment in food services, sales, clerical and care services which are often entry level in nature. These positions may or may not offer employee benefits or as many advancement opportunities. Nine percent found employment in a technical field, 12% reported being self-employed and the remaining 10% or so were scattered across “other” and “other services” categories. (see Table S-I/3).

In addition to respondents being classified by type of work they were performing, survey respondents were also grouped by the type of company they were working for or at. Respondents found employment with general services companies most often at 28% of the time<sup>9</sup>. They were employed by professional services companies 27%, and retail sales 21% of the time. Manufacturing/ construction companies and non-profit/ government

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<sup>9</sup> General services companies include food services, hotel/ hospitality, child/ adult care, entertainment and the transportation, communications, and utilities companies.

organizations comprised most remaining responses, 15% and 8% respectively (other=2%). (see Table S-I/3).

When hourly wages were examined by the type of work performed, considerable variation became apparent. It should be kept in mind the number of respondents for each category is low and is therefore not acceptable for generalizing. An example of a potential problem with can be seen with the child/ adult care category. The 4 respondents working in child or adult services seem to be better paid than what might be normal for this profession. They reported a mean wage of \$8.56 an hour and a median wage of \$7.98. With one of the four respondents reporting a \$15 hourly wage, the mean average is skewed upwards. Even so, overall these 4 respondents are well paid for their industry.

Note: Presenting the median when populations are low, as is below, can provide a somewhat more realistic picture of what is being earned, but is still very limited. The categories with higher numbers of respondents should be more typical of what can be found in the general public, but none of the categories presented here have enough respondents to generalize to any other population.

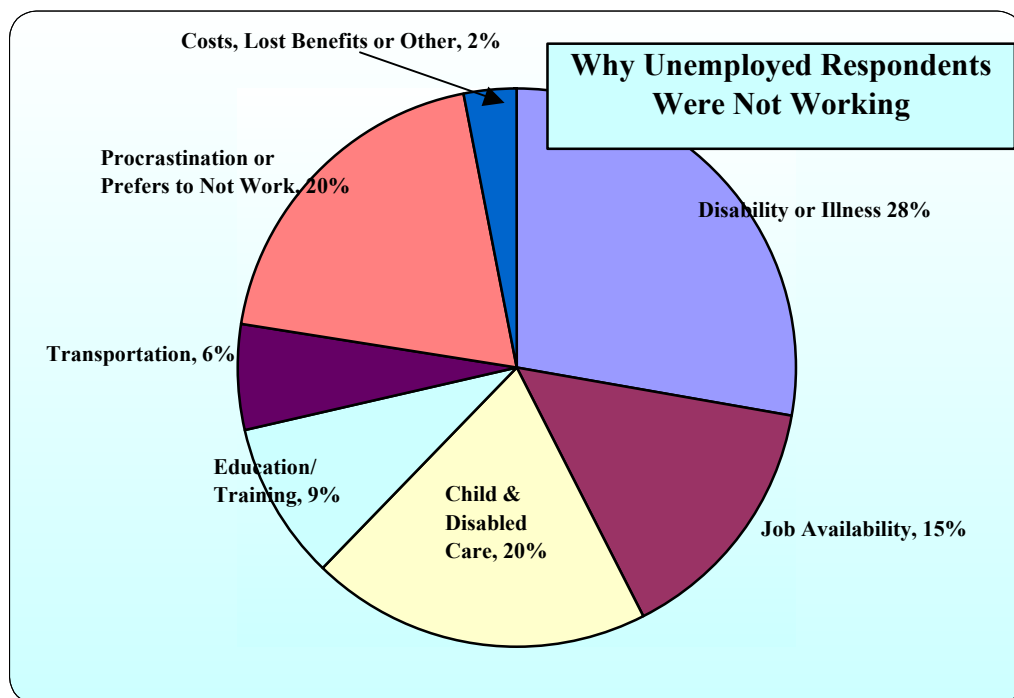
As illustrated in Table S-I/8 below, 5 of the 10 work categories reported mean average incomes of near \$8.50 per hour or more (remember, some categories have very limited numbers). Those who described themselves as self-employed, 45 in all, reported mean hourly wages nearing \$12 and median hourly wages over \$9.

<b>Hourly Wages By Work Type</b>							
<u>Type Of Work</u>	Mean	<u>N</u>	Standard	Median	<u>Sum</u>	<b>Table S-I/8</b>	
	<u>Wage</u>		<u>Deviation</u>	<u>Wage</u>		Reported	Reported
						<u>Minimum</u>	<u>Maximum</u>
1 Self Employed	\$11.84	45	\$7.73	\$9.34	53410.67	\$5.00	\$40.00
2 Mgr., Supervisor	\$6.95	56	\$1.43	\$6.75	39038.9	\$5.15	\$12.85
3 Professional	\$8.97	65	\$2.43	\$8.94	58615.59	\$2.00	\$17.00
4 Technical	\$6.82	30	\$4.10	\$6.78	20777.61	\$1.36	\$20.00
5 Sales	\$6.07	33	\$2.09	\$6.00	19740.72	\$2.13	\$16.00
6 Clerical **	\$6.42	25	\$1.89	\$6.47	16305.82	\$0.50	\$10.15
7 Child, Adult Care	\$8.56	4	\$2.60	\$7.98	3745.784	\$5.87	\$15.00
8 Food Service **	\$8.42	53	\$3.51	\$8.00	45061.87	\$0.50	\$21.90
86 Other Service	\$9.78	35	\$3.51	\$8.50	34088.76	\$5.55	\$21.50
96 Other	\$8.83	7	\$1.40	\$8.00	5924	\$8.00	\$11.00
Total	\$8.37	354	\$4.14	\$7.75	296709.7	\$0.50	\$40.00

Note: \*\* Two clerical and 2 food services workers reported earning \$0.50 per hour. It is not certain if these positions, and the others under minimum wage are DES supported work activities, training programs, compensated additionally through tips, are data errors or utilize other atypical pay schemes or not. Source: 2000 Cash Assistance Continuation Survey

### Non-Work

For those who reported not working, the primary reasons given related to a) illness, disability (28%) and, b) family needs such as locating affordable child or disabled care (20%). These two sets of reasons comprised nearly half of all responses for why respondents were not working. Job availability reasons were cited 15% of the time,



education and language learning needs were cited 9% and transportation problems for 6% of respondents. In addition, nearly one quarter (20%) stated they preferred to stay home and raise their children, they preferred to not work, or they were procrastinating. (see Table S-1/4).

When asked what they needed to become employed, however, the answers were different than what would be expected based on why they are not employed. Twenty two percent said transportation availability was most needed to become employed, 19% said it was education and training, and 19% said it would take the remedying of illness, disability or substance abuse problems. Available and affordable child and disabled care was cited by 15% as needed to become employed, job availability was cited by 9% and having completing a current pregnancy was cited by 13%. The remaining 4% said they were procrastinating or preferred not to work. (see Table S-1/5).

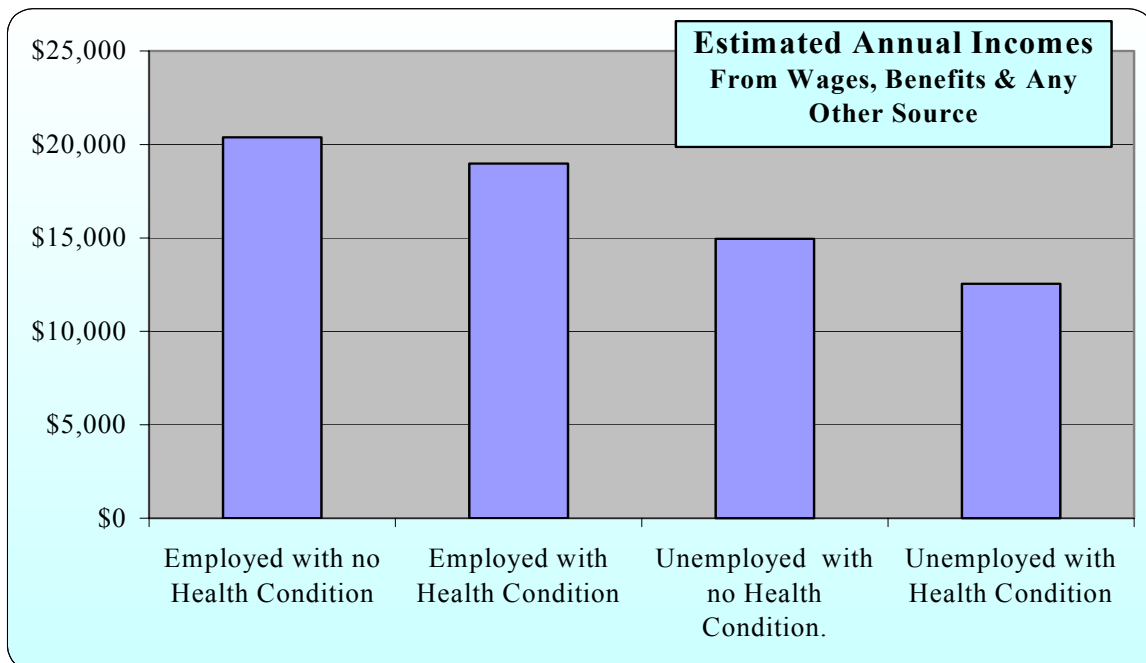
Health conditions were reported as one of the primary reasons for not being employed and remedying health conditions was one of the primary conditions that must be remedied before work could be obtained. This supports conclusions drawn elsewhere in the report linking poor health to lower income and increases in related adverse outcomes. Transportation and education/ training are the other barriers respondents feel need to be removed to overcome current obstacles to employment. Or, in other words, clients need to be healthy, know how to perform a job and have transportation for work and to take care of family needs to be successful with employment.

### Wages & Income

During the 1999 survey, the questions asked did not provide enough detail to determine total income levels or distinguish between income sources sufficiently. These differences

limit year to year comparability, but the increased level of detail contained in 2000 has been beneficial.

Respondents reported working an average of 36 hours per week and earning \$8.37 per hour during the survey's second year (see Table S-I/5). The nearly 60% of respondents who were employed reported monthly wages of \$1,002. Forty seven percent of all respondents reported income from other sources such as benefits, child support and relatives and this income averaged \$527 per month. Average monthly income from all sources and for all respondents, unemployed or not, was \$1,022, including roommate contributions. When respondents were employed, however, they averaged \$1,245 per month compared to unemployed respondents who were able to secure a monthly income half that amount, \$615. (see Tables S-I/7 & S-I/8).



Thirty-three percent of families had others contributing to the household's overall income. These contributors were broadly grouped as roommates, although a percentage are spouses. These working roommates secured an average of \$1,389 of monthly income from wages, benefits and all other sources. (see Table S-I/6).

Projected out for a year, estimates produce an average annual household income of \$12,260 for all respondents across all categories<sup>10</sup>. If employed, respondents estimated average annual is \$14,936 and if respondents were unemployed the estimated overall income from all sources was half this amount at \$7,378. This equates to \$7,758 less annual income and \$630 less income monthly for employed respondents. (see Table S-I/6).

<sup>10</sup> Other adults were primarily spouses (41%), roommate not related (21%), respondent's parents (18%) and other relatives (10%), children over 18 years old (11%) and under 18 years old (8%).

Thirty one percent of all employed respondents reported having other income earners in their home, but unemployed respondents reported additional income earners 44% of the time. These roommates increased their households average income considerably, and level the difference between employed and unemployed respondents. When the income of roommates is included, \$1,389 on average per month, average household income rises to \$20,026 for employed respondents and \$14,050 for unemployed respondents, \$5,976 or 30% per year less than employed respondents. (see Table S-I/6).

Also, an estimated 20% of families with children ages 16 and 17, legal age for most employment activities in Arizona without a special work permit, reported their children were contributing to the household's income. This represents 8% of the entire respondent population.

#### First to Second Year

There was a marginal 2% increase in the number of respondents working in 2000 over 1999, 57% to 59%. Their reported wages from survey respondents, however, was stagnant. Respondents reported an insignificant increase in average monthly wages of \$15, from \$988 in 1999 to \$1,003 in 2000 (1.5%).

*Note: Wage estimates from employer reported administrative data showed a 25% increase in earnings between 1999 and 2000 and wage estimates from the survey data did not.*

#### Health Conditions

Respondents with a health condition report being employed less often, working fewer hours, earning less in hourly wages and having less monthly income than respondents without reported health conditions. There were 13% fewer respondents with health conditions working at the time of the survey compared to those with no reported health condition (50% compared to 63%)\*. (see Table S-I/1). They also reported earning significantly less in wages \$882 compared to \$1,087 (19%)\*. Respondents with health conditions made up some of this income difference with non-wage income, averaging \$131 or 26% more per month than respondents without health conditions (\$556 compared to \$669 per month (see Table S-I/6).

Projected annual income for respondents with a health condition, not including roommate contributions, are estimated to be 15% lower at \$10,938, compared to those without a health condition averaging \$12,810\*<sup>11</sup>. In essence, respondents with reported health conditions were less likely to work, more likely to rely on other income sources including roommates and earned less when they were working. (See graph above, see Table S-I/6).

The same pattern is present when the income from others in the household is included. Total household income of respondents and their roommates when a respondents has a

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<sup>11</sup> UI Wage data showed very similar differences with respondents with health conditions earning 20% less than respondents without a reported health condition, \$11,136 compared to \$13,847\*.

health condition is \$15,785, or 15% less than the \$18,472\* for those with no reported health condition. (see Table S-I/6).

Interestingly, respondents with reported health conditions accounted for 69% of their total household income and those without a condition contributed 66%. The contributions of a roommate increases income for many families considerably. Yet, most respondents are not married (81%), and partners, roommates, relatives and older children end up being this secondary contributor. (see Table S-I/6).

In essence, respondents with health conditions and their families simply do not secure as much income as those with no reported health conditions. And, as illustrated in other sections of this report, less income appears to adversely impact numerous outcomes for these respondents.

### **Children's Health, Grades, Behavior & Child Care**

Over 86% of all respondent's reported their children had health insurance for an average of nearly 10 months during the second year of the study (see Table S-H/5). Even so, children's health appears to be an area of concern—particularly for respondents who themselves report a diagnosed physical or behavioral health condition. These respondents' children have physical and behavioral health conditions at rates three times higher than children of respondents without a reported health condition. Otherwise, a large majority of respondents children were reported to be doing well in school and being well behaved. In addition, more families report receiving child care in the study's second year relative to the first.

#### Overall

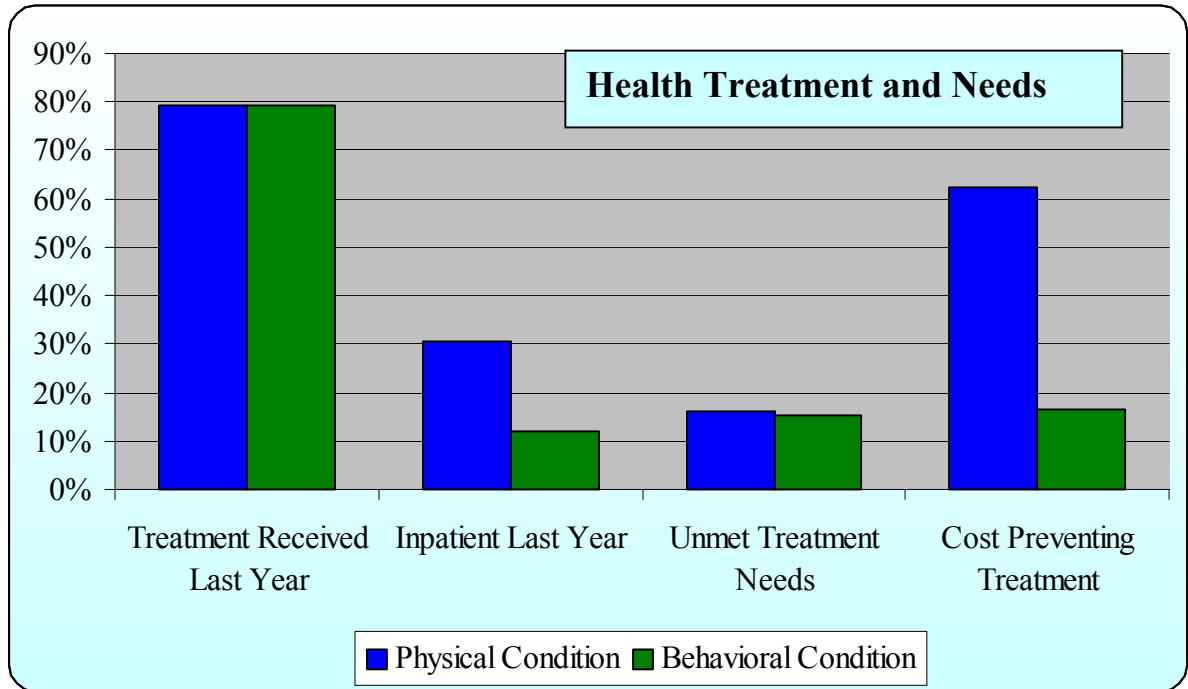
Few respondents, 5%, rated the health of their children worse than the children's' peers<sup>12</sup>. Eleven percent of all respondent's children had a diagnosed physical health condition, 8% had a diagnosed behavioral health condition. However, 20% of respondents' children whose parents had a reported health condition were also reported to have a physical health condition compared to 8% of the respondents children with no reported health condition \*\*. In addition, 18% of children whose parents had a health condition also reported to have a behavioral health condition, compared to 4% for respondent with no health condition \*. (see Tables S-H/5 & S-H/6).

Nearly 31% of children with physical health conditions and 12% with a behavioral condition needed hospitalization or other inpatient treatment during the second year. Yet, 16% of the children with physical conditions and nearly 15% with behavioral conditions were reported to have unmet treatment needs during the second year of the study—percentages similar to the 18% and 20% of parents with unmet health condition needs during the same period (see Parent's Health subsection). The primary reasons respondents gave for their children not receiving needed treatment were cost related and

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<sup>12</sup> The same set of questions were asked for each respondent's children beginning with the oldest. Responses for up to 5 children were captured (less than 2% of families in 2000 had more than 5 children).

affected 64% of children with physical health conditions and 30% of children with behavioral health conditions. (See graph next page, see Tables S-H/5 & S-H/6).



In terms of their children’s academic development, a large majority of all respondents reported their children were at or above average academically (87%) and they nearly always behaved as well or better than their peers in school (92%). Seventy-seven percent of all respondents’ children were in school during the 2000 survey and therefore active in both DES and the state’s education system (percentage who should be in school was not determined)<sup>13</sup>. (see Table S-G/8).

If a child had a behavioral health problem, however, 44% were in Special Education. (see Tables S-H/6). Interestingly, if a parent had a reported health condition, their children were in Special Education less often, 41% compared to 50%<sup>14</sup>. Child or extended care was used by 27% of all respondents’ children, up from the 14% and 17% respectively in 1999 survey<sup>15</sup>. Even so, child care was still needed by 14% of all respondents’ children. Respondents with reported health conditions, however, used child care at a notably lower rate, 18% compared to 30%\*. (see Table S-G/8).

Of those who utilize child or extended day care, 36% were receiving it from public child care centers and 23% from public schools/ preschool. Relatives took care of the children outside of the home 23% of the time and the other categories are broken down as follows:

- Friend not in household—6%

<sup>13</sup> The state education system also addresses family needs and due to recent legislative actions, could be an avenue for greater cooperation with DES.

<sup>14</sup> Because the populations are small, the group differences noted are not statistically significant.

<sup>15</sup> Administrative data reflect DES sponsored child care only, survey data captures all child care resources.



- Home Based Child Care—3%
- Church Based or Cooperative—2%
- Roommate in household, Private in home care, Others & refusals—all 2% or less

(see Table S-G/9)

### First to Second Year

Children with reported health conditions, physical and behavioral, may have risen during the second year of the study as did the respondents themselves. But, as with the parent focused question, the questions were refined in 2000 to capture necessary detail on this issue. Therefore, no conclusions are derived from any year to year comparisons of children's health.

### Health Conditions

Children's health condition is the focus of the early part of this subsection and there is no further elaboration.

In summary, the health of respondents' children is often related to the health of the parent themselves. What may cause this relationship, other than income differences, is not known. Children's health can adversely effect their development and become another burden in a families' quest for self-sufficiency.

### **Housing**

Most respondents experienced some adverse housing conditions after leaving Cash Assistance. Affordable housing continues to be a problem with two thirds of respondents continuing to rely on public services, private charities or others for assistance. Also, a small but appreciable number of respondents, 78 (13%), lost their housing and a few, 7 (1%), needed a homeless shelter. As a group, respondents reported little, if any, overall improvement in housing conditions from 1999 to 2000. Most indicators were flat or mixed for all respondents, but group distinctions based on reported health conditions were statistically significant (see Table S-G/5).

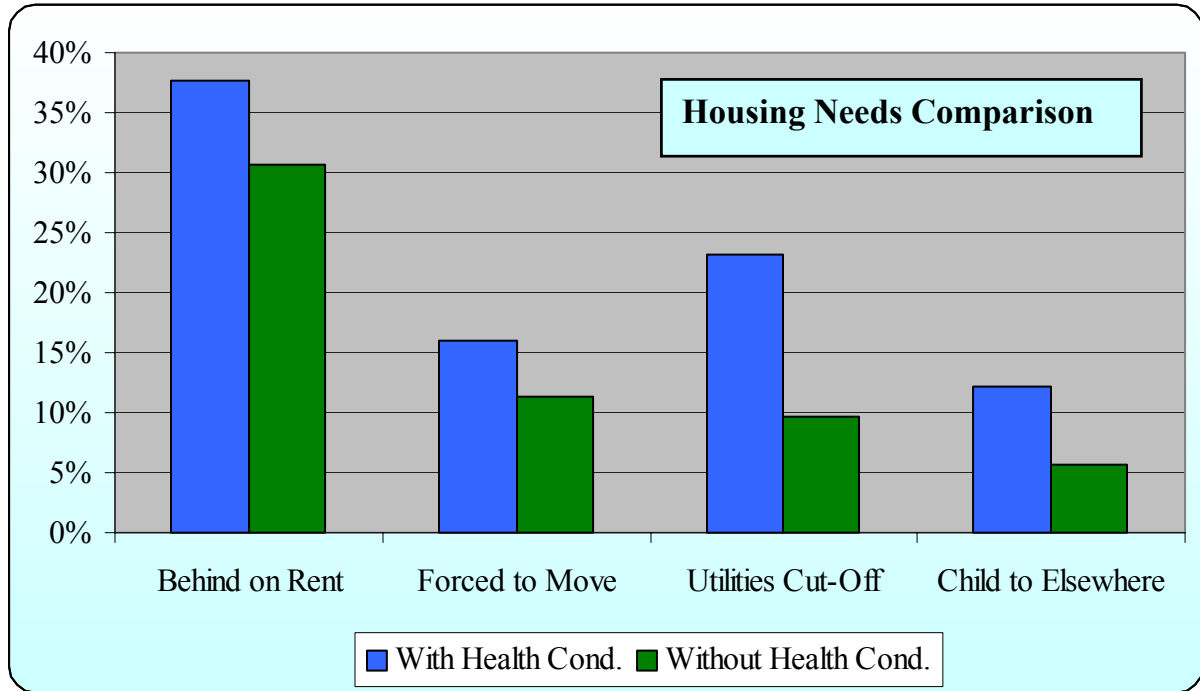
### Overall

Eight survey questions were used in both 1999 and 2000 to gauge respondents' ability to independently afford a home for themselves and their children. The 2000 Cash Assistance Continuation survey questions concerned with housing are as follows:

- # 151; "Have you been behind on your rent, mortgage or other payments for housing (in the last year)?"
- # 152; "In the last year, have you moved because you could not pay for housing?"
- # 153; "Have you spent at least one night in a homeless shelter in the past year?"
- # 154; "In the last year has your electricity, gas, or water been turned off because you couldn't afford them?"
- # 155; "In the last year, have your child(ren) had to live with someone else for a while because you could not afford to keep them with you?"
- # 183; "Have you lived in public housing or has part of your rent or mortgage been paid by Section 8, HUD, Public Housing or any other program in the last year?"
- # 184; "Have you received free housing from a parent or other relative?"

#185; “Has any program or agency paid, or help you pay, for utilities such as electricity, gas or water (in the last year)?”

Two-thirds of all respondents reported at least one housing related problem during the second year of the study. Nearly one third reported getting behind on rent and those who got behind averaged being behind 3 months over the course of the year. (see Table S-G/5).



Twenty-one percent relied on subsidized housing for an average of 7 months and 20% received free housing from a relative for 3½ months between the first and second survey. The need for subsidized utilities was reported by 14% of respondents and another 14% reported having utility cut off because they couldn't pay the bill. (see Table S-G/5).

Housing needs were great for the 7 respondents who became homeless; they averaged 48 nights in shelters. And, 8% of respondents needed to send their children to live with others because they could not afford to care for them between the first and second survey. The average number of months that children lived with others was 5.5. (see Table S-G/5).

In essence, Cash Assistance Leavers continue to need assistance with housing needs, often both public (HUD, etc.) and private (relatives, etc.) sources. Reliance on family and assistance programs for housing and utilities affected two thirds of respondents to some degree during the two years of the study.

#### First to Second Year

On balance, respondents showed no overall changes in their ability to afford housing from 1999 to 2000. Respondents in general were slightly less reliant on relative's free housing and they were behind on rent slightly less often. But, there were small increases

in the number using subsidized housing and utilities, and children living elsewhere. Other indicators examined were flat or very close to flat between the two years and none showed any statistical differences.

### Health Conditions

Respondents reporting a diagnosed physical or behavioral health condition in 2000 did, however, register more overall negative housing conditions at rates higher than respondents with no reported health condition. With six of the eight housing indicators, the differences between the two groups were small and statistically indistinguishable. Two measures, “Having Utilities Cut-Off” (q154) & “Child Living Elsewhere” (q155) showed weak or very weak statistically significant relationships when examined individually.

When results from the eight housing indicators are combined, a weak but statistically significant relationship does emerge. Ten percent more respondents with a health condition reported having adverse housing conditions across the eight indicators and as a group they reported more total adverse conditions\*.

Respondents with health conditions reported being behind on their rent slightly more often, 3.6 months on average compared to 2.9 for respondents with no reported health conditions. The respondents’ children who lived with others because of finances did so 5.9 months on average compared to 5.4 months for children of respondents without health conditions. However, respondents with reported health conditions relied on free relative housing from relatives slightly less often, 15% compared to 22%. (see Table S-G/5).

Few respondents from either group reported using a homeless shelter—3 respondents with a reported condition and 4 without a condition.

### **Home Environment**

The home environment in which Cash Assistance families are living is important to their health, development and general well-being. Keeping a positive home environment also helps families avoid public services and interventions, particularly interventions for neglect by Child Protective Services. Fortunately, a large majority of respondents reported keeping their homes clean, safe and warm, and raising their children in safe neighborhoods.

### Overall

A large majority of respondents, 90% or more, reported living in clean, comfortable housing kept at a comfortable temperature and equipped with necessary appliances most or all of the time. Homes were “child-proofed” 83% of the time and just over 83% of respondents reported living in neighborhoods that were clean and safe for children most or all of the time. (see Table S-G/7).

Some families did have trouble providing basic and school/socially appropriate clothing most or all of the time. Eighty-nine percent, however, did have basic clothing for their children and 85% had clothing appropriate for school, church and social activities most or all of the second year of the study. (see Table S-G/7).

Social isolation had also been experienced by a number of respondents and their children. Just over 73% of parents reported having social support most or all of the time and they 85% reported their children had at least one or two playmates most or all of the time. This leaves 27% of parents and 15% of children in some level of social isolation in 2000 survey. (see Table S-G/7).

In essence, the home environment for a large majority of respondents is usually clean, safe and comfortable. The neighborhoods are not clean and safe for 1 out of 6 (17%) respondents, however, and social isolation is an issue for an appreciable number of parents and children.

### First to Second Year

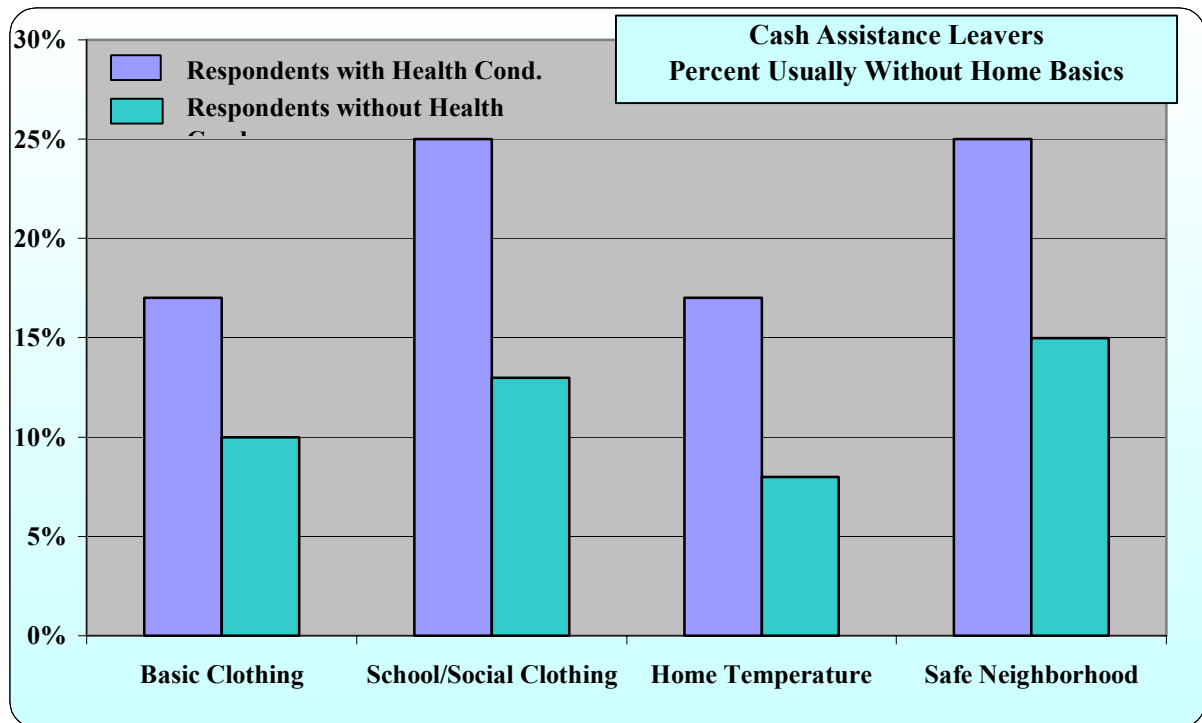
*Note: These home environment questions were not asked during the 1999 survey. They are designed to expand on information collected in the housing section contained in the initial and continuation surveys<sup>16</sup>.*

### Health Conditions

There were no significant differences between respondents with health conditions and those without conditions in the areas of social isolation, parent and children, and the home being clean and safe with needed appliances. But, respondents with reported health conditions showed greater difficulty in maintaining a healthy home environment in the four remaining areas, all associated more closely with finances. These four areas, basic clothing, school/social clothing, home temperature and neighborhood are more dependent on money and those with health conditions having significantly less (see wages subsections in survey and administrative data sections). (See graph next page, see Table S-G/7).

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<sup>16</sup> Continuation survey questions involved in home environment issues include question 163, asking about having necessary home appliances, then questions 165 through 172.



Providing adequate basic clothing was somewhat more difficult for respondents with a reported health condition, 16% compared to 9%, and having adequate school/social clothing was more difficult. Twenty-five percent of these respondents, more than twice the 11% for respondents without reported health conditions, say their children did not have adequate school/social clothing half of the time or more during the last year \*. (see Table S-G/7).

Respondents with reported health conditions were also more likely to live in a neighborhood not clean and safe for children, 21% compared to 15%, and they were less likely to have their home at a comfortable temperature, 17% compared to 8%\*, an important consideration in a state where desert highs can range from well over 100 degrees to below freezing and the high county can range from the 90s in the summer to below the teens during the winter—at times with an abundance of snow. (see Table S-G/7).

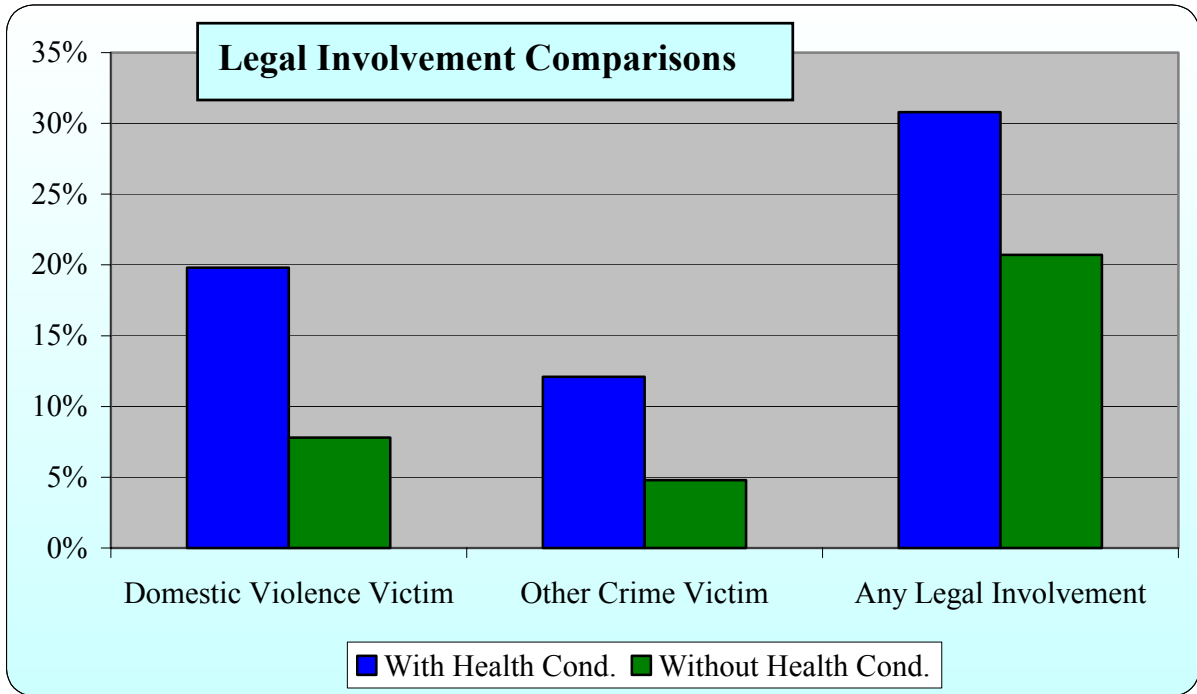
### **Domestic Violence and Legal Involvement**

Domestic violence and other crimes affected a substantial percentage of survey respondents. Crime and legal involvement affected nearly one quarter of the population. In addition, respondents with reported health conditions were victims of domestic violence, other crimes and legal involvement considerably more often.

### Overall

An appreciable percentage of survey respondents have been victims of domestic violence. Eleven percent of all respondents reported being victims of domestic violence during the second year of the study. Seven percent reported being victims of other crimes and one quarter (24%) were in some way involved with the legal system during the 12 month period. (see Table S-G/3).

Arizona’s court systems, particularly the superior courts, are very active in reforming the lives of the Arizona families they serve, particularly the “model court” program that forces problem families into intervention services. Having 24% of DES’ clients involved with the courts creates a substantial common population, they often have similar goals for this population, and contract with the same community providers for services. These commonalities create opportunities for the two agencies to work closely together.



First to Second Year

*Note: These questions were not asked during the 1999 survey. They are designed to expand on information collected regarding abuse counseling. Question 131 in the 1999 survey, in essence, was expanded to questions 159, 160, 161, 190, 190a, 191 and 191a.*

Health Conditions

Respondents with reported health conditions were the victims of domestic violence more than twice as often as respondents without reported health conditions, 20% compared to 8%. They were more than twice as likely to be victims of other crimes, 12% compared to 5%. And, respondents with reported health conditions reported being involved in the legal system considerably more often, 31%, compared to respondents without reported health conditions, 21%. (see Table S-G/7).

There may be other factors effecting these results. As described in the “Respondent Profiles, Group Differences & Generalizability” section, a much higher percentage of respondents with reported health conditions were married, separated and divorced which may account for some of these group differences. Even so, these respondents as a group

are victims of crime and involved with the law more often and as such could benefit from greater screening and education interventions while with DES.

### **Food Abundance and Nutrition**

Food, both its abundance and nutritional quality, are important factors in the health and development of children and adults. While most survey respondents are able to provide adequate quantities of good quality food for their families, an appreciable percentage of families in the study continued to struggle to maintain adequate amounts of nutritious food since leaving Cash Assistance.

#### Overall

Both nutrition and abundance were examined during the 2000 survey. Few families are relying on convenience foods most or all of the time (7%), even so one-third would benefit from increased fruit and vegetable availability.

On the issue of abundance, however, a substantial proportion of 2000 survey respondents continued to need public and private support. From friends and family, to school lunch programs and WIC (Women, Infants and Children food support program), survey respondents relied on numerous sources to help keep their families fed. Even so, over one-quarter (27%) of all respondents reported not having enough food to eat in 2000, a 4 percentage point increase from the 1999 survey results (not statistically significant). (see Table S-G/3).

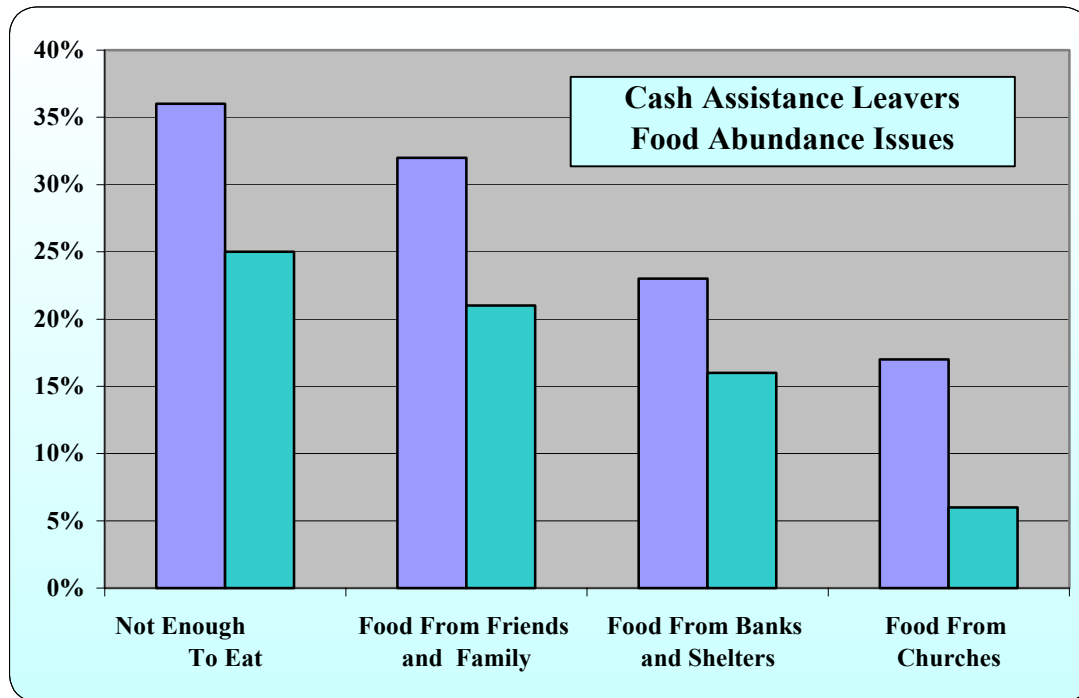
By combining all six nutritional and food abundance related measures into a single indicator we see that 84% of all respondents struggled at some point during the second year of the study to provide either adequate amounts or quality of food for their family.

*Note: Administrative data showed Food Stamps usage continued to tick downwards during this same period, from 38% in the 12<sup>th</sup> month to 32% in the 24<sup>th</sup> month. Decreased Food Stamp usage during a period when more respondents reported going hungry suggests efforts promoting Food Stamp availability and acquisition need to be improved.*

#### Abundance

A substantial proportion of respondents continue to secure assistance from a variety of sources in order to feed their families. Over one quarter of all respondents (26%) reported using WIC benefits, 61% had children in their local free and reduced lunch program, and 17% received food or other support from food banks or shelters. Friends and family were reported to help 24% of respondents with food or money over the course of the year and 10% received similar support from churches. (see Table S-G/7).

Many food related benefits are provided based on families economic means, indicating these families are poor and hungry during some point of the study in the second year. It also means that these TANF clients use the community networks, receiving services from their local schools, churches and non-profit community groups as well as friends and family to be able to make ends meet. These community networks, therefore, are vital to the state's welfare reform efforts and avenues for continuous cooperation, communication and program development would continue to help these respondents.



There was a three percentage point increase from 1999 in the number not having enough food during the year and during the same period there were increases seen in four of the five other food related indicators used in both surveys.

### *Nutrition*

In terms of food nutrition, convenience foods were the primary diet of just 7% of the 2000 survey respondents, which is encouraging considering the cost can be higher and calories from fat are often higher than recommended by the state and federal departments of agriculture. Also, one-third (33%) of families reported not having enough fruits and vegetables for everyone to have five servings per day most or all of the time, the dietary recommendation being promoted by nutritionist.

### First to Second Year

There were small, statistically insignificant increases in four of the six indicators of food abundance measures<sup>17</sup> used in both the 1999 and 2000 surveys. As noted in the administrative data section, there was a substantial drop in the total number of

<sup>17</sup> The nutrition questions, numbers 162 & 164, were new to 2000 survey.



respondents receiving Food Stamps (69% total in 1999 down to 54% in 2000) during this same period. But, those who left Food Stamps in 1999 reported significantly fewer food abundance problems than those who continued receiving Food Stamps, 76% compared to 86%\*. This suggests the increased number of families with food abundance problems reported during the 2000 survey is based more on qualified respondents not seeking Food Stamps than on qualified clients dropping from Food Stamps.

Year to year differences were the percentage of those reporting not having enough to eat rose from 24% in 1999 to 27% in 2000. Those using WIC rose from 25% to 26%, food from family and/ or friends rose 21% to 24% and free and reduced lunch rose just one percent to 61%. The two measures that showed decreased usage dealt with food and support from churches, 11% in 1999 to 10% in 2000, and from food banks/ shelters, 21% in 1999 to 17% in 2000.

### Health Conditions

Those with reported health conditions did not fare as well as those without reported health conditions on every food related indicator except one—they relied on WIC benefits less often. Their children also used free and reduced lunch programs at equal intervals.

### *Abundance*

Respondents' reported health conditions have proven to have adverse impacts on family food issues. Thirty-three percent of all respondents with a reported health condition also reported not having enough to eat during the year compared to 24% of respondents without a reported health condition (see Table S-G/3)\*. And, respondents with health conditions also received food and support from friends/family and from churches to an even greater extent. Thirty two percent of these respondents received help from friends/family compared to 21% of respondents without health conditions \*. Fifteen percent of respondents with health conditions received similar help from churches compared to 6% for those without a reported condition \*. (see Table S-G/6).

Respondents with a reported health condition used WIC notably less often than those without a condition; 20% compared to 28% \*. Their children used free and reduced lunch programs just as often, both at 61%, but they did use food shelters and banks less often (15% compared to 23%). (see Table S-G/6).

### *Nutrition*

Respondents with reported health conditions had sufficient fruits and vegetables for the family “most or all of the time” much less often than those without health conditions. Fifty four percent of all respondents with a health condition have fruit and vegetable for everyone to have five servings each day most or all of the time compared to 74% for those without health conditions \*\*. On a positive note, respondents with health conditions ate convenience foods slightly less often than those without a condition, 5% compared to 8%. (see Table S-G/7).

In conclusion, even though some indicators such as free and reduced lunch and food bank/shelter usage were flat and WIC is used more by those without a health condition,

those with reported health conditions relied on friends, family and churches significantly more often. They also report being hungry during the year significantly more often and have fewer healthy fruits and vegetables available for their family than those without reported health conditions.

Food acquisition is usually dependent on money or Food Stamps. As with other economically dependent indicators, respondents with reported health conditions do not have as much household income and the food related outcomes presented in this subsection indicating they are also not faring as well on in terms of abundance and nutritional quality.

## Section Four: Overall Conclusions

Lives of past Cash Assistance recipients improved from the first to second year of the study, but at a slower pace. Twenty five to 30% appear to be fairly self-sufficient after two years, but for another 25% to 30% of these leavers public and private support needed to be extensive. The remaining 40% to 50% continue to rely on friends, family, public and community services sporadically, on an as needed basis. The sanctioned/non-sanctioned differences focused upon in the initial Cash Assistance Exit Study lessened in the second, a trend that, if continues, will eliminate the differences between these two groups within a couple of years. Unfortunately, predicting what may happen two years from now based on just two years of administrative data is not possible and only time will tell if these group difference finally dissipate.

When a parent reported having a physical or behavioral health condition during the 2000 Cash Assistance Exit Study; 2nd Year, however, the percentage also reporting adverse conditions often doubles or triples. These distinctions appear to have grown from the first year to the second, but refinements in survey language make meaningful comparisons impractical. By developing interventions for these harder to serve clients, TANF could produce more positive outcomes for the entire leaver population. When possible, vocational rehabilitation or federal income supports should be secured for leavers who are better suited for these program than Cash Assistance.

### Administrative Data Results

Three overarching conclusions can be drawn from the administrative data results. First, approximately one third to one half of all Cash Assistance leavers will be fairly self-sufficient within two years and about one-third will continue to use public and private supports fairly extensively. There will, however, be less reliance on public services for the entire population over time—with the possible exception of programs being promoted such as AHCCCS (Medicaid) is currently. Second, those who are working will experience greater income over time and self-sufficiency will continue to grow. And third, the differences between sanctioned/ non-sanctioned leavers will become less over time.

Administrative data also suggested that many leavers do not take advantage of DES Child Care or Community Services Administration (CSA) program benefits, despite being eligible. On any given month, DES Child Care was utilized by no more than 14% of the study population and no more than 5% ever used CSA services in a given year.

Administrative data also suggests rural to urban migration, educational development and marital status changes have been minimally impacted, if impacted at all, since study participants left Cash Assistance.

### *Administrative Data Summary*

The number of leavers who returned to Cash Assistance during the second year of the study was one third that of the initial year. Also, the number of leavers utilizing Food Stamps and Medicaid (AHCCCS) declined appreciably, and DES sponsored child care

remained constant. Even so, those who did receive services utilized more months in 2000 than were utilized in 1999, suggesting need may be growing among families who remained.

### **Cash Assistance Activity**

- The number of leavers returning to Cash Assistance for the first time since leaving declined considerably in the second year of the study, from 33.8% in the first year to 9.5% in the second \*\*.
- Just over 43% of leavers utilized Cash Assistance at least once during the entire two year study period after leaving in January, February or March of 1998.
- Over the course of the study's second year, 32% of all study participants utilized Cash Assistance for at least one month in 2000—2% less than in the initial year.
- On any given month during the two year study period, 15% to 20% of leavers were utilizing Cash Assistance.
- The average number of months returning leavers utilized Cash Assistance during the course of a year, however, rose from 5.3 in 1999 to 6.3 in 2000 \*.
- The increase in average months used also increased the total number of months used by all of the study's leavers by 12% (client active months).

### **Food Stamp Usage**

- The percentage of leavers receiving Food Stamps for at least one month declined considerably during the course of the study, from 69% in the first year to 54% in the second.
- For the two years of the study, 75% of all leavers received Food Stamps for at least one month during the study.
- Average number of months study participants continued to receive Food Stamps rose from 7.2 to 7.7.
- Largely because of the decline in total number of leavers continuing to received Food Stamps, 69% to 54%, the overall number of months leavers were active in 2000 was 17% less than in 1999 (client active months).

### **Medicaid (AHCCCS) Enrollment**

- Leavers remained more active in Arizona's Medicaid system, the Arizona Health Care Cost Containment System (AHCCCS), than other state programs with 82% of all leavers enrolled for at least one month during the two year study period.
- The percentage of leavers enrolled in Arizona's Medicaid system (AHCCCS) for at least one month during the course of a year declined from 74% in the first year to 64% in the second.
- Leavers averaged 7.8 months enrolled in both the first and second year of the study.
- The large decline in the percentage of leavers enrolled in Medicaid (AHCCCS) created a 14% drop in the overall number of months leavers were actively enrolled in Medicaid (client active months) between the first and second year of the study.

### **Reported Waged File (UI Wages File)**

- A large percentage of leavers, 78% over the studies two year period, had employer reported wages during at least one calendar quarter. (Note: Federal, farm and other

sectors of the work force are not required to report wages to the state and may be sources of employment for some leavers, how many is unknown, however).

- During any given calendar quarter, approximately half of all leavers had employer reported wages.
- During the second year of the study, 67% of all participants had reported wages in the at least one of the four quarters, down from 71% in the first year.
- These employer reported wages rose 25% from the first to the second year of the study, from \$6,598 to \$8,234 annually.

### **Child Care**

- DES Child Care usage remained constant during the study's two year period with 22% of leavers utilizing DES child care in 1999, and 23% in 2000.
- The percentage of leavers utilizing DES Child Care during any given month was never higher than 13.5% and never lower than 11.1% during the two years of the study.
- The steady usage of DES Child Care throughout the study period has allowed the number of "client active" months to also remain steady throughout the study.

### **Child Protective Services**

- The initial Cash Assistance Exit Study noted that this study population experienced substantiated CPS reports at levels similar to the general public.
- The percentage affected by Child Protective Services remained constant between the first and second year of the study. In 1999, 2.5% of all study participants had substantiated child abuse and/or neglect reports in 1999. In 2000, 2.4% had a substantiated child abuse and/or neglect report.

### **DES Emergency and Supportive Services**

- 159 (1.5%) participants utilized DES emergency and supportive services in 1999, 540 (5.1%) in 2000. Many leavers who qualify for Cash Assistance, Food Stamps and Medicaid (AHCCCS) would periodically qualify for these services as well. This program is therefore considered underutilized by this population, although the reasons for this under-utilization are unknown.

### **Child Support (limited to second year)**

- 27% of participants received child support during the study's second year.
- Amount of child support received annually averaged \$4,870.

### **Other Important Concerns<sup>18</sup>**

- Less than 5% of updated administrative records show leavers advancing in their education level. Most advances were to the high school/GED level.
- There was a 3% increase in marriage rates during the two-year study period, based on updated records.

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<sup>18</sup> These data are limited to records updated by DES and therefore do not include information from all leavers.

- There was also a 1.9% increase in the number of leavers divorced during the study period, negating nearly all of the limited 3% increase in marriages.
- Rural/ urban migration has been limited and equal in both directions, with 5% of leavers moving from urban to rural and 5% moving from rural to urban. There has also been small but equal numbers moving from Pima county (urban Tucson) to Maricopa (urban Phoenix), based on updated records.

### Survey Data Results

The lives of most past Cash Assistance recipients are improving, although for many the improvements are slow and sporadic. A large majority of respondents believe their “general condition” improved during the first year after leaving and continued to improve during the second. When more specific survey questions are examined, however, signs of improvement were mixed. Insurance coverage rose, yet so did the percentage of respondents with health conditions. Respondents said their general conditions were improving, yet there is as much, if not more, reliance on others to help pay rent, secure food and in general keep a home.

Most respondents were able to care for their children, secure income and maintain housing, food and a safe home environment. But, respondents with reported health conditions were not as able to secure as much income and, in turn, experienced more adverse outcomes in nearly every survey issue area, compared to respondents with no reported health condition.

A greater percentage of parents with reported health conditions saw their health, their general condition, their reliance on public and private supports and their food and housing needs worsen during the second year of the study—when compared to respondents with no reported health condition. They had more trouble maintaining housing and a safe home environment. Their children were often sicker and these families had greater trouble getting in to see a physician or getting to an emergency room. They were victims of domestic violence and other crimes more often—and are involved in the legal system considerably more often. When asked what is necessary to avoid or remedy adverse conditions and become employed, the responses are nearly always tied to finances or overcoming personal illness.

In conclusion, the lives of the TANF leaver population continues to improve the longer they are on their own, but they still need support, and at times considerable support, while these improvements develop. Also, people with health conditions earn or otherwise secure less income and therefore have greater difficulty caring for themselves and their families.

Note: The number of survey respondents in the 2000 survey represent 54% of the original 1,140 sampled. Interviewers were unable to contact 319 potential respondents in 1999, 205 in 2000. And, while respondents of the 2000 survey are very similar on demographic measures (see methodology section), it is not possible to gauge what the survey results would be if it were possible to include these non-respondents. Even so, 616 respondents

who are similar to the entire sample on known measures should provide adequate estimates of the population trends presented in this section.

### **General Conditions**

- A majority of respondents (64%) reported their “general condition” as being better or much better in 2000. Twenty percent said it was the same and 19% said it was worse.
- Respondents who reported their general condition as better in 1999 saw continued improvement in 2000. It remained the “same” for 19% and worsened for 12%.
- Approximately 40% of respondents who said their general condition had worsened in the first said their condition worsened in 2000 also.
- Respondents with health conditions were almost twice as likely to report being worse off in both years, 52% compared to 28% \*\*.

### **Parent’s Health**

- Thirty percent of survey respondents in 2000 reported having a physical or behavioral health condition, diagnosed by a health professional, that will last or has lasted one year or more.
- Respondents reporting a diagnosed health condition reported their health was worse than their peers 56% of the time compared to 10% of respondents without a reported health condition \*\*\*.
- Forty-eight percent of respondents with reported health conditions said their health worsened between 1999 and 2000 compared to 10% of respondents without a reported health condition \*\*\*.
- Forty-six to 47% of respondents with reported health conditions had unmet physical or behavioral health treatment needs during the second year of the study.
- Inpatient clinical care or hospitalization was needed by 30% of respondents with a physical condition and 11% with a behavioral health condition.

### **Work, Wages and Household Income**

- The percentage of respondents reporting employment rose slightly between 1999 and 2000, from 57% to 59%.
- Employed respondents averaged \$1,245 in total monthly income (wages and other sources), nearly twice as much as unemployed respondents’ \$615.
- Illness (27%) and family needs (19%) were primary reasons given by unemployed respondents for not working during the 2000 survey.
- Transportation (22%), remedying illness (19%) and education/ training (19%) were issues unemployed respondents said needed resolution so they can find employment.
- Respondents with health conditions had 23% less in wages and 21% less in overall household income compared to respondents without a reported health condition.

### **Children’s Health and Child Care**

- Ninety-five percent of respondents reported their children were as healthy, or healthier than their peers.
- Respondents reported 86% of their children had health coverage from Medicaid (AHCCCS) or private carriers in the 2000 survey, averaging nearly 10 months, during the second year.

- Respondents with reported health conditions were more than twice as likely to have at least one child with physical or behavioral health condition as respondents without a reported health condition \*\*.
- When children did not receive needed treatment for a physical condition, cost related factors were the primary reason 63% of the time.
- In terms of school performance, 80% or more of respondents said their children had average or above average grades and 86% said they behaved as well or better than peers.
- Child care, in some form, was utilized by 22% to 23% of all respondents' children and 14% reported they were unable to secure needed child care.

### **Housing**

- Sixty-six percent of respondents had trouble affording housing and/or utilities to some degree last year.
  - 33% were behind on rent, averaging 3 months total in the second year
  - 21% relied on public housing, averaging 7 months total for the year
  - 20% relied on relatives for free rent, averaging 3.5 months
  - 14% had utilities subsidized for an average of 3.6 months
  - 13% moved because of finances, averaging 1.3 moves in the second year
- Eight percent had their children living with others, averaging 6 months in the 2nd year
- Respondents with reported health conditions were somewhat more likely than those without health conditions to struggle with housing issues.

### **Home Environment**

- Over 95% reported living in clean housing with necessary appliances.
- Homes were “child proofed” 83% of the time, and 83% lived in a safe neighborhood.
- Children had appropriate basic clothing 88% of the time, school/ social clothing 83%.
- Seventy-three percent of respondents reported they usually had needed social support during the 2nd year, 86% of children were reported to have one or more playmates.

### **Domestic Violence and Legal Involvement**

- Eleven percent of all respondents were victims of domestic violence during the second year, 7% were victims of other crimes.
- Nearly one-quarter (24%) of all respondents were involved in the legal system in some manner during the second year.
- Respondents with reported health conditions were victims of domestic violence and other crimes more than twice as often as those without a reported health condition \*.
- Respondents with reported health conditions were involved in the legal system considerably more often as those without a reported health condition, 31% vs. 19% \*.

### **Food Abundance and Nutrition**

- Thirty percent of respondents reported they or their family did not have enough food to eat at some point during the second year of the study. Also;
  - 27% reported utilizing WIC benefits during the survey's second year.
  - 17% received help from food banks or shelters



- 24% received support from family/friends, 10% received help from churches.
- 63% families' children were involved in free and reduced lunch programs.
- Respondents with health conditions receive help from family, 32% vs. 20%\*, and from churches, 15% vs. 7% \*.

## Section Five: Methodology and Process

The purpose of this section is to provide technical information associated with the second year of Arizona's Cash Assistance study. A key difference of note when comparing leaver studies across the country is that Arizona chose to select its study population based leavers who were gone from Cash Assistance for at least one month. A number of other state studies chose to select leavers who were gone for two months. To help accommodate these differences a set of tables based on two month leavers is included in the appendix.

### Methods

The two primary data sources used in the construction of this report were; a) DES' administrative data from the seven programs analyzed for the administrative data section<sup>19</sup> and b) survey responses from the Cash Assistance surveys administered in 2000 and to a lesser extent the 1999 survey. Both surveys were conducted by telephone interview, with the exception of a handful of face-to-face interviews conducted by the same telephone interviewing staff in 1999 only. The 1999 survey was conducted during the late Spring and early Summer of 1999. The 2000 survey was conducted during the early to late Summer of 2000. See the appendix for copies of both questionnaires.

The initial survey conducted in 1999 used a sample drawn randomly within strata that provided equal representation of TANF leavers who were sanctioned and those who were not at the time they left. This was done because sanctioned leavers demonstrated key differences from other leavers population during the analyses the first year's data (see Arizona Cash Assistance Exit Study, January 2000) and the initial research team wanted the groups equally represented. To adjust the population back to its original levels of group distribution for the survey analysis, weighting was used. This weighting process is responsible for altering reported populations from 615 to 617, depending on the ratio of sanctioned and non-sanctioned records being affected by the weighting.

To measure between group difference in both the administrative and survey data files, crosstabulations, means tables and frequency tables were utilized using SPSS software. The measures SPSS includes in these procedures and are used in the report include, a) measures of association—directional and symmetry for cross tabulations, b) ANOVA, Eta and measures of central tendency with the means tables and c) measures of central tendency with the frequency tables, were examined. Tables and information presented in the text and appendix of this report were all initially generated using SPSS then transferred into Microsoft Access for table and graph production.

More specifically, directional measures used to test nominal data were Lambda, Goodman & Krustal's tau, and the Uncertainty Coefficient, ordinal data was tested with Somers' d, as appropriate. Symmetric measures used for nominal data were Phi, Cramer's V or the Contingency coefficient, ordinal data was tested using Kendall's tau b

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<sup>19</sup> Cash Assistance, Food Stamps, Medical Assistance enrollment, DES Child Care, UI wage, Community Services & CPS program files provided data used in the administrative data analysis section.

& c, Gamma or Spearman's Correlation, as appropriate. Pearson's R, ANOVA and/ or Eta measures were used to test interval level data, as appropriate.

### **Process**

DES used the findings of the initial report to make policy changes regarding sanctioning and continued enrollment awareness. The sanctioned/ non-sanctioned differences found in administrative data lessened considerably during the study's second year and was nearly a non-factor in the 2000 Cash Assistance Continuation Survey data.

Alternative factors isolating harder to serve leavers was sought. Preliminary analyses were conducted to see if any survey results may help identify barriers for significant numbers of respondents. Chronic health conditions, as defined by "a condition diagnosed by a health professional that is expected to, or has lasted one year or longer" proved to be a factor producing disproportionate differences with many survey measures (the health condition distinction also created some significant difference with the administrative data measures also, but the sanctioned/non-sanctioned distinction proved to be stronger).

Of the potential demographic and other "independent" factors examined, respondents' reported adverse health conditions proved to be the only indicator which consistently showed appreciable group differences across most outcome areas examined. Marital status, education, insurance coverage and ethnicity showed little group differences when outcomes such as work, income, housing, health, home environment, food supply and crime/legal involvement were examined.

Health condition status, however, was related to increased adverse outcomes associated with work, income and income dependent measures. For this reason, health conditions are the primary focus of the survey data section and, if the sanctioned/ non-sanctioned distinctions continue to wane, may be the primary explanative for administrative data in the near future, also.

As stated in the introduction; to help readers quickly understand the strength of evidence presented in this report, the strength of statistical relationships that do exist are noted with a series of asterisks. Anytime an asterisk is present, the difference is statistically significant to .05 and statistically significant. More asterisks means greater group differences, based on the following guidelines:

- If statistical differences were between .00 and .09, they were considered non-existent regardless of statistical significance. These difference were usually described as small, slight, marginal or insignificant throughout the report.
- Statistical relationships between .10 and .19 were considered weak and identified with a single asterisk (\*).
- Statistical relationships between .20 and .39 were considered moderate and identified with a double asterisk (\*\*)
- Relationships over .40 were considered strong & identified with a triple asterisk (\*\*\*)

### **Respondent Profiles, Group Differences and Generalizability**

Cash Assistance recipients as a whole are less educated, less often married, somewhat less likely to be non-Hispanic Caucasian, and earns less income than the typical Arizonan. Survey respondents are similar to the entire study population with the exception being a somewhat higher representation of rural survey respondents. It is therefore concluded, with appropriate caution as should be exercised with all generalizations, that results from the 2000 survey are generalizable to those who have left Cash Assistance. None of the results presented in this report, however, can be generalized to any other populations in Arizona or elsewhere.

#### All Study Participants, TANF Populations and Arizona

TANF clients and leavers are not ethnically similar to the entire state, nor do they possess similar educational levels or been married in similar proportions. Non-Hispanic Caucasians represent 42% of participants compared to 68% of the State's population. Participants are also 35% Hispanic compared to 23% for the state. Similarly, Native Americans represent 13% of the study and 5% of the state and African Americans are 10% of the study and 3% of the state. Asian Americans and all others comprise less than one percent of the study population and just under 2% of the state's population (state figures from July 1, 1999 DES Populations Statistics Unit estimates).

Study participants' average age is 30 with 6% under the age of 18 and 27% over the age of 36. A large majority of study participants lived in Arizona's two metro population areas within Maricopa and Pima counties.

In the areas of education and marriage, the participants were very similar to the current Cash Assistance population, but certainly not the state as a whole. Forty three percent of participants have a high school level education according to administrative data, but a similar percentage, 45% have less than a high school education, more than double the overall state rate of 21%. Education beyond high school was reported by 13% of the study participants which is one fifth the rate of 53% for the state of Arizona as a whole.

Cash Assistance clients are married much less often than the general population. One-third of respondents have never been married and over 40% were living alone with their children. For all families in Arizona, 55% were married couples and 10% were "female heads of households with no husband present"<sup>20</sup>. In essence, respondents and TANF clients as a whole are married less often than the state as a whole.

#### *The TANF Population, Study Population & Survey 2000 Population*

The study population is demographically very similar to Arizona's TANF population just prior to their departure from the program in the first quarter of 1998. The study population had 5% more leavers who were never married and 5% fewer married leavers than the 1997 TANF population. There were also slightly fewer Native American slightly more African-Americans and Anglos in the study population than the 1997 population. There were also slightly fewer leavers with an eighth grade education or

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<sup>20</sup> 2000 US Census results may alter married and single other household percentages.

below and slightly more with a 9<sup>th</sup> through 11<sup>th</sup> grade education, 2% each. In essence the survey, study and 1997 TANF populations are very similar demographically. The study and survey populations are also demographically rather similar to the 2000 population, particularly in term of education level. Similarity between these groups reduces the likelihood that demographic differences are influencing the groups differences discussed in the study. (See table below).

### Arizona Cash Assistance Exit Study Demographic Population Comparisons

		2000 Survey	Study	1997 TANF	2000 TANF
		<u>Population</u>	<u>Population</u>	<u>Population</u>	<u>Population</u>
Gender	Female	95%	95%	93%	90%
	Male	5%	5%	7%	10%
Ethnicity	Native American	11%	13%	16%	17%
	Black	8%	10%	8%	5%
	Hispanic	38%	35%	35%	38%
	White	42%	42%	40%	38%
	Asian & Other	>1%	>1%	>2%	>2%
Marital Status	Never Married	43%	48%	43%	48%
	Married	19%	14%	19%	22%
	Separated	13%	16%	16%	15%
	Divorced	24%	20%	20%	12%
	Widowed	1%	1%	>2%	>1%
	Unknown	0%	>1%	>1%	2%
Education	8th Grade & Below	12%	12%	14%	14%
	9th thru 11th Grade	31%	32%	30%	31%
	HS/GED	42%	43%	43%	43%
	Above HS/GED	14%	13%	13%	12%

1998 Q1 Case Status		
	<u>1999 Survey</u>	<u>2000 Survey</u>
Sanctioned	49%	50%
<p>Note: Survey analysis results were weighted to reflect the 20/80 sanctioned/ non-sanctioned distinction inherent in the administrative data.</p>		

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