Illinois Study of Former TANF Clients

Final Report

Prepared by

Institute for Public Affairs
University of Illinois at Springfield

in collaboration with
School of Social Work
University of Illinois at Urbana-Champaign

for

Illinois Department of Human Services

George H. Ryan, Governor
Linda Renee Baker, Secretary
August 2000

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Introduction

The passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) changed the focus of welfare policy from income maintenance to achieving economic self-sufficiency through employment. This initiative in welfare reform also ended the federal guarantee of cash assistance and replaced the Aid to Families with Dependent Children (AFDC) Program with the Temporary Assistance for Needy Families (TANF) Program.

Prior to 1996, more than half of the states had instituted work requirements for some portion of their AFDC caseload, and 31 states had received waivers to test time-limited welfare receipt (DHHS, Administration for Children and Families, 1996). These state-level reforms, coupled with a sound economy, contributed to pre-PRWORA declines in caseloads between 1994 and 1996. In addition, there is strong evidence that these declines have increased since the enactment of PRWORA. Nationally, an estimated 1.6 million families have left the welfare rolls, which means that approximately 4.6 million people, mostly women and children, are no longer receiving cash assistance.

Illinois Study

Illinois implemented TANF on July 1, 1997, concurrent with the creation of the Illinois Department of Human Services (IDHS). One year after implementation of state TANF programs, Illinois had the third highest TANF caseload in the country. Like most states, Illinois emphasized rapid attachment to the labor force through mandatory job searches soon after recipients enter the program. However, Illinois also has been recognized for the extent to which its policies are designed to reward and reinforce TANF participants' work efforts. For example, TANF recipients who combine work with welfare are able to keep most of their TANF benefits, with the grant payments being reduced only $1 for every $3 in earned income. Allowing TANF recipients to retain the other $2 for every $3 earned is more generous than the earning disregard policies of most other states. And whereas Illinois does establish a sixty-month lifetime limit on months of TANF support, unlike most other states, Illinois does not have a time limit for receipt of TANF as long as a recipient is working.

Illinois policy also emphasizes providing support services for those transitioning off TANF. For example, those leaving TANF for work are granted Medicaid coverage for six months, with a renewal available for an additional six months. Also, employed clients and those preparing for or seeking employment are given support for transportation, child care, and other expenses. One example of this employment support is that working leavers with children under 13 years old are eligible for day care assistance, with a sliding scale based on income. To ensure other forms of support, clients are screened for domestic violence, mental health, and substance abuse issues and referred to available services.

The TANF program in Illinois also incorporates important new requirements for recipients. For example, there is a requirement that all TANF clients complete a Responsibility and Services Plan and participate in an approved work activity, and a family cap that limits the grant when additional children are born. In addition, clients whose situation warrants it may be required to participate in a pay-after-performance program. Unmarried minor parents must live with a parent or guardian or in an approved supervised setting; minor parents must be in school if they do not

have a high school diploma or GED. Also, clients may be sanctioned for failure to cooperate with work requirements, child support and paternity establishment activities, and school attendance requirements for elementary and middle school children.

Thus, TANF represents a new welfare program that has succeeded in reducing welfare rolls, but concerns remain regarding what happens to adults and children after they leave the TANF rolls and their cases are closed. As a result, Illinois, like many states, commissioned a study of leaver outcomes. Specifically, IDHS contracted with the Institute for Public Affairs at the University of Illinois at Springfield (UIS), in collaboration with researchers in the School of Social Work at the University of Illinois at Urbana-Champaign (UIUC), to study the experiences of former TANF clients. Additional funding from the U. S. Department of Health and Human Services (DHHS) permitted the expansion of the study to include additional cohorts of TANF leavers and longer follow-up of those cohorts.

There are seven chapters in this report. In the first chapter, Methodology, we present the research design of the study and describe the survey and administrative data that are used to understand what happens when clients leave TANF. Each of the remaining six chapters presents results that address a specific question and are titled accordingly. The titles of these six results chapters are as follows:

Chapter 2: Who is leaving TANF?

Chapter 3: Why are people leaving TANF?

Chapter 4: What are the employment experiences of TANF leavers?

Chapter 5: Who returns to TANF cash assistance and why?

Chapter 6: What services and supports do TANF leavers use and need?

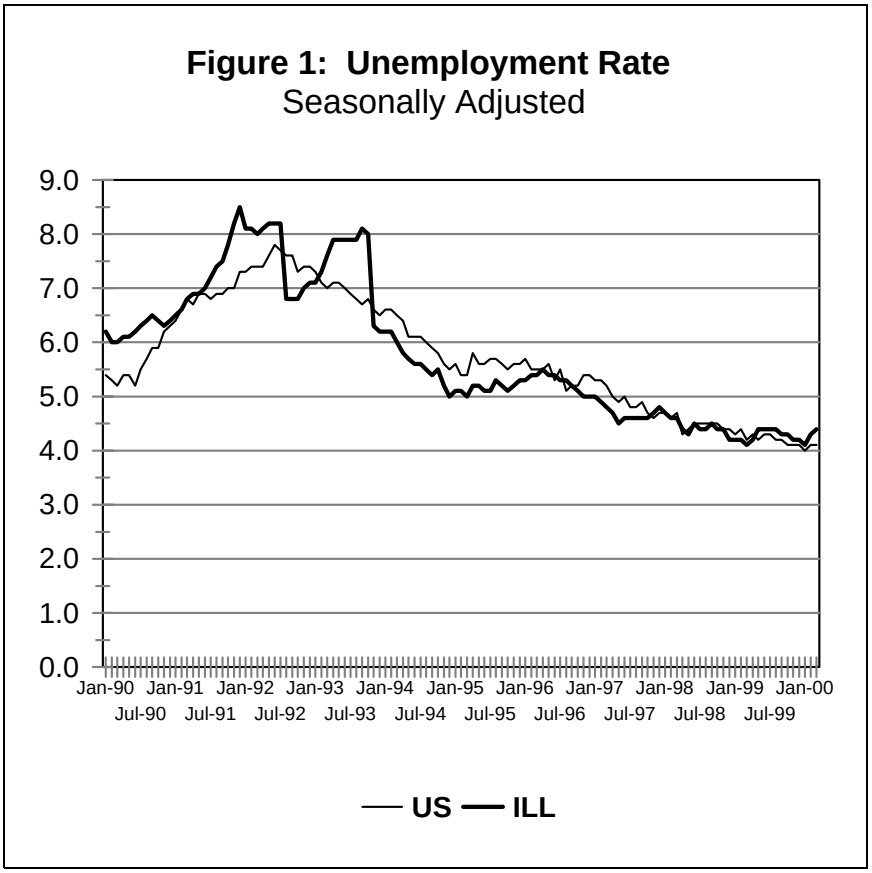
Chapter 7: What is the overall well-being of clients after exiting TANF?

Background on Illinois

Before describing the methodology and the results, it is useful to establish the context of the study. Illinois is a large, diverse state with a total population of 12,128,370 (1999 estimate). Although 84 percent of the Illinois population live in metropolitan areas, some areas of the state are very rural. Illinois residents are 81 percent white, 15 percent African-American, and 3 percent other; Hispanic ethnicity, which is coded separately, represents 10 percent (1996)[1]. Cook County, including Chicago, has a population of 5,192,326 (1999 estimate). Cook County residents are 68 percent white, 27 percent African-American, and 5 percent other; 17 percent are

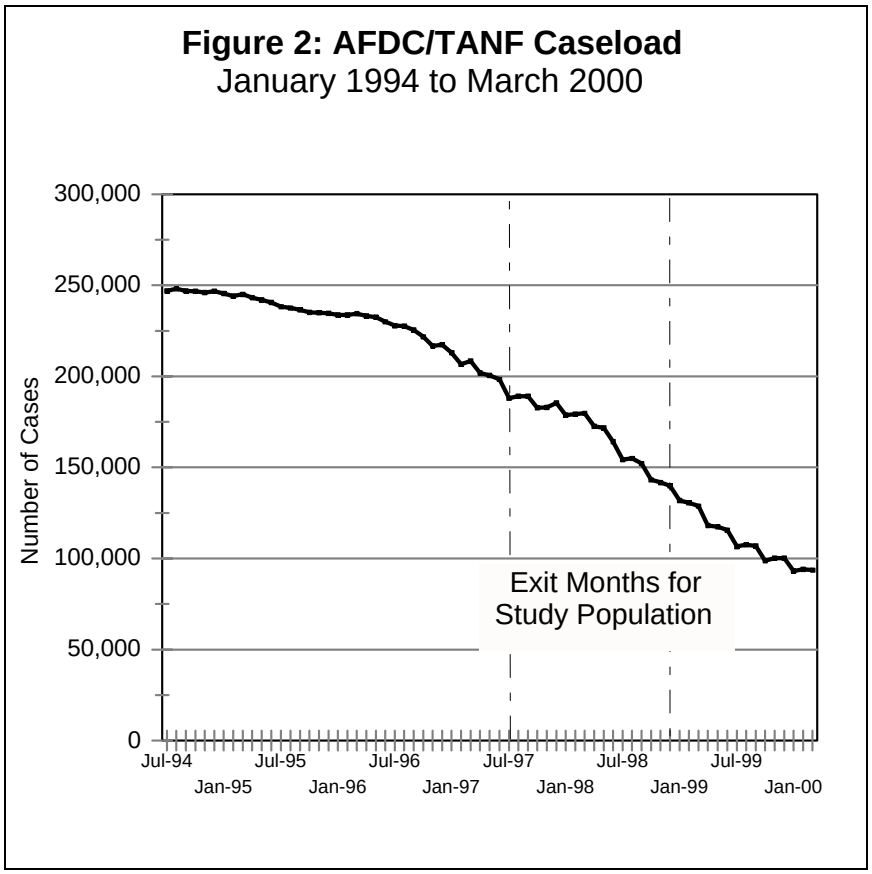
[1]The Census Bureau treats race and ethnicity as separate variables. Hispanic ethnicity overlaps the three racial groups, i.e., Hispanics may be of any race.

Hispanic. The Illinois median household income is $38,078, and 11 percent of the population live in poverty (1995). County poverty rates range from 3 percent in three counties near Cook County to more than 25 percent in two rural counties in southernmost Illinois. Cook County's poverty rate is 15 percent, but some community areas in Chicago have rates above 60 percent. The Illinois unemployment rate has declined since 1994, closely paralleling the national rate. The seasonally adjusted rate in March 2000 was 4.4 percent (see Figure 1).



Source: Bureau of Labor Statistics, U.S. Department of Labor

The Illinois AFDC caseload began declining in 1994 and the decline accelerated in 1996. In June 1997, just prior to the implementation of TANF, the statewide AFDC caseload was at 191,127 cases (562,275 persons). Statewide, 19 percent of the cases were child-only cases. Fifty-one (51) percent of the grantees had completed high school and 65 percent had work experience. Sixty-six (66) percent of the cases were from Cook County and 34 percent from downstate Illinois (outside Cook County). In Cook County, the caseload was 10 percent non-Hispanic white, 74 percent non-Hispanic African-American, 14 percent Hispanic, and 1 percent other. Downstate, the caseload was 58 percent non-Hispanic white, 38 percent non-Hispanic African-American, 4 percent Hispanic, and 1 percent other. The caseload decline continued after the implementation of TANF in July 1997 (see Figure 2). In March 2000, the total caseload was at 93,712 cases, 62 percent fewer than the August 1994 peak of 248,108 cases.



Source: IDHS Client Database (CDB)

Chapter 1
Methodology

This chapter introduces the methodology of this study of welfare reform in Illinois by first defining the population of former TANF clients being considered. The two main sources of information, administrative data and survey data, are then described. For the administrative data, this description focuses on the data files involved and the matching of TANF leavers across these files. The survey component is discussed in terms of the development of the survey instrument and the procedures used to contact and interview the TANF leavers. The final section of the chapter reports on the response rate for the survey and the analyses that were conducted to assess the degree to which the survey respondents were representative of the population of TANF leavers in Illinois.

The survey was designed and implemented by the Survey Research Office (SRO) of the University of Illinois at Springfield in association with the School of Social Work of the University of Illinois at Urbana-Champaign, and in consultation with evaluation staff of IDHS.

Population of TANF Leavers

This study is concerned with addressing the six research questions for the population of leavers. Defining this population requires addressing four points:

1. Identifying primary adult leavers
2. Distinguishing true leavers from temporary administrative closings
3. Employing individual and case levels of analysis
4. Distinguishing all case closings from all cases that close.

Identifying Adult Leavers in Single-Parent and Two-Parent Cases

The first point in defining the population is to note that some TANF cases are identified as "single-parent cases" while others are "two-parent cases." Single-parent cases are those in which only one adult is on the TANF grant, or a second adult is on the grant but is incapacitated. Two-parent cases are those in which two adults are on the grant and available to work. (Before August 1998, a small number of cases with a second parent in the home but ineligible for TANF were classified as two-parent cases.)

For single-parent cases, with typically only one adult, the grantee is usually a mother but sometimes a father, grandparent, or other relative. For two-parent cases, however, either of the two parents could be the grantee, and the leaving of either or both of these adults triggered the entry of the case into the study. If only one of the adults on a two-parent case left assistance, she or he is identified as the primary leaver. If both adults on a two-parent case exited TANF, the grantee is defined as the primary leaver. Note that this definition of TANF leavers does not require that children or a second adult leave cash assistance for the case to be included in the study. Conversely, child-only cases, in which there is no adult on the case and so no adult can exit, are excluded from this study.

This discussion of identifying primary leavers in single-parent and two-parent cases raises another issue about the population under study. Because single-parent cases constitute a large majority of all case closings (they represent over 90% of all exits; they represent an even larger percentage of those on TANF assistance), it is useful for policy reasons to focus on this group. This report will follow an intermediate approach in considering single- and two-parent cases: for each of the six research questions, we will first report aggregate results for both single-parent and two-parent cases and then conduct further analyses that focus on the single-parent cases.

Distinguishing Actual Leavers

A second issue in defining the population of TANF leavers involves the recognition that not all case closings represent what most people would understand as "exiting TANF." Instead, some case closings result from administrative error or, more commonly, from some form of noncompliance on the part of the clients. Many of these cases close for one month, only to be re-opened the next month. In order to exclude these temporary administrative closings, in this study, as well as the majority of other state studies sponsored by the U.S. Department of Health and Human Services, cases are identified as having exited TANF only if the identified adults remain off cash assistance grants for at least two months. For example, those who left TANF in July 1997 were excluded from the study if they began receiving cash assistance again before September 1997. Note that, consistent with IDHS terminology, the exit month for cases was defined as the first month without cash assistance. For example, those defined as leaving in July 1997 received their last cash assistance payment in June 1997.

Individual and Case Levels of Analysis

Another complexity in defining a population of TANF leavers is distinguishing between individuals and cases. All cases considered in this report are comprised of more than one individual, and any given individual, child or adult, may show up on different cases at different points in time. For the purposes of this study, identification of TANF leavers begins with an adult leaving the TANF rolls. All children and adults on the TANF case with this adult leaver at the time of this exit are defined as comprising the case. This information is used for case-level analyses, such as describing the median ages of children on the cases.

One of the main reasons for being clear about individual and case-level analyses is that there can be differences in services received by the adult leaving TANF and those received by others on the case. This report contains both individual and case-level analyses but focuses on case-level analyses using information about adults and children who leave TANF assistance as representing the case. Thus, for most analyses, services such as the receipt of food stamps and participation in Medicaid after exit are defined in terms of the status of the identified adult leaver, recognizing that the children or other adults on the case may have different patterns of services after exit. An additional implication of this focus on adults for most analyses is that recidivism is defined in terms of an identified adult returning to cash assistance. As such, if a case closes and the children or other adults return to cash assistance on some other case, this is not counted as recidivism.

As an exception to this focus on the case level of analysis, one analysis reports on the recidivism rates of the children on the cases of the identified TANF leavers. This analysis

addresses the 244,939 individual children associated with 132,279 cases of adult leavers. The difference between 132,279 cases with individual children and the 137,330 total cases in the population is due to some cases, such as those with a child or children having Social Security benefits that supplant TANF benefits, not having children officially on the case even though there is at least one child in the household.

Distinguishing Cases from Exits

Based on the definitions described above, there were 137,330 TANF cases that closed at least once during the study period, from July 1997 to December 1998. Some of the adult leavers who were used to define the cases returned to TANF and then exited again during the study period; indeed, some exited three or four times during the study period. As a result, there was a total of 151,010 case closings during the study period. In other words, each case has a "first exit" that establishes it in the population of this study; some cases, however, have two or more exits during the study period, yielding a number of exits that is greater than the number of cases. For some purposes we will be interested in describing the 137,330 cases. For other purposes, we will report information about the 151,010 separate exits.

Defining All-Exit and First-Exit Cohorts

Given these definitions, Table 1 presents the population of TANF leavers being addressed in this report. It is important, however, to distinguish "all case closings" from "all cases that closed." The latter refers to any case that closed at least once during the 18-month study period, recognizing that about a fifth of these cases closed two or more times in this period. As such, "all case closings" refers to each administrative closing, even though some closings involves cases that closed previously in the study period. To reflect this distinction, Table 1 presents the single- and two-parent case closings by exit month and quarter using both of these definitions. Thus, the monthly cohorts are presented both in terms of those cases in which the identified adult first exited in the study period (in columns labeled First-Exit) and in terms of what will be called the all-exit cohorts, defined in terms of all cases that closed in a given month, regardless of whether that exit was the first exit of the adult in the study period or a second, third, or fourth exit during the study period (reported in columns labeled All Exits). Looking at the first-exit columns in Table 1, we see that 124,819 single-parent cases and 12,511 two-parent cases (summing to the total of 137,330 first-exit cases) closed at least once during the study period. In the row below these numbers for unduplicated first-exit cases are the numbers of different individuals on these cases, with 347,121 total known persons for single-parent cases (there were approximately 4,836 cases in which children do not show up on these cases; one reason for what appears as an "adult-only" case is that the children were receiving SSI benefits and not IDHS benefits) and 49,966 total known persons for two-parent cases (with additional children on the 211 cases that have no recorded children), for a total of 397,087 known persons being examined in this study. For all-exit cohorts, there are 137,260 exits for single-parent cases and 13,750 exits for two-parent cases, summing to a total of 151,010 case closings in the study period.

Table 1 also displays considerable variation in the size of the monthly cohorts. For example, the total number of exits in a month (the all-exit cohorts) ranged from a low of 2,598 case closings in February 1998 to a high of 12,437 case closings in June 1998. While there are

many factors that affect case closures, several seasonal and administrative factors need to be considered. First, there are generally higher numbers of closures in the first month of each calendar quarter (that is, high closures in July, October, January, and April). One reason for this is that under Illinois' quarterly budgeting policy, cancellations due to increased earnings tend to be effective the first month of each quarter. As a result, monthly cohorts for the first month of a quarter have a higher percent of leavers with recorded income than for the other two months in the quarter. Because of this intra-quarter variation, and for ease of presentation, the remaining descriptive analyses presented in this report will be based on quarterly cohorts.

A second factor to consider in understanding the monthly and quarterly variation in exits is illustrated in the sharp increase in TANF exits in the second quarter of 1998. This quarter, with by far the highest number of case closings, was affected by the high number of closings in June 1998. This is the only quarter in which the third month of the quarter had the most exits, which state officials attribute to a strict application of policy directives regarding the need to close cases for non-cooperation at that time.

Table 1: Case Cohorts; Both Total Leavers and First Time Leavers, by Case Type						
	Single-Parent Cases		**Two-Parent Cases**		**Total Cases**	
Month of Exit	**All Exits**	**First Exit**	**All Exits**	**First Exit**	**All Exits**	**First Exit**
July 1997	9,344	9,344	1,111	1,111	10,455	10,455
August 1997	5,509	5,509	542	542	6,051	6,051
September 1997	5,646	5,646	645	645	6,291	6,291
Third Quarter 1997	**20,499**	**20,499**	**2,298**	**2,298**	**22,797**	**22,797**
October 1997	9,394	9,321	1,043	1,036	10,437	10,357
November 1997	4,991	4,875	493	482	5,484	5,357
December 1997	4,840	4,719	600	585	5,440	5,304
Fourth Quarter 1997	**19,225**	**18,915**	**2,136**	**2,103**	**21,361**	**21,018**
January 1998	8,443	8,113	1,001	961	9,444	9,074
February 1998	2,254	2,140	344	316	2,598	2,456
March 1998	8,575	8,021	994	911	9,569	8,932
First Quarter 1998	**19,272**	**18,274**	**2,339**	**2,188**	**21,611**	**20,462**
April 1998	8,686	7,979	1,070	978	9,756	8,957
May 1998	7,286	6,482	721	651	8,007	7,133
June 1998	10,930	9,744	1,507	1,316	12,437	11,060
Second Quarter 1998	**26,902**	**24,205**	**3,298**	**2,945**	**30,200**	**27,150**
July 1998	10,823	9,510	1,043	924	11,866	10,434
August 1998	6,250	5,425	479	398	6,729	5,823
September 1998	8,233	6,934	568	463	8,801	7,397
Third Quarter 1998	**25,306**	**21,869**	**2,090**	**1,785**	**27,396**	**23,654**
October 1998	11,033	9,128	791	625	11,824	9,753
November 1998	6,701	5,383	316	218	7,017	5,601
December 1998	8,322	6,546	482	349	8,804	6,895
Fourth Quarter 1998	**26,056**	**21,057**	**1,589**	**1,192**	**27,645**	**22,249**
Total Cases	**137,260**	**124,819**	**13,750**	**12,511**	**151,010**	**137,330**
Total Persons		**347,121**		**49,966**		**397,087**

Data Source: IDHS Client Database (CDB)

Administrative Data

Data Files and Variables

Administrative data used for this analysis are derived primarily from the IDHS Client Database (CDB), with other variables from the IDHS Project Chance database, the IDHS Cornerstone database, the Illinois Department of Employment Security (IDES) quarterly wage file, and two Illinois Department of Children and Family Services (IDCFS) databases. These databases were provided by IDHS and IDCFS to the Chapin Hall Center for Children at the University of Chicago (hereafter referred to as Chapin Hall), who, as a subcontractor to the University of Illinois at Springfield, then matched the individuals on the databases and then made these matched databases available to the evaluation team, which was comprised of researchers from the University of Illinois at Springfield and the University of Illinois at Urbana-Champaign. Table 2 summarizes the Client Database variables, Table 3 covers the other IDHS data used, and Table 4 introduces the IDCFS and IDES variables.

IDHS Client Database. The Client Database contains both case-level variables (those with one value being used to represent each case) and individual-level variables that relate to characteristics of the individuals who are on the cases. For this report, we will present individual- and case-level data based on the primary leavers, the adults who were used to define the cases. The first three variables listed in Table 2 were defined earlier. The region variable refers to two levels of delineation. The most basic regional distinction is between Cook County, which encompasses Chicago, and the rest of the state, referred to as downstate. For some analyses, a more fine-grained breakdown among regions is needed, and we use 12 geo-economic zones identified by IDHS to differentiate regions, combining the 12 zones into seven regions for sampling purposes (Cook County, surrounding "collar" counties, downstate urban, and four downstate rural areas) and into five regions for analyses (combining the four rural areas into two groups, the southernmost counties that have particular poverty issues and the rest of the rural counties in the state). Case ethnicity is assigned at case opening based on the ethnic identification of the primary grant recipient. The number of children and total persons come from those listed on the TANF grant and are updated as appropriate. Single-parent cases and two-parent cases are defined, as explained above, using the IDHS administrative category for the case grant. Ages of children which are used to calculate the median age of children, the age of the youngest child, and the percentages of children younger than 1 year old, 6 years old, and 13 years old, are calculated based on client database birth date information and the date of first exit in the study period. Recipient age is a calculated variable based on CDB birth date information and date of first exit. Education of the adult recipients is the self-reported highest level of education. This variable is recorded at the time the case opens but is sometimes updated. Similarly, prior work experience and marital status are self-reported and recorded at case opening, though they are sometimes updated. Food stamps and Medicaid use represent participation of the identified adult (and for some analyses the participation of all children) in these programs for a given month, calculated using start and end dates generated by Chapin Hall for these public supports. Earned income indicates both the presence and amount of earned income in the last month prior to the first exit from TANF assistance. IDHS provided the administrative data to Chapin Hall for the period starting with the second quarter of 1997 through

the second quarter of 1999 (with some data available only up until the first quarter of 1999). Chapin Hall matched the data using probabilistic matching procedures and processed the data to ensure data integrity before sending the data files to the UIS researchers.

Before presenting the data for the variables just described, a caveat is required about two parallel concerns regarding the currency of the data reported. First, much of the administrative data are obtained when a case is opened. Some variables are updated reliably because the TANF payment is calculated using the information. For example, the number of children on a case and the total persons on a case generally are updated accurately. IDHS will be aware of children who age-out of TANF, and clients have an incentive to report additional children. For some variables, such as self-described ethnicity, the timing of recording may not matter as there is little change over time. For variables involving the ages of recipients there are also few problems as they are calculated based on birth date information. Other variables, however, are not updated reliably and can present problems of interpretation. For example, education is not always updated after case opening, and so the level of education reported in the tables that follow may underestimate the amount of education TANF leavers have at exit. Similarly, recording of prior work experience may occur only at case opening and so must be interpreted with possibility in mind.

The second concern with currency of data adds to the first when we are talking about the characteristics of leavers at the time of their second or third (or more) exit from TANF. Because the data received from Chapin Hall contain demographic and case information only as it exists on case records at first exit, we have to recognize that information that was current at first exit may be less so at subsequent exits. For example, when reporting recidivism by region, it is important to recognize that the information about region of residence may have been accurate at the first exit in the study but not accurate for subsequent exits.

IDHS Cornerstone Database. In order to understand the range of services used and needed by TANF leavers, the IDHS Cornerstone Database was used to document use of two family-support services, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and Family Case Management (FCM; see Table 3). The WIC variable notes the start and end dates of participation in a program that provides packages of high-nutrition foodstuffs for women before and after birth and for families with children under six years old that have been identified with medical or nutritional risks. The FCM variable indicates the dates of participation in an individualized program that uses case managers to meet the health needs of those eligible.

IDHS Child Care Tracking System. This study uses a variable from the Child Care Tracking System (CCTS) to records months of child care subsidy paid by the IDHS to the identified TANF leavers, both before and after exit (see Table 3). Two factors complicate interpretation of this information. First, there is often a lag between the months for which the subsidy is applied and the actual pay-out dates for those months. The length of this lag is shrinking such that now approximately 45 percent of the payments are posted within five weeks after the month covered and 90 percent are posted within 10 weeks of the month covered. The data for this file included payments up to May 1999. So some who received payments for the last months being studied (February and March of 1999) may not be counted as participating for those months. Counts for the child care subsidy in January 1999 are expected to be reasonably complete, with the counts for December 1998 being even more complete. A second factor to

consider is that, during the period being studied, this system recorded payments made through the child care certificate system but not those payments made through contracts with child care providers. The certificate system constituted approximately 85 percent of the total care provided, meaning that around 15 percent of those cases receiving subsidies are not reported here as such.

IDHS Project Chance Information System. Project Chance records the education and training activities for TANF recipients. These codes refer to the education and training activities that leavers participated in before exit, activities that are often part of the eligibility requirements for remaining on cash assistance. This database is now being incorporated into the IDHS Client Database, and the transition from a separate database to an integrated one may have resulted in some gaps in the information available about the study population. Responsibility for monitoring and coordinating these education and training activities was being transferred during the study period from a separate Project Chance program to local IDHS offices. This transition complicates the interpretation of Project Chance activity codes, in part because records are not available for some clients and also because the coding system itself has changed as some codes have been phased out while others have been added. Note also that only the most recent activity was recorded for this study (thus, there is no indication of education and training activities that occurred prior to the one recorded), and there are no codes indicating completion of an activity (e.g., a client might be recorded as beginning a post-secondary education program, but this does not entail completion of the program). Further, there are not start and end dates for these education and training activities, so there is no record in this study of the length of time spent in the activity.

IDHS DARTS Database. The IDHS Automated Reporting and Tracking System (DARTS) was used to provide information on services for drug and alcohol abuse. Two variables were used, one based on the start and end dates for residential treatment of drug and alcohol problems for the identified adult leavers, and the other for outpatient drug and alcohol services for these identified leavers (see Table 3).

IDCFS Databases. Two files were used from the Illinois Department of Children and Family Services (IDCFS), with one variable used from each (see Table 4). The first variable records documented substantiated allegations of abuse and neglect of the children on the population of cases being studied, with the dates of these documented allegations being aggregated to the level of the cases associated with the identified leavers. The second variable addresses the placement of children out of the home and into foster care. Though there are several outcomes recorded for those children placed out of the home, the variable used here is for cases that have children placed out of the home in the months (reported as aggregated into quarters) before and after exit.

IDES Wage Data. The Illinois Department of Employment Security (IDES) collects quarterly wage data for all individuals who are earning wages and contributing to the unemployment insurance fund. Some of those who work are missed by this measure, including those who work for the federal government, most agricultural workers, and self-employed individuals. The basic variable used is the dollar amount of recorded quarterly wages for each identified leaver and, for some analyses, any other adult associated with the case (see Table 4).

Table 2: Description of Variables From the IDHS Client Database (CDB)	
Variable	**Description**
All-Exit Cohort	All TANF cases closed during a particular calendar month
First-Exit Cohort	TANF cases closed for first time in the study period by month
TANF Recidivism	Calculated variable; primary adult on TANF case returning to cash assistance status during the study period
Region	Coded in terms of 12 IDHS geo-economic areas; typically aggregated to distinguish Cook County from the rest of the state (downstate) or in terms of five regions
Case Ethnicity	Assigned to case based on primary grant recipient (white, African-American, Hispanic, Asian/Pacific Islander, and Other)
Number of Children	Number of children listed on TANF case
Total Persons on Case	Total number of individuals listed on TANF case
Single/Two-Parent Cases	Type of TANF case, based on category of assistance
Median Age of Children	Calculated variable; interpolated middle age of all children on TANF case
Age of Youngest Child	Calculated variable; age of youngest child at first exit of primary adult
Children under 1 yr, 6 yrs, 13 yrs	Calculated variable; cases coded as having children on grant under specified age (under 1 yr, under 6yrs, and under 13 yrs) at first exit of primary adult
Recipient Age	Calculated variable; age of individual at first study exit based on birth date
Education	Self-reported highest level of education (Some High School, High School Diploma or Equivalent, Post-HS Training, Some College, Associate Degree, College Degree)
Gender	Gender of primary recipient for each case
Prior Work Experience	Self-reported work experience, recorded at case opening and sometimes updated; used both as a dichotomous variable (Prior Experience or No Prior Experience) and for sector of experience (e.g., Service, Manufacturing, Hospitality)
Marital Status	Status at case opening, with possible update (Never Married, Married, Divorced, Separated, Deserted, Widowed, Other)
Earned Income	Earned income in the last month prior to first exit; used both as a dichotomous variable and as an actual dollar amount
Food Stamps	Receipt of food stamps for a particular month
Medicaid	Participation in Medicaid for a particular month

Table 3: Description of Variables from other IDHS Files	
Variable	**Description**
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); Cornerstone	
Receipt of WIC	Use of WIC in quarters before and after first exit by anyone on the case defined by the identified adult leaver; start and end dates of services are used from April 1997 to March 1999
Family Case Management (FCM); Cornerstone	
Receipt of Family Case Management Services	Use of Family Case Management services in quarters before and after first exit by anyone on the case defined by the identified adult leaver; start and end dates of services used are from April 1997 to March 1999
Child Care Tracking System (CCTS)	
Receipt of Child Care Subsidy	Receipt of child care subsidy in quarters before and after first exit by anyone on the case defined by the identified adult leaver; start and end dates of services used are from April 1997 to March 1999
Project Chance Information System (Illinois employment and training database)	
Prior Job-related Education and Training	Most recent Project Chance education and training activity for the identified adult leavers, grouped into eight categories: Self-Sufficiency/Exempt, Orientation & Assessment; Job Search; Below Post-Secondary Education; Post-Secondary Education; Work Experience; Sanctioned; Referred to Provider
IDHS Automated Reporting and Tracking System (DARTS, the Illinois drug and alcohol service database)	
DARTS Residential Care	Participation by the identified adult leaver in a DARTS residential treatment program in quarters before and after first exit; start and end dates of services used are from April 1997 to March 1999
DARTS Outpatient Care	Participation by the identified adult leaver in a DARTS outpatient treatment program in quarters before and after first exit; start and end dates of services used are from April 1997 to March 1999

Table 4: Description of Variables from IDCFS and IDES Databases	
Illinois Department of Children and Family Services	
Database/Variable	**Description**
IDCFS Abuse/Neglect Children's Case Allegations	
Abuse or Neglect of Children	Documented allegations of abuse or neglect of the children in the quarters before and after first exit, aggregated for adult leaver cases that the children are on at first exit; includes sexual abuse, physical abuse, substance abuse, emotional abuse, lack of supervision, environmental neglect, other neglect, and substantial risk of harm; dates used are from April 1997 to March 1999
IDCFS Placement Outcomes	
Out-of-Home Placements	Dates of placement actions in which a child is placed out of the home and into foster care; aggregated to the case level for identified adult leavers; dates used are from April 1997 to March 1999
Illinois Department of Employment Security	
IDES Wage Data	**Description**
UI Quarterly Wages	For adults, average dollar value by quarter; data are available from the 2nd quarter of 1997 to the 1st quarter of 1999.

Data Management Procedures

Chapin Hall provided individual level data for adults and children in the observation period for this study. Separate files were provided for the Client Database such as the start and end dates for TANF, Medicaid, and food stamps and case or individual background information variables. These files were combined using an identification number generated by Chapin Hall. This matching of service start and end dates and individual background information was done for the cases that closed during the study period. Chapin Hall provided a similar data format for the other databases such as DCFS abuse/neglect, DARTS residential and outpatient drug/alcohol treatment files, Project Chance Information System, Child Care Tracking System, Cornerstone (Family Case Management and WIC). Once the data were provided on individuals from these data sources, they were then aggregated to the case level based on the identified primary adults. This aggregation required particular care in that individuals can move from one case to another, and so case composition at the first exit in the study period may not reflect the composition in the quarters before and after this first exit.

Survey Methods for the December Cohort

Survey Development

A team of University of Illinois researchers developed the survey instrument in collaboration with evaluation staff from the Illinois Department of Human Services (IDHS). Development and implementation of the survey was coordinated by the Survey Research Office (hereafter referred to as "SRO") of the University of Illinois at Springfield.

The most important source of questions was a previous instrument developed for a leaver study conducted for IDHS. This provided a pool of questions that already had been extensively field-tested. In addition, we benefitted from TANF survey instruments used in other states. Instruments from the South Carolina Department of Social Services, the Wisconsin Department of Social Services, the Taylor Institute (a non-profit organization), and the University of Michigan Women's Employment Study were particularly useful in developing various segments of the instrument.

IDHS staff with expertise in specific content areas also reviewed the questionnaire to assure that questions were consistent with IDHS programs and policies. The instrument was pre-tested with a random sample of about fifteen leavers similar to those in the study sample, which led to question revisions in several areas.

Survey content focused on the experiences of TANF leavers when leaving TANF and in the months immediately after TANF exit. While a wide array of topics was included, we emphasized employment experiences and issues related to employment. The survey contained questions about leaver circumstances both at the time of the interview and at the time of TANF exit. In addition, selected questions asked about the experiences of leavers before the TANF exit. Including such questioning for selected time periods allowed for limited analyses across time even though the survey was administered at a single point in time.

Using questions that required leavers to recollect events and experiences months after the fact does require interpretive judgments. For example, hardships reported for the six-month period before exit might, in fact, have occurred 10 months before exit, making the counts for "six months before exit" period inflated for that time period. Alternatively, hardships before exit might not be remembered as well as those that occurred after exit. In some cases, this reliance on memory could be supported with administrative data, such as TANF recidivism or the presence of wage income. In other cases, the possible difficulties with recall were minimized by focusing on relative before and after patterns rather than on the absolute level of recalled events. For example, when examining hardships before and after exit, a primary emphasis in interpretation was of the different before-after patterns found for different hardships, such as housing-related hardships versus health care hardships.

The employment sections of the survey were designed to obtain information on employment and unemployment patterns both for leavers and their spouses or partners; wage levels; hours worked; types of employment; duration and stability of employment; job satisfaction; travel time to work; and reasons for job loss and unemployment. Because previous literature has documented that welfare recipients often experience multiple employment barriers, respondents were asked if they had experienced a variety of employment barriers since leaving TANF. Among the barriers explored were child care, work-related expenses, transportation, health, and inadequate education.

Leavers also were asked whether they had received selected income supports or services considered important in sustaining work exits, such as child care, Medicaid, the Earned Income Tax Credit, child support payments, and food stamps. The informal help available from family and friends also was examined, as it again has been hypothesized to influence employment outcomes. To determine the degree to which education and employment experiences were related to subsequent employment, respondents were asked to detail recent employment and training activities and to indicate how helpful these activities had been in securing employment.

The survey contained open-ended questions on the reasons that respondents had left TANF. In addition, closed questions were included on whether selected policy reasons, such as time limits, family caps, or work and training requirements, had influenced their decisions. Those who had returned to TANF similarly were asked about their reasons for return. This information was viewed as an important qualitative extension of the administrative data, which provided less detailed closing reasons on larger numbers of cases.

Several well-being or quality of life indicators were included, and some of these focused on a comparison of experiences after leaving TANF with experiences while on TANF. For example, respondents were asked about selected hardships they experienced in the six months before leaving TANF as well as after leaving TANF, such as housing, medical, and food problems. Respondents were asked to assess their current well-being across several dimensions, such as income, health, relationships with children, and housing and neighborhood conditions. Respondents also were asked a series of questions to determine whether they had been involved in abusive relationships, and whether such relationships had affected their ability to work.

Finally, the questionnaire included a number of background and demographic questions that were used primarily to partition the sample for sub-group analyses. Examples of such questions included household composition and marital status, geographic regions, number and age of children, length of time ever on welfare, and education level.

Sampling and Interviewing Methodology

In January of 1999, a sample of 2,075 TANF clients with December closures was randomly selected from the known population of 8,804 adult leavers. This initial sample was always intended to be temporary in nature since the actual population of leavers for the survey study, as defined by those showing closure for two months in a row, would not be known until the January administrative data became available. However, because of the known difficulty of obtaining high response rates in an earlier survey of TANF leavers, attempts to reach leavers began as soon as possible.

The initial sample was a non-proportional stratified sample, with 1,000 randomly selected from Cook County and 1,075 selected from downstate. The downstate sample was itself a proportional stratified sample, with representative portions of this sample chosen from each of six downstate geographic areas (Chicago area suburban “collar” counties; downstate urban counties; and four downstate rural areas). For the two downstate urban areas (suburban collar counties and downstate urban counties), sample members were randomly selected. For the four rural areas, selected counties were chosen to represent the area, and all leavers in these counties were selected for the sample. Leavers from 32 of Illinois’ 102 counties–and from all the most populous counties–were included in the sample. Leavers from represented counties constitute 94 percent of all statewide December leavers. Table 5 lists each of the geographic areas and associated counties used in the sampling.

Table 5: List of Geographic Sampling Areas Used in Stratified Sampling and Associated Counties	
Cook County (Metropolitan Chicago Area)	
Downstate (outside of Cook County)	
Chicago suburban collar	Five counties: DuPage, Kane, Lake, McHenry, Will
Downstate urban	Twelve counties: Champaign, Kankakee, Macon, Madison, McLean, Peoria, Rock Island, Sangamon, St. Clair, Tazewell, Vermilion, Winnebago
Rural - north	Two counties: LaSalle, Whiteside
Rural - north/central	Three counties: Hancock, Knox, Logan
Rural - south/central	Five counties: Christian, Edgar, Fayette, Montgomery, Pike
Rural - south	Four counties: Franklin, Jackson, Pulaski, White

As soon as the administrative population data became available and the above sampling was conducted, original sample members were sent letters informing them about the study and about the fact that interviewers from the UIS Survey Research Office would be contacting them. Sample members were informed that they would be given a short initial interview and would be paid $15, and that many of the sample members would be re-contacted later for a longer interview. The purpose of the short interview was to establish contact with the TANF leavers as soon as possible after their TANF exit so that IDHS addresses and telephone numbers for these leavers would be as current as possible. The contact information for leavers and collateral contacts collected during these short interviews was used to find the leavers for the longer interview and is not reported separately in this report. All sample members were given an 800 number to call and were sent a contact sheet along with a postage-paid return envelope so that those without phone numbers–or with incorrect phone numbers–could initiate contact with the UIS Survey Research Office.

The initial sample of 2,075 was pared to 1,469 sample members in February 1999 when the January administrative data became available and those with only one month of closure were eliminated. Attempts–through repeated telephone calls and follow-up letters–were made to obtain completions of the short interview with the members of this pared-down sample through May 1999. During this period, "locators" from selected county offices of the University of Illinois Extension and "locators" from selected community action agencies assisted project staff in attempting to find sample members.

In June of 1999, the initial sample was further pared to 954 sample members through random selection. Of these, 421 (44%) had been reached for the initial short interview. At the same time, the sample was supplemented by an additional 47 randomly-selected cases because of the discovery of additional December leavers (i.e., not initially identified as such in January). Thus, the full sample from which data for the survey study is based is composed of 1,001 sample members, 500 of whom are Cook County leavers and 501 of whom are "downstate" leavers (from the rest of Illinois). While the full sample is a non-proportional stratified sample (because of the equal numbers of Cook County and downstate sample members), the downstate portion of

this sample can be considered a proportional sample stratified by selected urban/rural areas.

Final sample members were sent updated letters and informational materials in June informing them they were part of the study for which a longer interview was desired and that they would be paid $25 for participation. Interviewing and attempts to reach the sample members continued from mid-June through late August, 1999. In addition to the types of locators mentioned earlier, the Metro Chicago Information Center was hired to provide locators for more than 200 "hard-to-reach" respondents in the City of Chicago and selected cities in suburban Cook County. Also, the participation payment was increased from $25 to $35 in mid-July when the response rate approached 40 percent and appeared to reach a plateau.

Through these efforts, 514 completed survey interviews were obtained between June 14, 1999 and August 31, 1999. Sixty percent of these interviews (or 30% of the full sample) were completed by July 3, 1999. The average length of the interview was just over 30 minutes (median = 31 minutes; mean = 32 minutes).

Response Rates, Geographic Representativeness, and Weighting

The 514 interviews of those who were identified as having left TANF in December 1998 represents a response rate of 51.3 percent[2]. The response rate for the 501 downstate sample members was somewhat higher than that for the 500 Cook County sample members (53% versus 47%). However, as shown in Table 6, further analysis shows that this difference is largely an urban-rural difference. All urban areas (Cook County, Chicago suburban collar counties, and downstate urban) have response rates of 47 to 48 percent while the response rate for all rural areas combined is 68 percent, ranging from a low of 56 percent in the rural-north area to a high of 78 percent in the rural-south/central area.

[2]In actuality, more than half (57%) of the respondents indicated leaving TANF in November while 30 percent indicated leaving in December. Well over 90 percent (94%) indicated leaving TANF in the October, 1998-to-January, 1999 time period. This increases to nearly all (97.5%) respondents if August and September are included. For ease of description, all survey respondents are referred to as December leavers in this report.

Table 6: Response Rates by Geographic Area		
	Percent responding	***n***
Total Sample	***51.3%***	***1001***
Geographic areas used in sampling		
Major sampling geographic division		
Cook County	47.3%	500
Outside of Cook County (Downstate)	52.7%	501
More specific geographic areas		
Cook County (urban)	47.3%	500
Chicago metro "collar" counties (urban)	47.5%	101
Other downstate urban counties (urban)	48.0%	244
Downstate rural counties	67.9%	156
Rural north	*55.6%*	*27*
Rural north-central	*64.1%*	*39*
Rural south-central	*77.5%*	*40*
Rural south	*70.0%*	*50*
Urban/rural division		
Total urban	48.3%	845
Total rural	67.9%	156

Data Source: Survey Research Office, University of Illinois at Springfield

Given the non-proportional nature of the sample (equally divided between Cook County and "downstate"), and given the urban-rural difference in response rates identified above, it is not surprising that those who completed an interview are not representative of all December leavers by geographic area. As seen in Table 7, the completion sample underrepresents Cook County leavers (because of the non-proportional sampling design) and overrepresents those in downstate *rural* areas more so than those in downstate *urban* areas (because of the urban-rural difference in response rate). Thus, the results reported for the survey responses have been adjusted to correct for both of these facts. Technically, this is done through an "analysis weight." If an area is underrepresented, this weight "counts" a response as "more than 1" so that the area's number of completions will increase in size. Similarly, if an area is overrepresented, this weight "counts" a response as "less than 1" so that the area's number of completions will decrease. These analysis "weights" are shown in Table 7.

Table 7: Geographic Representativeness of Respondents and Analysis Weights				
	December Sample	**Percent of Completions (actual)**	**Analysis weight**	**Percent of Completions (weighted)**
Region				
Major sampling geographic division				
Cook County	71.2%	47.3%		71.2%
Downstate (outside of Cook County)	28.8%	52.7%		28.8%
More specific geographic regions				
Cook County	71.2%	47.3%	1.51	71.2%
Chicago metro "collar" counties	5.8%	9.3%	0.62	5.8%
Other downstate urban counties	14.1%	22.8%	0.62	14.1%
Downstate rural counties	8.9%	20.6%		8.9%
Rural north	*1.6%*	*2.9%*	*0.55*	*1.6%*
Rural north-central	*2.1%*	*4.9%*	*0.44*	*2.1%*
Rural south-central	*2.4%*	*6.0%*	*0.38*	*2.4%*
Rural south	*2.9%*	*6.8%*	*0.43*	*2.9%*
Urban/rural division				
Total urban	91.1%	79.4%		91.1%
Total rural	8.9%	20.6%		8.9%
n	*1001*	*514*		*514*

Data Source: Survey Research Office, University of Illinois at Springfield

Response Rates and Representativeness for Other Characteristics

Response rates for selected subgroups of respondents are presented in Table 8. Overall, there is a significant difference in the response rate by race/ethnicity, with nearly 10 percentage points separating the response rates of whites (58%) and African-Americans (49%), and another near 10 percentage points separating African-Americans and Hispanics (40%). Further analysis shows that the white/African-American difference is largely a result of the urban-rural response rate difference. It is also found that the white/Hispanic difference is concentrated in Cook County.

Other respondent characteristics that show differences in response rates are gender, age, and education. Females have a higher response rate than males. (This difference likely is behind the relatively small difference between single and two-parent cases.) Both the youngest (under 21) and oldest (over 35) age groups have somewhat higher response rates than do those 21 to 35.

And, response rates are found to be positively related to the education level of the respondent (as recorded in the administrative data). Indeed, response rates are the lowest–and by a substantial margin–for those who did not reach high school. On the other hand, those with more than a high school degree have the highest response rate among education level groups.

Two items suggest that those with employment at the time they left TANF have higher response rates than those who did not. First, those with an administrative reason for case closure related to increased earned income (meaning that their employment wages had increased to the point where they were no longer eligible for TANF cash assistance; this is discussed in greater detail below, in the chapter "Why Are People Leaving TANF?") had a response rate of over 60 percent compared to only 45 percent for those with a non-cooperation reason for leaving. Second, and related, those with any reported earned income in the last quarter of 1998 were somewhat more likely to respond than those who did not have reported earned income (55% versus 46%).

A first look shows that there was virtually no difference in response rates between those who ever returned to TANF after leaving for the first time and those who did not return (52% versus 50%). However, a further look shows that those who returned more than once had a lower response rate (43% versus 52% for the other two groups).

Table 8: Response Rates by Selected Characteristics

	Percent responding	***n***
Total Sample	***51.3%***	***1001***
Race/ethnicity - statewide and by geographic areas		
Statewide		
White	58.3%	345
African-American	49.1%	564
Hispanic	39.5%	86
Other	33.3%	6
Cook County	47.3%	500
White	53.4%	58
African-American	50.8%	370
Hispanic	34.8%	69
Downstate	52.7%	501
White	59.2%	287
African-American	45.9%	194
Hispanic	58.8%	17
Urban (both Cook County and downstate)	48.3%	845
White	52.1%	215
African-American	48.2%	541
Hispanic	39.8%	83
Rural	67.9%	156
White	68.5%	130
African-American	69.6%	23

	Percent responding	*n*
Gender		
Male	38.3%	60
Female	52.2%	941
Age respondent reached in 1999		
17 to 20	59.4%	69
21 to 25	48.4%	246
26 to 30	49.8%	243
31 to 35	49.7%	183
36 to 40	54.8%	124
Over 40	54.4%	136
Education level of respondent (from CDB)		
8th grade or less	28.6%	49
Some high school education	49.4%	360
High school diploma/GED	53.4%	431
More than high school education	58.9%	129
Single- or two-parent case		
Single-parent case	51.6%	945
Two-parent case	46.4%	56
Administrative Case Closing Reason		
Earned income	61.9%	273
Non-cooperation	44.7%	360
Other	39.0%	77
Missing/unknown*	53.3%	259*
Any DES reported income during 4th quarter, 1998		
No reported income	46.2%	405
Reported income	55.1%	564
Returned to welfare after first exit		
Dichotomous		
Did not return	52.2%	628
Did return	49.9%	341
Three categories		
Did not return	52.2%	628
Returned once	51.7%	267
Returned more than once	43.2%	74

* *Missing/unknown administrative reason can be due to several reasons, including having an adult leave TANF without the rest of the case closing or having a subsequent IDHS action overwrite the reason for closure.*
Data Source: Survey Research Office, University of Illinois at Springfield

Logistic regression provides estimates of the relative importance of characteristics in affecting response rate behavior while holding other characteristics constant. This is an important addition to the percentages in Table 8 in that it helps us identify which of many correlated factors seem to have the greatest effects on response rates. The variables that appeared important in the univariate analyses were used in this variant of multiple regression analysis to predict response behavior (i.e., interview completion): urban, male, African-American, Hispanic, age under 21 or over 35, education of eighth grade or less, education more than a high school degree/GED, and excess income as administrative reason for case closure.

Table 9 presents the essential results of this analysis. In addition to the overall significance of the model ($p<0.001$ for chi-square test), three of the eight variables were found to be negatively and significantly related to obtaining a completed interview: education of eighth grade or less, male leaver, and urban residence of leaver. Two variables were positively and significantly related to completion of the survey: excess earned income as reason for case closure and leaver age under 21 or over 35 years old (meaning that those between 21 and 35 were less likely to participate in the survey). The other three variables, education beyond high school, African-American ethnicity, and Hispanic ethnicity did not meet the .05 level of significance. Overall, all variables used in the resulting equation predicted 60 percent of the cases correctly.

Table 9: Predicting Response Behavior from Selected Variables: Results of Logistic Regression Analysis

Predictor variables	***b***	**significant**
Education less than ninth grade	-1.029	0.002
Male	-0.821	0.007
Urban	-0.652	0.002
Earned income reason	0.514	0.001
Age<21 or >35	0.355	0.015
Education more than high school	0.300	0.131
Hispanic	-0.425	0.107
African-American	-0.178	0.261
Constant	0.551	

Results of an examination of the representativeness of the respondents to the survey instrument on selected characteristics are found in Table 10. This table presents the profiles of the full sample, the respondents, and the nonrespondents. Both unweighted profiles and profiles adjusted by geographic area are presented. The adjusted profiles represent the results that would appear in the survey report since they correct for geographic imbalances in the respective groups. *Thus, of particular note in this table is how the adjusted profiles for the respondent group compare with the adjusted results for the full sample as a whole (columns 4 and 5 in the table, presented in **bold italics**).* This comparison illustrates the similarities and/or differences in the

conclusions that would be reached from examination of only the survey respondents from those that would be reached for the entire sample.

Across all characteristics, a comparison of these two columns shows that the respondent sample is quite representative of the full sample on the selected characteristics. By design, the respondents in this comparison have been adjusted to be representative across the geographic areas. When adjusted for geographic area, the respondents are very representative of the full sample for gender, age of respondent, single- or two-parent case, number of adults on the case, number of children, and total number in household.

The respondent sample does somewhat under-represent Hispanics, but the difference is not great (8.2% versus 10.8% for the full sample)–and overall, the race/ethnicity distribution is quite representative of the full sample. For dichotomous recidivism (whether or not the leaver ever returned to TANF after first exit), the respondent sample is virtually the same as that for the full sample. Further analysis shows a small under-representation of those who returned to TANF more than once (7.0% versus 8.7% for the full sample).

When adjusted for geographic area, the biggest differences between the respondents and the full sample are found in: the under-representation of the lowest education group (2.2% for respondents versus 5.3% in full sample); the over-representation of those with an earned income type action reason (30.5% versus 25.2% for full sample); and the over-representation of those with reported income in the fourth quarter of 1998 (59.2% versus 55.3% in the full sample). Even for these characteristics, however, the differences are not great, and the respondent sample can be characterized as being quite representative of the full sample on these characteristics.

Table 10: Representativeness of Respondents on Selected Characteristics

	Unweighted			***Adjusted for Geographic Area***		
	Full sample (unwtd)	**Completion (unwtd)**	**No compl (unwtd)**	***Full sample (adj reg)***	***Completion (adj reg)***	***No compl (adj reg)***
Geographic Areas						
Major sampling geographic division						
Cook County	50.0%	47.3%	52.8%	***71.2%***	***71.2%***	*71.3%*
Downstate	50.0%	52.7%	47.2%	***28.8%***	***28.8%***	*28.7%*
More specific geographic regions						
Cook County	50.0%	47.3%	52.8%	***71.2%***	***71.2%***	*71.1%*
Chicago "collar" counties	10.1%	9.3%	10.9%	***5.8%***	***5.8%***	*5.7%*
Other downstate urban	24.4%	22.8%	26.1%	***14.1%***	***14.0%***	*14.1%*
Downstate rural counties	15.6%	20.6%	10.3%	***8.9%***	***8.9%***	*8.8%*
Rural north	2.7%	3.9%	2.5%	***1.6%***	***1.6%***	*1.6%*
Rural north-central	3.9%	4.9%	2.9%	***2.1%***	***2.1%***	*2.0%*
Rural south-central	4.0%	6.0%	1.8%	***2.4%***	***2.3%***	*2.5%*
Rural south	5.0%	6.8%	3.1%	***2.9%***	***2.9%***	*2.9%*

	Unweighted			*Adjusted for Geographic Area*		
	Full sample (unwtd)	**Completion (unwtd)**	**No compl (unwtd)**	***Full sample (adj reg)***	***Completion (adj reg)***	***No compl (adj reg)***
Urban/rural division						
Total urban	84.4%	79.4%	39.7%	***91.1%***	***91.1%***	*91.2%*
Total rural	15.6%	20.6%	10.3%	***8.9%***	***8.9%***	*8.8%*
n	*1001*	*514*	*487*	***1001***	***514***	*486*
Gender						
Male	6.0%	6.8%	5.2%	***5.7%***	***7.3%***	*5.2%*
Female	94.0%	93.2%	94.8%	***94.3%***	***92.7%***	*94.8%*
n	*1001*	*514*	*487*	***1001***	***514***	*487*
Race/ethnicity						
White	34.5%	39.1%	29.6%	***24.8%***	***26.3%***	*23.2%*
African-American	56.3%	53.9%	58.9%	***63.8%***	***65.3%***	*62.4%*
Hispanic	8.6%	6.6%	10.7%	***10.8%***	***8.2%***	*13.3%*
Other	0.6%	0.4%	0.8%	***0.6%***	***0.2%***	*1.0%*
n	*1001*	*514*	*487*	***1001***	***514***	*487*
Age respondent reached in 1999						
17 to 20	6.9%	8.0%	5.7%	***6.1%***	***6.4%***	*5.5%*
21 to 25	24.6%	23.2%	26.1%	***23.6%***	***22.6%***	*25.2%*
26 to 30	24.3%	23.5%	25.1%	***24.3%***	***25.0%***	*23.6%*
31 to 35	18.3%	17.7%	18.9%	***18.8%***	***17.2%***	*20.1%*
36 to 40	12.4%	13.2%	11.5%	***13.1%***	***14.0%***	*12.1%*
Over 40	13.6%	14.4%	12.7%	***14.2%***	***14.8%***	*13.5%*
Mean age	30.8	31.0	30.5	***31.1***	***31.2***	*30.9*
Median age	29.0	29.0	29.0	***30.0***	***29.0***	*30.0*
n	*1001*	*514*	*487*	***1001***	***514***	*487*
Education at time of TANF exit						
8th grade or less	5.1%	2.8%	7.4%	***5.3%***	***2.2%***	*8.3%*
Some high school education	37.2%	35.7%	38.6%	***39.2%***	***38.9%***	*39.7%*
High school diploma/GED	44.5%	46.2%	42.7%	***42.3%***	***40.4%***	*43.9%*
More than high school educ.	13.3%	15.3%	11.3%	***13.3%***	***14.2%***	*12.3%*
n	*973*	*501*	*470*	***973***	***501***	*470*

	Unweighted			*Adjusted for Geographic Area*		
	Full sample (unwtd)	**Completion (unwtd)**	**No compl (unwtd)**	***Full sample (adj reg)***	***Completion (adj reg)***	***No compl (adj reg)***
Administrative case closure reason						
Earned income	28.2%	33.9%	22.1%	***25.2%***	***30.5%***	*20.4%*
Non-cooperation	37.2%	32.3%	42.3%	***43.2%***	***40.1%***	*46.7%*
Other	7.9%	6.0%	10.0%	***7.6%***	***5.6%***	*9.6%*
Missing/unknown	26.7%	27.7%	25.7%	***24.0%***	***23.8%***	*23.4%*
n	*969*	*498*	*471*	***972***	***501***	*471*
Reported income during 4th quarter, 1998						
No reported income	41.8%	37.6%	46.3%	***44.7%***	***40.8%***	*48.3%*
Reported income	58.2%	62.4%	53.7%	***55.3%***	***59.2%***	*51.7%*
n	*969*	*498*	*471*	***972***	***502***	*470*
Returned to welfare after first exit						
Dichotomous						
Did not return	64.8%	65.9%	63.7%	***61.9%***	***62.2%***	*61.1%*
Did return	35.2%	34.1%	36.3%	***38.1%***	***37.8%***	*38.9%*
Three Categories						
Did not return	64.8%	65.9%	63.7%	***61.9%***	***62.2%***	*61.1%*
Returned once	27.6%	27.7%	27.4%	***29.5%***	***30.9%***	*28.7%*
Returned more than once	7.6%	6.4%	8.9%	***8.7%***	***7.0%***	*10.2%*
n	*969*	*498*	*471*	***973***	***502***	*470*
Single- or two-parent case						
Single-parent case	94.4%	94.9%	93.8%	***95.3%***	***96.1%***	*94.5%*
Two-parent case	5.6%	5.1%	6.2%	***4.7%***	***3.9%***	*5.5%*
n	*1001*	*514*	*487*	***1001***	***514***	*487*
Number of adults						
One adult	91.5%	90.7%	92.4%	***92.6%***	***92.6%***	*93.0%*
Two adults	8.5%	9.3%	7.6%	***7.4%***	***7.4%***	*7.0%*
n	*1001*	*514*	*487*	***1001***	***514***	*487*
Number of children						
One child	50.2%	51.4%	49.3%	***50.6%***	***51.2%***	*50.0%*
Two children	28.1%	28.5%	27.1%	***27.9%***	***29.0%***	*27.5%*
Three children	14.1%	12.9%	15.2%	***13.7%***	***13.0%***	*14.1%*
Four or more children	7.6%	7.2%	8.5%	***7.9%***	***6.8%***	*8.4%*
n	*1001*	*514*	*487*	***1001***	***514***	*487*

	Unweighted			*Adjusted for Geographic Area*		
	Full sample (unwtd)	**Completion (unwtd)**	**No compl (unwtd)**	***Full sample (adj reg)***	***Completion (adj reg)***	***No compl (adj reg)***
Total number in household						
Two persons	46.7%	47.3%	46.0%	***47.5%***	***48.1%***	*47.2%*
Three persons	29.5%	30.2%	28.7%	***28.9%***	***29.4%***	*28.3%*
Four persons	14.9%	14.2%	15.6%	***14.7%***	***14.0%***	*15.2%*
Five or more persons	9.0%	8.4%	9.7%	***8.9%***	***8.4%***	*9.2%*
n	*1001*	*514*	*487*	***1001***	***514***	*487*

Data Sources: Survey Research Office, University of Illinois at Springfield and IDHS Client Database (CDB)

Chapter 2
Who is Leaving TANF?

This chapter begins the task of reporting and interpreting the results of this study of welfare reform in Illinois. The first issue to address in understanding what happens when people leave TANF is identifying the characteristics of leavers in order to answer the question, "who is leaving TANF?". These characteristics are presented in the aggregate for the population of leavers and in terms of two administrative distinctions commonly used by IDHS: the distinction between single-parent and two-parent cases and the distinction between the two main regions in Illinois, Cook County versus the rest of the state. In addition to this overall description of leavers, this chapter examines two related questions that are important for informing the policy debate about whether recent success in reducing TANF caseloads is likely to continue:

- Are there trends in the composition of exit cohorts such that those who left early in the welfare reform process in Illinois were more prepared for employment and self-sufficiency than more recent leavers?

- Are the people who remained active on TANF during the study period different from those who exited?

We provide the overall description of TANF leavers using both administrative and survey data. The administrative data are then used to address the two specific questions about the composition of TANF leavers.

Characteristics of Leavers from Administrative Data

The variables introduced above from the IDHS Client Database (CDB) are used in this section to describe the characteristics of those who left TANF during the study period. Information from other databases–Project Chance, Cornerstone, and DARTS, the IDES wage file; and DCFS files on child abuse and foster care–is presented in later sections that focus on particular issues. For these analyses, and for analyses of the administrative data in later chapters, we begin by distinguishing single- and two-parent cases and then consider other distinctions using single-parent cases only. This transition to single-parent cases simplifies the analyses required and is justified by the overwhelming representation of single-parent cases among TANF clients and TANF leavers (as indicated in Table 1, of the 137,330 cases close during the study period, over 90% are single-parent cases).

Characteristics of Single- and Two-Parent Cases

Table 11 presents median and percent values for the CDB administrative variables presented in Table 2. These averages are for the 137,330 defined cases with first exits during the study period, differentiated by the family structure of the case: single-parent, two-parent, and then all cases. These overall statistics, aggregated across the six quarters of TANF leavers being

studied, are adequate to depict many of these variables in that the average statistics remain consistent across the six quarters of study. For example, the median age of the primary adult remains close to 29 years old across the six quarters, though note that adults on single-parent cases are slightly older than those on two-parent cases (median age of 29 years versus 28 years). Using these aggregated numbers, Table 11 shows that single- and two-parent cases are similar in that most cases have at least one child under 13 years old (88.7% of all cases; with 88.2% of single-parent cases and 93.5% of two-parent cases), most have at least a high school diploma (59.5% for all cases; with 59.4% for single-parent cases and 60.4% for two-parent cases), and most have prior work experience recorded at exit (76.8% for all cases; with 76.2% for single-parent cases and 83.5% for two-parent cases).

Also similar for single- and two-parent cases were the codes for the Project Chance Information System (PCIS). For both single- and two-parent cases, the most common employment and training activity (21.3% for single-parent and 30.0% for two-parent cases) was the orientation and assessment programs that help prepare TANF clients for entering the workforce. The related job search program was also common, particularly among the single-parent cases (18.3% for single-parent and 13.8% for two-parent cases).

There are, however, notable differences between the characteristics of the single-parent and the two-parent cases. For example, whereas over half of the single-parent cases are reported as African-American (56.1%), less than one-fifth of two-parent cases are African-American (17.5%). Conversely, over two-thirds (68.3%) of the two-parent cases are reported as white, in contrast to only a third of the single-parent cases (33.7%). There were also some differences in prior work experience, with fewer single-parent cases having work experience (76.2% of single-parent cases and 83.5% of two-parent cases). And, as expected, the single-parent cases were more likely than two-parent cases to have never married (65.3% versus 20.0%) and more likely to be divorced, deserted, or legally separated (total of 24.4% versus 4.7%). Perhaps one of the most important differences between single- and two-parent cases, however, concerns their recent history on TANF, with the median length of the time continuously on TANF during the spell before the first exit in the study period being much longer for single-parent cases (14 months) than for two-parent cases (7 months).

Table 11: Aggregate Client Characteristics at First Exit			
	Single-Parent Cases	**Two-Parent Cases**	**All Cases**
Female Leaver	94.8%	64.2%	92.0%
Median Age of Adult Leaver	29 years old	28 years old	29 years old
Ethnicity			
African-American	56.1%	17.5%	52.6%
White	33.7%	68.3%	36.9%
Hispanic	9.3%	11.2%	9.5%
Asian/Pacific	0.8%	2.9%	1.0%
Native American	0.2%	0.1%	0.2%
Children			
Child less than 1 year old	10.3%	16.1%	10.8%
Child less than 6 years old	61.9%	74.5%	63.1%
Child less than 13 years old	88.2%	93.5%	88.7%
Marital Status			
Never Married	65.3%	20.0%	61.2%
Married	8.2%	75.0%	14.3%
Deserted	11.9%	1.6%	11.0%
Divorced	10.8%	2.8%	10.1%
Legally Separated	1.7%	0.3%	1.6%
Other	2.1%	0.3%	1.8%
Education			
High School Diploma (or more)	59.4%	60.4%	59.5%
AFDC/TANF Welfare History			
Median Spell Length before first exit in study period	14 months	7 months	13 months
Work Experience			
Service	37.7%	38.7%	37.8%
Laborer	19.4%	28.1%	20.2%
Clerical	10.0%	4.3%	9.4%
Sales	3.5%	2.5%	3.4%
Operator	2.7%	3.8%	2.8%
Manager/Professional	2.5%	4.2%	2.6%
Crafts	0.4%	1.9%	0.6%
No Prior Experience	20.5%	13.9%	19.9%
Other	3.3%	2.6%	3.3%
PCIS Employment and Training			
Self-Sufficiency/Exempt	3.3%	9.9%	4.0%
Orientation and Assessment	21.3%	30.0%	22.9%
Job Search	18.3%	13.8%	18.5%
Below Post-Secondary Educ.	5.1%	4.2%	5.2%
Post-Secondary Education	1.2%	0.3%	1.2%
Work Experience	3.8%	13.9%	4.9%
Sanctioned	4.3%	4.0%	4.4%
Referred to Provider	2.1%	0.7%	2.1%
No Known Activity	40.6%	23.2%	36.8%
Total	124,819	12,511	137,330

Data Source: IDHS Client Database (CDB) and Project Chance Information System (PCIS)

Characteristics of Leavers by State Region

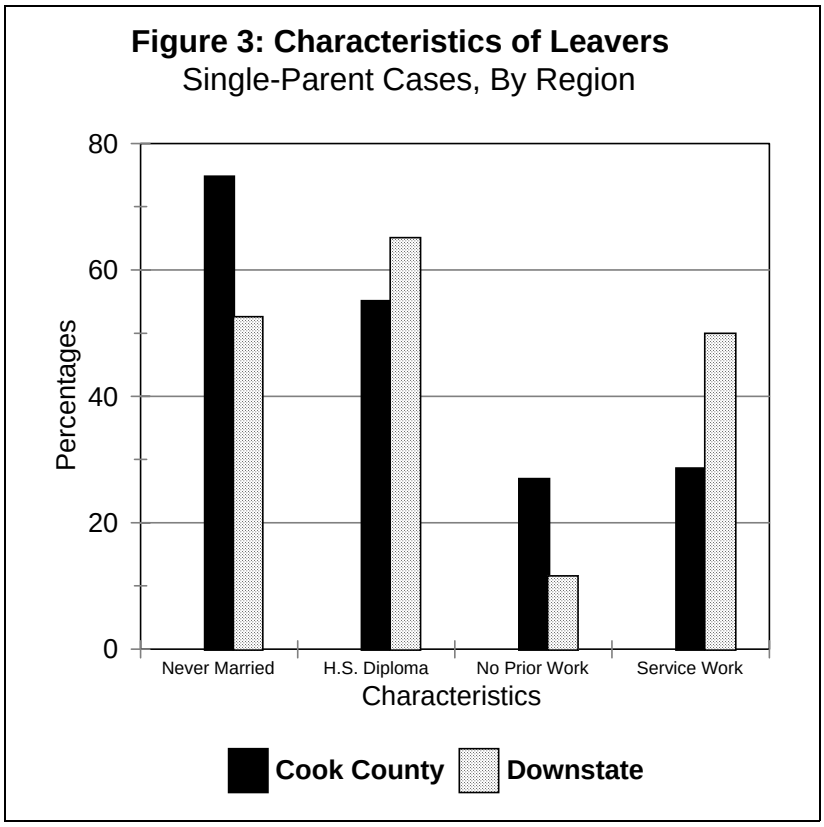
Table 12 presents the information about leavers in terms of the most basic regional distinction for TANF in Illinois, distinguishing those recorded as residing in Cook County at first exit and those living elsewhere in the state, referred to as downstate. Even though the downstate region is comprised of four IDHS administrative regions and includes very different types of communities (from the urban areas around St. Louis to the remote rural areas in the south of the state), the size of the TANF caseload in the urban Chicago area, and its uniqueness in other ways, makes it natural to contrast Cook County with the rest of Illinois.

Though there are some similarities in the profiles of the Cook County and downstate leavers (e.g., predominately female cases, almost all cases have at least one child under 13 years old), several contrasts in Table 12 deserve particular note. First, the ethnic balance is reversed for the two regions, with Cook County having primarily African-American leavers (73.6%) while downstate is dominated by white leavers (63.4%). Second, as shown in Figure 3, downstate leavers are much more likely to have been married at some point (only 52.6% having never been married, compared to 74.8% for Cook County). Figure 3 highlights additional differences, based on data presented in the lower half of Table 12, that suggest that the leavers in Cook County are at greater risk for recidivism and poor career outcomes. In particular, Cook County leavers are less likely to have completed high school (only 55.1% for Cook County leavers have a high school diploma versus 65.1% for downstate leavers). Cook County leavers are also more likely to have no prior work experience (27.0% for Cook County and 11.6% for the rest of the state). Part of the difference between Cook County and downstate in prior work experience appears to be explained by the large difference in prior experience in the service industry (50% of downstate leavers having prior work experience in the service sector, as compared with 28.7% of leavers in Cook County).

A final difference of note, though not presented in Figure 3, is that the Cook County leavers had, in the aggregate, longer spells on cash assistance prior to their first exit in this study (a spell being defined as the number of continuous months on cash assistance prior to exit). Whereas leavers downstate left TANF after relatively short spells, with a median length of 10 months, Cook County leavers had a median spell length of 18 months.

Table 12: Aggregate Characteristics at First Exit by Region, Single-Parent Cases			
	Total	**Cook County**	**Downstate**
Female Leaver	94.8%	96.2%	92.9%
Median Age of Adult Leaver	29 years old	30 years old	27 years old
Ethnicity			
African-American	56.1%	73.6%	32.3%
White	33.7%	11.8%	63.4%
Hispanic	9.3%	13.5%	3.7%
Asian/Pacific	0.8%	0.9%	0.6%
Native American	0.2%	0.2%	0.2%
Children			
Child less than 1 year old	10.3%	8.6%	12.5%
Child less than 6 years old	61.9%	60.5%	63.9%
Child less than 13 years old	88.2%	87.2%	89.5%
Marital Status			
Never Married	65.3%	74.8%	52.6%
Married	8.2%	5.8%	11.5%
Deserted	11.9%	9.8%	14.0%
Divorced	10.8%	5.7%	16.8%
Legally Separated	1.7%	1.7%	1.8%
Other	2.1%	2.1%	3.3%
Education			
High School Diploma (or more)	59.4%	55.1%	65.1%
AFDC/TANF Welfare History			
Median length of spell before first exit in study period	14 months	18 months	10 months
Work Experience			
Service	37.7%	28.7%	50.0%
Laborer	19.4%	18.4%	20.8%
Clerical	10.0%	13.5%	5.1%
Sales	3.5%	2.7%	4.1%
Operator	2.7%	3.4%	1.9%
Manager/Professional	2.5%	2.6%	2.4%
Crafts	0.4%	0.5%	0.4%
No Prior Experience	20.5%	27.0%	11.6%
Other	3.3%	3.2%	3.7%
PCIS Employment and Training			
Self-Sufficiency/Exempt	3.3%	3.1%	3.6%
Orientation and Assessment	21.3%	15.0%	29.8%
Job Search	18.3%	17.6%	19.3%
Below Post-Secondary Educ.	5.1%	5.1%	5.1%
Post-Secondary Education	1.2%	1.0%	1.6%
Work Experience	3.8%	3.1%	4.7%
Sanctioned	4.3%	3.6%	5.1%
Referred to Provider	2.1%	2.7%	1.4%
No known activity code	40.6%	48.8%	29.4%
Total TANF Cases	124,819	71,838	52,981

Data Source: IDHS Client Database (CDB) and Project Chance Information System (PCIS)



Data Source: IDHS Client Database (CDB)

Characteristics of December Cohort

Information from the survey about the characteristics of the December 1998 cohort adds only a few details not available in administrative data, but it can help us understand the more substantive information presented about the survey respondents in later portions of this report. Selected characteristics of survey respondents who left TANF in December 1998, are presented in Table 13. Profiles for all respondents and for single-parent cases are presented. Since 96 percent of the respondent sample is composed of single-parent cases, the single-parent results are virtually the same as that for the respondent sample as a whole. Thus, the focus below will be on the entire respondent sample (with exceptions noted where warranted).

Geographic Distribution of Respondents

About 70 percent of the December leaver respondents (71.2%) were from Cook County. The 29 percent of the leavers who were from downstate are distributed as follows: Chicago suburbs (5.8%); downstate urban areas (14%); and downstate rural areas (8.9%). As such, most leavers were living in urban areas.

Gender, Race, and Age of Respondents

For the December leaver respondents as a whole, 93 percent (92.7%) are female while just over 7 percent are male. For single-parent cases, the percentage of females is greater (97.4%). Nearly two-thirds (65.3%) of all respondents are African-American, while about one-quarter (26.3%) are white and just under one-tenth (8.2%) are Hispanic. The median age of the respondents when leaving TANF in December was just under 30 years old, with 54 percent of the leavers under 30 years old and 46 percent being 30 years old or older. More specifically, only around six percent (6.4%) were less than 20 years while almost three-tenths (28.8%) were 35 years or older.

Education Level of Respondents

The administrative data indicate that 42 percent (41.8%) of the respondents had less than a high school degree or GED at the time of their first TANF exit during the study period (recognizing that this information may have been collected when the case was opened and not updated). Slightly more (43.9%) had a high school degree or GED recorded in the administrative data, while one in seven (14.2%) had some post-secondary education.

Survey responses for the December cohort indicated that about 29 percent (28.5%) had less than a high school degree or GED, while 30 percent (29.9%) had a high school degree or GED as their highest level of education. Nearly one-quarter said they either had been in trade/technical school (7.8%) or had some junior college education (15.7%). Sixteen (16) percent indicated further schooling, with either an associates degree (4.5%), some education at a four-year college (7%), or a four-year college degree (4.5%).

Household Composition of Respondents

Nearly half (48.1%) of the respondents lived in a two-person household, while nearly three of ten (29.4%) lived in a three-person household. About half this number (14%) lived in a four-person household, and about half of this (8.4%) lived in a household with five or more members. Just over one-half (51.3%) had one child, while nearly three of ten (28.5%) had two children. About one in eight (12.8%) had three children, and about half this number (7.4%) had four or more children.

At the time of the survey interview, just over 60 percent (62.1%) of all respondents indicated that their youngest child was less than 6 years old, and one-quarter (25.1%) indicated their youngest child was 6 to 12 years old. Nearly seven percent (6.6%) said their youngest child was 13 to 17 years old while about half this number (3.5%) said their youngest was over 17 years old. (Note that a few respondents, 2.7%, indicated having no children living at home at the time of the interview.)

Table 13: Aggregate Characteristics at First Exit
Characteristics of the December 1998 Survey Respondents

Characteristic	All Respondents *(n=501 to 514)*	Single-parent *(n=483 to 494)*
Region		
Major geographic division		
Cook County	71.2%	72.0%
Outside Cook County (downstate)	28.8%	28.0%
More specific geographic areas		
Cook County	71.2%	72.0%
Chicago metro "collar" counties	5.8%	6.1%
Other downstate urban counties	14.0%	13.8%
Downstate rural counties	8.9%	8.3%
Rural north	1.6%	1.4%
Rural north-central	2.1%	2.0%
Rural south-central	2.3%	2.2%
Rural south	2.9%	2.4%
Urban/rural division		
Total urban	91.1%	91.7%
Total rural	8.9%	8.3%
Gender		
Male	7.3%	2.6%
Female	92.7%	97.4%
Race/ethnicity		
White	26.3%	24.7%
African-American	65.3%	66.7%
Hispanic	8.2%	8.3%
Other	0.2%	0.3%

Characteristic	All Respondents *(n=501 to 514)*	Single-parent *(n=483 to 494)*
Age of respondent when exited TANF		
Less than 20 years old	6.4%	6.7%
20 to 24 years old	22.6%	22.9%
25 to 29 years old	25.1%	25.7%
30 to 34 years old	17.0%	17.0%
35 to 39 years old	14.0%	13.4%
40 years or older	14.8%	14.4%
Education level at first exit in study (admin)		
8th grade or less	2.2%	2.3%
Some high school education	39.6%	39.8%
High school diploma/GED	43.9%	43.5%
More than high school education	14.2%	14.5%
Education level (reported in survey)		
Less than high school degree/GED	28.5%	28.5%
High school degree/GED	29.9%	29.4%
Trade/technical school	7.8%	7.9%
Some junior college	15.7%	16.2%
Associates degree	4.5%	4.3%
Some four-year college	7.0%	7.3%
Four-year college degree	4.5%	4.3%
Single or two-parent case		
Single-parent case	96.1%	100.0%
Two-parent case	3.9%	0.0%
Number of adults		
One adult	92.6%	96.4%
Two adults	7.4%	3.6%

Characteristic	All Respondents *(n=501 to 514)*	Single-parent *(n=483 to 494)*
Total number in household		
Two persons	48.1%	50.1%
Three persons	29.4%	29.0%
Four persons	14.0%	13.4%
Five or more persons	8.4%	7.5%
Number of children		
One child	51.3%	51.9%
Two children	28.5%	28.4%
Three children	12.8%	12.6%
Four children	4.7%	4.5%
Five or more children	2.7%	2.5%
Age of youngest child (survey data)		
Under 6 years old	62.1%	63.1%
6 to 12 years old	25.1%	24.3%
13 to 17 years old	6.6%	6.7%
Over 17 years old	3.5%	3.2%
No children	2.7%	2.6%
Employment between exit and interview		
Employed entire time	23.5%	23.9%
Employed sometime	23.0%	23.1%
Unemployed entire time	53.5%	53.0%

Data Sources: Survey Research Office, University of Illinois at Springfield and IDHS Client Database (CDB)

Changing Composition of TANF Leavers

Understanding the characteristics of TANF leavers provides a foundation for later analyses of issues such as employment and use of other services. In order to inform policy, however, an additional consideration is whether the characteristics of TANF leavers are changing over time. The concern is that the earlier leavers may have been better prepared for employment and self-sufficiency. We examine this question by comparing the characteristics of those who left in the six calendar quarters for the 18 months under study. Before presenting these trends across quarters, however, we need to first address a possible bias that can result from conducting a trend analysis on the 18-month population as defined by the month in the study period in which the identified leaver first exited TANF.

First Exits Versus Subsequent Exits

As mentioned in the methodology chapter, the population for this study is defined as all TANF cases that closed at least once during the study period. Cases entered this population in the month of the 18-month study period in which they first left cash assistance. Each case, therefore, can be assigned to a monthly cohort based on this first-exit definition. Implicit in this first-exit definition, however, is the systematic exclusion from later monthly cohorts of any case that had closed and opened again in previous months, an exclusion that does not apply to the early first-exit cohorts. If cases that close and open repeatedly are in some way less prepared for post-TANF self-sufficiency, a trend analysis of these first-exit cohorts will be biased. To document the possibility of bias that could result from describing the changes in the first-exit cohort over time, Table 14 divides all leavers for a given quarter into two groups: those who left the study for the first time in the study period (the first-exit definition) and those who had left TANF previously during the study (subsequent exits). For each quarter these two groups sum to the total of the all-exits for that quarter.

In the first quarter of the study, the third quarter of 1997, there are no Subsequent Exits; all who exit in that quarter are assigned to that first-exit cohort. However, as indicated in the column of Table 14 labeled Cohort Size, by the fourth quarter of 1998, 4,999 of the cases that closed during that quarter are excluded from the first-exit cohort of that quarter because they had closed previously during the 18-month study period. If those being screened out of the later cohorts are different than the cohort averages, then this approach to defining cohorts can contribute to biased comparisons. For example, if those being excluded were at increased risk for recidivism, then excluding them would make the later cohorts appear more positive than is warranted.

Documenting such a bias is complicated in this study because the characteristics of leavers is provided only for the first exit. If characteristics are different at later exits, this first-exit information can be misleading. With this caution in mind, Table 14 presents the differences in trends and quarterly percentages (combining both single-parent cases and two-parent cases) between those in the first-exit cohorts and those that would be excluded as subsequent exits. We see that there are trends among the first-exit leavers but that those trends have been attenuated by the exclusion of the subsequent exits. For example, whereas there is an increase in the percentage of African-Americans across the last five quarters of first-exit leavers being reported (from 51.3% in the fourth quarter of 1997 to 61.1% in the fourth quarter of 1998), the increase is

larger among those who have recycled on and off TANF one or more times during the study period (from 50.3% in the fourth quarter of 1997 to 65.6% in the fourth quarter of 1998). Similarly, whereas there is a noticeable decrease across quarters in the percent of leavers who have completed high school (who have a high school diploma or further education) and an increase in the percent who have never married, the pattern is more disconcerting for those who recycle off and on again on TANF cash assistance (e.g., by the fourth quarter of 1998 the subsequent exits are less likely to have at least a high school diploma and are more likely never to have married). As alluded to in the caution above, it is possible that the greater decrease for subsequent exits in percent of high school completion and increase in leavers who were never married are due to the data being recorded only at first exit. However, in that the greater increase among subsequent exits of the percent of African-American leavers is consistent with the patterns for education and marital status, excluding subsequent exits does seem to change the composition of cohorts.

Thus, use of the first-exit definition can result in minimizing meaningful trends across quarters. Because these trends can be important for policy discussions, for some analyses we will make comparisons across quarters using the all-exits cohorts, cohorts that include both those leaving TANF for the first time during the study period and those who recycle and have exited again during the study period. For this purpose, the next section describes the characteristics of these all-exit cohorts for single-parent cases.

Table 14: Comparison of First-Exit Cohorts and Subsequent Exits in Study Period, Single-Parent Cases

Cohort			Characteristics on Record at First Exit in Study Period					
	Cohort Size		African-American		Completed H.S. or More		Never Married	
Quarter of Exit	First Exits	Subseq. Exits	% of First Exits	% of Subseq. Exits	% of First Exits	% of Subseq. Exits	% of First Exits	% of Subseq. Exits
3rd Quarter, 1997	20,499		53.4%		60.0%		62.9%	
4th Quarter, 1997	18,915	310	51.3%	50.3%	61.8%	58.7%	61.8%	58.7%
1st Quarter, 1998	18,274	988	52.7%	51.9%	60.9%	57.0%	63.2%	62.3%
2nd Quarter, 1998	24,205	2,697	59.5%	58.4%	58.8%	55.8%	67.4%	69.2%
3rd Quarter, 1998	21,869	3,137	56.8%	59.4%	57.8%	54.4%	67.2%	68.8%
4th Quarter, 1998	21,057	4,999	61.1%	65.6%	57.4%	53.5%	68.5%	72.5%

Data Source: IDHS Client Database (CDB)

Characteristics of Single-Parent, All-Exit Cohorts

Trends in descriptive characteristics for ethnicity, high school completion, and never-married status are presented in Table 15 for those on single-parent cases at first exit (recognizing that some may be on two-parent cases at subsequent exits). The percent of leavers with at least a high school diploma shows a slight decline for the six quarters, beginning at 60 percent and ending under 57 percent. More substantial is the change in the ethnic distribution of leavers. The percent of Hispanic leavers remains fairly constant at less than 10 percent. The percent of African-Americans, however, increases from under 54 percent in the third quarter of 1997 to 62 percent for the fourth quarter of 1998. Similarly, white cases account for just over 36 percent in the third quarter of 1997 but decline to around 28 percent in the fourth quarter of 1998. The percent of those never having been married shows an increase in this period, from approximately 63 percent for the third quarter of 1997 to over 69 percent by the fourth quarter of 1998. The percent of cases from Cook County also increases over the study period, from around 55 percent in the third quarter of 1997 to almost 65 percent in the fourth quarter of 1998. Finally, while the percent of leavers with earned income in the month prior to exit increased three percentage points in the study period, so did the percent of those with no prior work experience, from around 20 percent in the third quarter of 1997 to 23 percent in the fourth quarter of 1998.

Some of these trends, such as the decreasing percent of high school graduates, the increasing percent never married and the decreasing percent with prior work experience, raise concerns that those leaving TANF in the later quarters covered by this study are not as well prepared to remain off cash assistance as those who left in the early phases of welfare reform. Those with lower education levels and without work experience may have more difficulty finding stable jobs, and those not married may experience greater difficulties with the supports needed to balance work and family responsibilities. These issues will be explored in subsequent survey analyses.

Table 15: Trend Analysis of All-Exit Cohort Characteristics for Single-Parent Cases

Characteristics	All-Exit Quarterly Cohorts					
	3rd Qtr 1997	4th Qtr 1997	1st Qtr 1998	2ndQtr 1998	3rd Qtr 1998	4th Qtr 1998
Ethnicity						
African-American	53.4%	51.3%	52.7%	59.4%	57.2%	62.0%
White	36.3%	38.5%	37.4%	31.3%	32.4%	27.9%
Hispanic	9.3%	9.3%	9.1%	8.4%	9.5%	9.3%
Other	1.0%	0.9%	1.0%	0.9%	1.1%	1.0%
High School Diploma (Equivalent or more)	60.0%	61.8%	60.7%	58.5%	57.4%	56.7%
Never Married	62.9%	61.7%	63.2%	67.6%	67.4%	69.3%
Income prior to exit	26.6%	32.4%	32.8%	23.5%	28.6%	29.6%
Cook County	55.2%	50.4%	51.3%	61.2%	57.4%	64.8%
No Work Experience	19.9%	18.2%	18.0%	21.0%	21.9%	23.0%
All-Exit Cohort Size	20,499	19,225	19,272	26,902	25,306	26,056

Data Source: IDHS Client Database (CDB)

Comparison of Open and Closed Cases

If, as just described, more recent TANF leavers are more at risk for recidivism, policies that are effective in supporting the early TANF leavers may not prove as adequate in leading to self-sufficiency for later leavers. It is possible, however, that the same argument can be made for those who remained on TANF assistance during the entire 18-month study period. Thus, discussion of the characteristics of TANF leavers needs to include also a comparison of leavers with those who did not leave. This comparison is of particular concern when attempting to predict whether the current successes in reducing caseloads are likely to continue. We address this question by using a sample of those cases that were active in June 1997 but never closed during the next 18 months. This sample of open cases was created by beginning with the total set of 54,620 cases that were open in June 1997 and remained open for the next 18 months. We then randomly selected 10,944 cases, from this population, approximately a 20 percent sample.

As shown in Table 16, the characteristics of this sample of cases that remain open during the study period can then be compared to the subset of leavers whose cases were open in June 1997 but then closed the next calendar quarter (July 1997, August 1997, or September 1997). Though similar in mean and median ages and with regard to having children in the indicated age ranges, this comparison of open and closed cases reveals substantial differences. Those cases that remained open were more likely to be single-parent cases headed by a female, more likely to be an African-American who has never married, and less likely to have at least completed high school.

Table 16: Comparison of Closed and Open Cases		
	18-Month Open Cases	**Leavers in 3rd Qtr, 1997**
Female	97.5%	91.2%
Single-parent case	98.3%	89.9%
Education: H.S. diploma or more	45.5%	60.1%
Cook County	75.1%	52.6%
Ethnicity		
African-American	72.0%	49.5%
White	18.0%	39.9%
Hispanic	8.8%	9.4%
Other	1.2%	1.2%
Children		
Child less than 1 year old	10.4%	11.9%
Child less than 6 years old	68.1%	64.9%
Child less than 13 years old	94.5%	89.6%
Marital status		
Never married	74.6%	58.4%
Married	6.1%	15.9%
Divorced	5.7%	10.7%
Deserted	10.6%	11.6%
Widow	0.4%	0.6%
Legally separated	1.5%	1.6%
Other	1.1%	1.2%
Age of recipient		
Mean age	30.2 years old	30.0 years old
Median age	29 years old	28 years old
IDHS earned income, June 97 or month prior to exit	20.5%	27.1%
Work Experience		
Service	28.0%	37.7%
Laborer	15.0%	20.4%
Clerical	9.2%	9.1%
Sales	3.2%	3.3%
Operator	2.7%	3.1%
Manager/Professional	1.5%	2.6%
Crafts	0.3%	0.6%
No prior experience	36.6%	19.3%
Other	3.5%	3.9%

Data Source: IDHS Client Database (CDB)

Summary

Looked at in the aggregate, the 137,330 TANF cases that closed at least once during the study period of July 1997 to December 1999 were predominately single-parent cases (91%) that were headed by a female (92%). The median age of the primary adults on these cases was 29 years, and the majority were African-American (53%), had never married (61%), and had at least one child under six years of age (63%). Further, most had at least a high school diploma or equivalent (60%), and most had some previous work experience (80%).

This overall picture of the leavers changes when they are disaggregated into groups. For example, when distinguishing single-parent cases by region, TANF leavers in Cook County were more likely to have never married (75% versus 53% for downstate), less likely to have a child under one year of age (9% versus 13% for downstate), less likely to have at least a high school diploma (55% versus 65% for downstate), and less likely to have previous work experience (27% with no prior experience versus 12% for downstate). Further, the Cook County leavers were older (median age of 30 years versus 27 years downstate), had greater representation by African-Americans (74% versus 32% for downstate), and tended to have longer welfare spells before their first exit in the study period (median spell length of 18 months versus 10 months for downstate).

Finally, this description of the TANF leavers can be contrasted with a description of those cases that remained open during the 18-month study period. Adults on these active cases (those that were open in June 1997 and remained open until at least January 1999) were less likely to have at least a high school diploma (46%), less likely to have prior work experience (37% with no prior experience), and more likely to have never married (75%). Similarly, TANF leavers in the later exit cohorts generally were less educated and had less work experience than early TANF leavers. These findings suggest that persons remaining on TANF may encounter greater difficulties in establishing sustainable employment than early leavers.

Chapter 3
Why Are People Leaving TANF?

This section examines why people leave TANF. The main question of interest is the degree to which TANF cases are closing because the adults are securing employment so that they either are not eligible for TANF or do not feel that they need cash assistance. As in the previous section, we use both administrative and survey data to examine this issue and provide an overview of the reasons why TANF cases close.

Beyond addressing the general question of why people leave TANF, we are concerned also with two policy-related questions:

- Are there differences among subgroups regarding the administrative or personal reasons for case closings?

- Are there trends in percent of cases that are closed for income or non-cooperation reasons?

We begin with an analysis of the administrative data available for the 18-month population of cases and then supplement this analysis with an analysis of the self-reported reasons for TANF case closures provided by the December 1998 survey cohort.

Population Analysis of Administrative Reasons for Case Closings

Administrative reasons for case closing refer to the IDHS codes that are recorded at exit as Type Action Reasons. There are over 60 codes used to indicate closure reasons, but, for the purposes of this study, these can be categorized into four major groupings: closure for excess earned income, closure for non-cooperation with IDHS regulations, "other," and missing/unknown. The particular codes that comprise these four categories and the frequency of leavers for each of the codes are presented in Appendix II. In what follows we describe these four major groupings of administrative case closing reasons and then present tables that reveal patterns among the reasons for case closings. As in the previous chapter, we begin this analysis by contrasting single-parent and two-parent cases, and then focus on single-parent cases to report on regional differences and other factors associated with cases being closed for income and non-cooperation reasons. This focus on single-parent cases is consistent with the national interest in this group, which represents over 90 percent of the population of leavers in Illinois and so is the major focus of welfare policy.

Note that all analyses of administrative reasons for case closure are limited by the unavailability of data on reasons for some leavers. One way that a leaver may not have a recorded reason for closure is when one adult, the identified adult in this study, leaves the case (and so leaves cash assistance) but all other family members remain on assistance and so the case is not closed. In that the case is not closed, there will be no closing reason assigned to the identified adult leaver. Another way that a leaver would not have a recorded reason for closure is when other administrative actions take place after the exit (but before the data were extracted

from the IDHS CDB) and overwrite the case closure code with other codes for other case actions. All such cases are reported as having an unknown/missing reason for case closure.

Administrative Coding of Case Closing Reasons

Summarizing the many codes used by IDHS in categorizing the reasons that TANF cases are closed, cases are closed for "earned income" reasons if additional earned income places the family above the specified limit for that family size or if the client requests cancellation due to employment. We see in Table 17 that one-third of the 137,330 cases were closed for income reasons (33% of all leavers, or 41.6% of cases with known administrative reasons), with most of them being because earned income exceeded the federal poverty level. Cases are closed for "non-cooperation" for a variety of reasons, ranging from failure to verify earned income to failure to keep an appointment for an employment interview. Approximately one-third of all cases were closed for non-cooperation (32.4%, or 40.9% of those with known reasons), with most being due to a failure to keep an appointment with an IDHS caseworker.

In that income and non-cooperation were of central concern with regard to administrative reasons for case closings, an "other" category was created for such events as the child on the case becoming ineligible, increased unearned income, or the client moving out of state. In addition, as mentioned above, administrative reasons were unavailable for many of the cases, sometimes because the code recorded was invalid but primarily because the codes were missing.

Table 17: Categories of Administrative Reasons for Case Closings

Cancellation Type Actions Reasons	Closed Case Population		
	Frequency	% of known	% of total
Earned Income	45,260	41.6%	33.0%
Client Action or Non-cooperation	44,524	40.9%	32.4%
Other Reason	19,063	17.5%	13.9%
No longer an eligible person	6,448	5.9%	4.7%
Increased assets/unearned income/support; reduced need	3,453	3.2%	2.5%
Client move or cannot locate	9,162	8.4%	6.7%
Total Non-Missing	108,847	100.0%	79.3%
Unknown/Missing Reason	28,483		20.7%
Total	137,330		

Data Source: IDHS Client Database (CDB)

Major Reasons for Case Closing by Case Type and Region

Table 18 disaggregates the information for the four major categories of reasons for case closure by case type (single- versus two-parent cases). Note that, compared with single-parent cases, two-parent cases are much less likely to be closed for non-cooperation (19.2% for two-parent cases versus 33.8% for single-parent cases) and correspondingly more likely to be closed for income reasons (44.1% for two-parent cases versus 31.8% for single-parent cases). Two-parent cases are also more likely to have missing or unknown closing reasons (30% for two-parent cases versus 19.8% for single-parent cases), perhaps because others on the two-parent cases did not leave TANF cash assistance when the identified adult left.

Table 18: Administrative Reasons for Case Closings at First Exit by Case Type

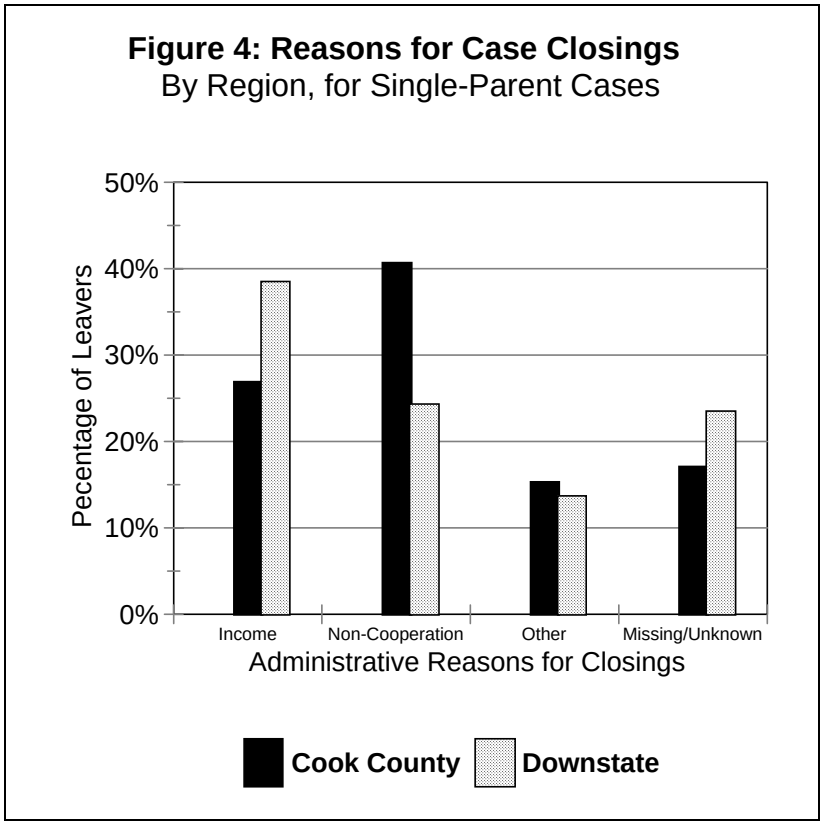
	Single-Parent Cases	Two-Parent Cases	All Cases
Income	31.8%	44.1%	33.0%
Non-Cooperation	33.8%	19.2%	32.4%
Other	14.6%	6.7%	13.9%
Missing/Unknown	19.8%	30.0%	20.7%
Total	100%	100%	100%

Data Source: IDHS Client Database (CDB)

As for regional differences in the administrative reasons for case closure, there is, as shown in Table 19 and illustrated in Figure 4, a higher percentage of cases in Cook County closed for non-cooperation than downstate (40.7% for Cook County versus 24.3% downstate) and a lower percentage closed for earned income reasons (26.9% for Cook County versus 38.5% downstate). Examination of reasons for this difference between Cook County and downstate seems warranted. As noted above, the higher percentage of two-parent cases downstate is perhaps responsible for the higher percentage of identified adult leavers with missing or unknown closing reasons.

Table 19: Administrative Reasons for Case Closures at First Exit by Region, Single-Parent Cases			
	Total	**Cook County**	**Downstate**
Income	31.8%	26.9%	38.5%
Non-Cooperation	33.8%	40.7%	24.3%
Other	14.6%	15.3%	13.7%
Missing/Unknown	19.8%	17.1%	23.5%
Total	100%	100%	100%

Data Source: IDHS Client Database (CDB)



Data Source: IDHS Client Database (CDB)

Factors Associated with Administrative Reasons for Case Closings

Table 20 provides an overview of the characteristics of single-parent cases that were closed for income or non-cooperation reasons. For most characteristics the two groups of leavers are quite similar. One exception is that those cases being closed for income reasons were more likely to have completed high school and more likely to have prior work experience (primarily in the service sector).

Table 20: Characteristics of Cases Closed for Income and Non-Cooperation Reasons; Single-Parent Cases

	Income	Non-Cooperation
Female Leaver	96.3%	95.7%
Median Age of Adult Leaver	28 years old	28 years old
Ethnicity		
African-American	52.4%	61.6%
White	38.3%	26.8%
Hispanic	8.7%	10.6%
Other	0.6%	1.0%
Children		
Child less than 1 year old	10.3%	11.0%
Child less than 6 years old	62.5%	64.1%
Child less than 13 years old	89.6%	89.2%
Marital Status		
Never Married	65.5%	70.1%
Married	7.8%	6.2%
Deserted	11.1%	11.7%
Divorced	12.8%	8.4%
Legally Separated	1.5%	1.7%
Other	3.5%	1.9%
Education		
High School Diploma (or more)	68.9%	53.4%
Work Experience		
Service	40.6%	34.7%
Laborer	19.4%	18.8%
Clerical	11.2%	10.5%
Sales	3.8%	3.5%
Operator	2.6%	2.6%
Manager/Professional	2.9%	2.3%
Crafts	0.4%	0.4%
No Prior Experience	15.9%	24.4%

Data Source: IDHS Client Database (CDB)

Another difference between the income and non-cooperation closings was the ethnicity of the leaver. Over 60 percent of those cases closed for non-cooperation involved cases with African-American leavers. This is considerably higher than the representation of African-Americans in cases closed for income reasons. Because this is an important topic for current policy debates, the higher proportion of African-Americans in the group of cases closed for non-cooperation requires further examination. One possibility is suggested by the regional differences presented in Table 19, with Cook County yielding a particularly high percentage of cases being closed for non-cooperation. Table 21 addresses this possibility by examining the administrative reasons for the three ethnic groups most represented by leavers. While there are overall differences in the proportion of certain reasons across African-American, white, and Hispanic cases, these differences largely disappear when controlling for state region. Within Cook County, white cases are least likely to close for income reasons and most likely to close for non-cooperation but the differences among ethnic groups are not large (24.5% for income for whites versus 27.2% for African-Americans and 28.3% for Hispanic cases; 42.0% for non-cooperation for whites versus 40.6% for African-Americans and 39.7% for Hispanic cases).

Comparing the two regions, African-American cases are more likely to close for income reasons downstate than they are in Cook County (27.2% in Cook County; 37.7% for downstate). The rise in income reasons for whites downstate, however, is even larger (from 24.5% to 39.1%), resulting downstate in a somewhat higher percent of white cases closing for income reasons. These differences, again, are not great, suggesting that different ethnic groups have similar outcomes with regard to administrative reasons for closings.

Table 21: Administrative Reasons for Case Closures at First Exit by Region and Ethnicity, Single-Parent Cases

	African-American	White	Hispanic
Cook County			
Income	27.2%	24.5%	28.3%
Non-Cooperation	40.6%	42.0%	39.7%
Other	15.7%	14.7%	13.5%
Missing/Unknown	16.5%	18.9%	18.5%
Total	100%	100%	100%
	52,895	8,494	9,665
Downstate			
Income	37.7%	39.1%	36.8%
Non-Cooperation	26.0%	23.0%	31.8%
Other	15.6%	12.7%	12.7%
Missing/Unknown	20.7%	25.2%	18.8%
Total	100%	100%	100%
	17,101	33,567	1,936

Data Source: IDHS Client Database (CDB)

Trends in Administrative Reasons for Case Closings

The last question is whether the relative frequencies of the four administrative reasons for case closings changed during the course of the study period. Evidence of such a trend might be evidence that the criteria for the reasons were being applied differently by the end of the study than at its beginning. Or, such change could reflect changes in the ability of TANF clients to secure steady employment. Table 22 presents evidence on this question. Though there are substantial differences by quarter for income as a reason for exit, there is little evidence of a long-term trend (beginning at around 31.7% and ending at 31.9%). Non-cooperation as a reason, however, does show a general increase for the last three quarters studied, when compared with the first three quarters in the study period.

Table 22: Administrative Reasons for Closures at First-Exit for Single-Parent Cases, by Quarter

	Calendar Quarters					
Administrative Reasons	**3rd Qtr, 1997**	**4th Qtr, 1997**	**1st Qtr, 1998**	**2nd Qtr, 1998**	**3rd Qtr, 1998**	**4th Qtr, 1998**
Income	31.7%	38.0%	29.5%	27.7%	33.1%	31.9%
Non-cooperation	29.3%	24.0%	25.1%	44.8%	36.5%	38.8%
Other	18.1%	18.3%	14.7%	12.6%	13.3%	11.4%
Missing/Unknown	20.9%	19.7%	30.8%	15.0%	17.1%	17.8%
Total Percentages	100%	100%	100%	100%	100%	100%
Total First Exits	20,499	18,915	18,274	24,205	21,869	21,057

Data Source: IDHS Client Database (CDB)

Analysis of Survey Responses for December 1998 Cohort

The administrative data on reasons for case closings leave important questions unanswered. For example, if a TANF client secures employment that results in income beyond TANF limits, he or she might end all contact with the IDHS caseworker and be coded as failing to meet TANF requirements. Though excess income would be the actual reason that the individual is no longer on cash assistance, this case would appear in the administrative record as having been closed for non-compliance. Analysis of the survey responses for the December cohort, though not without its own problems, allows a more nuanced depiction of why clients are leaving TANF. In this section we begin by providing an overview of the self-reported reasons for leaving TANF.

Overview of Self-Reported Reasons for Case Closure

All survey respondents were asked to describe in their own words why they had left TANF. Over 80 percent of leavers mentioned either employment or sanction related reasons as contributing to their exits (see Table 23). Employment reasons were the most common response to this open-ended question, with about 53 percent (52.8%) of respondents citing the beginning of new jobs or increased earnings. About 31 percent (30.8%) of the respondents said that they left because of sanctions or time limits (sanctions/cut-off), with most of these mentioning failure to comply with work and training or other requirements and very few (2%) mentioning time limits.

Consistent with data reported elsewhere in this report on employment levels, Cook County leavers were less likely than downstate leavers to offer an employment-related reason as the reason for exiting TANF. While 63 percent of downstate leavers cited employment reasons, only 49 percent of Cook County leavers did so. In comparison, Cook County leavers were much more likely to report leaving because of sanctions or time limits; over one-third of leavers offered such reasons in Cook County, as compared to nearly one-fifth (19%) downstate.

Table 23: Responses to Open-Ended Survey Question on Exit Reasons

Reasons Offered for Exit	All Interviews	Cook County	Downstate
Jobs and making money	52.8%	48.8%	62.9%
Sanctions, Cut off - various reasons	30.8%	35.5%	19.1%
Not like/not worth it/redtape/negative about program	13.3%	14.0%	11.4%
Other benefits/child support started	3.7%	2.9%	5.6%
Family composition/children older or leaving	3.5%	3.3%	4.1%
Child care-related	1.4%	1.7%	0.7%
Health-related	0.7%	0.8%	0.5%
Moved out of state	1.5%	1.7%	1.2%
Miscellaneous	3.1%	2.9%	3.5%
Don't know/no answer	0.3%	0.0%	1.1%
weighted n	*514*	*366*	*148*
unweighted n	*514*	*242*	*272*

Data Source: Survey Research Office, University of Illinois at Springfield

Respondents also were also asked whether specific reasons elaborated in welfare reform discussions contributed to their leaving TANF. Consistent with the previously discussed open-ended responses and with previous research on welfare exits, receiving more money from a job was the most commonly mentioned contributing factor, indicated by 44 percent of the

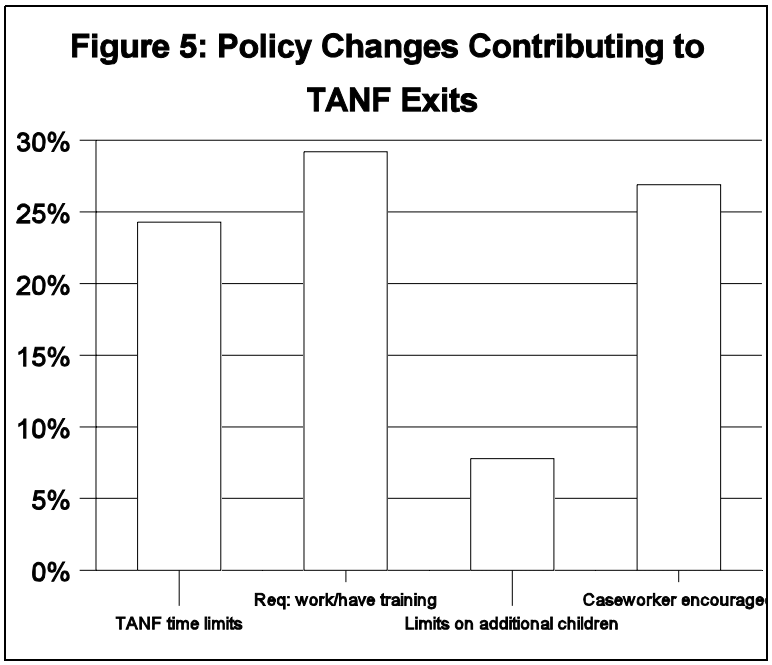
respondents (see Table 24). However, as shown in Figure 5, other factors also appeared to be important to many respondents. Nearly 30 percent (29%) of the respondents said that the requirement of work or training if they stayed on welfare contributed to their decision to leave, and nearly one-quarter (24%) were influenced by perceived time limits on welfare receipt.

Interactions with caseworkers also appeared to influence many leavers' exit decisions. Slightly over half of all respondents indicated that their caseworker had encouraged them to leave the TANF welfare program. Of these, about half said that such caseworker encouragement was part of the reason they left, so that overall 27 percent of all leavers mentioned caseworker encouragement as contributing to their exit. Downstate leavers were more likely than Cook County leavers to report both that caseworkers encouraged them to leave (64% versus 48%) and that such encouragement contributed to their exit (32% versus 25%). However, among those respondents who indicated that their caseworker encouraged them to leave, the percentage who indicated this as a factor in their leaving is very similar between Cook County and downstate leavers (52% and 50%, respectively). Thus, the difference between Cook County and downstate leavers in the percentage who indicate caseworker encouragement as a factor in their TANF exit is a result of the difference in reported caseworker encouragement, rather than a difference in the reported effect of such encouragement on respondents.

Table 24: Reasons Why Respondents Left Welfare

Reasons: closed-ended questions	All Interviews	Cook County	Downstate
Time limits on TANF welfare	24.3%	24.8%	23.0%
Requirements that have to work/have training	29.2%	31.4%	23.6%
No added welfare if client has another child	7.8%	8.7%	5.4%
Have more money from a job	44.1%	39.7%	55.0%
Caseworker influence:			
Total indicating caseworker encouraged to leave	*52.3%*	*47.5%*	*64.2%*
Of these, percent who indicated this is a reason	*51.4%*	*52.0%*	*50.0%*
Caseworker encouraged to leave AND a reason	26.9%	24.7%	32.1%
weighted n	*514*	*366*	*148*
unweighted n	*514*	*242*	*272*

Because of multiple responses, percentages add to more than 100%.
Data Source: Survey Research Office, University of Illinois at Springfield



Data Source: Survey Research Office, University of Illinois at Springfield

As shown in Table 25, respondents in single-parent households were more likely to mention being "cut off" by IDHS than were respondents in two-parent households in response to the open-ended question about why they left TANF (32% versus 23%). They were also somewhat more likely to identify some negative aspect of the program in influencing their exit (14% versus 8%). On the other hand, respondents in two-parent households were more likely to mention jobs and making money as the reason for leaving TANF (62% versus 51%). They were also slightly more likely to mention the start of other benefits and family composition reasons than were single-parent respondents. Similar patterns are found in responses to the closed-ended questions, with respondents in two-parent households far more likely to indicate that money from a job was a reason for leaving TANF and single-parent respondents more likely to indicate work and training requirement reasons. Equal percentages of both types of respondents indicated caseworker encouragement as a factor in their leaving.

Table 25: Reasons for Leaving TANF, by Single- or Two-Parent Household		
	Single-Parent	**Two-Parent**
Reasons in closed-ended questions		
Time limits on welfare	25.3%	19.0%
Requirements that have to work/have training	31.2%	18.8%
No added welfare if have another child	8.8%	2.5%
Have more money from a job	41.0%	60.0%
Caseworker encouraged to leave AND an exit reason	26.7%	26.3%
Total indicating caseworker encouraged to leave	*52.8%*	*48.8%*
Of these, percent who indicated this is a reason	*50.4%*	*53.8%*
Weighted n (total less than 514 because of rounding)	*433*	*80*
Responses to open-ended question		
Jobs and making money	51.1%	62.2%
Cut off by IDHS	32.3%	23.1%
Not like/not worth it/redtape/negative about program	14.2%	8.2%
Other benefits/child support started	3.1%	6.9%
Family composition/children older or leaving	3.0%	6.3%
Child-care related	1.6%	0.0%
Health-related	0.8%	0.5%
Moved out of state	1.2%	3.0%
Miscellaneous	3.5%	0.5%
Don't know/no answer	0.2%	0.0%
Weighted n (total less than 514 because of rounding)	*433*	*80*

Data Source: Survey Research Office, University of Illinois at Springfield

Analysis of Self-Reported Reasons by Administrative Reasons

When the responses to the open-ended question are examined by selected administrative closing reasons (see the bottom half of Table 26), we see that the vast majority (70.3%) of those who left TANF for the reason of earned income talked about leaving for employment-related reasons, and this reason far outdistanced any other reason discussed. In contrast, just less than half (47.5%) of those who had a non-cooperation type action reason talked about being cut off of welfare (for various reasons) while only about one-third (36.1%) mentioned employment and additional money. The percentage of respondents who gave various reasons for not liking the

program is the same for those with earned income and non-cooperation as administrative reasons for case closure. The responses of those with missing or unknown type action reasons are closer to those with an earned income reason than they are to those with a non-cooperation reason.

When explicitly asked about selected reasons for leaving the TANF welfare program (the closed-ended questions), the biggest differences between the earned income and non-cooperation groups are found for the respondents having more money from a job (50.3% versus 36.8%, respectively) and for the requirement that respondents would have to work or take training (27.9% versus 36.3%, respectively).

Table 26: Reasons Why Left Welfare by Selected Type Action Reason (Categorized)

	Earned income	Non-cooperation
Reasons in closed-ended questions		
Time limits on welfare	29.4%	23.9%
Requirements that have to work/have training	27.9%	36.3%
No added welfare if have another child	7.8%	8.0%
Have more money from a job	50.3%	36.8%
Caseworker encouraged to leave AND a reason	34.9%	26.4%
Total indicating caseworker encouraged to leave	52.3%	54.7%
Of these, percent who indicated this is a reason	66.3%	48.2%
weighted n	*153*	*201*
Responses to open-ended question		
Jobs and making money	70.3%	36.1%
Cut off by IDHS	15.2%	47.5%
Not like/not worth it/redtape/negative about program	12.7%	12.7%
Other benefits/child support started	2.2%	3.9%
Family composition/children older or leaving	1.7%	2.6%
Child care-related	1.0%	1.8%
Health-related	0.0%	1.5%
Moved out of state	1.3%	1.5%
Miscellaneous	3.9%	3.2%
Don't know/no answer	0.6%	0.3%
weighted n	*153*	*201*

Data Source: Survey Research Office, University of Illinois at Springfield

Analysis of Self-Reported Reasons by Employment Status

As expected, respondents' (and their spouses') employment status when leaving TANF is significantly related to the reasons for leaving. When the open-ended reasons for leaving TANF are examined by respondents' employment status at the time of exit, the biggest differences are found for employment and money-related reasons and sanction-related ("cut off") reasons (Table 27). Over two-thirds (70%) of the respondents employed at the time of exit talked about employment and money-related reasons for leaving TANF compared to one-quarter for those who were unemployed. At the same time, just over one-half of the unemployed talked about various sanction related reasons compared to just under one-fifth among those who were employed.

For the selected reasons presented in the closed-ended questions, those respondents employed at time of exit were more likely than those unemployed to indicate that the employment related item was part of the reason for leaving TANF (53% versus 29%), while unemployed respondents were more likely to indicate the item about the requirement regarding having to work or take training (38% versus 24%). Somewhat more of the unemployed than employed respondents also indicated the welfare time limit requirement as playing a role in their leaving (29% versus 22%), while somewhat more of those employed indicated that caseworker encouragement played a role (30% versus 23%).

Table 27: Reasons for Leaving TANF, by Respondent Employment Status When Left TANF		
	Employed when left	**Unemployed when left**
Reasons in closed-ended questions		
Time limits on welfare	21.7%	28.5%
Requirements that have to work/have training	23.9%	38.3%
No added welfare if have another child	7.5%	8.3%
Have more money from a job	53.1%	29.0%
Caseworker encouraged to leave AND a reason	29.5%	22.8%
Total indicating caseworker encouraged to leave	52.0%	52.6%
Of these, percent who indicated this is a reason	56.5%	42.7%
weighted n(total more than 514 because of rounding)*	*322*	*193*
Responses to open-ended question		
Jobs and making money	69.5%	25.0%
Cut off - various reasons	18.5%	51.4%
Not like/not worth it/redtape/negative about program	13.9%	12.2%
Other benefits/child support started	2.2%	6.1%
Family composition/children older or leaving	2.7%	4.9%
Child care-related	0.1%	3.5%
Health-related	0.7%	0.8%
Moved out of state	0.9%	2.6%
Miscellaneous	2.8%	3.4%
Don't know/no answer	0.2%	0.5%
*weighted n**	*322*	*192*

**The total weighted number of respondents can differ slightly because of rounding.*
Data Source: Survey Research Office, University of Illinois at Springfield

Analysis of Self-Reported Reasons by Ethnicity

In response to the open-ended question about why respondents left TANF, about one-half of the respondents of each race/ethnic group mentioned jobs and making money as reasons for leaving TANF (Table 28). This percentage ranges from a low of 47 percent for Hispanics to a high of 54 percent for African-Americans, with white respondents at 51 percent. Hispanic respondents were most likely to mention non-compliance reasons while white respondents were least likely to do so (37.1% and 27.2%, respectively, with African-Americans at 31.4%). African-American respondents were most likely to mention a negative aspect about the program while Hispanics were least likely to do so (15.7% and 5%, respectively, with white respondents at 10%). White and Hispanic respondents were more likely than African-American respondents to mention other benefits starting, and white respondents were somewhat more likely than the non-white groups to talk about family composition reasons (7.9% and 5%, respectively, compared with African-American respondents at 1.8%).

In response to the closed-ended questions, 40 percent or more of all race/ethnic groups indicated that having more money from a job was a reason for leaving TANF. This percentage was consistent across all groups, ranging only from a low of 40 percent for Hispanics to a high of 46 percent for white respondents, with African-Americans in between at 44 percent. More white and African-American respondents indicated time limits on welfare as a reason for leaving, while more African-American and Hispanic respondents indicated work/training-related requirements and the additional child limitation. Both African-American and white respondents were much more likely than Hispanic respondents to indicate that caseworkers encouraged them to leave welfare (59.3% for whites, 51.9% for African-Americans, and 30.2% for Hispanic leavers). This led to a greater total percent of African-American and white leavers who reported that caseworker encouragement played a role in their leaving TANF (caseworker encouraged them to leave AND this was a reason for leaving: 28.7% for African-Americans, 26.7% for whites, and 14.3% for Hispanic leavers).

Table 28: Reasons for Leaving TANF, by Race/Ethnicity			
	African-American	**White**	**Hispanic**
Reasons in closed-ended questions			
Time limits on welfare	25.9%	23.7%	16.3%
Requirements that have to work/have training	31.0%	23.7%	32.6%
No added welfare if have another child	9.0%	3.7%	11.9%
Have more money from a job	43.6%	46.3%	40.5%
Caseworker encouraged to leave AND a reason	28.7%	26.7%	14.3%
Total indicating caseworker encouraged to leave	*51.9%*	*59.3%*	*30.2%*
Of these, percent who indicated this is a reason	*54.9%*	*45.0%*	*50.0%*
weighted n (total less than 514 because of rounding)	*335*	*136*	*42*
Responses to open-ended question			
Jobs and making money	54.2%	51.3%	47.2%
Cut off - various reasons	31.4%	27.2%	37.1%
Not like/not worth it/redtape/negative about program	15.7%	10.0%	5.0%
Other benefits/child support started	1.8%	7.9%	5.0%
Family composition/children older or leaving	2.6%	5.8%	3.6%
Child care-related	1.8%	0.8%	0.0%
Health-related	0.5%	1.7%	0.0%
Moved out of state	1.9%	1.0%	0.0%
Miscellaneous	1.5%	5.6%	7.1%
Don't know/no answer	0.0%	1.2%	0.0%
weighted n (total less than 514 because of rounding)	*335*	*135*	*42*

Data Source: Survey Research Office, University of Illinois at Springfield

Summary

There are two main reasons that cases closed during the study period. Based on administrative data, about one-third of cases were closed for earned income, and one-third were closed due to non-cooperation. As compared to the administrative data on case closure reasons, higher percentage (53%) of survey respondents said that they left TANF for earnings-related reasons. This higher percentage of earned income closures among survey leavers may result partially from some persons failing to notify caseworkers after finding employment, and subsequently being closed as non-cooperation cases.

Single-parent cases were less likely to close for earned income related reasons (32% versus 44% for two-parent cases), and correspondingly more likely to close due to non-cooperation (34% versus 19% for two-parent cases). Among single-parent cases, Cook County leavers were less likely to leave for earned income reasons (27% versus 39% for downstate) and more likely to leave for non-cooperation reasons (41% versus 24% for downstate). Once region was controlled for, there were only minor differences in case closing reasons by ethnicity, but there was a trend in which higher percentages of cases toward the end of the study period were closed for non-cooperation reasons than at the beginning of the period. This highlights the importance of examining why there is a higher percentage of cases closed for non-cooperation in Cook County, and why the percent of cases closed for non-cooperation rose during the study period.

When asked about factors that contributed to their case closing, survey respondents cited both the work and training requirements (29%) and the approaching TANF time limits (24%). Over one-half of the respondents indicated that their TANF caseworker encouraged them to leave TANF, and of these, about half said such encouragement contributed to their decision to leave TANF. Downstate leavers were much more likely to cite caseworker encouragement (64% versus 48% for Cook County). This, again, highlights a difference between Cook County and downstate that needs to be examined.

Chapter 4
What Are the Employment Experiences of TANF Leavers?

One of the primary goals of the TANF welfare initiative, in Illinois as elsewhere, has been to promote employment for those on cash assistance, both to reduce caseloads and to support financial self-sufficiency for those exiting TANF. To examine the extent to which TANF recipients find work, this section begins by presenting the overall employment and earnings information for the 18-month population of TANF leavers, organized by the administrative distinctions of case type (single-parent versus two-parent cases) and region (Cook County versus downstate). These basic analyses are followed by additional analyses that examine the factors associated with employment outcomes. After deriving some general conclusions from the administrative data about the factors associated with employment, the responses of the December 1998 survey cohort are analyzed to provide more detail on the events and experiences associated with the employment outcomes. For example, the survey information allows us to address the following additional questions:

- What types of jobs are held after TANF exit?
- What are the hourly wages and hours worked for these jobs?
- Do leavers experience consistency of employment and changes in wages?
- What barriers to employment exist?

Population Analysis with Administrative Data

The analysis of the employment experiences of the 18-month population of leavers began with an examination of the patterns of employment when disaggregated by case type, state region, and administrative reason for case closing. This description of the employment patterns is followed by an examination of the factors that are associated with employment after exit. Before presenting the findings, however, we introduce the two types of available employment data that were used in the analyses.

Available Employment Outcome Data

The data used to document employment and earnings for the full 18-month population were obtained primarily from unemployment insurance (UI) wage files compiled by the Illinois Department of Employment Security (IDES). These data are introduced below along with the IDHS earned income indicator. Although the UI wage data from IDES will be the focus of this population analysis of employment, the IDHS earned income variable supplements this information.

Unemployment Insurance Quarterly Wage Data

This study focuses on 18 months, or six calendar quarters, of TANF leavers. The IDES wage files were used to match the cases that closed in the study period (124,819 single-parent cases, 12,511 two-parent cases, for a total of 137,330 cases) with quarterly wage information from the second quarter of 1997 to the first quarter of 1999. This results in a matrix of available data for six quarterly cohorts of leavers with eight quarters of wage data. Using single-parent cases as an example, Table 29 illustrates the scope of the data available for analysis. Not all of these data, however, will be used in analyses. Specifically, with the focus on the post-TANF outcomes of leavers, wage data for the quarter before exit will be used for comparison with wages in the quarter of exit and quarters after exit, but data on wages two quarters and more before exit will not be used and so these cells in the matrix are left empty. One consequence of this use of the data is that fewer quarters of wage data will be used for the later cohorts, with, for example, those leaving in the fourth quarter of 1998 having only three quarters of wage data being examined in this study (third quarter of 1998, the fourth quarter of 1998, and the first quarter of 1999).

Table 29: Available Quarters of UI Wage Data; Percentage of Single-Parent Cases with UI Quarterly Wages by Cohort and Calendar Quarter

	Calendar Quarters (bolded for quarter of exit)							
Cohorts of TANF Leavers	**2nd Qtr. 1997**	**3rd Qtr. 1997**	**4th Qtr. 1997**	**1st Qtr. 1998**	**2nd Qtr. 1998**	**3rd Qtr. 1998**	**4th Qtr. 1998**	**1st Qtr. 1999**
3rd Qtr, 1997	47.3%	**53.8%**	52.9%	49.3%	51.5%	52.8%	53.0%	49.8%
4th Qtr, 1997		53.6%	**59.3%**	55.5%	55.5%	56.4%	56.6%	53.6%
1st Qtr, 1998			57.0%	**57.9%**	57.8%	57.4%	57.5%	54.4%
2nd Qtr, 1998				44.7%	**52.2%**	52.7%	53.2%	49.8%
3rd Qtr, 1998					47.2%	**55.3%**	54.9%	51.0%
4th Qtr, 1998						47.3%	**54.6%**	50.7%

Data Source: IDES Quarterly Wage File

Earned Income from the IDHS data

The IDES UI wage files do not provide complete coverage of wages earned by former TANF clients. For example, those employed by the federal government are not represented in these files, nor, of course, do the files cover work in the cash or underground economy, which may be substantial for some TANF leavers. As such, for some analyses the UI data are supplemented by the IDHS earned income indicator, which for this study indicates earned income in the last month before the first exit in the study period. This IDHS indicator also under-represents wages from employment: if, for example, clients do not report income to IDHS,

it would not be recorded. Nonetheless, the IDHS indicator can supplement the UI wage information, with a comparison providing some insights into the degree that each under-reports earned income. Table 30 illustrates the relationship between the IDHS earned income indicator and the UI wage information. Whereas around 30 percent of leavers (29.4%) were recorded as having IDHS earned income in the month before exit, the IDES data indicate that around 55 percent of leavers (54.9%) had wage income in the quarter of exit. Combining the two indicators of earned income yields an estimate that about 61 percent of leavers had earned income around the time of exit.

Table 30: IDHS Earned Income and Its Relationship to IDES UI Wage Data

	Percent of All Leavers
No IDHS earned income (70.6% of total)	
Neither UI wages nor IDHS earned income	39.0%
UI Wages but no IDHS earned income	31.6%
IDHS earned income (29.4% of total)	
IDHS earned income but no UI wages	6.1%
Both IDHS earned income AND UI wages	23.3%
Total Percentages	**100%**
Total percentage for UI wages (31.6% + 23.3%)	54.9%
Either UI wages or IDHS earned income (100% - 39.0%)	61.0%

Data Sources: IDHS Client Database (CDB) and IDES UI Wage File

Employment Patterns by Administrative Categories

Employment for the 18-month population is described below in terms of three major distinctions used by the Illinois Department of Human Services: the single-parent versus two-parent case type, Cook County versus the rest of the state, and the administrative reasons for case closures. An additional descriptive analysis is then reported that uses three percentiles– the median, the top 25 percent, and the top 10 percent of quarterly wages–to depict in greater detail the distribution of wages being earned by leavers.

Analysis by Case Type: Single-Parent and Two-Parent Cases

The initial reporting of employment outcomes addresses both single- and two-parent cases and presents both percentages of leavers with UI wage income and the median incomes of those who are employed in given quarters before and after exit. (Summary statistics for employment and other outcomes for single-parent cases are presented in Appendix III).

Percentage with UI Wage Income. Table 31 presents–for single-parent, two-parent, and all cases–the wage information in terms of the percent of those having recorded wage income for a given quarter (any recorded wages, which means wages of $1.00 or more in a given quarter). For all of the analyses of IDES wages, data are available up to the first quarter of 1999. That means that those leaving in the fourth quarter of 1998 have data for the first quarter after exit but not beyond; third quarter 1998 leavers have data for the second quarter after exit; and second quarter 1998 leavers have data for the third quarter after exit. Only those leaving in the first three quarters of the study period have wage data for all of the first four quarters after exit.

Note that these percentages are presented in two ways. In the top half of Table 31 the percentages refer to only the earned income of the identified adult for each case. The bottom half of the table reports the percentage of cases in which *any* adult associated with the case at exit has reported earned income. As expected, this difference in reporting approach is most important for two-parent cases. For single-parent cases, the differences between the top and bottom halves are small, with, for example, around 55 percent (55.3%) of the identified adults on this type of case having some UI wages in the quarter of exit whereas around 56 percent of the cases (56.1%) having at least one adult with some reported earned income in the quarter of exit. In contrast, for straightforward reasons, the differences between the percentages for two-parent cases shown in the top and bottom halves are substantial. Whereas about 51 percent of identified adults (50.7%) on two-parent cases has wage income in the quarter of exit, almost 70 percent (69.8%) of all closing two-parent cases has at least one adult with earned income in the quarter of exit.

Figure 6 provides a graphic illustration of the relationship between single- and two-parent cases when the wages of all adults associated with the case are taken into account. For single-parent cases the percentage of those with wage income rises slightly from approximately 50 percent (49.9%) in the quarter before exit to about 55 percent (54.9%) in the quarter of exit and remains relatively stable in succeeding quarters. For two-parent cases the level of employment is higher than for single-parent cases, but the pattern is the quite similar. About 60 percent of the two-parent cases have at least one adult with wages in the quarter before exit, and this rises to just under 70 percent (69.8%) of cases having at least one adult wage earner in the quarter of exit, and remaining stable at just over 70 percent for the next four quarters.

This use of wage data for all adults associated with a case can be important in making sense of the financial self-sufficiency of TANF leavers, particularly for two-parent cases. A complication in using wage information for other adults on cases, however, is that there is no evidence in the data as currently compiled that these other adults are still associated with the case in the quarters after exit. Because of this limitation, and because the differences are minor when considering single-parent cases (only around 1% difference between percent of identified leavers and percent of case with at least one adult earning wages), in analyses which focus only on single-parent cases, we will report only the wage income for the identified adults.

In sum, these results indicate that high percentages of leavers were working before exit. In that working while on TANF is likely providing useful skills and work experiences, this reinforces the importance of earned income disregard policies and supportive services in stimulating work by TANF recipients. Overall, the data in Table 31 reflect a fairly stable aggregate pattern in terms of the percentage of TANF leavers who work, both before and after exits.

Table 31: Wage Earnings in Percentages in Quarters Before and After Exit, By Case Type

Percent with UI Wages for Identified Adult Leaver

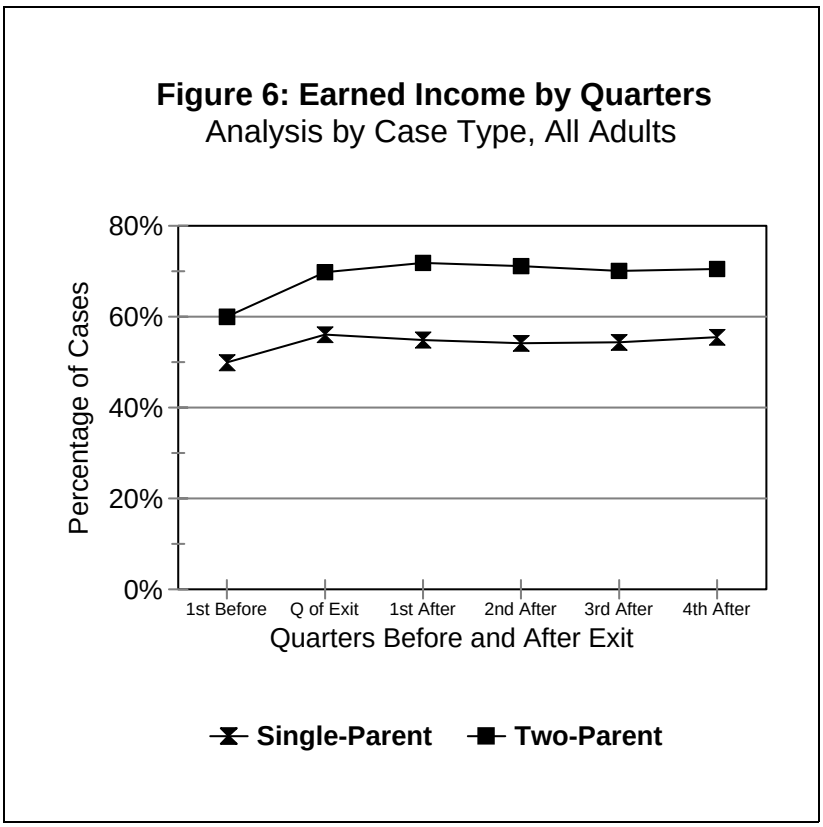
	Quarters Before and After First Exit						
Case Type	**Qtr. Before Exit**	**Qtr. of Exit**	**1st Qtr. after Exit**	**2nd Qtr. after Exit***	**3rd Qtr. after Exit***	**4th Qtr. after Exit***	**Any Qtr. after Exit***
Single-Parent (n=124,819)	49.1%	55.3%	54.0%	53.3%	53.5%	54.5%	69.5%
Two-Parent (n=12,511)	43.6%	50.7%	50.1%	49.7%	49.2%	49.9%	65.7%
All Cases (n=137,330)	48.6%	54.9%	53.6%	52.9%	53.0%	54.1%	69.1%

Percent with UI Wages for Any of the Adults on Case

	Quarters Before and After First Exit						
Case Type	**Qtr. Before Exit**	**Qtr. of Exit**	**1st Qtr. after Exit**	**2nd Qtr. after Exit***	**3rdQtr. after Exit***	**4th Qtr. after Exit***	
Single-Parent (n=124,819)	49.9%	56.1%	54.9%	54.2%	54.4%	55.5%	
Two-Parent (n=12,511)	60.0%	69.8%	71.9%	71.2%	70.1%	70.5%	
All Cases (n=137,330)	50.8%	57.4%	56.4%	55.9%	56.1%	57.0%	

** All cohorts have data for 1st quarter after exit; later cohorts drop out of analyses for 2nd, 3rd, and 4th quarters after exit.*

Data Source: IDES Quarterly Wage File and IDHS Client Database (CDB)



All cohorts have data for 1st quarter after exit; later cohorts drop out of analyses for 2nd, 3rd, and 4th quarters after exit.
Data Source: IDES Quarterly Wage File and IDHS Client Database (CBD)

Median and Mean Quarterly Wages for Those Employed. Table 32 provides median and mean wage levels by case type for those with any wages ($1.00 or more) in a given quarter. As with Table 31, this wage information is presented in two ways, first for information about the identified adult leaver and then for all adults on the cases. Note first that for both the top and bottom halves of Table 32 the mean quarterly wages are higher than the median wages (particularly for two-parent cases), consistent with the skew that results from some cases having very high quarterly wages (e.g., the IDES wage file listed several single-parent cases with quarterly wages after exit in excess of $50,000). Because of this problem with skewness (made worse if there are recording errors in the data), we focus primarily on the median wages.

Also note that comparisons of the median and mean wages for the identified leavers and all adults on a case reinforces the claim made above regarding single-parent and two-parent cases. Whereas there are major differences in the median and mean wages for two-parent cases when comparing the top and bottom halves of Table 32, the differences between the wages of the identified leaver and the wages of all adults on the case are negligible for single-parent cases. For example, in the first quarter after exit the median wage income for the identified leaver on single-parent cases, the grantee for the case, was $2,471, whereas the median of the combined wages of all adults on single-parent cases was $2,497, a difference of $26.

Thus, when discussing the wage earnings of adults on single-parent cases, the wages of the grantee are sufficient to depict the wages of all adults on the case, but this is not true for two-parent cases. Figure 7 provides a visual comparison of quarterly wage income for the two case types when the wages of all adults associated with the case are considered. For single-parent cases we see a substantial increase in the reported median quarterly wages in the quarter of exit (from $1,639 in the quarter before exit to $2,241), followed by a more gradual increase in the quarters after exit. Compared with the less dramatic increase in the percentage of leavers who received wages in the quarter of exit (noted above as increasing from around 50 percent in the quarter before exit to about 56 percent in the quarter of exit), this may indicate that increased earnings among those who are already working triggers many of these exits. Two-parent cases show an even larger jump in wage incomes from before exit to the quarter of exit ($1,880 to $2,739). Further, unlike the gradual increase for single-parent cases, the median income for two-parent cases continues to increase noticeably in the quarters after exit.

Table 32: Median and Mean Quarterly Wages for Those Employed, By Case Type

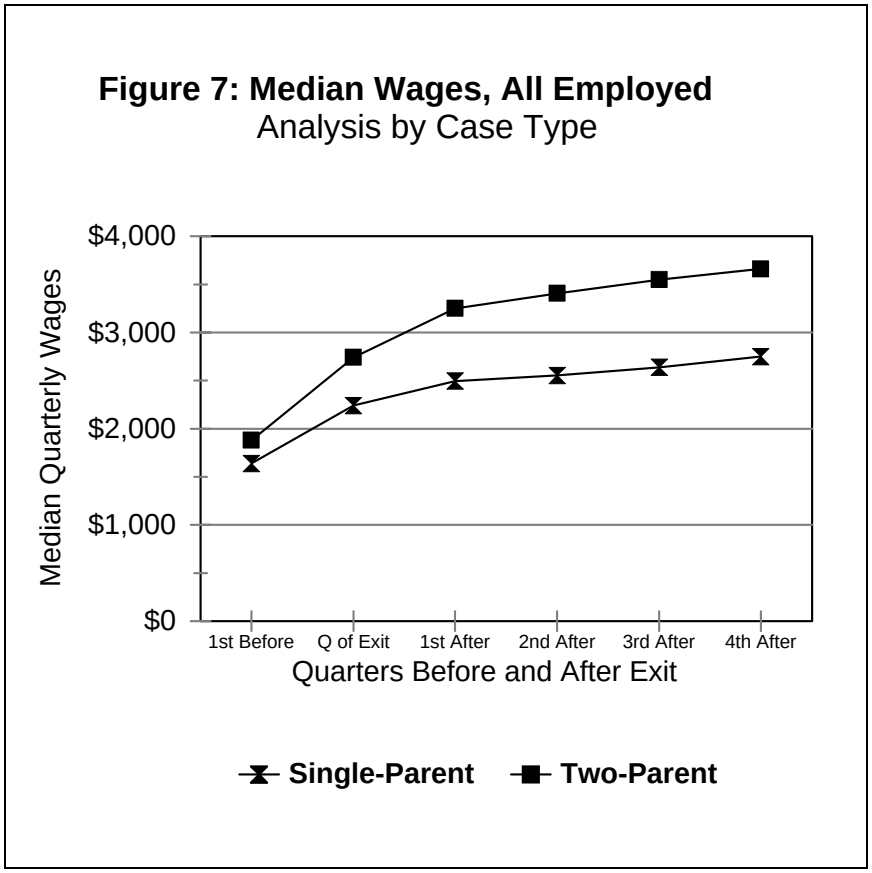
Median and Mean UI Wages for Identified Adult Leaver							
		Quarters Before and After First Exit					
Case Type (sample size varies across quarters)		**Quarter Before Exit**	**Quarter of Exit**	**1st Qtr. after Exit**	**2nd Qtr. after Exit**	**3rd Qtr. after Exit**	**4th Qtr. after Exit**
Single-Parent	Median	$1,625	$2,223	$2,471	$2,527	$2,615	$2,720
	Mean	$1,916	$2,420	$2,663	$2,746	$2,846	$2,959
Two-Parent	Median	$1,398	$1,907	$2,214	$2,304	$2,505	$2,562
	Mean	$1,779	$2,293	$2,624	$2,750	$2,952	$2,981
All Cases	Median	$1,605	$2,193	$2,449	$2,505	$2,604	$2,702
	Mean	$1,905	$2,409	$2,659	$2,746	$2,856	$2,961
Median and Mean UI Wages for All Adults on Case							
		Quarters Before and After First Exit					
Case Type (sample size varies across quarters)		**Qtr. Before Exit**	**Quarter of Exit**	**1st Qtr. after Exit**	**2nd Qtr. after Exit**	**3rd Qtr. after Exit**	**4th Qtr. after Exit**
Single-Parent	Median	$1,639	$2,241	$2,497	$2,553	$2,639	$2,751
	Mean	$1,932	$2,447	$2,697	$2,784	$2,889	$3,010
Two-Parent	Median	$1,880	$2,739	$3,251	$3,407	$3,551	$3,659
	Mean	$2,268	$3,152	$3,731	$3,914	$4,151	$4,269
All Cases	Median	$1,665	$2,289	$2,568	$2,635	$2,744	$2,849
	Mean	$1,968	$2,525	$2,817	$2,925	$3,053	$3,170

All cohorts have data for 1st quarter after exit; later cohorts drop out of analyses for the 2nd, 3rd, and 4th quarters after exit.

Data Source: IDES Quarterly Wage File and IDHS Client Database (CDB)

Distribution of Wage Income for Single-Parent TANF Leavers

The previous table reported the median income for the subset of TANF leavers who are employed. This is important when representing the pay level of jobs being filled by TANF leavers. It is also important to provide tables that characterize the income levels of all TANF leavers. This requires further analyses which, as explained previously, were conducted for the single-parent cases that dominate (constituting over 90%) the population of TANF leavers.



All cohorts have data for 1st quarter after exit; later cohorts drop out of analyses for the 2nd, 3rd, and 4th quarters after exit.
Data Source: IDES Quarterly Wage File and IDHS Client Database (CDB)

Table 33 presents a division of single-parent cases into three groups for each quarter displayed: the median quarterly wage that distinguishes the top 50 percent of cases in terms of wage income; the quarterly wage that distinguishes the top 25 percent of wage earners (presenting the lowest quarterly wage income in this top quartile); and the quarterly wage that identifies the top 10 percent (the lowest quarterly wage in the top 10%) of cases in terms of wage income. This table shows that while the top 10 percent of leavers have attained relatively high and growing wage incomes, most TANF leavers are not earning enough even to approach financial self-sufficiency. For example, in the first quarter after exit, the top 10 percent of leavers by wages earned $4,222 and above for that quarter, translating to a yearly salary of almost

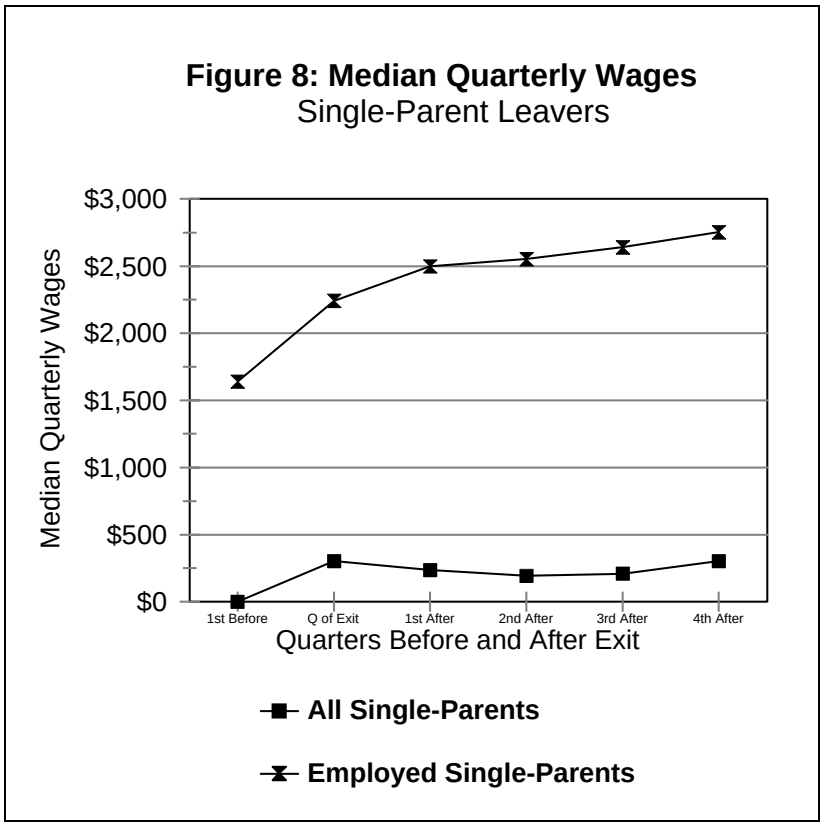
$17,000 and higher. On the other hand, the median of $236 for that quarter indicates that 50 percent of leavers were earning $236 or less for that quarter, or an equivalent yearly salary of around $1,000 or less. This pattern maintains itself over the next three quarters after exit so that by the fourth quarter after exit the wages of the top 10 percent have risen to $4,729 for that quarter, while the median quarterly wage has increased only to $302.

Table 33: Distribution of Quarterly Wages for All Single-Parent Cases (Including Those Not Employed)

	Quarters Before and After First Exit					
	Quarter Before Exit	**Quarter of Exit**	**1st Qtr. after Exit**	**2nd Qtr. after Exit**	**3rd Qtr. after Exit**	**4th Qtr. after Exit**
Median Income (lowest of top 50%)	$0	$301	$236	$192	$208	$302
Top Quartile (lowest of top 25%)	$1,588	$2,453	$2,649	$2,682	$2,788	$2,946
Top 10 Percent (lowest of top 10%)	$3,115	$3,905	$4,222	$4,344	$4,522	$4,729
Mean	$942	$1,339	$1,436	$1,462	$1,521	$1,613

All cohorts have data for 1st quarter after exit; later cohorts drop out of analyses for 2nd, 3rd, and 4th quarters after exit; sample size varies accordingly.
Data Source: IDES Quarterly Wage File and IDHS Client Database (CDB)

This finding that 50 percent of leavers had IDES wages of $302 per quarter or less is in contrast to the much higher median found when considering only those who are employed. Combining the medians of those with employment with the medians of all leavers, Figure 8 illustrates the stark contrast between those who are successful in finding jobs and those who have, at most, minimal jobs. In addition, the fact that the mean incomes, presented in the bottom row of the table, are so much higher than the median incomes reinforces the skewness in wages where some leavers are doing quite well financially while many are not.



All cohorts have data for 1st quarter after exit; later cohorts drop out of analyses for 2nd, 3rd, and 4th quarters after exit.
Data Source: IDES Quarterly Wage File and IDHS Client Database (CDB)

Analysis of Single-Parent Cases by State Region

The next set of analyses involves looking for differences for single-parent cases in employment outcomes across state regions. As shown in Table 34, there is a generally higher rate of employment in the downstate region compared to Cook County. Whereas almost 60 percent of downstate leavers (59.9%) have wage income of $1.00 or more in the quarter of exit, only 52 percent of Cook County single-parent leavers have any wage income in the quarter of exit. There is a slight narrowing in this wage gap in the succeeding quarters after exit, down to a difference of only about four percentage points in the fourth quarter after exit, but the higher rates in the downstate region are consistent. The last column of this table provides information on the consistency of employment after leaving TANF. Note that whereas over 50 percent of leavers had wage income in any given quarter after exit, under 40 percent had wage income of $1.00 or more in all of the first four quarters after exit. This means that approximately 80 percent of those leavers with wage income in the first quarter after exit continued to have some wage income in the second, third, and fourth quarters after exit. These administrative data do not indicate whether leavers had the same job in the quarters after exit, but they do highlight the importance of understanding the degree of job stability for leavers and the factors that support it, issues that are addressed in greater detail when examining the survey responses.

The bottom half of Table 34 builds on the top half but begins with the recognition that financial self-sufficiency requires more than just earning at least one dollar in a given quarter. In addition, it is useful to indicate the percentage of leavers that earn more than some selected minimum income. Choice of a criterion is somewhat arbitrary. The criterion used in the bottom half of Table 34 involves the federally-defined poverty levels and reports the percent of single-parent cases in which the identified adult has IDES wages in a particular quarter that exceed the poverty level for a given family size (as defined for February 1998, a month somewhat in the middle of the study period). Examples of these poverty levels for February 1998 include: $2,713 per quarter for a family of two; $3,413 per quarter for a family of three, and $4,113 per quarter for a family of four. One must be cautious, however, in interpreting these results. First, these poverty levels are based on family size, which is not quite captured by information on the number of individuals on a TANF case. In addition, poverty levels are based on household income, whether wage income or unearned income; this is another distinction that the administrative data are only partially able to address. As such, Table 34 is reporting only whether the wage income of the adults in the single-parent cases would be sufficient, by itself, to raise the leaver families out of poverty. Nonetheless, this use of federally-defined poverty levels does provide an additional perspective on the employment outcomes of leaves.

The most significant pattern in the overall percentages in the bottom half of the table is that they are less than half the size of the percentages in the top half, indicating that less than half of those with quarterly wages have reported wages above the poverty line. In addition, Table 34 highlights that, even though fewer leavers have wage income in Cook County, the wage rates are sufficiently higher so that a higher percent of leavers in Cook County compared with downstate are earning more than the poverty level in any quarter before or after exit. The final two columns of this bottom part of the table parallel the columns in the top half, this time reporting the percentage of leavers whose wages are above the poverty level for any of the four quarters after exit and also the percentage of leavers earning above the poverty level for all of the first four quarters after exit. As above, these columns highlight the concern about employment stability, with, for example, only around 11 percent (10.6%) of all leavers earning above the poverty line n each of the first four quarters after exit.

Table 34: UI Wage Income in Percentages in Quarters Before and After Exit, by Region (Single-Parent Cases; Identified Adult Leavers)

Percent with Any UI Wages	Quarters Before and After First Exit						Full Year	
Region	Qtr. Before Exit	Qtr. of Exit	1st Qtr. after Exit	2nd Qtr. after Exit	3rd Qtr. after Exit	4th Qtr. after Exit	Wages in any of the 4 qtrs	Wages for all 4 qtrs
Cook County (n=71,838)	45.8%	52.0%	51.2%	50.7%	51.1%	52.6%	66.2%	38.4%
Downstate (n=52,981)	53.7%	59.9%	57.7%	56.5%	56.5%	56.7%	73.0%	39.4%
All Cases (n=124,819)	49.1%	55.3%	54.0%	53.3%	53.5%	54.5%	69.5%	38.9%
Percent with UI Wages Above Poverty per Quarter	**Quarters Before and After First Exit**						**Full Year**	
Region	**Qtr Before Exit**	**Qtr of Exit**	**1st Qtr. after Exit**	**2nd Qtr. after Exit**	**3rd Qtr. after Exit**	**4th Qtr. after Exit**	**Above for any of 4 qtrs**	**Above for all 4 qtrs**
Cook County (n=71,838)	10.7%	18.8%	21.1%	21.7%	22.9%	24.8%	35.3%	13.3%
Downstate (n=52,981)	5.9%	12.6%	15.7%	16.2%	17.2%	18.3%	28.6%	7.7%
All Cases (n=124,819)	8.6%	16.2%	18.8%	19.3%	20.3%	21.7%	32.1%	10.6%

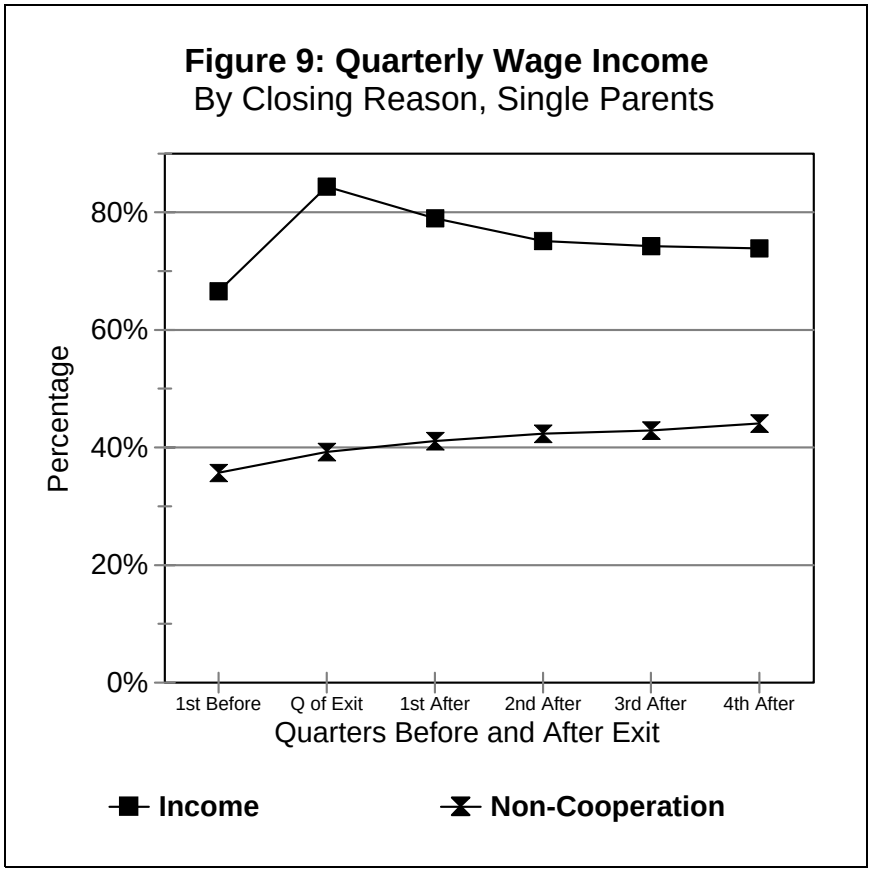
All cohorts have data for 1st quarter after exit; later cohorts drop out of analyses for 2nd, 3rd, and 4th quarters after exit.
Data Source: IDES Quarterly Wage File and IDHS Client Database (CDB)

Analysis of Single-Parent Cases by Administrative Reason for Case Closure

Another factor associated with income and employment is the IDHS administrative reason that a case closes. The two primary reasons for case closure are increases in earned income and non-cooperation. As expected, Table 35 shows that adults from single-parent cases leaving for income-related reasons were far more likely than those closed for non-cooperation to have wage income in any of the quarters before, at, or after exit. This is illustrated in Figure 9, where the percentage of leavers on single-parent cases with wages before and after exit is higher for those cases closed for earned income reasons than for non-cooperation reasons. In the quarter of exit, over 84 percent of those closed for income reasons had recorded wage income whereas only around 39 percent of those closed for non-cooperation had recorded wages. For the quarters before and after exit, the UI wage rates for non-cooperation closure reasons were around 30 percentage points lower than the rates for cases closed for income.

Table 35: Percentage of Cases with UI Wage Income in Quarters Before and After Exit, By Administrative Reason for Closure (Single-Parent Cases)							
Percent with UI Wages	**Quarters Before and After First Exit**						**Full Year**
Type Action Reason	**Quarter Before Exit**	**Quarter of Exit**	**1st Qtr. after Exit**	**2nd Qtr. after Exit**	**3rd Qtr. after Exit**	**4th Qtr. after Exit**	**Wages for all 4 quarters after exit**
Closed for Income Reasons (n=39,738)	66.6%	84.4%	79.0%	75.1%	74.2%	73.9%	60.6%
Closed for Non-Cooperation (n=42,128)	35.7%	39.3%	41.1%	42.3%	42.9%	44.1%	26.6%
Case Closed for Other Reasons (n=18,223)	33.7%	31.1%	30.6%	32.0%	33.5%	33.7%	17.8%
Closing Reason Unknown (n=24,730)	55.2%	55.3%	52.7%	52.6%	53.3%	54.0%	37.5%
All Single-Parent Cases (n=124,819)	49.1%	55.3%	54.0%	53.3%	53.5%	54.5%	38.9%

All cohorts have data for 1st quarter after exit; later cohorts drop out of analyses for 2nd, 3rd, and 4th quarters after exit.
Data Sources: IDHS Client Database (CDB) IDES Quarterly Wage File



All cohorts have data for 1st quarter after exit; later cohorts drop out of analyses for 2nd, 3rd, and 4th quarters after exit.
Data Sources: IDHS Client Database (CDB) and IDES Quarterly Wage File

Factors Associated with Employment After First Exit

Having described the employment and quarterly wages of the population of leavers, this section of this chapter examines the factors that may be responsible for the greater employment success that some experience. This examination, based on the administrative data, begins with an account of the characteristics of those with and without wages in the quarter after exit, then considers relationship of ethnicity and the presence of wages, and ends with an analysis, using logistic regression, that attempts to separate out the factors that are most important in differentiating the wages of TANF leavers after exit. As noted previously above, because single-parent cases dominate the TANF caseload and are of greatest concern in assessing the consequences of welfare reform, these analyses will focus exclusively on single-parent cases.

Characteristics of Single-Parent Cases by Employment in Quarter after Exit

The first step in understanding the factors associated with employment after exit is to describe the characteristics of those with employment and compare them to those without employment. Using single-parent cases for this analysis, Table 36 presents the characteristics of

those with and without UI wages in the first quarter after exit. Though similar in many ways (e.g., in terms of the percent with children in specified age ranges, in terms of marital status, and in terms of ethnicity), those with no wages in the quarter after exit are generally older (median age of 30 years old versus 28 years old), less educated (only 52.0% with at least a high school diploma versus 65.6%), and less experienced as workers (25.2% with no prior work experience versus 16.5%) than those with wages in the first quarter after exit. All of these differences are consistent with previous research on welfare leavers who are hard to place in stable jobs. In addition, as expected, those with no wages in the first quarter after exit were much more likely to have had their cases closed due to non-cooperation (43.1% versus 25.7%) and much less likely to have left welfare because of additional earned income (14.5% versus 46.6%) than those with wages in the first quarter after exit.

Table 36: Characteristics of Single-Parent Cases With and Without Wages in Quarter after Exit

	No Wages in Quarter after Exit	Wages in Quarter after Exit	All First-Exit Cases
Female Leaver	93.5%	95.8%	94.8%
Median Age of Adult Leaver	30 years old	28 years old	29 years old
Ethnicity			
African-American	57.0%	55.3%	56.1%
White	32.3%	34.9%	33.7%
Hispanic	9.5%	9.2%	9.3%
Other	1.3%	0.6%	0.9%
Children			
Child less than 1 year old	10.0%	10.5%	10.3%
Child less than 6 years old	60.1%	63.4%	61.9%
Child less than 13 years old	86.4%	89.7%	88.2%
Marital Status			
Never Married	63.7%	66.7%	65.3%
Married	9.3%	7.3%	8.2%
Deserted	12.6%	11.4%	12.0%
Divorced	10.5%	11.1%	10.8%
Legally Separated	1.8%	1.6%	1.7%
Widowed	0.8%	0.4%	0.6%
Other	1.3%	1.5%	1.4%
Education			
High School Diploma (or more)	52.0%	65.6%	59.4%
Work Experience			
Service	34.8%	40.2%	37.7%
Laborer	19.7%	19.2%	19.4%
Clerical	8.6%	11.2%	10.0%
Sales	3.0%	3.9%	3.5%
Operator	2.7%	2.8%	2.7%
Manager/Professional	2.1%	2.9%	2.5%
Crafts	0.5%	0.4%	0.4%
No Prior Experience	25.2%	16.5%	20.5%
Reason for Case Closure			
Income	14.5%	46.6%	31.8%
Non-Cooperation	43.1%	25.7%	33.8%

Sources: IDHS Client Database (CDB) and IDES Quarterly Wage Files

Analysis of Employment for Single-Parent Cases by Ethnicity and Region

In that there is some evidence that African-American leavers are slightly less represented in the group with employment in the first quarter of exit, with whites more represented in the group with employment, it is important to understand the nature of this difference. The bottom rows of Table 37 indicate that, overall, African-Americans are slightly less likely than whites to have wage income in a given quarter. However, as is often the case, this difference may say more about the regions in Illinois than about problems confronting particular ethnic groups. The other sections of Table 37 show that, when controlling for Cook County versus downstate, a different pattern emerges. For Cook County, a higher percent of African-American leavers than whites have wage jobs in the quarter of exit (53.2% versus 47.2%) and a higher percent in succeeding quarters (53.2% versus 50.0% in the final study quarter). Downstate shows less of a differential in the employment rates of African-Americans and whites, but it is nonetheless important to emphasize that African-American leavers appear to be as successful as white leavers at being employed in either downstate or Cook County.

Table 37: UI Wage Income in Percentages in Quarters Before and After Exit; Single-Parent Cases By Region and Ethnicity

Percent with UI Wages	Quarters Before and After First Exit					
	Quarter Before Exit	Quarter of Exit	1st Qtr. after Exit	2nd Qtr. after Exit	3rd Qtr. after Exit	4th Qtr. after Exit
Cook County						
African-American (n=52,895)	47.5%	53.2%	51.9%	51.1%	51.4%	53.2%
White (n=8,494)	39.5%	47.2%	48.4%	48.7%	48.6%	50.0%
Hispanic (n=9,665)	43.3%	51.4%	51.5%	51.6%	52.8%	52.7%
Downstate						
African-American (n=17,101)	56.3%	60.3%	57.1%	56.2%	55.2%	56.2%
White (n=33,567)	52.4%	59.6%	57.8%	56.6%	57.0%	56.8%
Hispanic (n=1,936)	56.2%	63.8%	61.5%	59.1%	59.9%	60.6%
All						
African-American	49.6%	54.9%	53.2%	52.4%	52.4%	54.0%
White	49.8%	57.1%	55.9%	55.1%	55.4%	55.6%
Hispanic	45.4%	53.5%	53.2%	53.0%	54.1%	54.2%

All cohorts have data for 1st quarter after exit; later cohorts drop out of analyses for 2nd, 3rd, and 4th quarters after exit.
Data Source: IDES Quarterly Wage File and IDHS Client Database (CDB)

Distinguishing Unique Factors Associated with Wages After Exit (Female-Headed Single-Parent Cases)

The last analysis of the factors associated with wages after exit uses logistic regression to further sort out the factors associated with wage income after exit. Before explaining the details of the analysis, it is useful to preview the findings in non-technical terms. First, the major ethnic groups, African-American, white, and Hispanic, were similar in their tendency to have recorded wages in the quarter after exit. Adult leavers between 17 and 30 years old were more likely to have wages than those 16 and under and than those over 30 years old; having younger children made it less likely that the adult would have wages in the quarter after exit. Leavers with education (high school diploma) and prior work experience (particularly prior professional or manager, prior clerical experience, and prior sales experience) were much more likely to have wages in the quarter after exit. Finally, leavers in the collar counties around Cook County were more likely to have wages in the quarter after exit, with Cook County leavers and leavers in the rural southernmost part of the state being less likely to have wages.

Interpreting the results in greater detail, we note first that predicting UI wages in the first quarter after the first exit in the study period with logistic regression (with UI wages coded so that the logistic regression analysis is evaluating the odds of having wage income) allows us, by controlling statistically for the impacts of other variables, to assess the unique relationship between various factors and employment. In an effort to simplify the interpretation of the results, the analysis reported in Table 38 was conducted on a particularly common subset of cases, those single-parent cases headed by a woman. This restricted focus was chosen in order to minimize the problem that emerges when different factors are particularly important for different subgroups. One caution should be emphasized before interpreting the results: the results of logistic regression, as with other variants of regression analysis, are dependent on the predictor variables that are included. If important predictor variables are neglected, and these variables are related to the predictor variables that are included, then the results for the included predictor variables may be misleading.

The first point to make in interpreting Table 38 is that the overall model is statistically significant, as measured by the chi-square statistic that analyzes whether independent variables improve the fit of the model. This suggests that the predictor variables chosen are related in meaningful ways to the presence of wage income in the first quarter after exit.

The next step is to examine each of the other rows in Table 38 to see which variables, when controlling for the other variables, are particularly related to the presence of wage income. In addition to the value of looking at the parameters and standard errors, a particularly important column in Table 38 is the Odds Ratio column. Because of the way that the dependent variable, presence of wage income in the first quarter after first exit, is coded, the ratios in this column represent the "relative probability of having wage income in the first quarter after exit." For example, because the ratio for the Hispanic leaver row is greater than 1.00 (it is 1.176), Hispanic leavers are, controlling for other factors in the model, more likely than whites to have wages in the first quarter after exit (with a chi-square probability of p less than 0.001). More specifically, the 1.176 ratio for the Hispanic row indicates that whatever the probability is for whites having wage income in the first quarter after exit, Hispanic leavers are, again controlling for other factors, about 18 percent (the ratio of 1.176 indicating that the probability for whites is multiplied by 1.176 to yield the probability for Hispanics) more likely to remain to have UI wages in the quarter after first exit. This comparison to whites is necessary in that the odds ratios for dummy-

coded variables (coded ‘0’ or ‘1’) in logistic regression always compare the probabilities for those coded with a ‘1’ against the probabilities for those coded as a ‘0.’ In this case, where two dummy variables are used to distinguish three groups, the group not explicitly included–whites–is the implicit comparison group (there are a very small number of recipients coded as Asian-Pacific or as Native Americans; in that variables are not entered for them, they are included with whites). When appropriate, these implicit comparison groups are noted in the table.

Continuing with our examination of odd ratios, the age of the leaver is important in understanding employment after exit. The four age groups used in the analysis cover all leavers up to but not including 31 years old. As such, the implicit comparison group for each of the age coefficients is the group of leavers 31 years old and older. Thus, the odds ratio for the age group of 17 to 19 year old leavers, 1.433, indicates that those leavers in the 17 to 19 age range are 43 percent more likely than those 31 years old and older to have UI wages in the first quarter of exit. Leavers who are 20 to 25 years old are almost 60 percent more likely to have wages (the odds ratio equals 1.599), and leavers who are 26 to 30 years old are more than 32 percent more likely than those 31 years old and older to have wage income in the first quarter after exit (the odds ratio equals 1.325). In contrast, the odds ratio for those leavers 16 years old and younger is less than 1.00. This means that leavers in this group are less likely than older leavers to have wages in the first quarter after exit, specifically only around 61 percent as likely than those 31 years old or older.

For family variables, those leavers who have never been married are more likely to have wage income than those either currently married or previously married (odds ratio of 1.176). Having children, however, is associated with a decreased likelihood of having wage income in the first quarter after first exit. This is most pronounced for leavers with children under 1 year old, being only around three-fourths as likely to have wage income as those without a child in this age range.

Education and prior work experience are, as expected, particularly important predictors of wage income. Those with at least a high school diploma or equivalent are 65 percent more likely than those who have not completed high school to have wage income in the first quarter after exit. In interpreting the odds ratios for prior work experience, the implicit comparison group consists of those with no prior work experience. Consistent with expectations, professional or managerial experience is most associated with wage income after exit (over 80% more likely than those with no experience; the odds ratio equals 1.819), but even those with service sector or laborer experience are more likely than those with no experience to have wage income after exit (around 48% for service experience and 38% for laborer experience).

Regional differences in wage income also stand out in this analysis, with the implicit comparison group being leavers in the north and central rural areas of the state (specifically, the geo-economic zones referred to as north rural, north-central rural, and south-central zones; the most southern rural area is broken out from other rural areas because of its unique challenges). The collar county region (the counties that surround the Cook County/Chicago metropolitan area) is the only one with a greater likelihood of wages after exit than the north and central rural regions (with an odds ratio of 1.147). Leavers in Cook County are only around 73 percent as likely to have wages than the rural comparison group, but even lower is the group of leavers in the most southern rural region who are only 68 percent as likely to have wage income in the first quarter after their first exit in the study period (with an odds ratio of 0.681).

Finally, the time variable, cohort month, indicates that those leaving in later cohorts are, controlling for other variables in the analysis, less likely than early leavers in the study to have wage income after exit. This decreasing likelihood of wages in the first quarter after exit may say something about employment opportunities, but remember also that this cohort variable defines leavers in terms of their first exit in the study period and so results in later cohorts including only those who have not left TANF in an increasing span of months (e.g., those classified as leavers in the December 1998 cohort could not have left TANF in the preceding 18 months). This difference between early and later cohorts with regard to TANF may account for the decreasing likelihood of wages after exit for later leavers.

Table 38: Factors Associated with Income in Quarter After Exit; Single-Parent Cases Headed by a Female

CDB Variable	Parameter Estimate	Standard Error	Chi-Square Probability	Odds Ratio
Ethnicity (Compared to white)				
African-American	.00	.017	.9806	1.000
Hispanic	.16	.025	.0001	1.176
Age of Adult Recipient (Compared to 31 and Older)				
Age: 16 and under	-.49	.236	.0150	.613
Age: 17 to 19	.36	.030	.0001	1.433
Age: 20 to 25	.47	.018	.0001	1.599
Age: 26 to 30	.28	.017	.0001	1.325
Family Variables				
Never married (compared to ever married)	.16	.015	.0001	1.176
Children (each coefficient is compared to those with no child in that age range)				
Child under 1 year old	-.28	.022	.0001	0.758
Child between 1 and 6 years old	-.16	.009	.0001	0.850
Child over 6 and under 13 years old	-.02	.008	.0150	0.982
Education				
High school diploma (or more)	.50	.013	.0001	1.652
Work Experience (Compared to No Prior Work Experience)				
Professional/Managerial experience	.60	.042	.0001	1.819
Clerical experience	.51	.023	.0001	1.658
Sales experience	.50	.035	.0001	1.652
Crafts/Operator experience	.44	.038	.0001	1.553
Service sector experience	.39	.017	.0001	1.475
Laborer experience	.32	.019	.0001	1.375
Geo-Economic Zone (Compared to North and Central Rural Zones)				
Cook County region	-.31	.025	.0001	0.732
Collar county region	.14	.031	.0001	1.147
Downstate urban region	-.13	.025	.0001	0.877
Rural south region	-.38	.035	.0001	0.681
Control Variable				
Cohort Month	-.01	.001	.0001	0.992

Overall model significant (Chi-Square) at p< 0.0001, with 22 df.
Data Source: IDES Quarterly Wage File and IDHS Client Database (CDB)

Analysis of the December 1998 Cohort

While the administrative data provide useful information on overall employment in the population, the survey data provide additional details on earnings patterns for a sample of 514 leavers from the December 1998 cohort.

Employment Rates for TANF Leavers

As shown in Table 39, about 63 percent of surveyed leavers were employed at exit, and this percentage remained stable at the time of interviews. Employment levels at exit differed significantly between Cook County and downstate, with 73 percent of downstate leavers but only 58 percent of Cook County leavers employed. This difference narrowed somewhat by the time of interviews, as employment levels rose slightly in Cook County while declining downstate.

Table 39: Respondent Employment Status When Leaving TANF and at Time of Interview

	Total	Cook County	Downstate	Difference Cook Minus Downstate
Employed when leaving	62.5%	58.2%	73.2%	-15.0%
Employed when interviewed	63.2%	61.1%	68.5%	-7.4%
Employment difference: Interview versus leaving	0.7%	2.9%	-4.7%	NA
weighted n	*514*	*366*	*148*	
unweighted n	*514*	*242*	*272*	

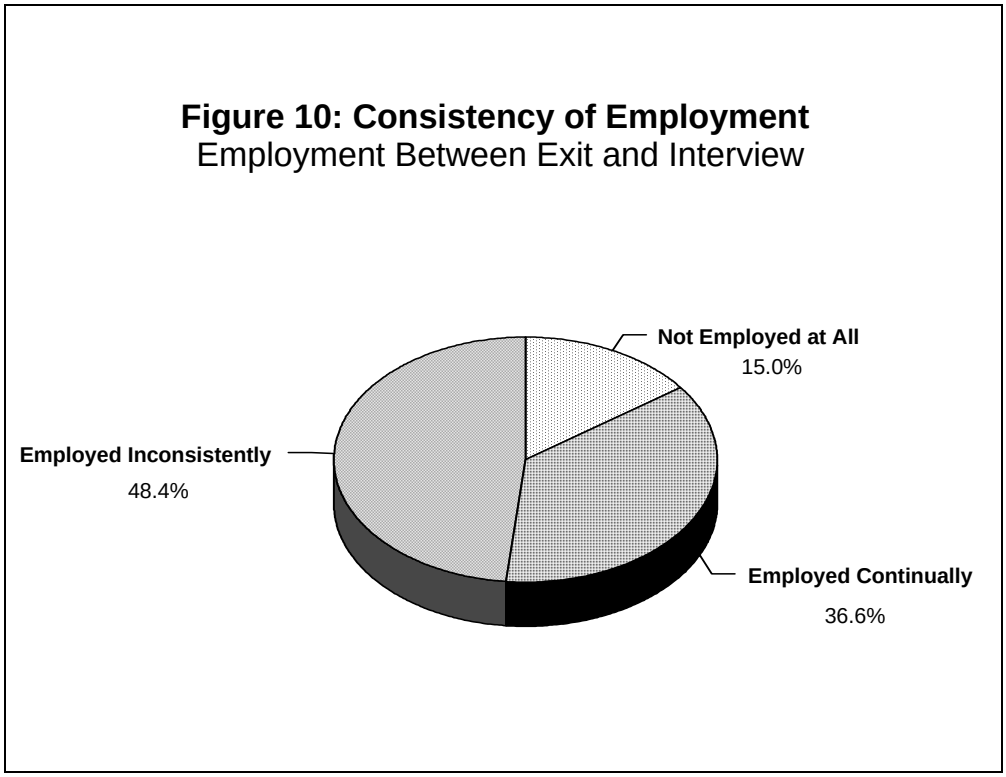
Data Source: Survey Research Office, University of Illinois at Springfield

Analysis of employment patterns during the study period illustrates two important points not discernable from the single point in time data discussed above. First, as Table 40 reports and as illustrated in Figure 10, only 15 percent of TANF leavers did not work at all between their exits and study interviews six to eight months later. This low number of continually unemployed leavers was consistent between Cook County and downstate.

Second, while some employment during the study period was the norm, most TANF leavers did not maintain consistent employment. Eighty-five (85) percent of TANF leavers worked at some point between exiting TANF and being interviewed, but only 37 percent remained employed for the entire period between exit and interview. Downstate leavers were more likely than Cook County leavers to maintain employment for the entire study period, with 44 percent of downstate leavers versus 33 percent of Cook County leavers continually employed.

Table 40: Employment Patterns of TANF Leavers During Study Period			
	Total	**Cook County**	**Downstate**
Employed continually	36.6%	33.4%	44.3%
Employed inconsistently	48.4%	51.2%	41.6%
Employed at exit, but some unemployment since	*26.1%*	*24.9%*	*28.9%*
Unemployed at exit, but some employment since	*22.6%*	*26.5%*	*12.8%*
Unemployed continually	15.0%	15.3%	14.1%
weighted n	*514*	*366*	*148*
unweighted n	*514*	*243*	*271*

Data Source: Survey Research Office, University of Illinois at Springfield



Data Source: Survey Research Office, University of Illinois at Springfield

The 48 percent of leavers who were employed inconsistently between TANF exits and interviews included roughly comparable numbers of leavers who were employed at exit but subsequently lost jobs and leavers who were unemployed at exit but subsequently worked. When coupled with the 15 percent of respondents who did not work at all during the study period, 63 percent of leavers were unemployed at some time during the study period. Those who experienced unemployment often were able to find new jobs. For example, 60 percent of those who were unemployed at exit became employed at some point during the study period.

The narrowing of the Cook County-downstate employment differences between the exit and interview points is largely attributable to differences in work patterns for inconsistent workers. As Table 40 shows, it was slightly more likely for unemployed Cook County leavers to have found work than for employed leavers to have lost work during the study period. Downstate, the reverse was true, with 29 percent of those employed at exit subsequently experiencing some unemployment and only 13 percent of those unemployed at exit subsequently finding jobs.

Employment by Partners and Other Household Members

For those living with a spouse or other partner (about 13 percent of respondents were living with a spouse or partner at exit and about 15 percent were at interview), the employment patterns of partners also contribute to the economic well-being of these leavers. About 49 percent of these partners were working at exit, and 60 percent were working at the time of interviews. Like respondents, partner employment tended to be inconsistent. Only 27 percent of the partners who lived with respondents both at exit and at interview maintained consistent employment during the study period.

Table 41 shows employment patterns that result when the employment of partners is also considered. Note first that the percentage of leaver households in which either the respondent or a partner worked rises slightly to 66 percent (applies both at exit and when interviewed). As a result, when leavers were living with partners either the respondent or partner was working when interviewed in 86 percent of such households, as compared to employment rates of 62 percent for single leavers. In addition, while employment rates declined slightly for single leavers between exits and interviews, employment rates for leavers and their partners increased. The percentage of leaver/partner households with at least one person working increased from 79 percent to 86 percent between exits and interviews, while single leaver employment rates declined slightly from 64 percent to 62 percent.

Table 41: Employment of Respondents and Partners by Marital Status and Region						
	% of Total *(weighted n = 514)*		**% of Cook County** *(weighted n = 366)*		**% of Downstate** *(weighted n = 148)*	
	When Leaving	**When Interviewed**	**When Leaving**	**When Interviewed**	**When Leaving**	**When Interviewed**
Either respondent or partner employed	65.6%	66.1%	61.2%	63.1%	76.9%	73.7%
Single and employed	55.3%	52.7%	52.9%	52.5%	61.2%	53.4%
Live with partner and one employed	7.2%	7.4%	5.8%	5.7%	10.9%	11.5%
Live with partner and both employed	3.1%	6.0%	2.5%	4.9%	4.8%	8.8%
Neither respondent nor partner employed	34.3%	33.8%	38.9%	36.9%	23.1%	26.3%
Single and unemployed	31.6%	31.7%	35.9%	34.7%	21.1%	24.3%
Live with partner and both unemployed	2.7%	2.1%	3.0%	2.2%	2.0%	2.0%
Percentage of all single respondents who were employed	63.6%	62.4%	59.6%	60.2%	74.4%	68.7%
Percentage of all respondents living with partner who had at least one person employed	79.1%	86.3%	73.2%	83.0%	88.5%	90.9%
Percentage of all respondents living with a partner who had both persons employed	23.9%	38.8%	22.0%	38.3%	26.9%	39.4%
Percentage who lived in a household in which a household member other than a partner was employed	13.2%	14.2%	13.9%	13.7%	11.5%	15.5%

Data Source: Survey Research Office, University of Illinois at Springfield

Finally, in 13 percent (13.2%) of households at exit and 14 percent (14.2%) at interview, an adult other than the leaver or a partner was working. While data on the earnings of these other household members were not collected, this other employment was sometimes the sole source of household income and other times was supplemented by the income of leavers or their partners. For example, in about six percent of leaver households, an adult other than the leaver or a spouse was the only person employed. In that approximately 34 percent of the leaver households had neither the respondent nor any partner working at exit (34.3%) or at interview (33.8%), this six percent of cases with someone other than the respondent or partner working means that the percentage of leaver households in which no one was working is reduced to 28 percent both at exit and at interview.

Employment Transitions and Changes

The preceding pages have presented an overview of employment experiences for TANF leavers at exit and when interviewed. The following analyses examine further how employment changed over the study period, as well as how employment prior to TANF exit may contribute to exit decisions. Of particular concern are wage patterns for those who maintain employment, as well as the wage experiences of both those who maintain single jobs and those who move from one job to another.

Employment Prior to Leaving Welfare

Consistent with previous research, employment for many study leavers began prior to exit. For example, 46 percent of leavers said that they had worked at least some in the six months prior to their TANF exit, as did 40 percent of partners. About half of these leavers reported that they worked for the entire six-month period, and the mean number of months worked was 4.3.

Those leavers who were employed at exit were much more likely to have worked in the six months preceding exits than other leavers (Table 42). Fifty-eight (58) percent of leavers employed at exit had worked at least some in the six months prior to exit. In comparison, only 27 percent of those unemployed at exit had been employed at all during the prior six months. Furthermore, those employed at exit were far more likely than those unemployed at exit to have worked consistently in the prior six months. These findings suggest the importance of earnings disregards and other employment policies in helping recipients transition from welfare to work.

Table 42: Work Experiences of Leavers in the Six Months Prior to TANF Exit

	All Leavers	Leavers Employed at Exit	Leavers Unemployed at Exit
Worked continuously	23.4%	33.3%	6.8%
Worked inconsistently	23.0%	24.6%	20.3%
Did not work	53.6%	42.1%	72.9%
weighted n	*514*	*325*	*189*

Source: Survey Research Office, University of Illinois at Springfield

Job Changes

As the previously discussed data on job inconsistency suggests, leavers often lost or changed jobs. As Table 43 shows, of those employed at exit, only 47 percent had the same job when interviewed. Of the remaining 53 percent who did not have the same job, 51 percent had moved to a new job and 49 percent were unemployed when interviewed. Cook County leavers who did not maintain the same job were more likely to be unemployed at the time of interviews than to have moved on to a new job, while downstate leavers were more likely to have moved on to a new job.

Those who maintained the same job during the entire study period often experienced wage gains. Forty percent of those who kept the same job had received hourly wage increases by the time of interviews, while 54 percent had the same wage and 6 percent received wage decreases. The average hourly wage increases for these leavers was 43 cents per hour.

Table 43: Job Turnover and Change for Those Employed at Exit

	Total	Cook County	Downstate
Had same job when interviewed as at exit	47.2%	47.5%	46.5%
Did not have same job	52.8%	52.5%	53.5%
Currently unemployed (% of those not having same job)	48.8%	54.1%	39.0%
Have a different job (% of those not having same job)	51.2%	45.9%	61.0%
weighted n	*322*	*213*	*109*
unweighted n	*338*	*141*	*197*

Data Source: Survey Research Office, University of Illinois at Springfield

All leavers who had ever worked since exiting also were asked if they had changed jobs at any time since leaving TANF (Table 44). Slightly over one-third of those who had worked since leaving had experienced job changes, with two-thirds of these changing jobs only once and the remaining third changing multiple times. Job changing patterns were similar for Cook County and downstate leavers.

Table 44: Job Changing by TANF Leavers

	Total		Cook County		Downstate	
	% of all respondents	% of those who had worked	% of all respondents	% of those who had worked	% of all respondents	% of those who had worked
Ever worked since leaving	85.1%	100.0%	84.7%	100.0%	86.1%	100.0%
Changed jobs at least once	29.0%	34.1%	28.5%	33.7%	30.2%	35.1%
Did not change jobs	56.0%	65.9%	56.2%	66.3%	55.9%	64.9%
weighted n	*514*	*437*	*365*	*309*	*149*	*128*

Data Source: Survey Research Office, University of Illinois at Springfield

Job changers subsequently were asked how their hourly wages and weekly hours worked had changed as the result of their most recent job change. Three-fourths worked at least as many hours on their new job as on their most recent previous job, and 62 percent reported hourly wage increases (Table 45). In comparison, 25 percent of job changers worked fewer hours on their new jobs, and 20 percent earned lower hourly wages. Overall, job changers received median wage increases of 36 cents an hour over their previous jobs, so that median hourly wages on the current or most recent job were $7.50. Wage increases were much more common for Cook County job changers than downstate job changers, with 68 percent of Cook County but only 46 percent of downstate job changers experiencing pay increases.

Unfortunately, not all study respondents who left jobs had another job lined up when they did so. For example, of those employed inconsistently during the study period, 43 percent had left a job without having another one to go to, and most of these were unemployed at the time of interviews. It thus appears that there is considerable diversity and complexity surrounding the movement into and out of jobs by TANF leavers. While the wage increases for those who maintain jobs or change jobs offer some reason for optimism, the unemployment levels provide continued challenges. Additional research is needed regarding the reasons that many job situations do not last, as well as the supports that may be needed to improve job stability for TANF leavers.

Table 45: Hours Worked and Wage Impacts of Job Changes

	Total	Cook County	Downstate
	% of Those Who Changed Jobs		
Hours worked per week			
Increased	34.5%	37.5%	27.3%
Stayed the same	40.5%	36.5%	50.0%
Decreased	25.0%	26.0%	22.7%
Hourly wages			
Increased	61.5%	67.6%	45.5%
Stayed the same	18.2%	16.2%	25.0%
Decreased	20.3%	16.2%	29.5%
weighted n	*149*	*105*	*44*
unweighted n	*150*	*69*	*81*

Data Source: Survey Research Office, University of Illinois at Springfield

Hours Worked, Wages, and Household Income

Respondents who had worked since leaving TANF were asked to estimate the weekly hours worked when they left TANF and at the time of the interview. The resulting averages of 37 hours at both exit (just under 37 hours) and interview (just over 37 hours) indicate that working leavers typically found the equivalent of full-time work (Table 46). Over 90 percent of those working at exit, and 95 percent of those working when interviewed, generated these hours from a single job.

Respondents were also asked how many hours they worked on their current or most recent job. (Respondents with more than one current job were asked about their main job.) When only results for current jobs are examined, the resulting average of about 36 hours per week for respondents' only or main jobs indicates that TANF leavers who are currently employed typically have a single full-time job.

Hours-worked patterns are very similar between Cook County and downstate both for total hours worked when leaving TANF and at the time of interviews. When considering weekly hours worked in respondents' current main job, the Cook County average is one hour greater than the downstate average.

Table 46: Hours Worked in Jobs Since Leaving TANF

	Total	Cook County	Downstate
Mean total hours worked per week when left TANF	36.6	36.6	36.6
Mean total hours worked per week at interview time	37.3	37.3	37.2
Mean hours worked per week in *current* main job	36.4	36.7	35.7
Mean hours worked per week in *current* or *most recent* main job	35.8	35.9	35.6
Mean hours worked per week in *recent* main job	34.0	33.8	34.7

Data Source: Survey Research Office, University of Illinois at Springfield

TANF leavers were also asked about the hourly pay of their job at the time they left TANF and about the hourly pay of their current or most recent job. (If respondents held more than one job, they were asked about their main job.) Median hourly pay for respondents' current jobs was $7.41. Relatively small percentages of leavers had either very low wages or higher paying current jobs. For example, about 8 percent of leavers earned the minimum wage of $5.15 or less at the time of the interview, while 13 percent were earning at least $10 per hour.

The median hourly pay rates for those employed at the time of interview are more than those of TANF leavers who were employed at the time they left ($7.41 versus $7.00; see Table 47.) This holds for both Cook County respondents (current median of $7.50 versus $7.18 when left) and downstate respondents (current median of $7.00 versus $6.25 when left).

Table 47: Hourly Pay Rates in Jobs Since Leaving TANF			
	Total	**Cook County**	**Downstate**
Median hourly pay on main job when left TANF	$7.00	$7.18	$6.25
Median hourly pay on main *current* job	$7.41	$7.50	$7.00
Median hourly pay on main current/most recent job	$7.09	$7.50	$6.75
Median hourly pay on main recent job	$6.12	$6.75	$5.96
Mean hourly pay on main job when left TANF*	$7.35	$7.58	$6.90
Mean hourly pay on main *current* job*	$7.89	$8.10	$7.43
Mean hourly pay on main/current most recent job*	$7.57	$7.73	$7.20
Mean hourly pay on main recent job	$6.61	6.71	$6.27

* *Note there is an outlier of $50/hour for current pay rates for the downstate region and thus for the respondents in total. While the "analysis weight" for this case is less than 1, it still has the effect of increasing these mean scores. Median hourly pay measures are better estimates of the typical respondent's average pay.*
Data Source: Survey Research Office, University of Illinois at Springfield

Respondents were also asked to estimate the total after-tax (i.e., take-home) pay they received from their employment in a typical week–from all jobs and from their only or main job. The median take-home pay in a typical week was $225 from all jobs worked at exit, and $250 from all current jobs at the time of the interview (see Table 48). Mean values are also higher at time of interview compared to time of exit ($281 versus $255; see Table 49). The same is true for the median and mean values of downstate leavers. For Cook County leavers, the median take-home pay from all jobs is the same at time of exit and at time of interview, but the mean value shows an increase.

As would be expected given the higher wage levels for Cook County respondents, median take-home pay was higher for Cook County leavers who worked. For example, the median take-home pay from all jobs for downstate leavers at the time of the interview was $224 compared to $250 for Cook County leavers. The difference is even greater for total take-home pay from all jobs at time of exit.

All of the above findings apply to take-home pay from respondents' only or main jobs as well as to their total take-home pay for all jobs. For instance, the average for respondents' current only or main job is greater than the average for respondents' only or main job when they left TANF (and greater than the average for current unemployed respondents' most recent job). Also, Cook County respondents' average take-home pay from only or main jobs is greater than the downstate average.

Table 48: Median Weekly Take-Home Pay in Jobs Since Leaving TANF			
	Total	**Cook County**	**Downstate**
Median take-home pay/all jobs when left TANF	$225	$250	$200
Median take-home pay/all jobs at time of interview	$250	$250	$224
Median take-home pay in main job when left TANF	$225	$240	$200
Median take-home pay in *current* main job	$250	$250	$211
Median take-home pay in current/recent main job	$236	$250	$200
Median take-home pay in recent main job	$200	$212	$198

Data Source: Survey Research Office, University of Illinois at Springfield

Table 49: Mean Weekly Take-Home Pay in Jobs Since Leaving TANF			
	Total	**Cook County**	**Downstate**
Mean take-home pay/all jobs when left TANF	$255	$275	$218
Mean take-home pay /all jobs at time of interview	$281	$292	$255
Mean take-home pay in main job when left TANF	$252	$269	$217
Mean take-home pay in *current* main job	$274	$288	$245
Mean take-home pay in current/recent main job	$262	$272	$237
Mean take-home pay in recent main job	$222	$228	$203

Data Source: Survey Research Office, University of Illinois at Springfield

When current hours worked and pay rates are examined by selected type action reasons, we find that the mean number of current hours worked by those whose cases were closed for non-cooperation reason is about one hour more a week than the mean for respondents with cases closed because of excess earned income (Table 50). While the median take-home pay from all jobs is the same, the mean take-home pay for those with an earned income closing reason is higher than that for those with a non-cooperation reason.

Table 50: Current Hours Worked and Pay Rates by Case Closure Reason		
	Earned Income	**Non-Cooperation**
Median weekly hours worked on all jobs	40.0	40.0
Mean weekly hours worked on all jobs	37.5	38.7
Median current take-home pay from all jobs	$250	$250
Mean take-home pay from all jobs	$292	$278
Median pay rate from only/main job	$7.50/hr	$6.75/hr
Mean pay rate from only/main job	$8.06/hr	$7.09/hr
weighted n	*112-114*	*95-100*

Data Source: Survey Research Office, University of Illinois at Springfield

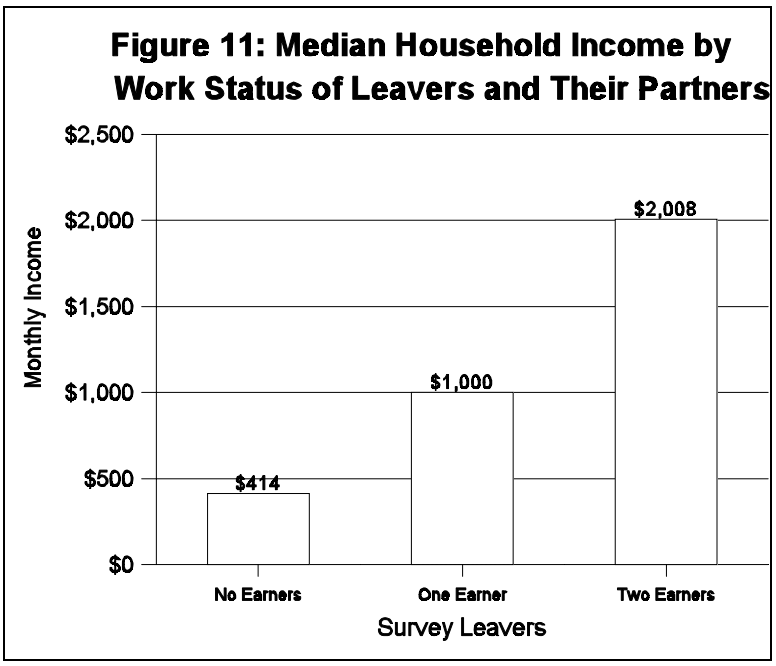
All respondents were asked to estimate after tax income received from all sources for their household in the last month. The overall resulting median income was $895, with the downstate median income being slightly higher than the Cook County median income ($900 versus $880). The full distributions for grouped income levels are presented in Table 51.

Table 51: Household Income for Previous Month

Income Category	Total	Cook County	Downstate
None	4.0%	4.3%	3.4%
Up to $300	10.2%	11.0%	8.2%
$301 to $500	13.7%	15.8%	8.5%
$501 to $800	19.5%	16.8%	25.8%
$801 to $1000	15.4%	16.5%	13.0%
$1001 to $1250	10.5%	10.6%	10.5%
$1251 to $1500	8.9%	6.7%	13.8%
$1501 to $2000	6.9%	5.8%	9.6%
Over $2000	10.9%	12.5%	7.2%
Mean	$1,054	$1,032	$1,107
Median	$895	$880	$900
weighted n	*449*	*315*	*134*
unweighted n	*455*	*208*	*247*

Data Source: Survey Research Office, University of Illinois at Springfield

Not surprisingly, income levels varied considerably depending on the number of workers in the household. As shown in Figure 11, the median reported income rose from $414 for households with no earners, to $1,000 for families with one earner, to $2,008 for households in which both the respondent and a spouse or partner worked. The low incomes of households without employment frequently necessitated the return to TANF. For example, for those who lived in a household where neither they nor a partner was working when interviewed, 38 percent had returned to TANF at least once during the study period. In comparison, only 9 percent of leavers in households where either the respondent or a partner were working had returned to TANF.



Data Source: Survey Research Office, University of Illinois at Springfield

Average levels of income for the past month are presented for selected types of respondents in Table 52, and the relationships found in this table are all consistent with the results described above. First, the median income of single-parent families was less than that for two-parent families. Second, the median income of respondents with a type action reason of earned income was greater than that for those with a non-cooperation type action reason. And third, those off TANF at the time of the interview had a median income of $912, nearly twice the median income of those on TANF at the time of the interview ($500).

Table 52: Average Income Levels by Selected Characteristics

	Median Income	Mean Income	*Weighted n*
Single- or Two-parent Family			
Single-parent family	$800	$964	*373*
Two-parent family	$1,101	$1,492	*76*
Administrative Reason for Case Closing			
Earned income	$900	$1,131	*143*
Non-cooperation	$773	$873	*160*
TANF Welfare Status			
Off TANF since left	$950	$1,131	*369*
Previously on/currently off	$800	$826	*23*
Currently on welfare	$500	$632	*57*
Combinations of the above			
Previously or currently on welfare	$500	$687	*77*
Currently off welfare	$912	1,114	*393*

Data Source: Survey Research Office, University of Illinois at Springfield

Types of Jobs

The most common type of occupation for employed respondents in their current jobs (only or main job) at the time of the interview was a clerical job (20%). Other commons types were: service jobs (14%); sales/cashier jobs (16%); hospitality jobs (13%); health services jobs (13%); factory/warehouse jobs (9%); and jobs as managers/officials/proprietors (8%). Other types occur much less frequently (see Table 53).

When comparisons are made between types of jobs for currently employed respondents and types of recent jobs for respondents unemployed at the time of the interview, fewer currently employed respondents are found to have sales/cashier jobs (16% versus 28%) and hospitality jobs (13% versus 24%). On the other hand, more currently employed respondents are found to be managers/officials/proprietors (8% versus 0%) and to have health service jobs (13% versus 5%).

A comparison of the distribution of the types of jobs respondents had when they left TANF to that of employed respondents at the time of the interview shows that more currently employed respondents were managers/officials/proprietors (8% versus 3%) and somewhat more held service jobs (14% versus 10%). Fewer currently employed respondents held sales/cashier jobs (16% versus 20%) and hospitality jobs (13% versus 18%).

Table 53: Respondents' Current or Most Recent Jobs, Compared to Respondents' Jobs When Left TANF

Type of job	Job when left welfare	Current or most recent job	Current job *(among emplyd)*	Most Recent *(among unempl)*
Professional/technical	4.7%	3.5%	4.0%	1.9%
Manager/official/proprietor	3.3%	5.8%	7.8%	0.0%
Clerical	17.8%	18.5%	19.6%	15.3%
Health services	12.3%	10.9%	12.8%	5.2%
Sales/cashiers	19.8%	18.7%	15.5%	28.0%
Factory/warehouse	11.2%	11.0%	9.3%	15.8%
Construction/craftsman/laborer	2.2%	2.0%	2.5%	0.6%
Transportation	1.0%	2.1%	1.9%	2.8%
Hospitality	18.3%	15.6%	12.6%	24.5%
Service	9.8%	12.4%	13.6%	9.0%
Education	1.7%	1.7%	2.0%	0.6%
Miscellaneous	2.0%	1.3%	1.1%	1.8%
weighted n	*321*	*429*	*321*	*109*

Note: Examples of specific jobs within sales/cashiers occupations include cashiers/checkers (including service station attendants/cashiers); customer service representatives; sales clerks; and inventory-related jobs. Examples within hospitality occupations include restaurant, bar, and fast food-related jobs as well as housekeeping jobs. Examples within service occupations include child care service jobs, social services, security guards, custodians/grounds keepers, and cosmetologists.
Data Source: Survey Research Office, University of Illinois at Springfield

For current or most recent jobs, the largest regional differences are for clerical jobs and hospitality jobs (see Table 54). More Cook County than downstate respondents had clerical jobs (21% versus 12%) while more downstate than Cook County respondents had hospitality jobs (23% versus 12%). These same two regional differences are also apparent when only current jobs are examined. Other regional differences in types of jobs are found for: service jobs, with a greater incidence in Cook County; managerial/official/proprietor jobs, again with a greater incidence in Cook County; and professional/technical jobs, with a greater incidence downstate.

Table 54: Current and Most Recent Occupations by Region

	Cook County		**Downstate**	
Type of job	**Current or most recent job**	**Current job *(among employed)***	**Current or most recent job**	**Current job *(among employed)***
Professional/technical	2.5%	2.7%	5.8%	6.8%
Manager/official/proprietor	7.0%	9.6%	3.1%	3.9%
Clerical	21.4%	21.9%	11.7%	14.7%
Health services	10.0%	13.0%	13.1%	12.3%
Sales/cashiers	17.4%	14.4%	21.7%	18.1%
Factory/warehouse	11.9%	9.6%	8.7%	8.8%
Construction/craftsman/laborer	1.5%	2.1%	3.3%	3.5%
Transportation	2.5%	2.1%	1.2%	1.5%
Hospitality	12.4%	8.2%	23.2%	22.1%
Service	13.9%	15.8%	8.8%	8.8%
Education	1.0%	1.4%	3.3%	3.5%
Miscellaneous	1.5%	1.4%	0.8%	0.6%
weighted n	*304*	*220*	*126*	*100*
unweighted n	*201*	*146*	*228*	*181*

Data Source: Survey Research Office, University of Illinois at Springfield

Factors Associated with Post-TANF Employment

In what follows we analyze several factors that are associated with post-TANF employment. We begin by considering factors that involve employment and training and then consider the impact of potential barriers to employment.

Education and Training

Historically, education and training programs have been promoted as means of improving the human capital of welfare recipients, under the assumption that those with improved skills will gain better employment and hence be less likely to require public assistance. More recently, welfare reform programs have emphasized job search and rapid attachment to the labor force, so that recipients gain employment experience hypothesized to be important in leading to better paying jobs.

Respondents were asked about their experiences with a variety of educational, training, and employment activities in the past two years (Table 55). Respondents first were asked whether they had completed/participated in each type of activity in the past two years. Respondents were asked whether they had *completed* classes and courses and whether they had received degrees or certificates. They were asked whether they had *taken* any job search-related training or any training in job-related attitudes and whether they had *been in* job-subsidized training or in employment where time was spent learning a particular job. Then, they were asked whether any of the activities that they had completed/participated in would be useful in getting a job, keeping a job, getting a pay raise, or getting a job in the future.

As Table 55 shows, survey leavers had participated in a wide range of educational and training activities in the past two years. Education and training activities associated with a rapid labor force attachment approach were most often used, with 44 percent participating in training on work attitudes and job expectations, 36 percent participating in training on how to search for a job, and 27 percent participating in training during which they actually looked for a job.

Education courses also were used frequently, with 27 percent of leavers completing courses towards degrees or certificates beyond high school and 13 percent completing courses for a high school diploma or GED. These activities had culminated in degrees or certificates for many respondents, with 18 percent receiving a degree or certificate beyond high school and 8 percent receiving a high school diploma or GED in the past two years.

Table 55: Participation in Selected Training Activities by TANF Leavers in Previous Two Years			
Activity	**Total**	**Cook County**	**Downstate**
Received high school diploma or GED	8.4%	8.2%	8.7%
Received degree/certificate past high school	18.3%	20.8%	12.1%
Courses to improve reading, writing, or math skills	23.5%	25.7%	18.2%
Courses which count toward getting GED or high school diploma	13.2%	12.8%	14.2%
Courses which count toward getting degree/certificate past high school	27.1%	28.5%	23.6%
Vocational education classes	17.9%	18.9%	15.4%
Subsidized employment	4.7%	5.5%	2.7%
On the job training	14.2%	13.7%	15.5%
Training on how to look for job, interview, prepare resumes	35.9%	38.4%	29.7%
Job search activities	26.7%	30.1%	18.2%
Work attitudes and expectations	44.2%	47.9%	35.1%
weighted n	*514*	*366*	*148*

Data Source: Survey Research Office, University of Illinois at Springfield

Examining these training activities collectively, Table 56 shows that less than one-third of leavers said they had not completed/participated in any of these types of training activity in the last two years. Furthermore, more than half of all leavers had participated in two or more training activities. Cook County leavers were more likely than downstate leavers to have participated in some training activity, and more likely to have participated in multiple training activities. Likewise, Cook County leavers were more likely to have participated in most of the specific training activities about which they were queried (Table 55). This was especially true for the most basic labor force attachment training activities, and probably reflects lower employ-ment levels for Cook County leavers. However, as shown in Table 55, Cook County leavers also were much more likely to have completed degrees or certificates beyond high school, with 21 percent of Cook County leavers versus only 12 percent of downstate leavers receiving such credentials.

Table 56: Number of Training Activities by TANF Leavers in Previous Two Years			
	Total	**Cook County**	**Downstate**
None	30.0%	27.4%	36.2%
One	16.0%	15.6%	16.8%
Two-three	29.6%	28.5%	32.2%
Four-five	20.0%	24.4%	9.4%
Six or more	4.5%	4.1%	5.4%
weighted n *unweighted n*	*514* *514*	*366* *243*	*148* *271*

Data Source: Survey Research Office, University of Illinois at Springfield

The frequency of training activities was similar between leavers who were employed or unemployed at the time of the interviews (Table 57). Unemployed leavers actually were somewhat more likely than employed leavers to have participated in at least one training activity in the last two years. However, the specific activities in which these two groups participated in varied considerably.

As would be expected, unemployed leavers were more likely to have been involved in basic labor force attachment training, such as training on job expectations, how to look for a job, or actually looking for a job (Table 58). In comparison, leavers employed when interviewed were more likely to have completed courses and completed degrees or certificates beyond high school and also to have been involved with subsidized employment programs.

Table 57: Number of Selected Training Activities by Employed and Unemployed TANF Leavers in Previous Two Years

	Total	**Employed**	**Unemployed**
None	29.8%	32.0%	26.1%
One	16.0%	16.6%	14.9%
Two-three	29.6%	27.7%	33.0%
Four-five	20.1%	18.5%	22.9%
Six or more	4.5%	5.2%	3.2%
weighted sample sizes	*514*	*325*	*189*

Data Source: Survey Research Office, University of Illinois at Springfield

Table 58: Participation in Selected Training Activities by TANF Leavers in Previous Two Years, by Employment Status at Interview			
Activity	**Total**	**Employed**	**Unemployed**
Received high school diploma or GED	8.4%	7.4%	10.1%
Received degree/certificate past high school	18.3%	23.4%	9.5%
Completed courses to improve reading, writing, or math skills	23.5%	22.4%	25.5%
Completed courses which count toward getting GED or high school diploma	13.2%	10.4%	18.0%
Completed courses which count toward getting degree/certificate past high school	27.2%	32.3%	18.5%
Completed vocational education classes	17.9%	18.8%	16.5%
Subsidized employment	4.7%	6.8%	1.1%
On the job training	14.2%	14.2%	14.3%
Training on how to look for job, interview, prepare resumes	35.8%	32.6%	41.3%
Job search activities	26.7%	23.4%	32.4%
Work attitudes and expectations	44.2%	41.5%	48.7%
weighted sample sizes	*514*	*325*	*189*

Data Source: Survey Research Office, University of Illinois at Springfield

Of those leavers who had participated in any training, about half thought that at least one activity had been useful in getting a job (Table 59). In addition, forty-three percent said a training activity had been helpful in keeping a job, while only 23 percent identified training activities that they thought resulted in pay raises. Leavers were quite optimistic that the training they had participated in would help them get a job in the future, with 72 percent of respondents voicing this expectation. Perceptions about the usefulness of training were similar between Cook County and downstate leavers.

Table 59: Perceived Impact of Employment and Training Activities on Employment, by Region

	Total		Cook County		Downstate	
	% of leavers	% of those who were in any activity in last two years	% of leavers	% of those who were in any activity in last two years	% of leavers	% of those who were in any activity in last two years
Helped to get job	35.0	49.9	36.7	50.4	30.9	48.4
Helped to keep job	30.2	42.9	31.8	43.6	26.2	41.1
Helped to get pay raise or better paying job	16.1	23.0	16.2	22.2	16.1	25.3
Will help to get job in future	51.0	72.4	53.7	73.7	44.3	68.8
weighted n	*514*	*361*	*366*	*266*	*148*	*95*

Data Source: Survey Research Office, University of Illinois at Springfield

Leavers employed when interviewed were much more likely to indicate that training activities completed in the past two years had been beneficial to them. Of those leavers who had completed any type of training, employed leavers were more than twice as likely to report that such training had helped them keep a job or get a pay raise (Table 60). Employed leavers also were more likely to indicate that such training helped them get a job. In contrast, unemployed leavers were slightly more likely to indicate that the completed employment and training activities would help them get a job in the future, with 76 percent of unemployed leavers voicing this optimistic sentiment.

Table 60: Perceived Impact of Employment and Training Activities On Employment, by Employment Status when Interviewed

	Total		Employed		Unemployed	
	% of leavers	% of those who were in any activity in last two years	% of leavers	% of those who were in any activity in last two years	% of leavers	% of those who were in any activity in last two years
Helped to get job	35.0	49.9	37.8	55.7	30.2	40.7
Helped to keep job	30.2	43.1	36.0	52.9	20.1	27.3
Helped to get pay raise or better paying job	16.0	22.8	19.7	29.0	10.5	12.9
Will help to get job in future	51.0	72.4	48.0	70.3	56.1	75.7
weighted n	*514*	*361*	*325*	*221*	*189*	*140*

Data Source: Survey Research Office, University of Illinois at Springfield

Finally, those respondents who said that employment and training had helped them get employment were asked an open-ended question about the specific training that had been helpful. As shown in Table 61, respondents reported that interview training and vocational training for a specific job had been most useful in getting a job, with about one-fourth of respondents citing each of these activities. A wide array of other training activities was viewed as useful by respondents. Interestingly, only two percent identified high school or GED courses as having helped them get a job. This represents about one-fourth of those respondents who had completed high school or received GEDs in the past two years.

Table 61: Types of Education and Training that TANF Leavers Said Helped Them Get A Job

	Total *	Cook County*	Downstate*
General skills courses	9.4%	10.3%	6.5%
Computers	9.9%	11.5%	5.1%
Job preparedness courses	13.6%	16.1%	6.4%
Resume building	15.5%	16.1%	13.7%
Interview training	25.5%	27.6%	19.4%
Job application procedures	3.7%	2.3%	7.9%
High school or GED courses	1.9%	1.1%	4.0%
College courses/ degrees	9.2%	8.0%	12.6%
Job attitude training	9.8%	9.2%	11.5%
Vocational training (for a specific job)	23.2%	21.8%	27.1%
Miscellaneous	1.8%	1.1%	3.7%
General response that "Public aid training program" helped	9.7%	10.3%	7.8%
Respondent reported "Everything helped"	2.1%	2.3%	1.4%
weighted n	*514*	*366*	*148*
unweighted n	*514*	*243*	*271*

* *Totals exceed 100 percent, because some respondents indicated that more than one type of training had been helpful in getting a job.*
Data Source: Survey Research Office, University of Illinois at Springfield

Barriers to Employment

Previous research has shown that welfare recipients and other low-income workers often experience barriers that limit employment success. Consequently, study leavers were asked if they had experienced problems that kept them from getting or keeping a job. These included

problems with physical or mental health, child care, transportation, education and training, lack of jobs, and family problems. Because of the recognized importance of child care for working leavers, responses to the child care questions will be presented first. Then, discussion of the other issues will follow.

Child-Care Barriers. Respondents were asked whether they had experienced four types of child-care problems that made it difficult to obtain or keep a job. Child-care issues included leavers having difficulty in finding someone to take care of their children, the fit between work hours and available child care, paying for child care, and transporting the child to and from child care. As Table 62 shows, each of these child-care issues was seen as a problem by a substantial number of leavers. Forty (40) percent indicated that finding someone to care for their children was a barrier, while about one-third said that the fit between work hours and child care and paying for child care were problems.[3]

While the patterns of greatest child-care concerns were similar between Cook County and downstate leavers, Cook County leavers were more likely to report each of the child-care barriers than their downstate counterparts. The greatest differences were in paying for child care (35% for Cook County versus 24% downstate) and in child-care transportation (24% for Cook County and 14% downstate).

Table 62: Percentage of Respondents with Child-Care Barriers

	Total	Cook County	Downstate
Paying for child care	31.8%	35.0%	24.2%
Finding someone to care for children	40.0%	41.4%	36.5%
Fit between work and child care	32.7%	33.8%	29.9%
Transportation to/from child care	20.6%	23.5%	13.5%
weighted n	*514*	*366*	*148*
unweighted n	*514*	*243*	*271*

Data Source: Survey Research Office, University of Illinois at Springfield

As might be expected, leavers who were unemployed when interviewed were more likely to report each child care problem than those who were employed (Table 63).

Over one-half of unemployed leavers reported problems in finding someone to care for their children, and 42 percent said they had problems in finding child care for the particular hours they worked. Unemployed leavers also were twice as likely to report problems in transporting their children to and from child care.

While child care barriers thus appeared to be more substantial for unemployed leavers, such problems still were common among those who were employed. For example, one-third of leavers employed when interviewed indicated problems in finding someone to care for their

[3]The incidence and types of child care are reported later in this summary.

children, and over one-fourth reported problems in paying for child care and finding care for the hours that they worked.

Table 63: Percentage of Respondents with Child Care Barriers, by Current Employment Status

	Total	Currently Employed	Currently Unemployed
Paying for child care	31.8%	29.2%	36.8%
Finding someone to care for children	40.0%	33.2%	51.6%
Fit between work and child care	32.7%	27.2%	42.2%
Transport to/from child care	20.6%	14.9%	29.9%
weighted n	*514*	*325*	*189*

Data Source: Survey Research Office, University of Illinois at Springfield

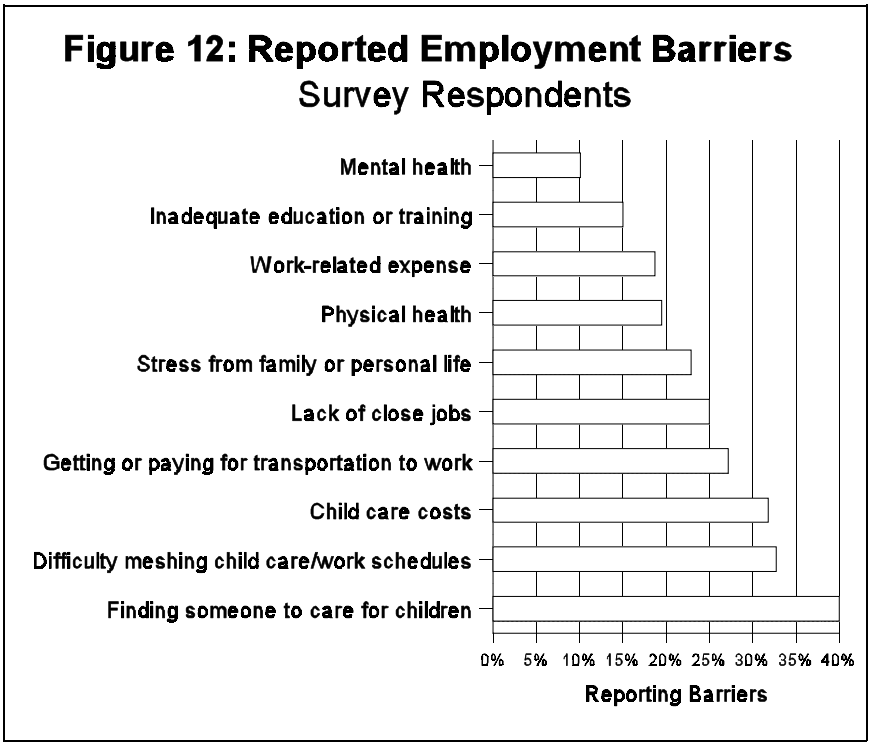
Other Employment Barriers. Respondents commonly reported that several other problems affected their efforts to get or keep a job. Table 64 shows that 27 percent indicated they had problems getting or paying for transportation to and from work, and 25 percent stated there was a lack of jobs near their place of residence. Health and family issues also were fairly prevalent, with 20 percent reporting physical problems and 23 percent indicating stress from their family or personal lives. Figure 12 illustrates the relative frequency with which these barriers were reported.

The frequency of these other barriers generally was similar between Cook County and downstate. The greatest regional differences concerned physical health problems and proximity of available jobs. Downstate leavers were more likely to report physical health problems, while Cook County leavers more frequently indicated problems in finding jobs close to where they lived.

Table 64: Percentage of Respondents with Selected Employment Barriers

	Total	Cook County	Downstate
Physical health	19.5%	17.3%	24.8%
Mental health	10.1%	9.0%	12.8%
Getting or paying for transportation to work	27.2%	27.7%	26.2%
Work related expenses	18.7%	19.5%	16.9%
Inadequate education/training	15.0%	16.1%	12.2%
Lack of close jobs	25.0%	26.8%	20.3%
Stress from family/personal life	22.9%	23.2%	22.1%
weighted n	*514*	*366*	*148*

Data Source: Survey Research Office, University of Illinois at Springfield



Data Source: Survey Research Office, University of Illinois at Springfield

Differences between unemployed and employed leavers were striking on each of these employment barriers as shown in Table 65. As expected, those unemployed reported more barriers than those employed, but it is informative to note how the magnitude of these differences varied according to the barrier considered. For example, four of the potential barriers had a difference between unemployed percentages and employed percentages of around 12 to 16 percentage points (physical health, mental health, work-related expenses, and stress from family or personal life). Another way to look at these differences is in terms of the percent increase when comparing the unemployed respondents to the employed ones. For example, the percentage of unemployed leavers reporting family or personal stress as an employment barriers (31.7%) was around 80 percent higher than the percentage of employed leavers citing this as a barrier (17.5%). On the other hand, the reporting rate for mental health as an employment barrier was around 200 percent higher for unemployed leavers (17.5%) than for employed leavers (5.8%).

The difference between the unemployed and the employed in viewing inadequate education or training as a barrier was even larger, nearly 20 percentage points (or 225% higher for unemployed leavers when compared with employed leavers), than the four barriers just described. However, the percentage point differences in perceived barriers were particularly salient on the two items that addressed being able to get to a job. Whereas 41 percent of unemployed leavers indicated problems in getting and paying for transportation to and from work, these problems were seen as barriers by only 19 percent of employed leavers (a difference of over 100%). Further, nearly 46 percent of unemployed leavers reported problems in finding

jobs close to where they lived, compared with 13 percent of employed leavers (or, over 250% higher for unemployed leavers).

Table 65: Percentage of Respondents with Selected Employment Barriers, by Employment Status

	Total	Employed	Unemployed
Physical health	19.6%	12.6%	31.7%
Mental health	10.1%	5.8%	17.5%
Getting or paying for transportation to work	27.2%	19.4%	40.7%
Work related expense	18.7%	12.9%	28.7%
Inadequate education or training	15.1%	8.3%	27.0%
Lack of close jobs	25.0%	12.9%	45.7%
Stress from family or personal life	22.8%	17.5%	31.7%
weighted n	*514*	*325*	*189*

Data Source: Survey Research Office, University of Illinois at Springfield

Domestic Abuse and Relationship Problems as Employment Barriers. Finally, respondents were asked whether domestic abuse and relationship problems were factors in their ability to get or keep a job. Over one-fourth of the respondents indicated that they had ever experienced some form of domestic abuse and 35 percent of those who reported abuse said that it had been a problem in keeping a job (Table 66). Reported abuse was more than twice as high among downstate respondents, with 43 percent of downstate leavers indicating that they had been abused.

Respondents also were asked if partners or ex-partners had engaged in several specific actions in the past 12 months that might have served as employment barriers. For example, Table 66 shows that 22 percent of respondents overall reported that their partners or ex-partners had refused to help with child care, transportation, or housework, with this problem reported by 27 percent of downstate respondents.

Table 66: Percentage of Respondents Reporting Domestic Abuse and Relationship Barriers to Employment, by Region

	Total	Cook County	Downstate
Ever in abusive relationship	26.7%	20.2%	42.9%
Of those ever in abusive relationship, problem in getting/keeping job	35.0%	36.5%	33.3%
In last 12 months:			
Prevented from finding a job or going to work	7.4%	6.3%	10.1%
Discouraged from finding a job	8.2%	7.1%	10.7%
Made to feel guilty about work	10.1%	9.0%	12.8%
Refused to help with child care, transportation, or housework	21.8%	19.7%	27.0%
Made it difficult to attend classes	10.3%	9.6%	12.1%
weighted n	*514*	*366*	*148*
unweighted n	*514*	*243*	*271*

Data Source: Survey Research Office, University of Illinois at Springfield

Table 67 presents selected domestic violence information by employment status. The table shows that the percentages of the employed (25.8%) and unemployed (28.4%) who experienced domestic violence problems were similar. However, of those who reported abuse, unemployed respondents were much more likely to indicate that the abuse had been a problem in getting or keeping a job. Over 45 percent of unemployed leavers who had been involved in abusive relationships said the abuse had been a problem in getting or keeping a job.

Table 67: Percentage of Respondents Reporting Domestic Abuse and Relationship Barriers to Employment, by Employment Status

	Total	Employed	Unemployed
Ever in abusive relationship	26.7%	25.8%	28.4%
Of those ever in abusive relationship, problem in getting or keeping job	35.0%	26.9%	45.3%
In last 12 months:			
Made to feel guilty about work	10.1%	10.2%	9.9%
Refused to help with child care, transportation, or housework	21.8%	20.1%	24.3%
weighted n	*514*	*325*	*189*

Data Source: Survey Research Office, University of Illinois at Springfield

Summary

The majority of leavers had jobs when they left TANF (55% with IDES wages in the quarter of exit; 63 percent of survey respondents indicating employment at exit). Indeed, only slightly lower percentages of leavers (49%) had IDES wages in the quarter before leaving TANF, suggesting that combining TANF with employment was a common strategy preceding TANF exits.

Study findings show that, for those who worked, there were aggregate wage gains over the study period. For example, for identified adults on single-parent cases, the median IDES earnings of those employed rose from $2,223 for the quarter of exit to $2,720 in the fourth quarter after exit, an increase of 22 percent. These wage levels nonetheless suggest continued economic vulnerability for many TANF leavers, as median wages in the fourth quarter after exit still equate to only $10,880 on an annualized basis.

Employment among TANF leavers tended to be inconsistent, which results in two somewhat contradictory effects. On the positive side, because of movement in and out of jobs over the study period, almost 70 percent of leavers had IDES wages in at least one quarter in the first year after exit. Furthermore, 85 percent of survey respondents reported being employed at some point in the 6 to 8 months after TANF exit. However, only 37 percent of survey leavers worked consistently in the 6 to 8 months following exit and, similarly, only 39 percent of single parent leavers had IDES wages in all four quarters in the first year after exit.

The lack of employment for some and the inconsistency of employment for others raises concerns about the short-term prospects of TANF leavers working their way out of poverty. Examining the IDES wages for the entire population of leavers, not merely those with jobs, the median quarterly earned income of all single-parent leavers is $301 in the quarter after exit and $302 in the fourth quarter after exit. These quarterly wage levels indicate that half of all single-parent leavers had $301 or less in reported earned income in the first quarter after exit. Expressing this apparent hardship in another way, only 19 percent of all leavers had IDES wages in the first quarter after exit that, by themselves, would have lifted the leavers' cases above the federal poverty level. Household income reported by survey respondents was higher in general than the IDES wages, with a median monthly income of $895 ($10,740 per year if income were consistent throughout the year). This monthly income was largely a function of the number of earners in the household: with no one working the median monthly income was $414, with one earner it was $1,000, and with two earners the median monthly income was $2,008.

Overall, these findings suggest that there are reasons for optimism in assessing the employment outcomes of leavers, but there are also many reasons for concern. One of the concerns centers around the barriers confronting those TANF leavers that are having a difficult time getting and keeping jobs. Problems in arranging adequate child care were the most frequently cited barriers to employment, though many others mentioned problems in arranging transportation to and from work. Taken together, therefore, child care and transportation to employment warrant greater attention for policy initiatives that seek to enhance job stability for TANF leavers.