

# Georgia Welfare Leavers Study Initial Results

Prepared for:  
Georgia Department of Human Resources  
Division of Family and Children Services  
December 1999

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## Executive Summary

Funded by the Department of Human Resources, the Georgia State welfare leavers study is tracking families as they leave Temporary Assistance to Needy Families (TANF).<sup>1</sup> Using administrative data combined with the results of a telephone interview, the project monitors the impact of leaving welfare on the individuals, their families and their communities.<sup>2</sup> The study includes both single-parent and child-only leavers and, unlike studies in some other states, does include individuals who have returned to the rolls. The response rate for this study approaches 35% and continues to rise as the project makes intensive efforts to locate respondents. Preliminary analyses of administrative data indicate that interview respondents closely resemble individuals whom the project has been unable to interview.

This report summarizes our initial findings. In our original proposal, we posed four sets of questions:

- 1) What were the experiences of these individuals while on welfare?
- 2) How are former recipients faring?
- 3) How are children of leavers faring?
- 4) What is the broader impact on the community?

Using data on a preliminary sample of 600 individuals who left the rolls starting in the summer of 1999, we find that

**C most leavers are single, and a majority of them have finished high school**

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<sup>1</sup>The study also has received funding from the Assistant Secretary for Planning and Evaluation in the Federal Department of Health and Human Services. This study is part of a consortium of leavers studies.

<sup>2</sup>While all interviews were conducted by telephone, we also attempted to locate respondents in-person in the Atlanta metropolitan area.

A vast majority (69%) of single-parent cases have never been married, while only 6% are currently married. Moreover, 72% of single-parent leavers have finished high school, and 19% have at least some college education.

**C a majority of leavers are working, and among those working, full-time employment is the norm**

59% of single-parent leavers were working at the survey date.

**C the level of economic resources among leavers is fairly low**

Most have family income below the poverty level for most family sizes. 33% of respondents report that they often or sometimes do not have enough to eat. Very few own their own home. Most remain off welfare.

**C there are enormous differences between child-only and single-parent leavers**

These differences are so great that the two groups should be studied separately. Clearly, any analyses of leavers—or of current recipients—need to disaggregate child-only and other leavers.

**C half of all leavers report wanting to leave welfare**

The majority (80%) cite employment as their reason for leaving.

- **a majority of leavers are reasonably informed about TANF rules, but there remains some confusion about some program characteristics**

Fully 80% know there is a time limit on welfare receipt, and most know it is four years. However, 36% believe Medicaid ends when TANF does, and 28% believe there is no family cap on TANF payments.

- **preliminary analyses of child well-being produced mixed results**

We find that most children in single-parent cases are covered by health insurance (78%). However,

71% report having no contact with their fathers.

The figures presented here are generally comparable to national figures of leavers nationwide.

Comparing the two groups, we find that

### **C results for Georgia Leavers resemble nationwide figures**

Georgia leavers resemble leavers nationwide in terms of age and number of children. Georgia leavers are somewhat better educated than their counterparts nationwide—they are more likely to have finished high school but less likely to have attended college. Roughly six of ten leavers are working both in Georgia and across the country. The level of food inadequacy is actually lower among Georgia leavers. Of leavers nationwide, 58% report that they often or sometimes "worried that food would run out before we got more money to buy more". This was true of only 45% of leavers in Georgia.

In sum, these results suggest that welfare reform has not been a social disaster, at least for the leavers. At the same time, it suggests that it has hardly been a cure-all for poverty, leavers still have substantial needs.

## **I. Brief Review of Project Methods**

This section outlines the methodology of the study. It describes key characteristics of the study, including (1) the definition of leavers; (2) the use of administrative data; (3) the content of the telephone survey; and (4) the response rate and our effort to locate respondents. A fuller description of the study's design and methods can be found in technical appendix I, available under separate cover from the Applied Research Center, or at <http://www.arc.gsu.edu>.

### Definition of Leavers

A discussion of the methodology of any leavers study begins with the definition of leavers. This project defines leavers as cases not having received cash assistance for two months. The two-month limit is designed to exclude cases that leave welfare for a single month. Researchers see these individuals as having missed a payment but not as having moved off welfare. It does include clients who continue to receive other TANF services, such transitional Medicaid or child care assistance.

This definition is consistent with that used in studies in other states, including the other studies in the ASPE-funded consortium of leavers studies. (For a fuller discussion of the design and methods of leaver studies in other states, see technical appendix II., available under separate cover from the Applied Research Center, or at <http://www.arc.gsu.edu>.) However, unlike the other studies, Georgia is among the few studies that include child-only cases in their population of leavers. Child-only cases involve children who are receiving welfare but who are not living with a parent. These children might be living with a grandparent, aunt or uncle. While the child does not live with a parent, the income of the parent determines the child's eligibility for welfare. Neither these children nor their care giver are

subject to work requirements.

Child-only cases make up a sizable portion of the caseload. Furthermore, some researchers, policy makers and advocates fear that welfare reform gives parents an incentive to move their children in with relatives. For these reasons, we believe that child-only cases are essential to any leavers study. As we shall see, child-only leavers differ a great deal from single-parent leavers.

A second difference between the Georgia State leavers study and those in other states is that this study includes individuals who have returned to the rolls. We believe this offers a fuller picture of how leavers are faring. Individuals who return to the rolls may differ systematically from those who do not, and as a result, studies that exclude individuals who have returned are incomplete. Furthermore, because states differ in the rate at which families return to the rolls, excluding those families makes it virtually impossible to compare results across states. Having collected interview data from both groups, the project will be able to document the differences between leavers who do and do not return to the rolls.

#### Administrative data

Like the other studies, the GSU leavers study relies on interview data as well as various administrative databases. For the latter, there are three key files: the closed case file, the so-called "TANF Emergency File" and the child support enforcement database.

The closed case file is used in several ways. First, these data serve as the sampling frame for the study. Initially, a sample of individuals is drawn. For these individuals, the file provides the contact information with which the study begins to track potential respondents. Second, the closed case file

provides basic demographic information, including race, age, gender and relationship to other persons in the household. These data also provide information on the family's use of welfare. This information includes case status, issued payments, and case and client id numbers.

A second source of administrative data is the so-called TANF Emergency file. It provides supplemental information describing the case when it closed—this information includes food stamp and Medicaid receipt, work eligibility status and work experience, reported earnings, and family structure. Used in conjunction with the TANF Emergency file is the current case file. This file is used to determine whether individuals have returned to the welfare rolls.<sup>3</sup>

A third source of administrative data is the Child Support Enforcement (CSE) Database. This information is used to locate potential survey respondents and to determine whether they are currently receiving child support payments.

### Telephone Interview

While informative, administrative data are somewhat limited in their scope. They provide no information on many key outcomes (e.g., a leaver's mental health or barriers to employment) and exclude some individuals, notably those no longer involved in any public programs. As a result, the project is conducting a telephone interview with 200 leavers per month covering a wide range of topics.

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<sup>3</sup>Currently, our information on recidivism is limited. We only have one month of recidivism information and only for the respondent. Eventually, we hope to obtain this information on an ongoing basis and for all individuals in the case. This information would be useful in determining whether children in these closed cases became child-only cases and for examining the timing with which families return to the rolls.

All respondents complete a core set of items concerning demographics, employment and economic status. Individuals also complete a randomly chosen module. The module topics are (a) sources of income and transportation; (b) child care arrangements; (c) mother's mental health and exposure to domestic violence; (d) parenting and home environment; and, (e) understanding of welfare reform.

Taken together, the administrative and survey data provide information on a range of key characteristics and outcomes. These include but are not limited to employment and earnings; other sources of income; health insurance; child care; child well-being; barriers to self-sufficiency; deprivation and insecurity; and attitudes toward and knowledge of TANF.

#### Locating Respondents and the Response Rate

While challenging, locating a large and representative sample of respondents for the survey is essential. This task is especially difficult because the administrative data that provide initial contact information are incomplete. In the data provided by DFCS, approximately 15 percent of the cases have no telephone number (this percent does not include those numbers deemed invalid or disconnected), and another 40 percent have incomplete address information. *For a substantial number of respondents, we begin the process of locating survey respondents with no valid contact information.*

In order to locate hard-to-find individuals, we have implemented a thorough tracking procedure that utilizes all of the available resources. This process represents a significant improvement over what was included in our original proposal. These methods include advance cover letters, incentive

payments, a toll-free telephone number for call-ins, reverse directory look-up information, and data matching with food stamp and CSE databases. Reflecting these improvements, our response rates have risen from 26 percent in June to over 40 percent in October.

Table 1 describes our response rate and our efforts to locate respondents in more detail. For a fuller discussion of our progress to date, see technical appendix III.

| <b>Table 1: June, August, September Surveys*</b> | <b>Percent</b> | <b>N</b> | <b>Average # of Calls</b> |
|--|----------------|----------|---------------------------|
| Total sample size                                |                | 1800     | 5.8                       |
| Valid sample                                     | 59.8           | 1076     | 7                         |
| Response rate (based on N = 1800)                | 32.1           | 578      | 4.4                       |
| Adjusted response rate (based on N = 1076)       | 53.7           | 578      | 4.4                       |
| Refusal rate (based on N = 1076)                 | 10.2           | 11       | 7.3                       |
| Noninterview rate** (based on N = 1076)          | 33.6           | 361      | 10.1                      |
| Unable to locate (based on N = 1800)             | 40.2           | 723      | 4.4                       |

\*As stated, these complete are as of Nov. 11. The survey is still in the field.

\*\* Excludes those where no working telephone number could be established

## II. Analysis of Non-response

The response rate for this project is less than ideal but is in the range of response rates among comparable projects. The quality of a study, however, depends not only on the response rate but on the extent to which respondents and non-respondents differ. The response rate could be rather high (80%), but the study might be very misleading if the 20% who do not respond differ substantially from those who complete interviews. At the same time, a study with a much lower response rate might describe the population of leavers accurately if respondents and non-respondents are similar.<sup>4</sup>

In most policy studies, one knows little or nothing about non-respondents—by definition, they failed to respond to requests for information. What distinguishes research on leavers, however, is the fact that the administrative data provide a great deal of information about individuals we are unable to interview. This information is extensive and invaluable. It allows us to compare individuals who do and do not respond across a range of relevant characteristics, including demographics, as well as past and current welfare receipt.

Using administrative data on all individuals in our study, the project examined such differences. We estimated statistical models using the roughly 1800 individuals we tried to contact for the study. (To make sure we obtained 200 complete interviews per month, we attempted to locate 600 individuals per month.) *In general, very little distinguishes survey respondents from non-respondents.* The

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<sup>4</sup>Of course, all else equal, a higher response rate is desirable because (1) the number of observations is greater, increasing statistical power; and (2) the potential bias caused by differences between respondent and non-respondents is greater at higher levels of non-response. (If the response rate is 98%, then the potential bias is still rather small even if non-respondents are quite different.)

two groups are similar in terms of age, race, household size, the presence of young children, household type, number of months on the rolls, or whether they had returned to the rolls by September of 1999. (For the full analysis of our response rate, see technical appendix IV, available under separate cover from the Applied Research Center, or at <http://www.arc.gsu.edu>.)

Two differences, however, separate individuals we interviewed from those we did not. First, respondents were more likely to have a phone number in the original DFCS data. This makes sense. We were more likely to contact individuals for whom our contact information was better.

Second, the project was more likely to interview individuals who were receiving food stamps when they left TANF. Presumably, this is because those individuals were more likely to maintain correct contact information with the state after leaving welfare. The difference in the response rate for individuals who were and were not receiving food stamps is small in practical terms (5 percentage points).

At this point, therefore, it appears that our data are representative of leavers. We will explore this issue in more detail in the future and may adjust our data at that point.<sup>5</sup> For now, however, we have made no adjustment to these data.

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<sup>5</sup>One option is to weight the data. We explored this possibility for this project. Given what we know about non-response at this time, weighting the data had little impact on our results.

### III. Results

Our original proposal posed four sets of questions. Using interviews completed to date, we will provide initial answers to these questions. Before doing so, however, we briefly describe the demographics of our respondents.<sup>6</sup>

#### Basic demographics

We begin by noting that 79% of our cases are single-parent, while 20% are child-only.<sup>7</sup> Preliminary analyses indicated dramatic differences between child-only and single-parent cases, so our tabulations below describe these groups separately.

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**Table 2: Respondent's Marital Status**

|               | Single-Parent | Child-Only |
|---------------|---------------|------------|
| Married       | 6%            | 21%        |
| Widowed       | 2%            | 7%         |
| Divorced      | 10%           | 23%        |
| Separated     | 8%            | 7%         |
| Never Married | 69%           | 38%        |
| Cohabiting    | 4%            | 4%         |
| Observations  | 463           | 113        |

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Table 2 describes the marital status. We can see that the vast majority of single-parent cases

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<sup>6</sup>One should note that our sample sizes vary substantially across the different analyses. For the most part, this is explained by the fact that some items are included in modules, and only a subset of respondents answered those questions. In general, respondents were willing to answer our questions. The one exception was income, where roughly half of respondents would not provide information. To date, we have not considered the impact of this non-response on our estimates of income levels among leavers. In a future report, we will consider adjustments to account for this non-response.

<sup>7</sup> A remaining 1% are two-parent families. In our tabulations and figures below, we include these cases in the single-parent category.

involve never-married respondents. Only 6% are married. The figures for child-only leavers are quite different. The majority have been married (62%); fully one in five (21%) are currently married. "Never married" is the modal response, but a significant proportion have been divorced. Somewhat surprisingly, few respondents in either group are cohabiting.

Table 3 tabulates the number of children living in the respondent's household. Consistent with other research, we see that two-child households are the mode, and this is true for both single-parent and child-only cases. Very few households in either group contain 4 or more children—13% and 6% for the single-parent and child-only cases, respectively.

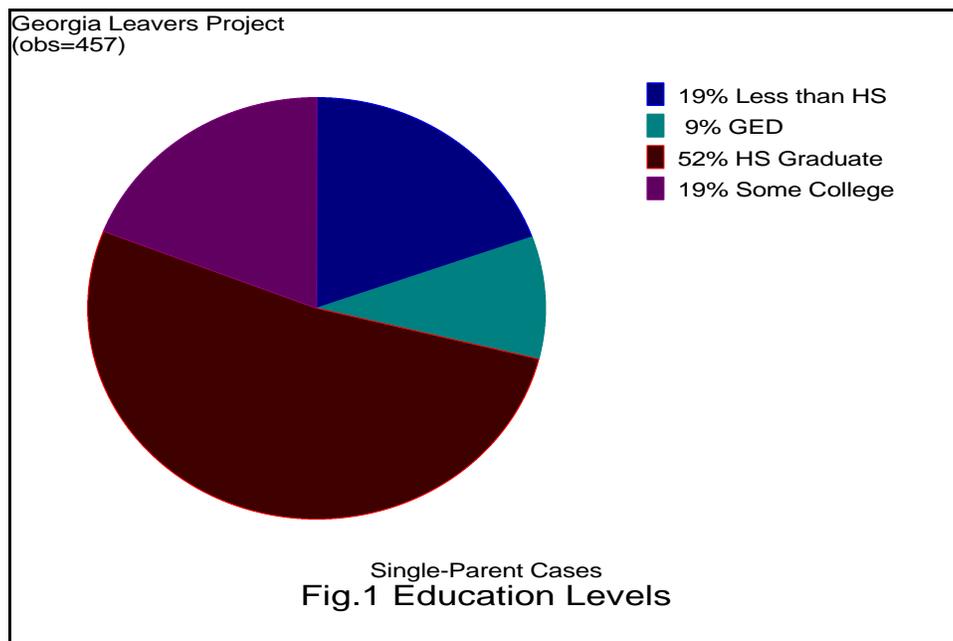
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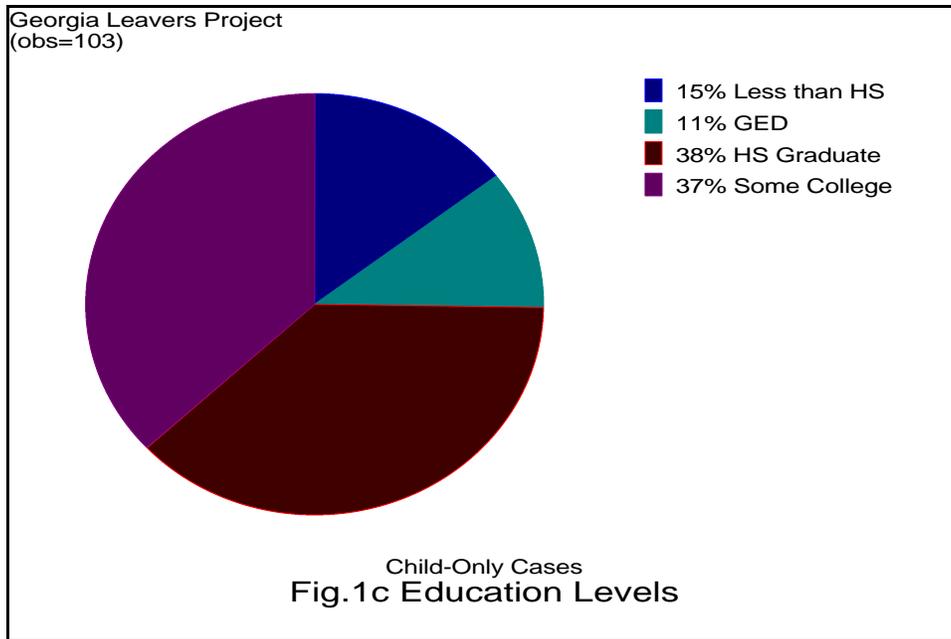
**Table 3: No. Children Living in Household**

|               | Obs. | 0   | 1   | 2   | 3   | 4   | 5+ |
|---------------|------|-----|-----|-----|-----|-----|----|
| Single-Parent | 462  | 3%  | 32% | 35% | 17% | 10% | 3% |
| Child-Only    | 112  | 30% | 20% | 31% | 13% | 4%  | 2% |

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Figures 1c and 1 describe the education of respondents in single-parent and child-only cases, respectively. Perhaps surprisingly, fully 72% of single-parent leavers finished high school; only one in





four (28%) leavers did not finish high school. Of those, roughly one in three obtained a GED.

Education levels among respondents in child-only cases are even higher. A comparable percentage (26%) did not finish high school, but nearly twice as many (37%) had at least some college.

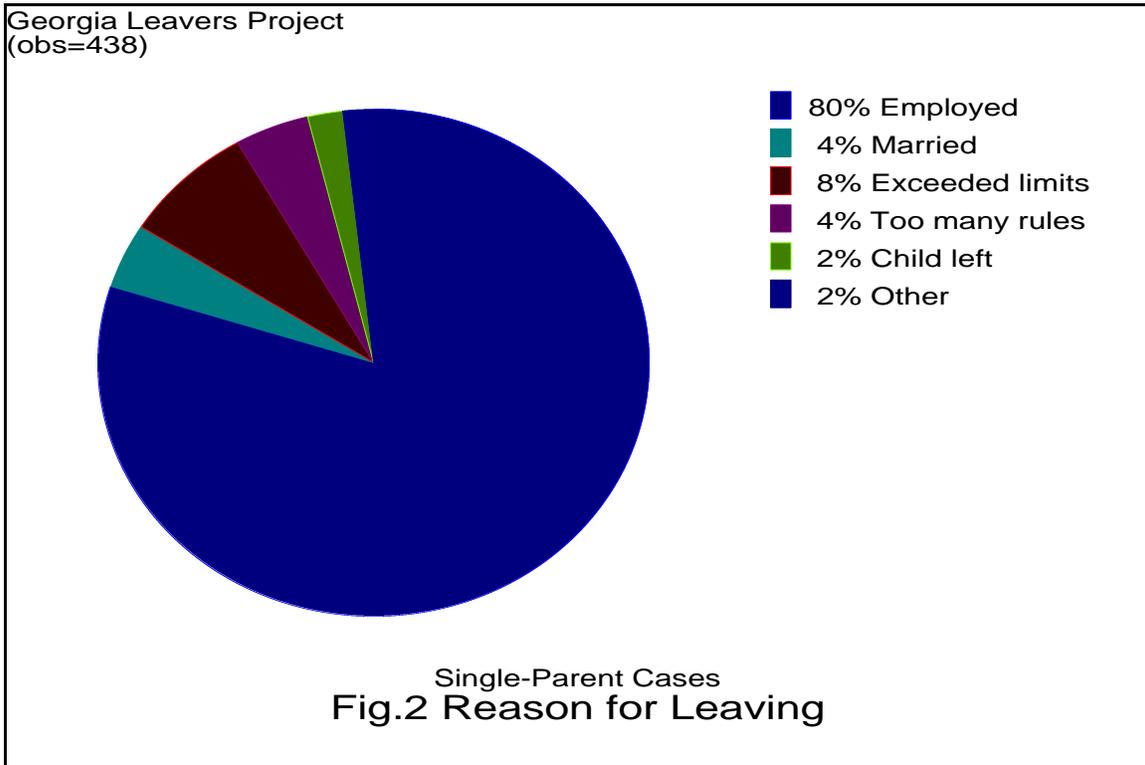
Having outlined the demographics of the sample, we now turn to the first question; what were the experiences of leavers while on welfare?

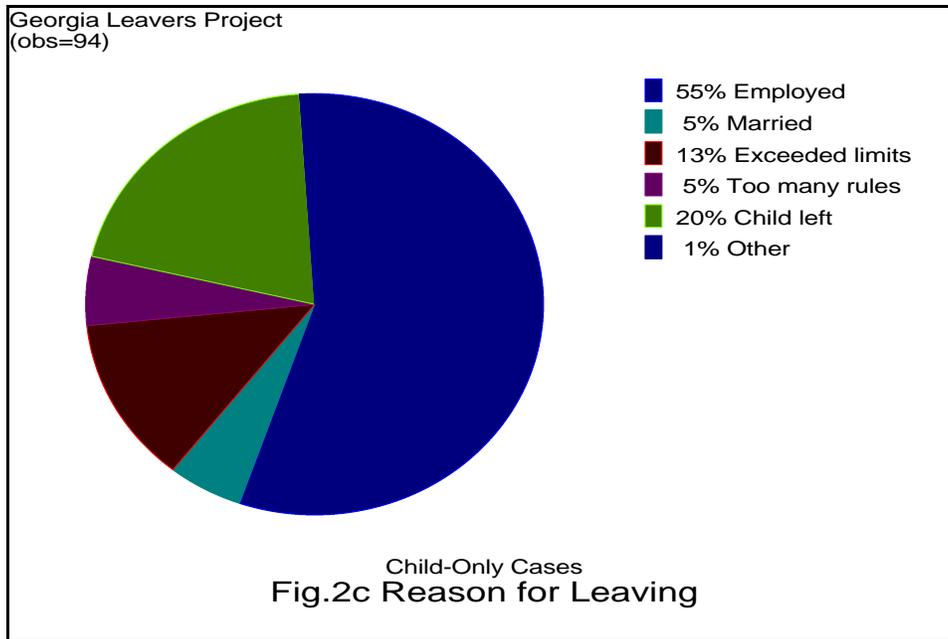
**Question 1) What were the experiences of these individuals while on welfare?**

Table 4 describes the experiences of leavers while on the rolls as well as their knowledge of the program rules. As the first row indicates, roughly half of the two groups of leavers wanted to leave welfare.

**Table 4: Welfare Experiences and Knowledge**

|   | Observations | Single-Parent | Observations | Child-Only |
|---|--------------|---------------|--------------|------------|
| Wanted to Leave Welfare                       | 459          | 47%           | 113          | 48%        |
| Believes there is no time limit               | 138          | 20%           | 29           | 34%        |
| Believes Medicaid ends when welfare does      | 147          | 36%           | 29           | 38%        |
| Believe payments increase with birth of child | 144          | 28%           | 26           | 35%        |





Figures 2 and 2c explore respondents' reasons for leaving in more detail. For single-parent leavers, one can see that the vast majority (80%) left the rolls for employment. Very few left the rolls because they 'exceeded limits' or because there were too many rules. One can see that respondents in child-only cases have rather different reasons for leaving. Employment is still the modal response (55%), but they were much more likely to cite a child leaving the household as the reason for leaving the rolls.

Table 4 also describes respondents' knowledge of the welfare system. The vast majority know there is a time limit to welfare. Only 20% of single-parent cases did not know there is a lifetime limit on welfare receipt. The rate for child-only leavers (34%) is somewhat higher, but this finding is sensible. The limits do not apply to these cases, so more confusion is not surprising. Supplemental analyses indicate that among those who know there is a limit, virtually all know that the limit is four years.

Respondents show somewhat greater confusion about other features of TANF. 36% think that Medicaid ends when welfare does. (The rate for child-only leavers is virtually identical (38%).) It is unclear whether they are referring to themselves or their children, but in either case, needy women and children should be covered (through expanded income eligibility that is included in the TANF legislation, transitional coverage, or income eligibility for children). 28% and 35% of single-parent and child-only leavers are unaware of the so-called "family cap".

**2) How are former recipients faring?**

The second question posed concerned leaver's economic well-being. One measure is whether the respondent has returned to the welfare rolls. We had data for a single month, September of 1999. One can see that a relatively small percentage of both groups were back on cash assistance (12% and 9% for the single-parent and child-only leavers, respectively).

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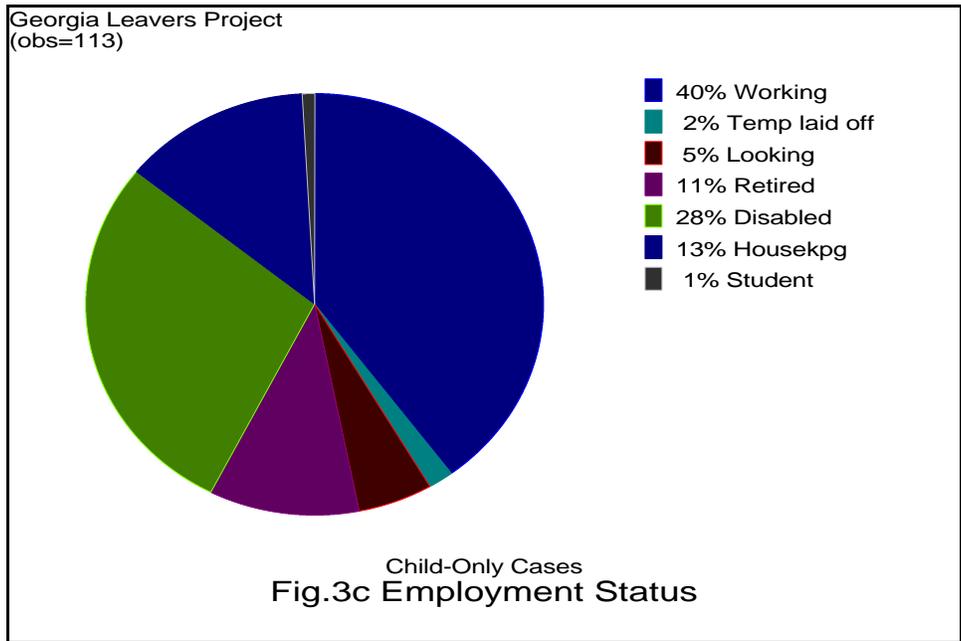
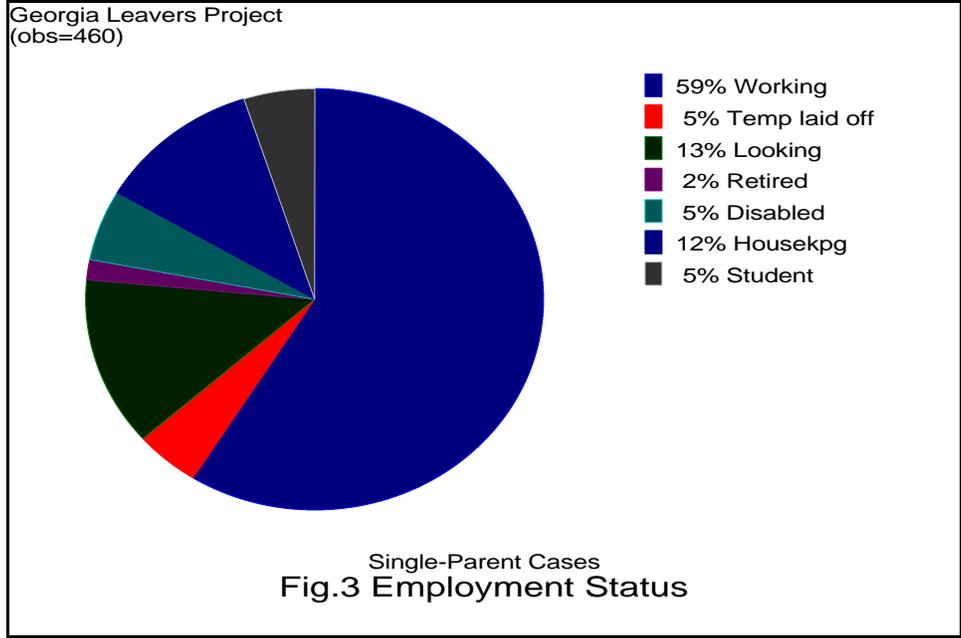
**Table 5: Returned to Welfare**

|   | Single-Parent | Child-Only |
|---|---------------|------------|
| % Receiving Cash Assistance in<br>September of 1999 | 12%           | 9%         |
| Observations  | 465           | 113        |

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Figures 3 and 3c describe employment status at the time of the interview. 59% of single-parent respondents were working. Furthermore, additional tabulations indicate that the vast majority of the

employed are working full-time.

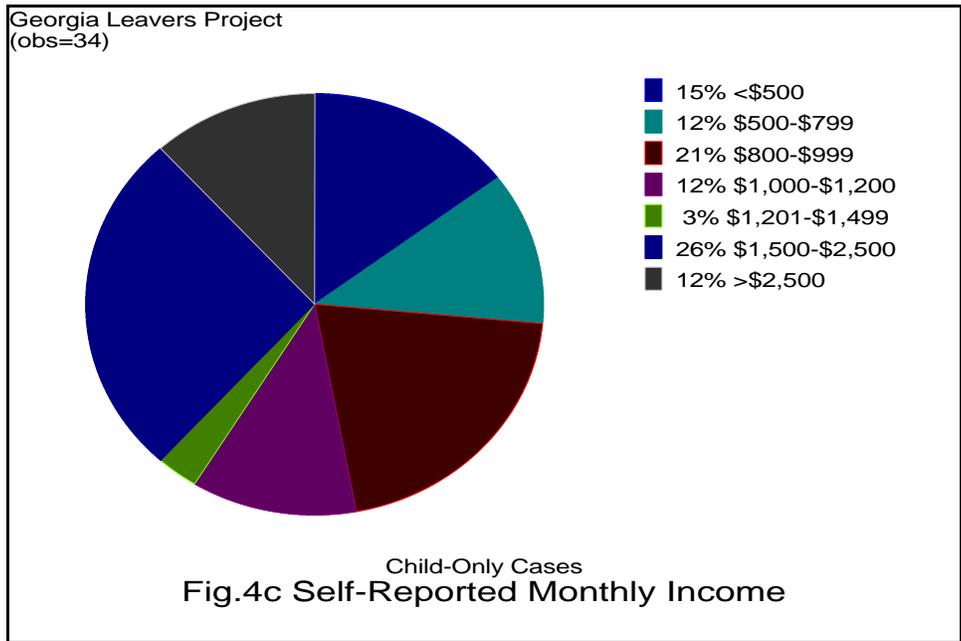
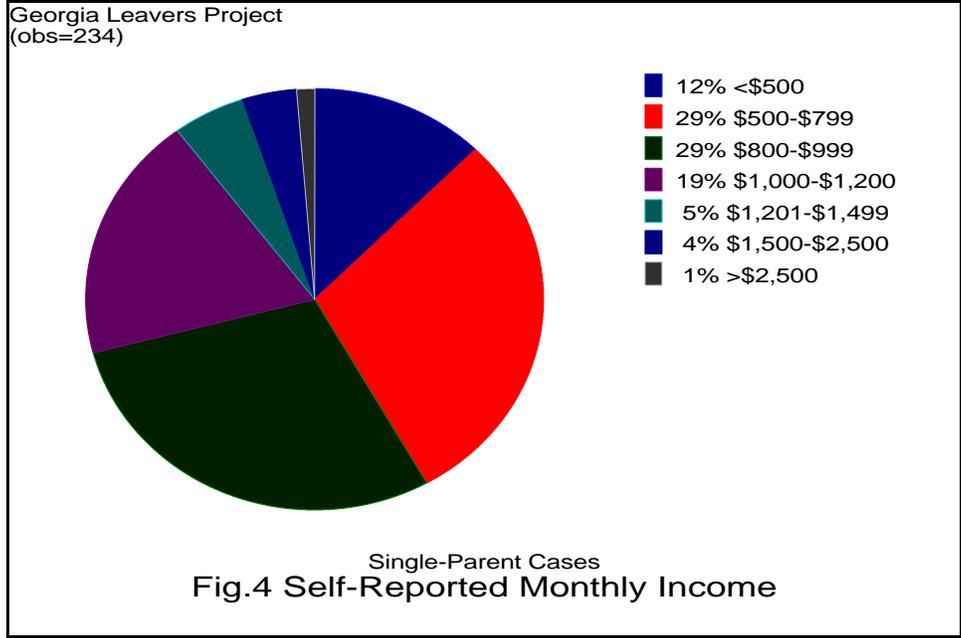


These figures are substantially higher than those for the child-only leavers (figure 3c). Among those respondents, fewer than half were working or looking for work (45%). Perhaps surprisingly, fully 28% identify themselves as disabled. As one would expect, these are the older respondents. Supplemental analyses indicate that disabled respondents are 14 years older than other respondents on average (average age 31 years-old versus 45 years-old).

What about family income? Figure 4 describes the distribution of income, and one can see that monthly incomes are very low. 70% of respondents have incomes below \$1,000 per month. Given the sizes of their families, this means that virtually all of these families are poor. Fewer than 5% of the families have incomes above \$18,000 per year (\$1,500 per month).

Comparisons with figure 4c indicate that child-only leavers have substantially higher incomes. Nearly four in ten (38%) have incomes above \$18,000, and only 48% have incomes below \$1,000 per month. These individuals are hardly affluent, but they are faring substantially better than their single-parent counterparts.

Table 6 presents an added measure of economic well-being—the ability of leavers to live on their own or to even own their home. One can see that home ownership is relatively rare among leavers—only one in six (16%) single-parent leavers own their own home. On the other hand, the vast majority live on their own—only 14% report that they have moved in with relatives. Comparisons with the child-only leavers are consistent with the higher income levels reported above—more than twice as many own their own home (35%), and only 4% report living with family.



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**Table 6: Place of Residence**

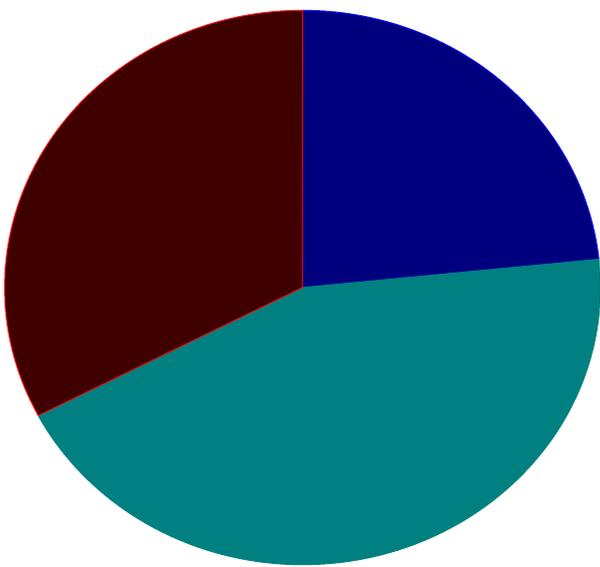
|              | Single-Parent | Child-Only |
|--------------|---------------|------------|
| Own Home     | 16%           | 35%        |
| Rent         | 68%           | 56%        |
| With Family  | 14%           | 4%         |
| Homeless     | 0%            | 1%         |
| Other        | 2%            | 4%         |
| Observations | 464           | 113        |

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As a final measure, we examined reports of how often single-parent leavers lacked food of the type or amount they desired during the preceding 12 months. One can see that only 23% of respondents reported they had enough food of the type and amount they desired. 44% indicate that "we have enough to eat but not always the kind of food we want". Fully one-third indicate that sometimes or often "we don't have enough to eat". It is important to note that the reference period for this questions is the past year and includes time during which the respondent was on TANF.

(Because this question is in a module, the sample sizes for the child-only leavers are small, and we do not present them here.)

Georgia Leavers Project  
(obs=150)



- 23% Enough
- 44% Not Kinds
- 33% Not enough

Single-Parent Cases  
**Fig.5 Food Insecurity**

### **Question 3) How are the children of leavers faring?**

Leaving welfare may affect children in a variety of ways. Possible effects include frequent moves, loss of health insurance and changes in father involvement. These are but a few of the possible changes, but we present preliminary results on these outcomes here.

Table 7 describes the number of moves respondents have made in the last 6 months. One can see that families' places of residences are relatively stable. The majority of both groups report no moves, and of those moving, the majority (roughly 60%) have made only one move. Only a small minority of respondents report having made multiple moves (8% and 3% of single-parent and child-only leavers, respectively).

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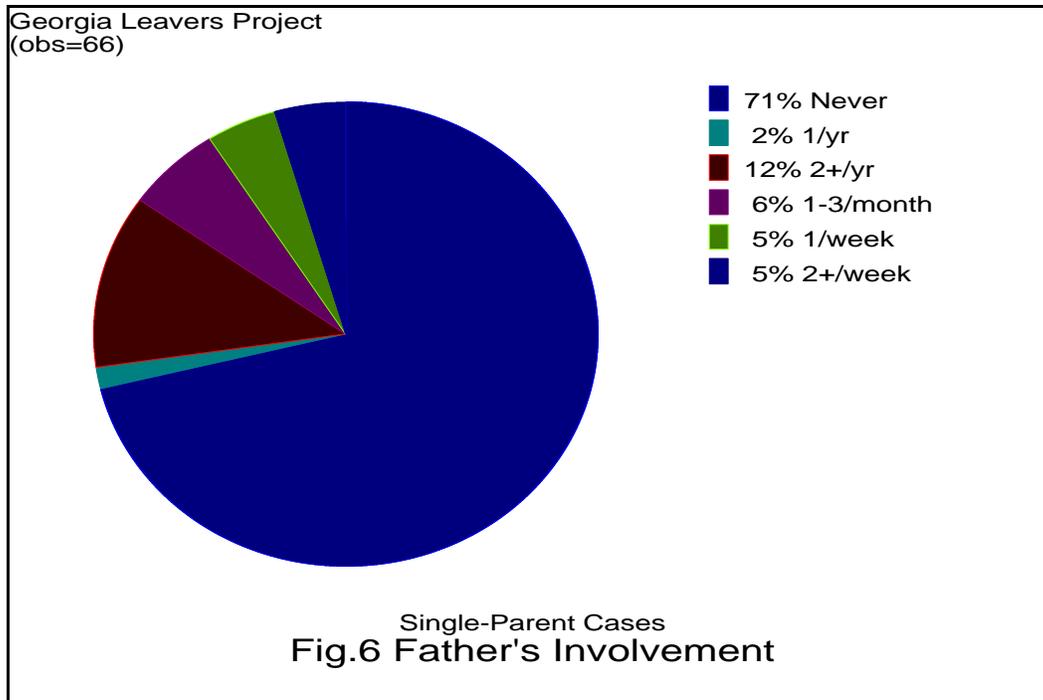
**Table 7: No. of Moves in the Past Six Months**

|               | Obs | 0   | 1   | 2  | 3+ |
|---------------|-----|-----|-----|----|----|
| Single-Parent | 464 | 80% | 12% | 6% | 2% |
| Child-Only    | 113 | 92% | 5%  | 2% | 1% |

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As a second measure of child well-being, we considered the percentage of respondents who report that their children have insurance coverage. For both single-parent and child-only leavers, the vast majority report that their children are covered by insurance (78% and 82% respectively).

Finally, in figure 6, we report father's involvement with the child. (Because of small sample sizes, we do not report this information for the child-only leavers.) In general, the children of single-parent leavers have virtually nothing to do with their fathers. An overwhelming majority (71%) of the



respondents report that the child *never* sees his or her father. Only 16% see their fathers as little as one to three times per month.

**Question 4) What is the broader impact on the community?**

To assess the impact of welfare reform on the community, we examined three possible outcomes. These involve hunger and domestic violence.

Figure 7 identifies the places where individuals who often or sometimes did not have enough food sought assistance. One can see that informal sources were most common. 40% sought help from friends and relatives; more than one in three sought assistance from their church. Relatively few visited shelters or food kitchens.



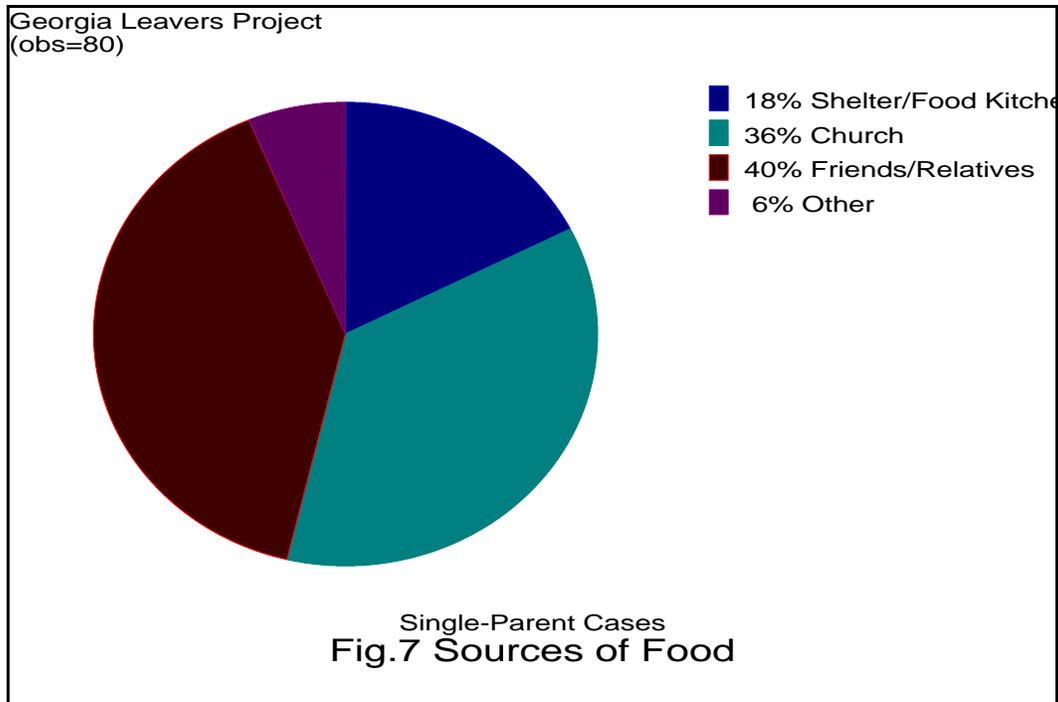


Table 8 presents data on two indicators of domestic violence in our data. One can see that relatively few respondents indicate that they have gone to a domestic violence shelter. 12% of single-parent leavers report having been discouraged from working by a spouse or partner.

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**Table 8: Domestic Violence**

|                                  | Single-Parent | Child-Only |
|----------------------------------|---------------|------------|
| Taken child or self to a shelter | 2%            | 3%         |
| Discouraged from working         | 12%           | 0%         |
| Observations                     | 161           | 35         |

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### Comparability to National Figures

The figures presented here closely resemble those for leavers nationwide. For comparison data, we turned to the National Survey of America's Families (NSAF). The study collects data on low-income families in 13 states. When weighted, these data are representative of the noninstitutionalized, civilian population of persons under age 65. (For details on the NSAF, see [http://newfederalism.urban.org/nsaf/.](http://newfederalism.urban.org/nsaf/)) Recent analyses of these data (Loprest 1999) describe low-income mothers (with incomes below 150% of the poverty line) as well as welfare leavers.<sup>8</sup> These findings provide a valuable context for our results.

Table 9 summarizes findings from the GSU Leavers study and NSAF data for key outcomes. Using the latter, we describe both leavers and low-income mothers.

First, leavers in Georgia (column A) resemble those leavers in other states (col B) in terms of their age and the number of children in the household. Georgia leavers differ in that they are more likely to have never been married (69% v. 32%). Leavers in Georgia also are somewhat better educated in that they are less likely to be high-school dropouts (19% v.29%). At the same time, however, they are less likely to have had some college (19% v. 27%).

In terms of their economic status, the two groups are very similar. Rates of employment are virtually identical (59% v. 61%). Comparisons of food inadequacy suggests roughly similar levels of need, with leavers in Georgia faring somewhat better than leavers nationwide. In Georgia, 45% of leavers report that they often or sometimes "worried that food would run out before we got more

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<sup>8</sup>Loprest focuses on those who have left and remained off welfare at the time of their interview in 1997. Leavers are defined as those who did not receive a payment for two consecutive months or more (Loprest 1999).

money to buy more". This is actually somewhat lower than the figures for leavers (58%) nationwide. Comparisons of the percentage of respondents reporting they "often worry" shows an even greater gap between Georgia leavers (7%) and leavers nationwide (18%).

Second, comparing GSU leavers with a sample of low-income mothers (column C) reveals that leavers in Georgia are somewhat more likely to be employed than low-income mothers (59% v. 54%). Comparisons of food inadequacy suggests that their level of need is somewhat greater (45% v. 34%). To some extent, this difference reflects the presence of additional wage earners in the household. Low income mother are more likely to be married (60% v. 6%). (For a discussion, see Loprest 1999.)

| Table 9            |                   | A. GSU<br>Leavers Study | NSAF*                   |                              |
|--------------------|-------------------|-------------------------|-------------------------|------------------------------|
|                    |                   |                         | B. Former<br>Recipients | C. Low-<br>Income<br>Mothers |
| Age                | 18-25             | 32%                     | 31%                     | 16%                          |
|                    | 26-35             | 37%                     | 44%                     | 43%                          |
| Never married      |                   | 69%                     | 32%                     | 11%                          |
| 3 or more children |                   | 32%                     | 34%                     | 37%                          |
| Education          | Less than HS      | 19%                     | 29%                     | 29%                          |
|                    | GED or HS Diploma | 61%                     | 37%                     | 37%                          |
|                    | Some College      | 19%                     | 27%                     | 24%                          |
| Economic<br>Status | Employed          | 59%                     | 61%                     | 54%                          |
|                    | Food Inadequacy** | 45%                     | 58%                     | 34%                          |

\* NSAF data are from: Loprest 1999.

\*\* Often or sometimes "worried that food would run out before we got money to buy more"

### **Comparability to Remainers in Georgia**

Another way to put the experiences of leavers in a context is to compare them to current cases. Table 10 compares remainers and stayers. (Figures on the former are taken from Risler, Nackerud 1999.) Given the large differences between child-only and single-parent cases, figures are presented for the two groups separately.

The first three rows of the table present basic demographics for leavers and remainers. One can see that, for both child-only and single-parent cases, leavers and remainers are of similar age, race, and marital status. However, when one considers background characteristics, such as age at first birth, differences begin to emerge. Remainers tend to have more children, especially child-only cases. Remainers generally were much younger than leavers at the time of their first birth. Among remainers, in both child-only and single-parent cases, the average age at first birth was roughly age 18. Age at first birth is greater for single-parent leavers (age 23) and greater still for child-only leavers (age 31).

The greatest difference between leavers and remainers is education level. Among single-parent leavers, only 19% did not have a high-school diploma or a GED compared to 45% of remainers. The differences in child-only cases are more noteworthy. Only 15% of the respondents for child-only leavers had neither a high-school diploma nor a GED compared to 52% of respondents for current child-only cases.

Not surprisingly, employment is much higher for leavers than for remainers. For both child-only

and single-parent cases, employment rates are approximately 10 percentage points higher for leavers. Considering home-ownership, single-parent remainers are the least likely (5%) to own their own home, compared to 16% of leavers. Conversely, 48% of respondents for current child-only cases own their own home relative to 35% for child-only leavers. Finally, there are differences in health insurance for children, especially for single-parent leavers. While 78% of leavers have health insurance for their children, 96% of current recipients' children are insured.

While differences exist, a generally optimistic attitude about ending welfare use prevails across leavers and remainers in single-parent families. An overwhelming majority of remainers (79%) and leavers (76%) feel extremely confident that they will either get off welfare or remain off welfare in the future.

Table 10: Comparison of Leavers and Remainders

| Characteristic  | Child Only |         | Single-Parent |         |
|---|------------|---------|---------------|---------|
|   | Remainders | Leavers | Remainders    | Leavers |
| Average Age (years)   | 43.5       | 44.2    | 29.3          | 29.9    |
| Race -- White   | 29%        | 22%     | 17%           | 17%     |
| Marital Status -- Never Married   | 29%        | 38%     | 70%           | 69%     |
| Average Number of Children in Household                                     | 2.34       | 1.46    | 2.38          | 2.11    |
| Age At First Birth (years)  | 18.8       | 31.2    | 18.0          | 23.1    |
| Percentage who did not graduate HS or earn a GED                            | 52%        | 15%     | 45%           | 19%     |
| Monthly Income below \$1000   | *          | 47%     | 63%           | 70%     |
| Percent Employed  | 28%        | 40%     | 39%           | 58%     |
| Percentage who are extremely confident they will get off\remain off welfare | 27%        | 78%     | 79%           | 76%     |
| Percentage who received welfare as a child                                  | 15%        | 23%     | 32%           | 30%     |
| Percentage of children with health insurance                                | 88%        | 81%     | 96%           | 78%     |
| Percentage who own their home   | 48%        | 35%     | 5%            | 16%     |
| Percent who “sometimes or often do not have enough to eat”                  | *          | *       | 5%            | 33%     |

\* Because this question is in a module, the sample sizes for the child-only leavers are small, and we do not present them here

## IV. Conclusions

While still preliminary, these results suggest that the impact of welfare reform on leavers has been mixed. There is some good news. The vast majority of leavers are working or looking for work. Roughly half of the leavers indicate that they wanted to leave, and employment is the most common reason for leaving. Furthermore, demographic analyses indicate that education levels are higher than one might anticipate, suggesting that the leavers have a foundation on which to build future economic success.

The leavers also appear reasonably well informed about the terms of welfare reform. The vast majority know there is a lifetime limit on receipt and that the limit is four years. There is somewhat more confusion about other program characteristics, but the majority know that Medicaid coverage does not end when a leaver exits the welfare rolls and that there is a family cap in Georgia.

At the same time, not all of our findings are hopeful. Self-reported income levels are low. The vast majority of single-parent leavers have incomes below \$1,000 per month. Furthermore, very few own their own home, and only one in four report that they have food of the types and amount that they want. Indeed, fully one in three single-parent leavers report that they do not have enough food. Of those individuals, most rely on informal sources of aid such as churches or friends and family.

These results also allow us to describe the children of leavers. We find that most are covered by health insurance and that most live in homes where moves are relatively infrequent. We also find that these children have very little contact with their fathers.

**In sum, these results suggest that welfare reform has not been a social disaster, at**

**least for the leavers. At the same time, it suggests that it has hardly been a cure-all for poverty, leavers still have substantial needs.**

Why these results are preliminary

These results are preliminary for several reasons. First, some of the analyses are based on fairly small sample sizes. This is especially true for information obtained in the interview modules and for child-only leavers. As the project continues to collect data, we will obtain more interviews and increase our ability to answer the questions posed.

Second, the project is still fine-tuning its procedures for locating respondents. We have made substantial progress during the course of the study; for most recent waves of interview (not yet complete and not included in these analyses), our response rate is above 50%. We are continuing to work to raise this rate still further.

Third, we are still receiving new sources of administrative data. This includes information on the use of food stamps by leavers after exiting the rolls as well as on the receipt of case assistance over time.

Fourth, we are still examining the representativeness of our respondents. Efforts to date provide no evidence that our respondents are unrepresentative of all leavers. However, our ability to identify differences between respondents and non-respondents will be improved as we receive additional administrative data.

For these reasons, the results of this study should be viewed with some caution.

### Future research

A great deal of interesting work remains. Our efforts to date lay a solid foundation for that work. These preliminary analyses also highlight several issues we intend to investigate further. First, we will combine our data with the University of Georgia study of "stayers". This will provide a useful source of comparison for these data. Certainly, how one interprets reports of food inadequacy in this study depends critically on how those levels compare to those for women and children remaining on the rolls.

In addition, once we have more complete data, we plan to examine the women who are returning to the rolls in more detail. Of particular interest is not only whether families return to the rolls but also the factors that predict how quickly individuals return.

Third, we plan to explore variation among leavers in more detail. In particular, we plan to identify groups of leavers who are faring well or poorly post-TANF. Possible analyses involve race, geographic location, and participation in other government programs (such as food stamps). Finally, we would like to examine the child-only cases in more detail. Future work will include analyses of the movement of children into child-only cases.

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