What Happens to Families under W-2 in Milwaukee County, Wisconsin? Report from Wave 1: Information Collected from Parents at the Time of Application for TANF Assistance, March–August 1999

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Chapter 1
Introduction

The number of poor families in the United States receiving welfare in the form of cash assistance has significantly declined in recent years (U.S. Department of Health and Human Services, 2000a). Although some of this reduction in cash assistance caseloads can probably be attributed to the nation's economic growth and low unemployment rates, several major changes in federal antipoverty policy since the early 1990s have also contributed to caseload reduction during this period of time. The most consequential of these changes were facilitated by the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (P.L. 104-193). Under this legislation, Aid to Families with Dependent Children (AFDC), an entitlement program that had provided eligible families with cash assistance since 1935, was replaced by Temporary Assistance for Needy Families (TANF), a nonentitlement program that limits receipt of cash assistance to a maximum of five years. Consistent with a more general trend toward devolution, states were granted a great deal of latitude in terms of program design and implementation. Despite important differences in their specific provisions, most state TANF programs are characterized by a work-first orientation.

One consequence of the large reductions in cash assistance caseloads following implementation of the various TANF programs has been a proliferation of research on the experiences of families that had been receiving cash assistance but are no longer on the welfare rolls. Some of this research has compared the outcomes of former AFDC-recipient families that made transitions to their state's TANF program to the outcomes of former AFDC-recipient families that did not. Two of these studies focused specifically on families in Wisconsin (Swartz and colleagues, 1999; Piliavin, Courtney, and Dworsky, 2000). Other research has examined the outcomes of TANF-recipient families that left the TANF program in their state for at least two consecutive months. These ASPE-funded "leavers" studies, including one investigation of Wisconsin families, have begun to answer the various questions that have been raised as to how TANF families have fared since they left the welfare rolls (e.g., Ahn and Fogarty,

1999; Coulton and colleagues, 2000 ; Danziger and colleagues, 2000; Dunton, 1999; Wisconsin Department of Workforce Development, 1999).

Despite the valuable knowledge that has been and will continue to be gained by examining the outcomes of AFDC and/or TANF "leaver" families, this research suffers from at least two important limitations. First, because study samples are selected only after families have left the welfare rolls, researchers cannot examine in detail the relationships between the pre-assistance characteristics or situations of families and their post-assistance outcomes. Second, the studies that focus exclusively on leaver families provide no opportunity to compare the experiences of these families to families that applied for TANF assistance at the same time as the leavers but did not receive TANF assistance or, if they did receive TANF assistance, remained program participants.

Recently, however, several multi-wave studies have been initiated of TANF applicant families that promise to provide information about the post-application experiences of these three groups.[1] The study on which this report is based is one such effort. It will ultimately examine, over a period of approximately 30 months, the experiences of families living in Milwaukee County, Wisconsin, who applied for assistance from Wisconsin Works (W-2), the state's version of TANF, in the spring and summer of 1999.

This report presents findings based on survey data from the first wave of a three-wave panel survey study of these families. The report is largely descriptive, focusing on the demographic characteristics and background attributes of W-2 applicants and their families at the time they applied for assistance. Subsequent reports, based on data collected during the second and third surveys, will examine the relationship between demographic characteristics and background attributes at Wave 1 and the experiences of applicants and their families over the next two and one-half years.

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[1]A description of these applicant studies can be found on the website of the U.S. Department of Health and Human Services, Office of the Assistant Secretary of Program Evaluation at: http://aspe.hhs.gov/hsp/leavers99/reports.htm.

Table 1.1 summarizes the major questions this study as a whole will address, and identifies those addressed in this first report.

Table 1.1
Questions To Be Addressed

	Question	Addressed in this report?
1.	What are the characteristics of sample members and their families at the time they applied for assistance?	Yes
2.	What individual and/or family characteristics distinguish the W-2 applicants who become program participants from those who do not?	Yes
3.	How do the applicants in our sample who become W-2 participants compare to AFDC recipients whose cases were opened in 1996 (the last full year of AFDC in Wisconsin)?	Yes
4.	How are individual and/or family characteristics at the time of application related to differences in outcomes at Waves 2 and 3?	No
5.	How do the outcomes of W-2 applicants who become program participants differ from those who do not?	No
6.	How common are physical or mental disabilities, domestic violence, or substance abuse problems among applicant families?	Yes
7.	To what extent do applicants' physical or mental disabilities, domestic violence, or substance abuse problems explain their outcomes at Waves 2 and 3?	No
8.	What are the labor market outcomes of W-2 applicants (e.g, wages, hours worked, job stability)? How do those who find jobs differ from those who do not?	No
9.	To what extent do W-2 applicants experience child care, transportation, or other employment-related problems? Are applicants who participate in W-2 more likely, less likely, or equally likely to experience these problems than applicants who do not participate?	No
10.	How do families who leave the W-2 program differ from those who do not, and under what circumstances do leavers withdraw from the program? How are these circumstances related to what happens to leaver families after they have left the program?	No
11.	How much variation is there in the program experiences of participant families? Are these differences related to individual and/or family characteristics?	No
12.	To what extent do the services families receive vary across W-2 agencies? Do these differences in services have consequences for the outcomes that families experience?	No

Chapter 2
A Brief Overview of Wisconsin Works

In the late 1980s, Wisconsin began implementing what became a total of 11 waiver-based welfare demonstrations that involved various modifications of the traditional AFDC program.[2] These demonstrations were authorized by the U.S. Department of Health and Human Services, which waived certain statutory requirements pertaining to AFDC, Food Stamps, and Medicaid, allowing states to "experiment" with their welfare programs.[3] During this same period of time, Wisconsin experienced a significant reduction in its public assistance caseloads: 98,295 families received AFDC in January 1987, as compared to 43,888 families in January 1997, a caseload reduction of 55.4 percent (Mary Jo Larson, Wisconsin Department of Workforce Development, February 23, 2001, personal communication).[4] Beginning in September 1997, the remaining state waiver-based welfare demonstrations were gradually replaced by Wisconsin Works (W-2), the successor to AFDC in Wisconsin.

The trend in caseload reductions that had begun in the late 1980s continued under W-2, but at an accelerated pace. In August 1997, the month before implementation of W-2 began, 34,491 Wisconsin families were receiving AFDC.[5] By August 2000 the state's W-2 cash assistance caseload was 6,756 families (Mary Jo Larson, Wisconsin Department of Workforce Development, February 23, 2001,

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[2]Wisconsin's waiver-based welfare demonstrations included Learnfare, Bridefare, and Work Not Welfare. Some of these demonstrations were operated only in select counties or involved a small percentage of the total AFDC caseload (Corbett, 1995).

[3]By the time the Personal Responsibility and Work Opportunity Reconciliation Act was signed by President Clinton in 1996, the U.S. Department of Health and Human Services had approved waiver applications for welfare demonstrations in 43 states (including Wisconsin) and the District of Columbia. The welfare demonstrations had to be consistent with program goals, cost neutral, and rigorously evaluated (Wiseman, 1996).

[4]These figures include both AFDC-Regular and AFDC-Unemployed cases.

[5]The 1997 figure includes not only regular AFDC cases, but also the 3,593 NLRR (non-legally-responsible relative) and 5,600 SSI "child-only" cases that were not eligible for conversion to W-2 (Mary Jo Larson, Wisconsin Department of Workforce Development, February 23, 2001, personal communication). The NLRR cases were converted to W-2 Kinship Care cases and SSI cases were converted to Caretaker Supplement cases.

personal communication).[6] This caseload reduction of 80.4 percent is one of the largest experienced by any state.[7]

Widely regarded as the most radical of the state welfare reform initiatives to date, W-2 has attracted a great deal of national attention. W-2 is an employment-based program with a goal of self-sufficiency. The program's "work-first" orientation emphasizes rapid movement of public assistance recipients into the paid labor force rather than human capital development through education or training. Although participants must be willing work within their own abilities, the W-2 program provides families with a variety of supportive services to help them find and maintain employment (Wisconsin Department of Workforce Development, 1998).

More generous and service-oriented than AFDC, W-2 is more demanding in terms of work and other requirements.[8] Each W-2 participant has a Financial and Employment Planner (FEP), who determines which of four employment ladder tiers she or he will be assigned:

1. **Case Management Only** (unsubsidized employment), for W-2 participants who either (a) already have a job when they enter the program; (b) have previous work experience; or (c) move up from a lower tier upon becoming employed.

2. **Trial Job** (subsidized employment), for W-2 participants who have basic job readiness skills but lack work experience. The W-2 agency contracts with employers to hire participants for jobs that pay at least the minimum wage and to provide participants with supporting services during a 3- to 6-month trial period. Employers receive a subsidy (a maximum of $300 per month) to help defray training and other costs with the expectation that the jobs will become permanent positions when the trial period has ended.

3. **Community Service Job** (CSJ), for W-2 participants who need to develop job-readiness skills and appropriate workplace behaviors. CSJ participants can be assigned to work activities for up

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[6]The total W-2 caseload for August 2000, including families receiving various services but not cash assistance, was 11,067 (Wisconsin Department of Workforce Development, 2000).

[7]Just how much of the marked decline in Wisconsin's cash assistance caseload is a consequence of W-2 and how much is the result of a prosperous economy is unclear.

[8]Unless an individual's participation is excused through a good cause exemption, all those receiving a cash grant must participate in W-2 activities, with the weekly hours requirement varying somewhat depending on individual circumstances.

to 30 hours per week and to education or training activities for up to 10 hours per week, and are eligible to receive a maximum monthly grant of $673.

4. **W-2 Transition** (W-2 T), for W-2 participants who face significant barriers to employment. For example, they may have a disability or other problem that limits their capacity to work, or be needed at home to care for an ill or disabled family member. W-2 T participants can be assigned to counseling, rehabilitation, or other treatment activities for up to 28 hours per week and to education or training activities for up to 12 hours per week, and are eligible to receive a maximum monthly grant of $628.

Although the state has issued guidelines as to the kinds of factors that should be considered when making tier assignments, decisions are made at the discretion of each local agency and the FEPs within each agency. FEPs also determine both the type and hours of activities in which the family head will be required to participate. Activities can include mandatory job search, job training, or other work-related activities intended to prepare participants for unsubsidized employment.

W-2 is similar to other state TANF programs in that eligible families are no longer legally entitled to cash assistance as they were under AFDC. In the case of W-2, families of participants assigned to the Community Service Job and W-2 Transition tiers may be eligible for monthly cash payments of up to $673 and $628, respectively, if they participate in assigned W-2 work activities. These payments are reduced by $5.15 for each hour of assigned activities that participants fail to complete. An exception to this general rule involves custodial parents of infants, who are eligible to receive monthly payments of $673 without participating in any assigned activities until the infant is 12 weeks old.

In contrast to the cash grants that families received under AFDC, as well as under TANF programs in other states, the maximum amount of cash assistance that families can receive under W-2 does not vary by family size. Also in contrast to AFDC and many other state TANF programs, W-2 does not include an earnings disregard for employed participants, because families of participants in the upper two tiers are not eligible for any cash assistance. Families, including those not eligible for monthly cash payments, may be eligible for other benefits, such as Food Stamps, Medicaid (termed Medical Assistance in Wisconsin), child care subsidies, or case management services.

TANF also provides cash assistance for two categories of child-only cases: children whose parents are receiving Supplemental Security Income (SSI), and children being cared for by non-legally-responsible relatives (NLRR). A Caretaker Supplement provides parents who receive SSI, and who are therefore not eligible for W-2, with a monthly cash payment of $250 for the first eligible child and $150 for each additional eligible child.[9] The Kinship Care program provides non-legally-responsible relative caretakers (grandparents, aunts, uncles, etc.) of minor children with a monthly cash payment of $215 per child. A determination must be made that the child needs to be placed with the relative and that placement is in the best interest of the child. Both programs are administered by the Department of Health and Family Services.

Significance of Milwaukee

With a population of 910,000 persons, Milwaukee is the most populous county in the state of Wisconsin. As Wisconsin began to experiment with changes in its welfare program, in the late 1980's the county started to account for a disproportionate share of the state's cash assistance caseload. This pattern has become more pronounced since implementation of W-2. In August 1997, the month before implementation of W-2 began, 66.5 percent of Wisconsin's AFDC recipient families were living in Milwaukee County. By August 2000, the percentage of W-2 cash-payment recipient families had increased to 78.1 percent (Wisconsin Department of Workforce Development, 2000).

In addition to accounting for a disproportionate share of the state's W-2 caseload, Milwaukee County is also unique in that it was divided into six geographic areas, each with its own W-2 agency. The W-2 program in each area is administered by one of five private agencies that were awarded contracts by the state. One agency administers the program in two of the six areas; each of the other four agencies

[9]In two-parent households, both parents must receive SSI. Parents are not eligible to receive a Caretaker Supplement for any child who also receives SSI.

administers the program in one. Three agencies are under the aegis of nonprofit organizations; two are under the aegis of for-profit organizations. Although each agency is governed by the same statutory regulations, differences may occur across agencies in regard to the range or quality of the services they provide, either directly or through purchase of service contracts, the percentage of applicants who participate in the program, or the distribution of tier assignments among program participants.

These differences will permit us to examine the possibility that there may be interagency variations in the outcomes of W-2 applicants, and if so, whether these differences are correlated with agency characteristics. Although the nonexperimental design of our study precludes causal inferences about these agency factors, we believe that the study can provide valuable information to policymakers and W-2 administrators.

Chapter 3
Methodology

Introduction

This study was originally funded by the Joyce Foundation to examine the experiences of 800 families that had applied for W-2 assistance in Milwaukee County. The families were to be equally distributed across four of the six service regions into which Milwaukee was divided. With the assistance of officials from the Wisconsin Department of Workforce Development (DWD), the principal investigators sought and received additional funding from the Office of the Assistant Secretary for Planning and Evaluation (ASPE), U.S. Department of Health and Human Services, to increase the sample size to 1,200 families and to expand the sampling frame to include all six service regions.

Sample Selection and Data Collection

Understanding how our sample of W-2 applicants was selected for interviewing requires some knowledge about the standard intake procedure at all W-2 agencies, including those in Milwaukee. During their first agency visit, potential W-2 applicants meet with a Resource Specialist, who makes an initial assessment of their needs and determines whether a referral should be made to the W-2 program or whether other services might be more appropriate. For the purposes of this study, if the Resource Specialist in a Milwaukee agency then determined that an applicant should be referred to the W-2 program, she or he informed the applicant about the study and asked whether the applicant was interested in being interviewed. Applicants who responded affirmatively were directed to a survey interviewer from the Institute for Survey and Policy Research at the University of Wisconsin–Milwaukee, who was stationed at the agency.

Because each interview was expected to take about an hour to complete, and because only one or two interviewers could be stationed at an agency on a given day, there was a strong possibility that a

survey interviewer might not be immediately available to conduct an interview with every W-2 applicant who was referred.[10] Of particular concern was the likelihood that some W-2 applicants who had to wait to be interviewed would decide not to participate in the study, thus biasing the composition of the sample.

To avoid this possibility, W-2 applicants were referred only after a survey interviewer informed the Resource Specialist that she or he was available to interview the next W-2 applicant who was willing to participate in the study. Although this "no-waiting" procedure was expected to minimize sample attrition, some W-2 applicants were excluded from the sample simply because a survey interviewer was not available at the time the applicant finished meeting with the Resource Specialist. There is, however, no reason to believe that the research sample was biased by this approach. Nor, given that less than 2 percent of the referred applicants declined to participate in the study, is there any reason to believe that the research sample is not representative of the population of W-2 applicants at the time the Wave 1 data were collected.[11]

The Wave 1 interviews were typically an hour in length, in-person, and computer-assisted (CAPI). Over 95 percent were undertaken at the agency on the day of application.[12] This was made possible because administrators at each of the W-2 agencies provided office space in which interviews could be conducted, and child care for applicants whose children had accompanied them to the agency.

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[10]We had originally planned for the survey interviews at his point simply to make an appointment to complete the interview at a later date, but we decided that this would result in a much higher attrition rate than interviewing applicants at the agency on the day of application.

[11]It seems likely that several factors contributed to this extremely high rate of participation. First, the vast majority of interviews were conducted at the agencies at the time of application. Second, child care was provided at no charge while the applicants were being interviewed. And third, applicants who participated in the study received a $25 payment immediately upon completing the interview.

[12]Because it was not always possible for applicants to remain at the agency long enough to complete the interview, a small percentage of interviews were conducted in the applicant's home, or by telephone, within the next few days. The latter were computer-assisted telephone interviews (CATI).

Although the survey instruments were in English, Spanish-speaking interviewers were available to conduct interviews with Spanish-speaking applicants.

Two conditions complicated data collection. First, information provided by agency administrators indicated that the flow of applicants was not uniform across the six W-2 sites. At five of the sites, an average of four to five potentially eligible families applied for assistance per day, compared to an average of only two to three per day at the sixth site. It was imperative, however, that data collection begin and end at approximately the same dates at each site to minimize variation in the seasonal, economic, and social conditions under which applicants were selected into the sample. This meant that the number of interviews that could be completed each week was dictated by the intake flow at the sixth site, and data collection therefore took longer than had been initially planned.

Second, we initially assumed that a substantial majority of the families applying for W-2 assistance during the course of our Wave 1 data collection would be neither former AFDC recipients nor former W-2 participants. This assumption was based on two considerations: (1) because the W-2 program had only been in operation for 18 months at the time we were scheduled to start collecting data, we thought it unlikely that many of the W-2 applicants would have prior involvement with this program; (2) the large reduction in cash assistance caseloads both preceding and following the transition from AFDC to W-2 suggested that relatively few former AFDC recipient families were becoming W-2 participants—either because they had income from employment or because the more stringent program requirements imposed on W-2 participants served as a deterrent. If our assumption about the prior welfare history of applicant families had been correct, we would have been able to carry out a detailed examination of the attributes and experiences of the "new welfare population" being served by W-2.

In fact, those assumptions proved to be wrong. About 70 percent of our applicant sample, and presumably of the W-2 applicant population in Milwaukee County at the time of our survey data were collected, had prior welfare experience, and more than half of the applicants with prior welfare

experienced had previously participated in W-2. Stratifying our sample to include a disproportionately high percentage of families with no prior welfare experience would have allowed us to examine the "new welfare population" being served by W-2 in great detail, as we had originally intended, but doing so would have required a much longer period of data collection, because relatively few Milwaukee families were applying for W-2 assistance during our Wave 1 data collection period. This would have increased not only the costs of the study, but also the risk that the composition of the applicant sample would change over time owing to seasonal variation and economic changes.

A total of 1,207 W-2 applicants were interviewed between mid-March and mid-August 1999. Unfortunately, 28 of those interviewed had to be excluded from the sample when it was discovered during preliminary data analysis that they were current W-2 participants when they were referred to interviewers at one of the sites. Because this problem was not detected until several months after Wave 1 data collection had ended, it was not possible to conduct additional interviews at this agency. Thus, the data reported here are based on interviews with 1,179 W-2 applicants, close to 200 from each of five sites and 173 from the sixth.

Content of Wave 1 Interview

The Wave 1 interview included items concerning these topics:

1. Respondent demographics
2. Household composition
3. Nonresident children
4. Employment histories of family members
5. Child care use and problems
6. Education and training of respondent
7. Housing history and problems

8. Government program participation
9. W-2 participation
10. Household income
11. Respondent parenting practices and problems
12. Child health and development[13]
13. Child school performance
14. Child behavior problems
15. Respondent health and well-being
16. Respondent use of drugs and alcohol

Subsequent interviews will focus on the experiences of sample members and their families since the Wave 1 data were collected. Collection of Wave 2 data began in July 2000 and was concluded in April 2001. To maintain as much uniformity as possible in the amount of time between the first and second interviews, sample members were interviewed at Wave 2 in approximately the same order in which they were interviewed at Wave 1. Our response rate, thus far, is approaching 75 percent. Collection of Wave 3 data will begin in September 2001 and is expected to conclude in spring 2002. The total observation period will thus be 30 to 33 months. Although we expect that most of the follow-up interviews will be conducted in person, it will be necessary to conduct some interviews by telephone, particularly in the case of sample members who have moved outside of the Milwaukee area or to another state. Arrangements are also being made to collect data from sample members in correctional facilities or other institutional settings.

The three waves of survey data will eventually be merged with three state administrative data files:

[13]The majority of child-related questions referred to a randomly selected focal child (see Chapter 9).

CARES (Client Assistance for Re-employment and Economic Support). CARES provides much more detailed information about the W-2 histories of sample members than could be obtained through self-reports (e.g., dates of tier placement, amount of benefits issued, and frequency of sanctions imposed). CARES also contains data on receipt of benefits from other government programs, including Food Stamps, Medicaid, and child care subsidies. Administrative data from the CARES system have already been used to determine which of the W-2 applicants in our sample were W-2 participants at any time between March and November 1999.

Unemployment Insurance. UI records provide quarterly income data for workers in covered employment. Approximately 91 percent of Wisconsin workers are so covered.

WiSACWIS (Wisconsin's Statewide Automated Child Welfare Information System). This data system includes information about child maltreatment investigations.

Chapter 4
Demographic Characteristics and Background Attributes of W-2 Applicants and Their Families

In this chapter, we present data on the demographic characteristics and background attributes of our sample of W-2 applicants and their families at the time they applied for assistance. In addition to these survey data, the chapter also includes CARES administrative data. We use CARES data for two purposes: to compare the demographic characteristics and background attributes of all applicant sample families to those who subsequently entered W-2, and to compare selected attributes of these W-2 participant families to those of families that began receiving AFDC between March and August of 1996.

As shown in Table 4.1, members of the W-2 applicant sample are predominantly female, African American, and never married. Nearly two-thirds do not have a high school diploma, although a small percentage have a GED. While the majority of the sample members have only one or two children, almost 40 percent have three or more. Table 4.2 indicates that while long-term and stable employment was rare, so too was persistent unemployment. Only 12 percent of the sample was currently employed when interviewed at Wave 1, and the median length of time of employment among respondents who did work during the year was only 23 weeks.[14] On the other hand, nearly three-quarters had been employed at some time during the past 12 months, and just 11 percent had never been employed. Finally, and contrary to our initial expectations, 72 percent of the respondents in our sample reported at least some prior welfare program participation. In fact, 40 percent of our respondents had participated in the W-2 program at least once before the Wave 1 interview.[15]

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[14]More detailed findings related to employment and earnings are presented in the following chapter.

[15]Chapter 7 discusses some of the reasons for which these former W-2 participants ceased participation.

Table 4.1
Demographic Characteristics and Background Attributes of W-2 Applicant Sample (N = 1179)

Attribute	Number	Percentage of Sample
Gender		
Female	1,134	96.2%
Male	45	3.8
Race/Ethnicity		
African American	901	76.4
White	118	10.0
Hispanic	128	10.9
Other	32	2.7
Marital Status		
Never married	945	80.2
Married	55	4.7
Divorced	70	5.9
Separated	89	7.5
Other	20	1.7
Age[a]		
17–21 years	295	25.1
22–30 years	464	39.4
31–40 years	322	27.4
41 years and older	93	7.9
Median Age		26 years
Education[b]		
0–11 years	679	57.6%
High school diploma	411	34.8
GED	89	7.6
Number of Resident Children		
None	0	0.0
One	415	35.2
Two	313	26.5
Three or more	450	38.2
Prior Welfare Experience[c]		
AFDC	366	31.1
W-2	101	8.6
Both AFDC and W-2	376	31.9
Neither AFDC or W-2	328	27.8
Employment Status at Wave 1		
Ever employed	920	89.0
Currently employed	145	12.3
Employed in past year	872	74.0
Median time employed past year	23 weeks	

Table 4.1, continued

Attribute	Number	Percentage of Sample
W-2 Agency		
Employment Solutions North	199	16.9
Employment Solutions West	201	17.0
Maximus	203	17.2
OIC[d]	173	14.9
UMOS[e]	203	17.2
YW Works	200	17.0
Housing Status		
Renter	797	67.6
Owner	46	3.9
Homeless	25	2.1
Doubled up	307	26.0
Other	4	0.3

[a]Date of birth was missing for five respondents.

[b]Thirty-three respondents had either an associate's degree (30) or bachelor's degree (3) in addition to their high school diploma or GED.

[c]Data on prior welfare experiences were missing for seven respondents.

[d]Opportunity Industrialization Center of Greater Milwaukee.

[e]United Migrant Opportunity Services.

W-2 Participation

The availability of CARES administrative data allows us to identify those members of our applicant sample who became W-2 participants. We use this information for several purposes. Table 4.2, column 1, shows the attributes of the 885 sample numbers entering W-2 as a percentage of the original

sample of 1,179 applicant families.[16,17] Column 2 shows the distribution of various attributes among the entrants.

Our original sample included approximately 200 applicant families from each of the five Milwaukee W-2 agencies which serve different geographic regions of Milwaukee County. However, as we have noted earlier, the monthly intake of applicants across the agencies was not uniform. Therefore, it is quite possible that our sample was not representative of the Milwaukee County W-2 applicant population during the period our data were collected. Unfortunately, because CARES files do not systematically retain information on all W-2 applicant families, the data necessary for appropriately weighting our sample to control for the possible bias are not available. However, we can use the CARES data dealing with monthly agency case openings to weight our sample of "case opened" applicant families. The attributes of this weighted sample, shown in column 3 of Table 4.2, more accurately reflect the population of Milwaukee families that became W-2 participants during the Wave 1 data collection period.[18] Finally, we compare the attributes of our sample of applicant families who entered W-2 to those Milwaukee families who began receiving AFDC from March to August in 1996. The 1996 AFDC cohort data appear in column 4 of Table 4.2.

Column 1 of Table 4.2 suggests that three attributes of sample members—race/ethnicity, prior welfare receipt, and current employment status—distinguished applicants who became W-2 participants from those who did not. Specifically, relative to other applicants, Hispanics, those who had no prior experience with AFDC or W-2, and those who were employed were less likely to become program

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[16]The 885 figure includes only cash assistance cases and those opened for case management. It excludes cases that were opened only for child care assistance, Food Stamps, and/or Medical Assistance. We have not yet obtained the CARES data necessary to distinguish between cash assistance and case-management-only cases.

[17]In this early stage of our analysis, we only looked at whether sample members had an open W-2 case shortly after the date of their Wave 1 interview. We did not ascertain the date on which the case was opened. Hence, some respondents might have reapplied at a later point in time. Our Wave 2 data and a more detailed analysis of the administrative data will allow us to examine this possibility.

[18]The weights we apply to our sample reflect the relative percentage of case openings reported by the agencies at which families applied for W-2 assistance during our Wave 1 data collection period.

participants than non-Hispanics, those who had prior experience with AFDC or W-2, and those who were not employed at the time of interview.[19]

The possibility that these relationships were explained by one another or by other background attributes was investigated using logistic regression (See Appendix Table A4.1). Regardless of the model specified, the relationship between each of these three attributes and the likelihood of becoming a W-2 participant remained statistically significant.[20] Although a plausible explanation for the relationship between employment and W-2 participation is that the earnings of employed applicants exceeded the W-2 eligibility thresholds, the relationships involving either prior welfare receipt or race/ethnicity are more difficult to explain. Subsequent waves of data may provide an explanation.

A comparison of the data in columns 2 and 3 of Table 4.2 indicates that despite the differential intake flow of applicants across agencies, our weighted and unweighted samples were actually quite similar.[21] The one exception to this trend concerns the distribution of W-2 cases across agencies. These differences might suggest that UMOS had a lower acceptance-of-new-applicants rate, but we cannot conclude that this is the case because we don't have enough information about new applicants. In contrast, a comparison of the data in columns 2 and 4 suggests that there were several differences between those members of our sample entering W-2 and the 1996 Milwaukee County AFDC entrant cohort with respect to race/ethnicity, marital status, and educational attainment. Specifically, the former were more likely to be African American, more likely to be single or never married, more likely to have at least three children, and less likely to have a high school diploma than the latter. Whether any of these

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[19]The fact that Hispanic applicants were less likely to participate in W-2 is evident from the lower rate of program participation among W-2 applicants at the United Minority Opportunity Services agency, which serves a predominantly Hispanic population.

[20]When agency dummies were included in this regression rather than the race/ethnicity variable, the dummy for UMOS was statistically significant. When both the agency dummies and the race/ethnicity variable were included in the same regression, neither was significant. This is due to the strong correlation between the two factors.

[21]The finding justifies our use of the unweighted sample data in the analyses we discuss in later chapters of this report.

Table 4.2
Post-Wave 1 W-2 Case Openings by Sample Member Attributes
(N = 885)

Attribute Group	Percentage of Attribute Group with Open W-2 Case	Attribute Group as a Percentage of W-2 Case Openings: Unweighted Sample	Attribute Group as a Percentage of W-2 Case Openings: Weighted Sample	Attribute Group as a Percentage of 1996 AFDC Openings[a]
Gender				
Female	75.7%	96.9%	96.9%	95.6%
Male	60.0%	3.1	3.1	4.4
Race/Ethnicity[b]				
White	71.2	9.5	7.6	17.9
African American	77.8	79.2	83.5	54.4
Hispanic	60.1	8.8	6.1	10.8
Other	68.8	2.5	2.8	16.9
W-2 Agency				
ESN[c]	80.4	18.1	21.2	—
ESW[d]	79.6	18.1	22.4	—
Maximus	75.9	17.4	13.7	—
OIC[e]	82.1	16.0	21.1	—
UMOS[f]	61.6	14.1	9.2	—
YW Works	72.0	16.3	12.2	—
Marital Status				
Married	60.0	3.7	3.6	11.2
Divorced	64.2	5.1	4.5	8.1
Separated	74.2	7.5	7.0	14.5
Never married	76.5	81.7	82.9	64.7
Other	90.0	2.1	1.8	16.9
Prior Welfare Experience				
AFDC only	76.8	31.8	32.5	—
W-2 only	76.2	8.7	8.2	—
AFDC and W-2	83.5	35.5	36.6	—
No experience	64.0	23.7	22.4	—
Housing Status				
Renter	74.9	67.5	67.5	—
Owner	80.4	4.2	3.8	—
Homeless	70.8	1.9	1.9	—
Doubled up	62.0	26.0	26.4	—
Other	100	0.1	0.1	—

Table 4.2, continued

Attribute Group	Percentage of Attribute Group with Open W-2 Case	Attribute Group as a Percentage of W-2 Case Openings: Unweighted Sample	Attribute Group as a Percentage of W-2 Case Openings: Weighted Sample	Attribute Group as a Percentage of 1996 AFDC Openings[a]
Employment Status				
Employed	64.1	10.5	10.4	—
Not Employed	76.6	89.5	89.6	—
Age[g]				
17–21 years	75.0	19.4	18.9	—
22–30 years	78.6	46.5	45.2	—
31–40 years	75.8	27.1	27.8	—
41 years and older	67.7	7.0	7.2	—
Median Age	27 years	27 years	27 years	27 years
Education				
0–11 years	75.1	57.6	57.5	49.8
High school diploma	73.7	34.2	34.3	49.2
GED	80.1	8.1	8.1	1.0
Resident Family Children[h]				
None	—	—	—	8.7
One	86.0	40.3	39.1	36.9
Two	73.8	26.1	26.1	27.1
Three or more	66.0	33.6	34.2	27.3

[a]Families in Milwaukee that entered AFDC March–August 1996.
[b]The high percentage of 1996 AFDC applicants categorized as "other" reflects the high percentage of cases (14.1 percent overall) of unknown race/ethnicity.
[c]Employment Solutions North.
[d]Employment Solutions West.
[e]Opportunity Industrialization Center of Greater Milwaukee.
[f]United Migrant Opportunity Services.
[g]The 1996 AFDC sample included 20 applicants (.49 percent) who were 15 or 16 years old at the time of application. These are included in the 17–21 group for the sake of simplicity.
[h]Pregnant women were eligible for AFDC during the last trimester of their pregnancy.

differences have implications for post- AFDC and W-2 program experiences will be examined when the Wave 2 data become available.

Cross-Agency Comparisons

Table 4.3 compares the attributes of sample members across the six agency sites. Regardless of the agency at which they applied, sample members are predominantly never married; their median age is late twenties; most do not have a high school diploma; few were currently employed at the time of interview; and a substantial minority described their health as fair or poor. There are, however, differences across the agencies with respect to race/ethnicity, marital status, previous employment, and prior welfare receipt. Several of the most pronounced differences are found between UMOS applicants and those of the other agencies. The possibility that these differences will be related to outcomes among UMOS applicants relative to applicants at the other agencies will be studied as later waves of data become available.

Table 4.3
Applicant Attributes, by Agency
(N = 1179)

Attribute	ESN	ESW	Maximus	OIC	UMOS	YWW
Race/Ethnicity						
White	4.5%	4.5%	15.3%	2.3%	28.1%	4.0%
African American	91.0	91.5	72.9	96.0	17.7	93.0
Hispanic	1.5	2.0	8.4	0.0	48.8	2.5
Other	3.0	2.0	3.4	1.7	5.4	0.5
Marital Status						
Married	5.0	2.5	4.4	4.6	7.9	3.5
Divorced	3.0	6.5	7.4	4.1	9.4	5.0
Separated	4.5	6.0	7.9	6.4	13.3	7.0
Never married	86.4	84.6	77.3	83.8	67.0	82.5
Other	1.0	0.0	2.5	0.6	2.5	2.0
Education						
High school diploma	38.7	34.3	37.0	33.5	31.5	34.0
GED	12.1	5.5	7.4	6.4	6.9	7.0
Neither	49.3	60.2	55.7	60.1	61.6	59
Employment						
Employed at interview	12.1	11.0	11.3	12.7	10.8	16.0
Ever employed	80.4	83.1	83.2	79.8	77.3	64.5
No Prior Welfare Receipt	27.1	15.9	23.2	20.2	43.8	35.5
Median Earnings Past Year						
Among total sample	$6,370	$5,921	$5,571	$4,978	$5,432	$4,848
Among only those ever employed	$7,115	$6,671	$6,067	$5,566	$6,424	$6,373
Median Age in Years	27.4	28.1	28.7	29.5	28.2	27.0

Notes: ESN = Employment Solutions North; ESW = Employment Solutions West; OIC = Opportunity Industrialization Center of Greater Milwaukee; UMOS = United Migrant Opportunity Services.

Chapter 5
Employment

Only 12.3 percent (n = 145) of the respondents in our sample were employed at the time of their Wave 1 interview. This is not surprising given that lack of employment is the primary reason sample members were applying for W-2 assistance. Column 1 of Table 5.1 shows the variation in the likelihood of employment at Wave 1 among different demographic groups. Female respondents were more likely to be employed than male respondents; White and African American respondents were more likely to be employed than Hispanic or other minority respondents; respondents with a high school diploma were more likely to be employed than those without a high school diploma; respondents under 21 years of age were less likely to be employed than older respondents; single, never married respondents were less likely to be employed than married, separated or divorced respondents; and prior AFDC recipients/W-2 participants were less likely to be employed than those who had never received AFDC or participated in W-2.

While only 12.3 percent of our sample members were employed at Wave 1, 61.9 percent (n = 731) reported that they had been employed some time during the previous year. Column 2 of Table 5.1 shows the variation in the likelihood of employment over the past 12 months among different demographic groups. Female respondents were more likely to have been employed than male respondents; White and African American respondents were more likely to have been employed than Hispanic or other minority respondents; respondents with a high school diploma or GED were more likely to have been employed than those with neither diploma; respondents age 41 and older were less likely to have been employed than younger respondents; divorced respondents were less likely to have been employed than single, never married respondents, married respondents or separated respondents; and prior AFDC recipients/W-2 participants were more likely to have been employed than those who had never received AFDC or participated in W-2.

All but 10 percent of the respondents in our sample (n = 1066) reported that they had been employed at some time in the past. Column 3 of Table 5.1 shows the variation in the likelihood that respondents had ever been employed among different demographic groups. Males were more likely to have been employed than females; White respondents were the most likely to have been employed and Hispanic respondents the least; respondents with a high school diploma or GED were more likely to have been employed than those who had neither; respondents under 21 years of age were less likely to have been employed than older respondents; divorced respondents were the most likely to have been employed and single, never married respondents the least; and prior AFDC recipients/W-2 participants were more likely to have been employed than those who had never received AFDC or participated in W-2.

Of those who reported no employment in the year preceding the interview, 9.6 percent (n = 113) reported that they had never been employed, 4.1 percent (n = 48) reported that they had been employed, but not during the previous two years, and (n = 258) reported that they had employed during the past two years, but not during the past year.

Table 5.1
Current Employment at Wave 1 and Prior Work Experience (N = 1179)

Attribute	Percentage Currently Employed at Wave 1	Percentage Employed Past Year	Percentage Ever Employed
Gender			
Male	8.9	53.3	95.6
Female	12.4	62.3	90.2
Race/ethnicity			
African-American	13.0	62.6	90.8
Hispanic	7.0	54.7	79.7
White	15.3	66.1	97.5
Native American	0.0	55.6	94.4
Marital Status			
Single, never married	11.4	62.5	89.8
Married	18.2	61.8	92.7
Divorced	18.6	57.1	97.1
Separated	15.7	61.8	92.1
Other	0.0	52.9	76.4
Education			
High School Graduate	16.3	66.2	94.2
GED	10.1	66.3	96.6
Neither	10.2	58.8	87.3
Respondent Age			
17–20 years	10.3	61.6	83.7
21–30 years	14.0	65.8	92.7
31–40 years	11.5	59.3	92.9
41 years and older	12.9	49.5	92.5
Prior Welfare History			
AFDC or W-2	11.6	64.3	91.3
Neither	14.3	56.4	81.4
Total Sample	12.3	61.9	90.4

All respondents who had ever been employed were asked to provide detailed information about their two most recent jobs, including the date they started working, the date they terminated their employment, the number of hours worked per week, and their hourly wage. Respondents who were currently employed were asked to provide similar information about their current job. Of those employed at some point during the preceding year, 61.0 percent (n = 445) provided information that was sufficient

to estimate the percentage of time they had been employed during the previous 12 months and their total earnings for this period. Another 12.2 percent (n = 89) provided information about their employment during the previous 6 months. We used these data to impute the percentage of time they had been employed during the previous 12 months and their total earnings for this period.[22] Thus, we have data on the percentage of time employed and total earnings during the preceding year for 73.2 percent (n = 534) of those sample members who had been employed at some point during this period of time. These data are presented in Table 5.2.

Table 5.2
Percentage of Time Employed During the Past Year and Estimated Total Earnings Among Sample Members Reporting Employment, by Selected Respondent Attributes (N = 534)

Attribute	Number	Percentage of Year Employed	Estimated Mean Annual Earnings
Gender			
Male	16	41.1%	$9,721
Female	518	37.0	$5,385
Race/ethnicity			
African-American	409	37.6	$5,583
Hispanic	50	26.4	$3,695
White	62	45.7	$7,440
Native American	7	34.1	$3,942
Education			
High School Graduate	211	46.4	$7,659
GED	46	42.8	$6,410
Neither	277	30.3	$4,038
Total Sample	534	37.1	$5,515

Note: 228 respondents who had been employed during the past year were unable to provide sufficient information about their employment to calculate the percentage of time they had been employed or their total earnings for this period.

Although males were employed for approximately two weeks more than females, on average, they earned approximately $4,300 more during the previous 12 months. Both the percentage of time

[22]A problem with this imputation strategy is that the six months for which we have employment data may not reflect respondents' employment during the six months for which we do not have data.

employed and total earnings for the year were highest among White respondents and lowest among Hispanic respondents. Respondents with a high school diploma were both employed a higher percentage of time and had higher total earnings than those with a GED, and those with GED were both employed a higher percentage of time and had higher total earnings than those with neither a high school diploma nor a GED.

We asked the 88 percent (N = 1,033) of our respondents who were not employed when interviewed why they were not working. Although respondents could give multiple reasons, and the number of reasons given ranged from zero to eight, the majority of respondents gave only one. Table 5.2 shows the percentage of respondents who cited various reasons for not being employed, broken down by whether or not the respondent had ever worked in the past. Overall, the most commonly cited reasons for not being employed were an inability to find a family-supporting job (31.8 percent), child care problems (24.2 percent), pregnancy or the recent birth of a child (17.6 percent), lack of education (13 percent), and disability or illness (11.8 percent). Respondents with no prior work history were much more likely than those who had worked before to cite lack of education and/or job skills as reasons for not being employed.

Table 5.3
Reasons Cited for Not Being Employed at Time of Interview
(N = 1,033)

	Employed in Past		Never Employed		Total	
Reasons Not Employed	N	Percentage	N	Percentage	N	Percentage
Unable to find job (to support family)	306	33.3%	22	19.5%	328	31.8%
Child care problems	219	23.8	31	27.4	250	24.2
Pregnant or recent birth	159	17.3	23	20.4	182	17.6
Lack of education	101	11.0	33	29.2	134	13.0
Disability or illness	112	12.2	10	8.8	122	11.8
Lack access to transportation	78	8.5	5	4.4	83	8.0
No job skills	59	6.4	22	19.5	81	7.8
Attending school or training	40	4.3	6	5.3	46	4.5
Discrimination by employers	44	4.8	1	0.9	45	4.4
Caring for ill or elderly family member	37	4.0	3	2.7	40	3.9
Other	283	30.8	26	23.0	309	29.9
Don't know	18	2.0	2	1.8	20	1.9
Total number	920	89.1	113	10.9	1033	100.0

Note: Percentages sum to more than 100 because respondents could give more than one reason.

We also asked the 36 percent (N = 431) of our respondents who were neither currently employed nor seeking employment why they were not trying to find a job. Table 5.3 shows the percentage of respondents who cited various reasons for not being employed and not seeking employment, broken down by whether respondents had ever been employed. The most commonly reasons cited were pregnancy or the recent birth of a child (37.6 percent), disability or illness (17.9 percent), child care problems (16.7 percent), and inability to find a (family-supporting) job (10.7 percent). Once again, respondents with no work history were much more likely than those who had worked in the past to attribute their absence of job search to a lack of education and/or skills. Those with no work history were also less likely to cite a disability or illness as a reason for not seeking employment.

Table 5.4
Sample Members' Reasons for Not Currently Seeking Employment
(N = 431)

	Employed in Past		Never Employed		Total	
Reason Not Searching for Job	N	Percentage	N	Percentage	N	Percentage
Pregnant or recent birth	139	39.0%	23	30.7%	162	37.6%
Disability or illness	70	19.7	7	9.3	77	17.9
Child care problems	55	15.4	17	22.7	72	16.7
Unable to find job (to support family)	41	11.5	5	6.7	46	10.7
Lack of education	19	5.3	15	20.0	34	7.9
No job skills	13	3.7	10	13.3	23	5.3
Lack access to transportation	19	5.3	4	5.3	23	5.3
Caring for ill or elderly family member	18	5.1	4	5.3	22	5.1
Attending school or training	16	4.5	5	6.7	21	4.9
Other	65	18.3	15	20.0	80	18.6
Don't know	2	0.6	2	2.7	4	0.9
Total number	356	82.6	75	17.4	431	100.0

Note: Percentages sum to more than 100 because respondents could give more than one reason.

Chapter 6
Prior Welfare Experience

The data presented in this chapter are based on respondent reports to our survey questions. Subsequent analyses using administrative data may yield different results.

Prior AFDC Receipt

Sixty-three percent of the applicant sample (N = 743) reported that they had received AFDC benefits at some time in the past, including 26 percent who had experienced more than one AFDC spell. The data in Table 6.1 indicate the percentage of sample members with selected attributes who reported prior AFDC receipt. Female W-2 applicants were more likely than male applicants to have been prior recipients of AFDC, reflecting the fact that AFDC was predominantly a program for single mothers with children. Less expected was the finding that applicants with a high school diploma or GED were more likely than applicants without a high school diploma or GED to have previously received AFDC.

The rate of prior AFDC receipt was markedly lower among UMOS applicants than among applicants at any of the other W-2 agencies. The reason for this pattern is not clear. It is not the case that a high percentage of the UMOS applicants were immigrants; less than 2 percent of our sample were not born in the United States. However, it is consistent with the finding that AFDC receipt was less common among Hispanic applicants than among non-Hispanic applicants; nearly half of the UMOS applicants are Hispanic.

Table 6.1
Prior AFDC Receipt, by Gender, Race/Ethnicity, W-2 Agency at Application, and Education
(N = 743)

	Number	Percentage Reporting Prior AFDC Receipt
Gender		
Female	726	64.0%
Male	17	37.8
Race/Ethnicity		
White	67	56.8
Hispanic	48	37.5
African American	610	67.7
Other	18	56.3
W-2 Agency		
Employment Solutions North	130	65.3
Employment Solutions West	158	78.6
Maximus	139	68.5
OIC	120	69.4
UMOS	76	37.4
YW Works	120	60.0
Education		
High school diploma	267	65.0
GED	65	73.0
Neither	411	60.5

To examine some of these relationships in more detail, we estimated a logit model in which prior AFDC receipt was regressed on gender, race/ethnicity, education, and several other exogenous factors. The parameter estimates from this model are presented in Appendix Table A6.1. Consistent with Table 6.1, male applicants and Hispanic applicants were significantly less likely to have been AFDC recipients than female applicants or non-Hispanic applicants. Both age and number of resident children were positively related to the likelihood of prior AFDC. Educational attainment was no longer a significant predictor of AFDC receipt once the other factors in the model were controlled.

Subsequent reports will examine the relationship between prior AFDC receipt and respondents' post-Wave-1 experiences with the W-2 program.

Prior W-2 Participation

As we have noted earlier, although implementation of W-2 had begun only 18 months before we started collecting data, over 40 percent of the sample (N = 478) members reported that they had previously participated in W-2.[23] Table 6.2 shows the percentage of sample members with selected attributes who reported previous W-2 participation. In contrast to the strong relationship between gender and prior AFDC receipt (see Tables 6.1 and A6.1), female and male applicants were about equally likely to have reported prior W-2 participation. The relationship between education and prior W-2 participation was also different from that observed between education and AFDC participation. Applicants without a high school diploma were more likely to have previously participated in W-2 than those with a high school diploma, but less likely to have previously participated in W-2 than those with a GED. Finally, while there appear to be some differences in the likelihood of having previously participated in W-2 by race/ethnicity and by agency site, the differences are less dramatic than in the case of AFDC receipt.

Again in order to study these relationships more closely, we estimated a logit model in which prior W-2 participation was regressed on gender, race/ethnicity, education, and several other exogenous factors. The parameter estimates from this model are presented in Appendix Table A6.2. As in Table 6.2, applicants with a high school diploma were significantly less likely than those without a high school diploma to have previously been W-2 program participants. White applicants were also significantly less likely than African American applicants to have previously participated in W-2.[24] As in the case of prior AFDC receipt, respondents' age and number of resident children were positively associated with prior W-2 participation.

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[23]This finding suggests the possibility that families are cycling on and off W-2 in the way that families once cycled on and off AFDC (Cancian, et al., 1999).

[24]Although Hispanic respondents were less likely than African American respondents and more likely than white respondents to report prior W-2 participation, these differences were not statistically significant.

Table 6.2
Prior W-2 Participation by Gender, Race/Ethnicity, W-2 Agency at Application, and Education
(N = 478)

	Number	Percentage Reporting Prior W-2 Participation
Gender		
Female	460	40.6%
Male	18	40.0
Race/Ethnicity		
White	32	27.1
Hispanic	46	35.9
African American	388	43.1
Other	12	37.5
W-2 Agency		
Employment Solutions North	85	42.7
Employment Solutions West	84	41.8
Maximus	90	44.3
OIC	82	47.4
UMOS	65	32.0
YW Works	72	36.2
Education		
High school diploma	136	33.2
GED	44	49.4
Neither	298	43.9

Subsequent reports will examine how the post-Wave-1 W-2 experiences of respondents who had previously participated in the W-2 program are similar to or different from the W-2 experiences of respondents who had not participated in the program before.

Reasons for Leaving W-2

We asked those sample members who had previously participated in W-2 why they had stopped participating. It is important to note that these are self-reported reasons, which may or may not be consistent with the reasons recorded in the administrative data. As shown in Table 6.3, the vast majority

of sample members cited becoming employed (46.3 percent) or noncompliance with program rules or requirements (36.3 percent) as the reason they left W-2.[25] Each of the other reasons were cited by less than 4 percent.

Table 6.3
Reasons for Ceasing to Participate in W-2
(N = 478)

Reason for Case Closure	Number	Percentage
Became employed	221	46.3%
Failed to comply with program rules and requirements	174	36.6
Requested case closure	17	3.6
Increased earnings	15	3.1
Program too much hassle	10	2.1
Moved away	10	2.1
Don't know, refused	13	2.7
Other	18	3.8

Table 6.4 compares the attributes of sample members who stopped participating in W-2 because of noncompliance with those of sample members who left W-2 owing to employment-related changes (i.e., became employed or increased earnings). Once again, it is important to remember that these reasons are self-reported and are not necessarily consistent with the case closure reasons recorded in the administrative data. Men who had previously participated in W-2 were more likely than women to report that they had left W-2 because of employment-related circumstances and were less likely to report that the reason was noncompliance. Prior W-2 participants with a high school diploma or GED were more likely than those lacking these diplomas to report that they left for employment-related reasons and less likely to report that they left because of noncompliance. The relationship between race/ethnicity and reason for leaving is somewhat more complex. Prior W-2 participants who were African American were

[25]Although we cannot determine the sequences of employment and W-2 participation from our data, sample members whose W-2 case was closed because of noncompliance had worked substantially fewer weeks during the past year than sample members whose W-2 case was closed because they became employed or their earnings increased (7.6 weeks vs. 25.2 weeks).

as likely as prior W-2 participants who were white to report that they ceased participation for employment-related reasons. Nevertheless, both African American and Hispanic prior W-2 recipients were about twice as likely as whites to report that they had left because of noncompliance.

Table 6.4
Reason for Leaving W-2, by Gender, Race/Ethnicity, and Education

		Percentage of Attribute Group Leaving Because of:	
Attribute	Number of Leavers	Closure Respondent Employment	Closure Rule Noncompliance
Gender			
Male	18	61.1%	16.7%
Female	460	48.9	37.4
Race/Ethnicity			
White	32	50.0	18.7
Hispanic	46	41.3	34.8
African American	388	49.7	38.4
Other	12	66.7	33.3
Education			
High school diploma	136	57.4	25.7
GED	44	61.4	18.2
Neither	298	44.0	44.3%

Reasons for Current W-2 Application

Table 6.5 presents data on the reasons given by sample members for applying for W-2 assistance. Two-thirds of our respondents said they were applying because they did not have a job, and 16 percent cited pregnancy or the recent birth of a child as their reason for applying. More than half (54 percent) of those applying because of unemployment had previously terminated participation in W-2 because they had become employed (not on table), a possible indicator of the difficulty in maintaining stable employment.

Table 6.5
Reasons for W-2 Application
(N = 1179)

Reason	Number	Percentage of Sample
No job	785	66.6%
Birth or pregnancy	192	16.3
Recently moved to Milwaukee	36	3.1
Illness or disability	31	2.6
Separation or divorce	29	2.5
Need for child care	25	2.1
Other	70	5.9
Don't know or refused	11	1.0

Perceptions of the W-2 Agency

Sample members generally viewed their application for assistance at the W-2 agency as a positive experience.[26] As shown in Table 6.6, more than three quarters of the sample agreed or strongly agreed that agency personnel wanted to be helpful, had provided useful information, had not tried to discourage them from applying for assistance, and had treated them with respect. Positive perceptions of the agency and its personnel were especially evident among the Maximus and UMOS applicants.

In contrast to their generally positive perceptions of the W-2 agencies and their personnel, many respondents viewed the program's work requirements as unfair to mothers with young children. Here again, however, Maximus and UMOS applicants are an exception to this trend. Given that all W-2

[26]It is possible that sample members' responses to our questions about their experience were influenced by the fact that they were being interviewed at the agency. However, the interviews were conducted in a private office and respondents were assured that the survey interviewers were affiliated not with the W-2 agency but with the Institute for Survey and Policy Research at the University of Wisconsin at Milwaukee.

participants are subject to the same work requirements, set by the Wisconsin Department of Workforce Development, these agency differences were unexpected and difficult to explain.[27]

Table 6.6
Respondents' Perceptions of Treatment at W-2 Agency
(N = 1179)

Agency Treatment	ESN[a]	ESW[b]	Maximus	OIC	UMOS	YW Works
Treated with respect	89%	77%	91%	73%	95%	86%
Agency provided useful information	82	80	93	73	90	88
Agency wanted to help	68	68	88	74	89	78
Agency discouraged application	22	26	11	21	14	18
Work requirements fair to mothers with young children	39	44	80	42	79	60

[a]Employment Solutions North.
[b]Employment Solutions West.

Knowledge of W-2 Program Participation Rules

Respondents were asked a series of questions about W-2 and its relationship to other programs. Their responses suggest that the program and its relationship to other programs was poorly understood by a substantial minority of sample members. For example, 28 percent did not know that they could be sanctioned for missing work assignments, 39 percent were not aware of the time limits on cash assistance, 43 percent did not know that they could be eligible for Food Stamps without participating in W-2, 23 percent were not aware that W-2 cash payments are not related to family size, and 33 percent did not know that children could be eligible for Medicaid even if their parents were not participating in W-2. This ignorance about the program was even evident among those sample members who had previously

[27]Data collected by researchers at the Manpower Demonstration Research Corporation as part of a process evaluation may help explain some of this variation in the perceptions of respondents who applied at different agencies. We are currently negotiating with the corporation for access to these data.

participated in W-2. For example, 16 percent of former participants did not know that they could be sanctioned for missing work assignments, 38 percent were unaware that cash assistance was time limited, 13 percent mistakenly thought that W-2 participation was a necessary condition to be eligible for Food Stamps, and 27 percent erroneously believed that children were not eligible for Medicaid unless their parents were participating in W-2. Our data do not permit us to identify whether this ignorance reflects agency workers' failure to provide complete information to W-2 participants or respondents' failure to understand the information given to them.

Chapter 7
Recent Government Program Participation

We asked respondents if they and/or their children had recently received benefits from a number of government programs, including Food Stamps, Medicaid, the Supplemental Nutrition Program for Women, Infants, and Children (WIC), Supplemental Security Income, Social Security, and Unemployment Insurance. Table 7.1 shows the percentage of families that had received benefits from these programs during the month prior to their Wave 1 interview and at any time during the past year.[28] A majority of respondents reported that their family had received Medicaid and/or Food Stamp benefits during the previous month, and a significant minority reported that their family had received WIC benefits. Relatively few families had received benefits from the two social insurance programs about which we asked, Social Security and Unemployment Insurance, and the percentage of families that had received benefits from SSI, a public assistance program, was only marginally higher. Fewer than one out of five families in our sample had been living in subsidized housing (Section 8 or public housing) during the past month, and fewer than one in ten had received child care assistance. More than a third had received the Earned Income Tax Credit during the past year.

[28]It is possible that the results would have been different had we used administrative data.

Table 7.1
Recent Government Program Participation
(N = 1179)

	Received Benefit during the Past Month		Ever Received Benefit during the Past Year	
Government Program	Number	Percentage of Sample	Number	Percentage of Sample
Medicaid	905	76.8%	997	84.6%
Food Stamps	721	61.2	863	73.2
WIC	499	42.3	572	48.5
SSI	110	9.3	117	9.9
Unemployment Insurance	34	2.9	72	6.1
Social Security	25	2.1	40	3.4
Section 8 housing	89	7.5	NA	NA
Public housing	120	10.2	NA	NA
Child care assistance	113	9.6	NA	NA
EITC	NA	NA	422	35.8

Chapter 8
Economic Hardships

Sample members were asked a series of questions about economic hardships they may have experienced during the year prior to their interview. The results are presented in Table 8.1.

Table 8.1
Selected Economic Hardships Experienced during Past 12 Months
(N = 1179)

Economic Hardship	Percentage Reporting Hardship
Not enough money for food	41%
Not enough food to feed family	38
Visited food pantry or meal program	31
Not enough money to pay rent or mortgage	47
Not enough money to pay bills	48
Not enough money to buy clothes	43
Utilities shut off	15
Phone disconnected	34
Evicted	11
Doubled up, could not afford housing	11
Homeless	13
Belongings repossessed	3

Although 27 percent of our respondents indicated that they had not experienced any of these hardships (not on table) and another 11 percent indicated that they had experienced only one, 44 percent indicated that they had experienced four or more. To examine the relationship between the number of hardships experienced and respondents' attributes, we summed the number of hardships that respondents reported experiencing, and regressed this sum on a set of exogenous factors. Appendix Table A8.1 presents the results of this regression. Race/ethnicity, age, education, and number of resident children were significantly related to the number of hardships respondents had experienced. Specifically, the number experienced was higher among sample members who were older, white, had less education, and/or had more children. While the relationships involving education and family size are not surprising,

the relationships involving race/ethnicity and age are more difficult to explain. Interestingly, the number of reported economic hardships was not related to reported total earnings for the past year.[29]

[29]This null finding was robust to a number of different model specifications, including a model in which earnings was the only independent variable.

Chapter 9
Parental Health and Emotional Well-Being

The respondents reported a number of health, mental health, and other problems that could affect their ability to work and/or parent their children (see Table 9.1). A significant minority of respondents (20.4 percent) reported that their ability to work was limited by their own disability or the disability of another family member.[30] One-quarter of our sample described their health as "poor" or "fair." A small minority reported that they had experienced a problem with alcohol or other drugs or that their consumption of alcohol or other drugs had caused them to miss work or lose a job during the past year. One in seven of our respondents reported having been involved in an "unsafe relationship" during the past year, and the vast majority of these respondents characterized this relationship as physically abusive. More than a fifth of our sample reported that they had experienced a mental health problem, such as depression or anxiety, for which they wanted help during the past year.

There was also evidence that some of our respondents had not received treatment for physical and/or mental health problems that they had experienced during the previous year. Seventeen percent reported that they had not received medical treatment that they had needed, and more than three-quarters of these respondents attributed this to a lack of health insurance or inability to pay for care. Similarly, only half of those respondents who reported a mental health problem sought help (N = 126), and only two-thirds of these received it (N = 85).

[30]Eighty-seven percent (N = 209) of those respondents who described themselves as having a disability, or 18 percent of the total sample, categorized their disability as physical.

Table 9.1
Problems with Potential to Affect Ability to Work or Parent
(N = 1179)

Problem	Number	Percentage of Sample
Ability to work limited by own disability	240	20.4%
Ability to work limited by disability of family member	93	7.9
Poor or fair health	290	24.7
Did not receive needed medical care during past year	200	17.0
Problem with alcohol or missed work/lost job because of alcohol during past year	69	5.9
Problem with other drugs or missed work/lost job because of other drugs during past year	46	3.9
Involved in "unsafe" relationship during the past year	168	14.2
Involved in "unsafe" relationship that was physically abusive during the past year	119	10.1
Wanted help for a mental health problem during the past year	255	21.6

We further examined the relationship between emotional well-being and other attributes of our respondents, using the Center for Epidemiological Studies Depression Scale (CES-D) as our primary measure. This 20-item scale, which has been used to measure depressive symptomatology in the general population, asks respondents to indicate the number of times they have experienced particular moods or exhibited particular behaviors during the preceding week. Respondents' scores can range from 0 to 60, and a score of 16 or higher is generally regarded as indicative of depression.[31]

The mean CES-D score for the total sample was 17.3 and the median was 16, both statistics indicating that symptoms of depression were prevalent among our sample the week before they applied for W-2 assistance.[32] However, as Table 9.2 shows, CES-D scores varied by gender, age, race/ethnicity, and marital status. CES-D scores tended to be lower among respondents who were male, younger, African American, or married than among respondents who were female, older, white or Hispanic, or not

[31]Most scholars of the CES-D avoid characterizing a higher score as representing more severe depression. We have made no effort, therefore, to distinguish between mild and severe depression.

[32]Mean imputation was used to compute CES-D scores for respondents who did not answer all 20 items.

married. In addition, although CES-D scores did not appear to vary by past year's earnings, respondents who had experienced four or more economic hardships (not on table) during the past year tended to have higher CES-D scores than respondents who had experienced fewer economic hardships. Although there was also considerable variation in CES-D scores across the W-2 agencies, with means ranging from 13.1 for OIC applicants to 22.0 for ESW applicants, the reason for this variation is not clear.[33]

[33]Our Wave 2 data will allow us to examine whether this cross-agency variation in CES-D scores was related the types of services that different agencies provided to those applicants who became W-2 participants.

Table 9.2
Mean CES-D Scores, by Selected Individual and Family Attributes
(N = 1179)

Attribute	Mean CES-D Score
Gender	
Male	13.0
Female	17.5
Respondent Age	
Less than 21 years	14.8
21–30 years	17.9
31–40 years	18.6
More than 40 years	17.8
Race/ Ethnicity	
African American	16.2
White	21.1
Hispanic	20.4
Other	20.4
Marital Status	
Never married	17.1
Married	15.3
Divorced	19.3
Separated	19.6
Education	
High school diploma	16.6
GED	16.1
Neither	17.9
Number of Resident Family Children	
One	16.6
Two	17.2
Three	18.4
Four or more	18.2
Prior Welfare Experience	
AFDC and/or W-2	17.9
Neither AFDC nor W-2	15.8
Earnings Past Year	
None	16.3
$1–2,000	18.3
$2,001–4,000	15.4
$4,001–8,000	16.8
$8,001–12,000	16.7
$12,000+	18.6

Table 9.2, continued

Attribute	Mean CES-D Score
W-2 Agency	
Employment Solutions North	13.8
Employment Solutions West	22.0
Maximus	16.5
OIC	13.1
UMOS	21.0
YW Works	16.9

Note: For explanation of CES-D scores, see text.

We also estimated several OLS regression models to explore in more detail the relationship between sample members' attributes and their CES-D scores. Parameter estimates from the most inclusive regression model are presented in Appendix Table A9.1. Consistent with the findings from our tabular analysis, CES-D scores were negatively correlated with being male, younger, African American, or married, and positively correlated with the number of economic hardships respondents had reported (although not with past year's earnings).[34]

[34]Number of resident family children and age of respondent, both of which are correlated with number of economic hardships, had a significant positive relationship to CES-D scores when number of economic hardships was omitted from the model (see Table A8.1)

Chapter 10
Children's Characteristics and Well-Being

To gain more in-depth information about the children of our respondents, we asked each respondent a series of questions about a randomly selected *focal child* who was related to them by birth or adoption, under 18 years old, and living in their household at the time of our interview. In addition, we asked a more limited set of questions about all of the respondent's children. Below we present descriptive statistics pertaining primarily to our focal children. In addition, we examine how selected child problems were related to parental age, gender, race, marital status, education, and work history. We also provide an analysis of the involvement of our sample families with the Milwaukee County child protective services system.

Children's Living Arrangements

Collectively, the 1,179 respondents in our sample reported a total of 2,354 children under age 18 to whom they were related by birth or adoption. The median number of children by birth or adoption was two. However, 9 percent (N = 206) of these children were not living with our respondents at the time of their first interview. In fact, over 10 percent of our respondents (N = 121) reported that they had at least one child under age 18 who was not currently living with them.[35]

Table 10.1 shows the number and percentage of respondents with children who had one or more children living outside the respondent's home. Respondents who reported at least one nonresident child living with a grandparent or other relative were also asked whether this was a formal, court-ordered placement or whether the arrangement was informal. Twenty five of these respondents reported that one or more of their nonresident children were formally placed with kin.

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[35]Our respondents also reported that a total of 693 children to whom they were not related by birth or adoption were living in their households. Thus, the total number of children living in the households of our respondents was 2,841, and the median number of children per household was two.

Table 10.1
Most Common Living Arrangements of Respondent's Nonresident Children
(N = 121)

Child's Living Arrangement	Number of Respondents Having a Nonresident Child	Percentage of Respondents Having a Nonresident Child
Lives with other parent	48	40%
Lives with grandparent	34	28
Lives with other relative	14	12
Lives in a foster home	10	8
Lives in adoptive home	9	8
Juvenile detention facility	6	5

Age of Focal Children

Although the median age of the focal children in our sample was 5 years, the age distribution was very skewed. Whereas 14 percent of the focal children were under one year of age at the time we interviewed their parents, only 11 percent were age 14 or older. Table 10.2 shows the age distribution of the focal children.

Table 10.2
Ages of Focal Children
(N = 1179)

Focal Child's Age	Number of Focal Children	Percentage of Focal Children
Under one year	170	14%
1 through 2 years	224	19
3 through 5 years	260	22
6 through 9 years	233	20
10 through 13 years	160	14
14 through 17 years	132	11

Health Problems of Focal Children

One quarter of our respondents (N = 295) reported that the focal child had one or more health problems that "either last a long time or come back again and again." Table 10.3 shows the most common of the focal children's chronic health problems. Asthma and other respiratory problems are by far the most common chronic health problem affecting this population.

Table 10.3
Most Common Chronic Health Problems[a] of Focal Children Reported by Respondents

Health Problem	Number of Focal Children with Health Problem	Percentage of Focal Children with Health Problems
Asthma	127	43%
Allergies	30	10
Other respiratory problem	27	9
Ear infections	24	8
Skin disease	21	7
High lead levels	15	5
Epilepsy or seizures	12	4
Anemia	12	4
Sickle cell anemia	11	4
Heart condition	11	4
Birth defect	10	3

[a]Respondent replied that child's health problem lasts a long time or comes back again and again.

Approximately 8 percent of our respondents (N = 99) reported that the focal child had spent at least one night in a hospital during the past year due to illness, and 9 percent (N = 103) reported that the focal child had required emergency treatment due to serious injury, accident, or poisoning. One-fifth of these children (N = 21) stayed in a hospital overnight as a result of the injury, accident, or poisoning. About 8 percent of our respondents (N = 92) indicated that the focal child had not received medical treatment when needed at least once during the past year. More than three quarters of these respondents (N = 70) attributed this to a lack of health insurance and/or an inability to pay for care.

Disabilities and Special Needs

We asked our respondents if they had ever been told that the focal child had a disability or other special need. One-seventh of focal children (N = 168) had one or more disabilities or special needs. Table 10.4 shows the distribution of these disabilities among the focal children. Nearly three-fifths (N = 100) received services for their disability and over one-quarter (N = 42) received SSI.

Table 10.4
Most Common Disabilities and Special Needs of Focal Children Reported by Respondents

Disability or Special Need	Number of Focal Children with Disability/Special Need	Percentage of Focal Children with Disabilities/Special Needs
Learning disability	73	43%
Speech impairment	40	24
Hyperactivity/attention deficit disorder	36	21
Physical disability	26	15
Mental disorder	17	10
Emotional disturbance	15	9
Hearing impairment	12	7
Developmental disorder	11	7

School Performance

Slightly more than one half of our respondents (N = 600) reported that the focal child was attending school (or had attended school the preceding school year, if the respondent was interviewed during the summer). Although 45 percent of these respondents (N = 270) indicated that the focal child had received “mostly A’s and B’s” on the most recent report card, 16 percent (N = 96) indicated that the focal child was in a special education class or receiving remedial help at school.

Table 10.5 shows the percentage of respondents whose school-aged focal child had experienced various school-related problems: 25 percent of school-aged focal children had failed a grade, 35 percent

had been suspended from school, and 4 percent had been expelled. Because we asked some questions only about older children, the denominator is included, for clarity's sake. The likelihood that a focal child had experienced these problems was related to parental education and race/ethnicity. Focal children whose parents had neither a high school diploma nor GED were more likely than those whose parents had one of these degrees to have failed a grade (odds ratio = 1.87; $p < .01$), been suspended (odds ratio = 1.53; $p < .05$), or been expelled (odds ratio = 2.87; $p < .05$). There was also a relationship between grade failure and race/ethnicity. Forty-three percent of Hispanic respondents with a school-age focal child reported that the child had failed a grade, as compared to 24 percent of African American respondents and 18 percent of white respondents ($\chi^2 = 10.68$, df = 3, $p < .05$). These school-related outcomes were not associated with parental marital status, gender, or work history.

Table 10.5
School-Related Problems Experienced by School-Aged Focal Children

School-Related Problem	Number of Focal Children	Percentage of Focal Children	Age-Based Denominator
Failed a grade	152	25%	All school-age children (N = 600)
Suspended from school	209	35	All school-age children (N = 600)
Expelled from school	26	4	All school-age children (N = 600)
Dropped out of school	9	4	At least 12 years old (N = 203)

Behavior Problems

Respondents were asked about a range of behavior problems that the focal child might have exhibited. Because respondents were only asked about a particular problem if it was "age-relevant" for their focal child, Table 10.6 shows not only the distribution of these problems, but also the ages of the children. The most commonly reported problem was running away from home. Other commonly reported problems were delinquency and arrest for criminal activity. Although children of female resident parents

were much more likely than children of male resident parents to have run away from home (odds ratio = 1.72; $p < .05$), there were no relationships between parental gender, age, race, marital status, education, or work history and any of the other problems.

Table 10.6
Selected Behavior Problems Experienced by Focal Children

Type of Problem	Number of Focal Children	Percentage of Focal Children	Age-Based Denominator
Ran away from home	200	44%	At least 7 years old (N = 453)
Delinquent activity	40	14	At least 10 years old (N = 292)
Arrested for crime	32	11	At least 10 years old (N = 292)
Became pregnant or a parent	10	5	Age 12 or older (N = 203)

Child Care

Nearly two-fifths of our respondents (N = 461) had used some form of child care in the month prior to our interview. Less than a quarter (N = 113) of these respondents had received some form of help in paying for this child care, primarily from a W-2 agency (N = 109). Almost half (N = 215) had out-of-pocket child care expenses, at a median weekly cost of $47.

Child Care for Focal Child

Thirty-five percent of our respondents (N = 409) had used some type of child care for a focal child under 13 years old while they were *working or looking for a job* during the past month. Table 10.7 shows that care provided by another adult in the respondent's home and family day care were the two most common types of child care used.[36] Of the 177 focal children who were cared for in their own home,

[36]The percentages sum to more than 100 percent because some respondents used more than one form of care.

44 percent (N = 78) lived with the caregiver and 73 percent (N = 129) were related to the caregiver. Only 12 percent (N = 21) were cared for by the respondent's spouse or partner.

Table 10.7
Type of Child Care Used by Respondents for Focal Children Age 12 and under while Working or Looking for a Job during the Previous Month
(N = 1179)

Type of Care	Number of Respondents	Percentage of Sample
Head Start	50	12.2%
Day care center	114	27.9
Care in own home	177	43.3
Care in provider's home	155	37.9
Before or after school care	35	8.6

Consistent with the utilization patterns shown in Table 10.7, 53 percent of respondents (N = 908) whose focal child was under 13 expressed a preference for "informal care," 24 percent (N = 287) expressed a preference for "formal care," and 23 percent expressed no preference.

Child Care Problems with Implications for Employment

Nearly one-quarter of our respondents (N = 285) reported that during the previous month they had experienced one or more child care problems that either adversely affected or could have adversely affected their ability to find or maintain employment. Table 10.8 illustrates some of the child care problems that respondents experienced. These incidence rates refer only to the past month, and it is quite likely that the percentages would have been higher if the time frame were extended to the previous year.

Table 10.8
Child Care Problems and Implications for Employment during Past Month
(N = 1179)

Problem	Number of Respondents	Percentage of Sample
Missed work owing to lack of child care	166	14.1%
Missed work owing to cost of child care	127	10.8
Missed work owing to no sick-child care	152	12.9
Quit job owing to lack of child care	68	5.8
Refused job owing to lack of child care	91	7.7
Trouble finding pm/weekend child care	103	8.7
Trouble finding infant care	72	6.1
Trouble finding care before/after school	48	4.1
Trouble finding care owing to varying work schedule	90	7.6
Trouble finding care for a child with a disability or special needs	79	6.7

In addition to the problems listed above, 14.5 percent of child care users (N = 67) reported that they had changed child care providers at least once in the past six months. Over three-quarters of these respondents attributed this change to problems with the child care arrangement (e.g., “child care not available during work hours,” “not happy with care,” “provider charged too much,” etc.).

Family Involvement with Child Protective Services

We merged our survey data with data from the Milwaukee Child Welfare to assess the involvement of the families in our sample with child protective services (CPS) agencies. By matching Social Security numbers, we identified 439 respondents who were the subject of a child abuse and/or neglect investigation by the Milwaukee CPS agency from June 1989 through September 2000. We identified an additional 17 respondents by matching last name, first name, and birth date. Thus, a total of 456 of our respondents were the subject of at least one CPS investigation by the Milwaukee agency over that time period (see Table 10.9). We believe that this significantly underestimates the prevalence of CPS involvement among the families in our sample, for at least two reasons. First, because only 72 percent of

the case heads in the CPS data have Social Security numbers, we may have missed other respondents who had been investigated by the CPS agency whose Social Security numbers were not in the WiSACWIS database and whose names and/or birth dates were not recorded identically in both WiSACWIS and our survey database. Second, because the WiSACWIS database is limited to child abuse and neglect reports in Milwaukee County, we would have missed respondents who had been investigated by CPS agencies in other counties or states.

We included all investigated reports, not only those that were subsequently substantiated as abuse or neglect, in our analysis. We did this for several reasons. First, reports that were clearly not appropriate for CPS response were screened out prior to investigation and are not included in WiSACWIS. Thus the remaining investigations were of situations deemed significant enough to send out a child welfare worker to contact family members, inform collaterals, etc. Second, many of the CPS reports that are unsubstantiated because of a lack of corroborating evidence about the risk to child safety necessary for substantiation nevertheless call attention to significant risks to children's health and development. In fact, many of the CPS diversion and prevention programs implemented by child welfare agencies in recent years focus on families reported to CPS that are not deemed to be in immediate need of child welfare services, but are believed to be at risk of future CPS involvement. Third, a growing body of evidence suggests that, particularly in cases of neglect, several reports and investigations may be necessary before a child welfare agency categorizes a family problem as "maltreatment," and even more may be necessary before a child is removed from a home. Thus, successive reports over a period of time may lead to more authoritative CPS intervention.

Table 10.9 shows the significant level of involvement of our respondents with Milwaukee County child protective services since June 1989. Nearly 40 percent (N = 457) were investigated for child abuse and/or neglect. The mean number of investigations per respondent with a history of CPS involvement was 3.76; the median was 3. In fact, only 28 percent of respondents with a history of CPS

involvement were subject to a single investigation. Thirty-six percent of respondents (N = 431) were investigated at least once prior to their Wave 1 interview; 14.2 percent of respondents (36.5 percent of those ever involved with CPS) were investigated after their Wave 1 interview.[37]

Table 10.9
Respondents' Involvement with Milwaukee County Child Protective Services, June 1989–September 2000 (N = 1179)

Type of Involvement	Number of Respondents	Percentage of Sample
Any CPS investigation in Milwaukee County	457	38.8%
CPS investigation in Milwaukee prior to Wave 1 interview (1999)	431	36.6
CPS investigation in Milwaukee after Wave 1 interview	167	14.2
Of those with subsequent CPS investigation, those with *prior history* of CPS involvement	141	11.9
Of those with subsequent CPS investigation, those with *no prior history* of CPS involvement	26	2.2
Court-ordered placement of one or more children concurrent with or prior to interview (self report)	70	5.9
Number of CPS investigations (among respondents investigated at least once)	Mean = 3.76 Median = 3	

We estimated several Cox proportional hazards models to explore in more detail the relationship between sample members' attributes and their likelihood of being subject to a CPS investigation after their Wave 1 interview. These models estimate the increase or decrease in the odds that a respondent will experience an investigation. The terms in the table are multiplicative, and a number greater than one means an increase in the odds of CPS investigation, whereas a number less than one means a decrease in the odds. Parameter estimates from the most inclusive regression model are presented in Appendix Table A10.1. The hazard of CPS investigation is positively associated with the number of resident children, the number of economic hardships experienced during the past year, the level of parental stress, and, most

[37]The average amount of time that sample members could be tracked after their interview (i.e., until the end of September 2000) was approximately 16 months.

significantly, previous involvement with the child welfare services system; it is negatively associated with recent employment.[38]

Although we have not yet identified the substantiation rate for the investigations to which our respondents were subjected, in recent years approximately 37 percent of investigated reports in Wisconsin have been substantiated (U.S. Department of Health and Human Services, Administration for Children and Families, 2000b); in Milwaukee County, it is 38 percent (Wisconsin Department of Health and Social Services, 1994). The substantiation rate for our sample is undoubtedly higher than this, because later reports are, on average, more likely to be substantiated than initial reports, and many of the respondents in our sample were subject to multiple investigations.

Finally, our Wave 1 survey instrument included a set of questions about the placement of children in out-of-home care, including kinship and foster care. Almost 6 percent of our respondents (N = 70) indicated that one or more of their children had been or were placed in out-of-home care.

[38]A more thorough description of our analysis of CPS involvement of this sample can be found in Courtney, Piliavin, and Power (2000).

Chapter 11
Summary and Next Steps

The largely descriptive nature of this report reflects the fact that the data on which it is based were collected during the first wave of what was originally planned as a two-wave panel study, to which a third wave has since been added. We believe that the most important insights to be gained from the project will come from our follow-up interviews with the respondents at Waves 2 and 3. Nevertheless, some of the findings presented here are noteworthy, either because they reinforce impressions gained from other studies of TANF populations around the country or because they suggest new areas that are worthy of investigation.[39]

Like other studies of TANF recipients, we find that our respondents face many challenges in making the transition to economic self-sufficiency. Most have not completed high school, and only a few have postsecondary education of any kind. Many of them have limited and sporadic work histories; some report no paid work experience at all. A significant percentage of the respondents in our sample report that health problems or disabilities limit their ability to work, and roughly half scored above the cut-off point that is generally required as being indicative of depression. The health, school performance, and behavior of their children may make it difficult for respondents both to maintain gainful employment and to parent effectively.[40] Many of the families in our sample have experienced one or more economic hardships in meeting basic needs.

The majority of this sample of W-2 applicants had received cash assistance in the past; in fact, many had been both AFDC and TANF recipients. Most of our respondents had positive things to say about their experience with the W-2 agency to which they had most recently applied for assistance. At the same time, a substantial percentage appeared ignorant or confused about the W-2 program itself. It

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[39]For a summary of the findings from a number of these studies, see Isaacs and Lyons (2000). Reports from individual studies can be found at ASPE's leavers and diversion studies website: http://aspe.hhs.gov/hsp/leavers99/reports.htm.

[40]For information about other studies which include similar child outcomes measures, see Child Trends, Inc. (1999).

will be interesting to see whether and how their understanding of W-2, and their attitudes toward the W-2 agencies, change over time.

Even at this early date, two findings of our project suggest avenues for further investigation both in Milwaukee and elsewhere. First, we found a number of significant differences between our sample of 1999 Milwaukee W-2 applicants and the Milwaukee AFDC participants who began to receive benefits during the months of March through August 1996 (see Chapter 6) that may have implications for self-sufficiency. In particular, our respondents tended to have less education and larger families than the AFDC cohort. There has been much speculation about how the work-first orientation of TANF, and W-2 in particular, might contribute to a change in the population of public assistance applicants. Although the administrative data at our disposal allow only limited comparisons, our findings suggest that this is an issue worth exploring in more detail.

Second, we found a high level of involvement with Milwaukee County child protective services among the respondents in our sample (see Chapter 10). Although it has been known for some time that the vast majority of families receiving child welfare services are eligible for, and in many cases recipients of, public assistance, we are not aware of any studies that have found such a high rate of involvement with the child welfare system among AFDC/TANF recipient families as our data suggest. Further examination of child protective services involvement among families participating in state TANF programs is clearly needed.

We will be collecting two full waves of survey data beyond the baseline interview data summarized in this report. In addition, we have access to a variety of sources of administrative data on our sample members and their children and the resources to link this information to our survey data over the next two years (see Chapter 3). Our future analyses will move beyond description of our sample to an examination of the correlates of parent and child outcomes. We are also proceeding with a qualitative study of variation in the organizational characteristics of the five W-2 agencies in Milwaukee. We hope

that this will add to the richness of the parent, child, and service delivery data that we are gathering through our interviews and linked administrative data.

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APPENDICES

Appendix Table A4.1
Logistic Regression of W-2 Case Opened Post-Wave-1 Interview on Applicant Attributes: Estimated Parameter Coefficients and Odds Ratios

Attribute	Parameter Estimate	Standard Error	Odds Ratio
Intercept	0.7477	0.4688	
Gender			
Female			
Male	-0.3873	0.3507	0.68
Race/Ethnicity			
African American			
White	-0.2364	0.2341	0.79
Hispanic**	-0.651	0.2162	0.52
Other	-0.6948	0.4133	0.5
Marital Status			
Married			
Divorced	0.0842	0.4048	1.09
Separated	0.5503	0.3896	1.74
Never married	0.4566	0.3125	1.58
Other	1.3233	0.8333	3.76
Education			
High school diploma			
GED	0.3137	1.073	1.37
No high school diploma or GED	0.0409	0.1544	1.04
Prior Welfare Program Experience			
Neither AFDC nor W-2			
AFDC only***	0.7172	0.1922	2.05
W-2**	0.7393	0.2691	2.09
Both AFDC and W-2***	1.081	0.2044	2.95
Housing Situation			
Rents own apartment			
Owns own home	0.4807	0.4066	1.62
Doubled-up	0.0217	0.1692	1.02
Homeless	-0.5428	0.4562	0.58
Employment Status			
Not currently employed			
Currently employed**	-0.5774	0.1996	0.56
Age of Respondent	-0.0123	0.0108	0.1
Number of Resident Family Children	-0.0722	0.0694	0.93

Note: Excluded categories are in italics.
* p < .05; ** p < .01; *** p < .001**

Table A6.1
Logistic Regression of Prior AFDC Receipt on Applicant Attributes:
Estimated Parameter Coefficients and Odds Ratios

Attribute	Parameter Value	Standard Error	Odds Ratio
Intercept	-4.0920	0.5002	
Gender			
Female			
Male***	-2.1256	0.3777	0.119
Race/Ethnicity			
African American			
White	-0.1768	0.2273	0.838
Hispanic***	-1.4063	0.2273	0.245
Other	-0.1841	0.4293	0.832
Marital Status			
Married			
Divorced	-0.3673	0.4400	0.693
Separated	-0.3335	0.4150	0.716
Never married	0.5452	0.3333	1.725
Other	1.0770	0.7207	2.936
Education			
High school diploma			
GED	0.1899	0.2898	1.209
No high school diploma or GED	-0.1661	0.1542	0.847
Age of Respondent* **	0.1217	0.0119	1.129
Number of Resident Family Children* **	0.6468	0.0736	1.909

Note: Excluded categories are in italics.
* p < .05; ** p < .01; *** p < .001

Table A6.2
Logistic Regression of Prior W-2 Participation on Applicant Attributes: Estimated Parameter Coefficients and Odds Ratios

Attribute	Parameter Value	Standard Error	Odds Ratio
Intercept	-2.1551	0.4256	
Gender			
Female			
Male	0.0081	0.3310	1.008
Race/Ethnicity			
African American			
White**	-0.6021	0.2266	0.548
Hispanic	-0.2727	0.2044	0.761
Other	0.0071	0.3921	1.007
Marital Status			
Married			
Divorced	0.5845	0.3940	1.731
Separated	0.4836	0.3703	1.622
Never married	0.5476	0.3069	1.729
Other	1.0170	0.5794	2.765
Education			
High school diploma			
GED**	0.6797	0.2667	1.973
No high school diploma or GED**	0.3761	0.1581	1.457
Age of Respondent*	0.0174	0.0088	1.018
Number of Resident Family Children***	0.2565	0.0565	1.292

Note: Excluded categories are in italics.
* p < .05; ** p < .01; *** p < .001

Table A8.1
OLS Regression of Number of Economic Hardships during Past 12 Months on Applicant Attributes

Attribute	Parameter Estimate	Standard Error	T Value
Intercept	-0.2685	0.6184	-0.434
Gender			
Female			
Male	-0.3767	0.5021	-0.750
Race/Ethnicity			
African American			
White*	0.7943	0.3093	2.568
Hispanic	-0.0885	0.3029	-0.292
Other	0.5465	0.5534	0.987
Marital Status			
Married			
Divorced	0.2388	0.5690	0.420
Separated	0.5487	0.5301	1.035
Never married	0.3009	0.4353	0.691
Other	-0.7819	0.8108	-0.964
Education			
High school diploma			
GED	0.3715	0.3524	1.054
No high school diploma or GED*	0.4248	0.2061	2.061
Age of Respondent* **	0.0818	0.0134	6.108
Number of Resident Family Children**	0.2306	0.0865	2.665
Prior Year Earnings	-0.0030	0.0348	-0.085

Note: Excluded categories are in italics.
* p < .05; ** p < .01; *** p < .001

Table A9.1
OLS Regression of CES-D Depression Scale Scores on Applicant Attributes

Attribute	Parameter Estimate	Standard Error	T Value
Intercept	-1.6804	2.6478	1.557
Gender			
Female			
Male	-3.9625	2.1583	-1.836
Race/Ethnicity			
African American			
White**	3.9931	1.3201	3.025
Hispanic***	5.8488	1.3124	4.457
Other	2.1477	2.3440	0.916
Marital Status			
Married			
Divorced*	3.1992	2.4129	2.108
Separated*	4.0485	2.2517	2.156
Never married*	3.6702	1.8463	2.296
Other	2.4792	3.4492	0.822
Education			
High school diploma			
GED	-1.0936	1.4977	-0.730
No high school diploma or GED	0.7015	0.8792	0.798
Prior Welfare Program Experience			
Neither AFDC nor W-2			
AFDC only	0.6923	1.1208	0.618
W-2 only	0.0954	1.4838	0.064
Both AFDC and W-2	-0.1433	1.1086	-0.129
Age of Respondent	0.1151	0.0605	1.903
Number of Resident Family Children	0.0954	0.3844	0.248
Prior Year Earnings	0.1511	0.1487	1.016
Number of Economic Hardships***	1.1418	0.1435	7.957

Note: Excluded categories are in italics.
* p < .05; ** p < .01; *** p < .001

Table A10.1
Cox Model of CPS Investigation Following W-2 Application
(n = 1,179) (167 events, 86 percent of observations censored)

Attribute	Risk Ratio
Female	1.82
White	
Hispanic	1.19
Black	1.39
Other race/ethnicity	1.13
Age of parent in years	.99
Single, separated, divorced, never married	
Married	.85
Age of youngest resident child in years	.98
Number of resident children***	1.17
Parent has one or more nonresident child(ren)	1.32
No high school degree or GED	
High school degree or GED	1.05
Never worked or last worked over 1 year ago	
Currently working or worked in past year**	.60
Earnings in dollars in past year divided by 100	.99
Renter	
Homeless or doubled up	1.17
Owner	.98
Number of economic hardships in past year*	1.05
Never received cash public assistance	
Received only AFDC in the past	1.25
Received only W-2 assistance in the past	.71
Received both AFDC and W-2 in the past	1.07
Agency A	1.49
Agency B	1.13
Agency C	1.58
Agency D	1.12
Agency E	1.21
CES-D score*	1.01
Parent reports being in an unsafe relationship	.92
Parent reports having problem with alcohol in past year	1.53
Parent reports having problem with drugs in the past year	1.07
Parental stress score**	1.05
CPS investigation prior to W-2 application***	8.91
Child placed in out-of-home care currently or in the past**	1.81
Likelihood Ratio Chi-Square (df)	258.0 (30)

Note: Comparison groups are in italics.
* p < .05; ** p < .01; *** p < .001