

PERCENTAGE OF COUNTY CalWORKs CASES (LEAVERS WITH EMPLOYMENT)

Employment Measure #3

DESCRIPTION:

These two charts present county status for state fiscal year 2005-06 on Measure #3 of the Pay for Performance program, a program that enables counties to earn incentive funds based on their improvement on several key outcome measures from one year to the next. Measure #3 relates to adult cases exiting the program for at least three months who have earnings in the quarter after exit.

The two charts mirror the two parts to Measure #3, which include a basic measure of exits with earnings and a measure of cases that have earnings above a designated threshold. The two charts are: Pay for Performance Measure #3, Exits with Earnings, and Pay for Performance #3, Earnings Equal or Above Higher Earnings Threshold.

METHODOLOGY:

The following methodology and resources were used in these measurements:

The two measures are developed from three data sources: EDD Employer-Reported Quarterly Earnings, Medi-Cal Eligibility Data Base and CalWORKs WTW 25 & 25A reports.

1. Medi-Cal Eligibility Data Base (MEDS). The MEDS is maintained by the Department of Health Services in order to identify those individuals who are eligible for Medi-Cal. The database contains monthly program participation for CalWORKs recipients. This data source has county identifiers as well as individual (Social Security Numbers) and case identifiers. This permits the construction of CalWORKs cases in each county. For purposes of these measures, cases with adults are identified to be on aid in the calendar quarter if the adult or adults are aided for all three months of the quarter. Complete quarterly data are available four months after the end of the calendar quarter.
2. EDD Base Wage File: The Employment Development Department base wage file contains employer-reported earnings for nearly 95 percent of all California employment. The significant exceptions are self-employment, Federal government employment and some casual employment. Employers are required to report total quarterly earnings for all employees with quarterly earnings over \$50. A Social Security Number match is made with the Base Wage file to acquire the earnings. The earnings data are available approximately five months after the end of the quarter.
3. CalWORKs WTW 25 & 25A: These monthly reports, submitted by counties to the California Department of Social Services and compiled by CDSS, include the

number of All (Other) Families and two-parent adults who are enrolled in mandatory welfare-to-work activities. It also includes those enrollees who have been exempted from these employment requirements, those who have been sanctioned for noncompliance with the mandates, and those who have been discontinued from employment components due to time limits and due to employment obtained during the month.

Methodology of CalWORKs Employment Rate Measure Using EDD Employer-Reported Quarterly Earnings

Exits with Employment, Measure #3

The county annual year measure is the average of the four quarterly measures in the year. Each quarterly measure is calculated by the following ratio/percentage formula.

Numerator: All cases in the county with at least one aided adult recipient that exited CalWORKs cash aid for all three months of the state fiscal quarter and had employer-reported quarterly earnings of over \$50 in that quarter comprise the Exits with Earnings measure. Adult recipients are persons who are age 19 or over.

Exiting cases with quarterly earnings equal to or greater than 250 percent of median quarterly earnings of active cases in the county comprise the Exits Equal to or Above Higher Earnings Threshold measure.

Denominator: All cases in the county with at least one aided adult recipient who exited CalWORKs cash aid for at least three months of the state fiscal quarter.

The following is an example of cases that exit aid in a single quarter, the first calendar quarter of the year. An 'on' or 'off' in each month represents whether the case was on or off aid. To be considered an exit, a case was on at least one month in the first quarter (January, February and March) and off all three months of the following quarter (April, May and June). These three cases are examples of cases that exit. A case that exited with earnings would have employer-reported earnings greater than \$50 in the 2nd quarter (April, May and June).

First Quarter/Exit 2nd Qtr Example:

	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June (Earnings Quarter)</u>
Case1	on	off	off	off	off	off
Case2	on	on	off	off	off	off
Case3	on	on	on	off	off	off

CONTACT:

Questions regarding this chart are to be directed to the CDSS Estimates Branch at (916) 657-1688.