A STUDY OF THE DISTRICT OF COLUMBIA'S TANF CASELOAD

By

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Executive Summary

Despite the recent success of the Temporary Assistance for Needy Families (TANF) program in reducing caseloads and moving a large share of former welfare recipients into work, some families may encounter difficulties achieving independence from cash assistance. The U.S. Department of Health and Human Services Office of the Assistant Secretary for Planning and Evaluation (ASPE) entered into cooperative agreements with five states and the District of Columbia (DC) to conduct in-depth studies of their TANF caseloads. This report prepared for the Income Maintenance Administration of DC's Department of Human Services by the Urban Institute presents the findings from the study of DC's TANF recipients.

Since DC implemented welfare reform policies in 1997, its TANF caseload has fallen by 38 percent. As TANF caseloads fall, the characteristics and service needs of welfare recipients are likely to be evolving. Also, as more families near the five-year time limit, it is important to understand how to best help these long-term recipients transition to work. This study profiles DC's TANF caseload in August 2002—approximately five years after the implementation of welfare reform—and aims to address the following questions:

- What is the status of TANF recipients and what challenges to work do they face?
- Are TANF recipients able to work despite these challenges?
- Do certain groups of recipients, such as long-term or sanctioned recipients, face greater or different challenges to work?
- What can be done to facilitate transitions from welfare to work?

To address these questions, we surveyed a representative sample of single-parent TANF caseheads who were on the TANF rolls in August 2002. The surveys were administered between September and November 2002, and we completed interviews with 420 adults who received TANF in August, 92 percent of whom were still TANF recipients when interviewed. In addition to asking about their employment and income, we asked about a number of different barriers or challenges to work. These include lack of skills, health or personal problems, and family or logistical issues that might make finding or keeping work difficult. The survey questionnaire was designed jointly with ASPE and the other five jurisdictions; consequently, it will be interesting and straightforward to compare findings from DC with those of the other jurisdictions when the other studies are completed.

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^a TANF caseload data from USDHHS.

Our findings about work, prevalence of specific barriers, and the challenges facing long-term and sanctioned recipients are summarized below.

• More than half of DC TANF recipients are either working or have worked recently.

About one-quarter of DC TANF recipients are working at the time of the survey and another third worked within the past 12 months. Working TANF recipients have jobs that pay about \$8.50 per hour on average, well above DC's minimum wage. About half of employed recipients have paid sick leave and health insurance from their employer.

• Overall, TANF recipients have very low incomes.

At the time for the survey, most recipients (86 percent) remain poor, and about one third are extremely poor, with incomes less than 50 percent of the poverty line.

• DC TANF recipients face skill-based, personal, family, and logistical challenges that make it hard for them to work.

We identify fifteen different barriers to work that fall into these categories. The prevalence of these challenges among recipients in DC is summarized in Exhibit ES-1. The percentage of recipients facing specific barriers varies greatly: For example, 3 percent report having drug or alcohol dependence, 27 percent have minimal work experience, and 38 percent have neither completed high school nor earned GEDs.

• The majority of TANF recipients face multiple barriers to work.

The overwhelming majority of TANF recipients (90 percent) face at least one barrier to work, and 74 percent face two or more barriers. Of the three categories of barriers (skill, personal, family/logistical), most recipients face barriers in more than one of these groupings. Because so many TANF recipients face multiple barriers to work and they occur in so many different combinations, it is difficult to create a specific list of the service needs of hard-to-employ clients in DC. The greater the number of barriers a recipient faces, the less likely they are to be working.

• Some barriers are more common among non-workers than among workers.

There are certain barriers that serve as markers for clients that have a hard time working. These bellwether barriers could be used to identify clients who may benefit from more intensive needs assessments. These barriers include: low work experience, less than a high school degree/GED, mental health problems, being chemically dependent, having a child with health problems, and having difficulties with child care.

• Low work-experience and child care problems stand out as key barriers to work, although all types of barriers reduce work.

Low work-experience (working less than a quarter of the time since age 18) and child care problems stand out as the only individual barriers that are linked with not working, even after separating out the impact on work of the other barriers a recipient is facing. However, when grouping barriers into categories, facing a challenge in any one of these categories—skill-

Exhibit ES-1 Summary of Challenges for Employment Percent **Skill Challenges** Less than High School/GED 37.9 Low work experience 27.1 Performed 3 or fewer common job tasks 26.4 **Personal Challenges** Physical health problem 16.0 20.9 Mental health problem Chemical dependence 3.1 Severe domestic violence in past year 14.6 Possible presence of learning disability 8.6 Criminal record 6.9 **Family and Logistical Challenges** Caring for child with health or behavioral problems 25.7 Caring for sick family member other than child 10.7 Pregnant or have child under age 1 19.3 Transportation problem 19.4 Child care problems 41.6 Unstable housing 12.6

Source: Urban Institute calculations from 2002 Survey of DC TANF cases.

based, personal, or family/logistical—significantly reduces the likelihood that a welfare recipient works at all. This suggests that combinations of barriers across categories are important in reducing the likelihood that a TANF recipient works at all.

• Long-term TANF recipients are no more likely to face barriers to work than short-term recipients, but the types of barriers they face are very different.

In DC, 43 percent of TANF recipients surveyed have been on the rolls for 36 months or more. This included time during which the casehead is sanctioned but the rest of the case continues to receive some benefits. The recipients who have been on the rolls for more than three years are more likely to face skill challenges, such as having less than a high school degree and limited work experience. They are also more likely to be caring for a sick child or family member. Recipients who have been on the rolls for three years or less are more likely to have mental health problems, recently experienced domestic violence, or have a criminal record than those on the rolls for more than three years. It could be that some of the problems facing recipients with shorter tenures are the reasons they enter or return to TANF. If these problems are addressed or resolved over time, they would be less common among recipients with longer tenures. This could be true even if these problems are not resolved but those with the problems drop off the welfare rolls before receiving three years of benefits.

• Sanctioned TANF recipients are more likely to face chemical dependence, mental health problems, and transportation problems than non-sanctioned TANF recipients.

The barriers disproportionately affecting sanctioned recipients are likely part of the reason requirements were not fulfilled. Sanctioned recipients are also slightly more likely to face three or more barriers to work. Given the nature of these problems, it is unlikely that reducing benefits through sanctions alone will greatly increase compliance.

• Sanctioned recipients and those who received benefits for over three years are as likely to participate in employment and training programs as other recipients.

Recipients with longer tenures have higher past year participation rates than other recipients for all types of employment and training programs, 82 percent versus 71 percent. Sanctioned recipients were as likely to have participated in employment and training activities at some point during the year prior to the interview as non-sanctioned participants. In addition, those recipients with low education levels are more likely to participate in basic education and GED classes, and no less likely to participate in other types of training or job preparation.

Implications

Taken together, these findings have several interesting implications for welfare policy. Although virtually all TANF recipients face at least one barrier to work, these barriers can be overcome. Over one-quarter of all recipients were working and of those facing three or more barriers, 15 percent were working. Our results clearly demonstrate, however, that the greater the number of barriers a recipient faces, the more difficult it is to work.

The barriers recipients face are many and varied. Barriers such as low work experience, having less than a high school degree/GED, mental health problems, chemical dependence, having a child with health problems, and having trouble with child care all make it hard for TANF recipients to work. These results do not point to specific services that could help large groups of recipients move from welfare to work. In other words, "cookie cutter" approaches to addressing the needs of the hardest to serve recipients are unlikely to be successful. Extensive individualized assessments of all TANF recipients, however, are impractical, and most recipients already receive some assessment services. Fortunately, there are certain bellwether barriers that can be used to flag recipients who could benefit from more thorough needs assessments. These barriers are associated with lower employment, but our findings suggest they are likely most problematic for work in combination with other barriers. These barriers can serve as a gateway to addressing the multiple problems recipients face.

In addition, there are two barriers that are associated with lower employment, even after separating out other barriers' effect on work. These barriers are relatively simple to identify. Low work experience (having worked less than 25 percent of the time since age 18), confronting about a quarter of recipients, is one such barrier. In addition, child care problems are also an impediment to work.

Finally, although sanctions are intended to encourage compliance among recipients in general, the families that are actually sanctioned face serious challenges. DC's policy of home visits to sanctioned families may be one way to connect these families to needed services.

These findings may also generalize beyond DC to other urban areas. It will be interesting to compare DC's TANF recipients to those in other areas. Similar studies are being conducted in California, Colorado, Illinois, Maryland, Missouri, and South Carolina. However, it is important to note that DC does not have all the resources of a state; as such it will be more appropriate to compare DC with the large urban areas in these states like Chicago, Baltimore, and St. Louis.

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A STUDY OF THE DISTRICT OF COLUMBIA'S TANF CASELOAD

Chapter 1: Introduction

Despite the recent success of the Temporary Assistance for Needy Families (TANF) program in reducing caseloads and moving a large share of former welfare recipients into work, some families may encounter difficulties achieving independence from cash assistance. Studies show that a substantial percentage of adults currently receiving TANF benefits have significant personal, family, and logistical challenges that limit their ability to work such as poor physical and mental health, low levels of education and literacy, drug and alcohol dependence, experience with domestic violence, learning disabilities, and children with serious disabilities. Some families have multiple barriers to employment that reduce their ability to move into the labor market and leave TANF.

This study focuses on TANF recipients in the District of Columbia (DC), gathering and synthesizing information on the personal, family, and logistical barriers confronting recipients as they try to move from welfare to work. The research is based primarily on a survey of single-parent families receiving welfare during August 2002, with special attention paid to long-term and sanctioned recipients. In addition to providing information that will help DC's Department of Human Services meet the challenge of assisting recipients with these and other barriers move toward self-sufficiency, the findings also provide valuable information to policy makers nationwide about the characteristics and special service needs of TANF recipients in urban areas marked by high costs of living and high unemployment.

In the following sections, we first describe DC's welfare policies under TANF and the data and methods we use to analyze DC's welfare caseload. We then examine the characteristics of DC's welfare recipients, their employment experience, and the myriad barriers they face in moving off welfare and to self-sufficiency. We then focus on how employment differs based on the barriers faced, the length of time on welfare, and sanction status.

Background

DC began implementing welfare reform in the Spring of 1997. Among other changes, the District adopted the federal 60-month limit on benefits and required an employability assessment. Those not already working at least 20 hours or required to attend school had to sign an agreement to participate in job search and job readiness activities as a condition of eligibility. In Spring 1998, a second act was passed that made additional changes to the TANF program. The major changes in this legislation were creation of a DC-funded program for TANF eligible individuals with a medical incapacity—the Program on Work, Employment, and Responsibility (POWER); increasing the amount of money a family could earn, the assets they could hold, and the value of the vehicles they could own and still qualify for benefits; and extending the sanction policy for the first infraction to loss of the adult portion of the benefit grant for one month or until compliance, whichever is longer. DC's maximum sanction is the loss of the adult portion of the grant for 6 months or until

¹ Zedlewski and Alderson (2001), and Danziger et al. (2000) find that families facing multiple barriers to work are far less likely to work than families facing one or no barriers.

compliance, whichever is longer. The District's TANF program is administered by the Income Maintenance Administration of the Department of Human Services.

Since the beginning of 1997, DC has made significant progress in moving families off TANF. Between January 1997 and August 2002, DC's TANF caseload declined by 38 percent (U.S. Department of Health and Human Services website). But despite this decline, a number of cases have already exhausted their sixty months of federal TANF eligibility. Even more families have cycled on and off TANF and may hit the time limit in coming months. Federal law allows states to provide hardship exemptions to the federal time limit to up to 20 percent of the states caseload, and currently, DC is well within the limit. Ultimately, if large numbers of cases continue to receive cash assistance, this could limit funds for other TANF supportive services such as work supports for those who have already left. It is critical to have a better understanding of why these cases are long-term in order to provide services that could enable them to move into work and eventually off TANF.

DC also has a growing number of families who have been sanctioned for failure to meet work requirements. Currently, approximately 25 percent of DC's single-parent cases are receiving a reduced benefit (the adult portion of the benefit is removed) due to sanctions.² Since the children in these families continue to receive benefits, the family is still part of the caseload.³ While some of these families are in the process of becoming compliant with the rules (resulting in the adult rejoining the case), many families remain non-compliant. There are serious concerns as to the extent to which these non-compliant, sanctioned families have serious barriers to work that might hinder their ability to comply with work requirements or even to understand the system's requirements. This is another group that could potentially benefit from targeted services that address their underlying barriers to work, and DC has a program of home visits to sanctioned families to help identify sanctioned families' program needs.

In trying to move families from welfare to self-sufficiency, DC faces a set of problems that is peculiar to urban areas. Areas of concentrated poverty, high housing costs, and limited access to quality services such as child and health care are all factors that can make a successful transition from public assistance to self-sufficiency more difficult. In addition, many urban areas have relatively high unemployment rates, which is true in DC as well. The unemployment rate in the District itself was 5.9 percent in August 2002, compared with a national rate of 5.7 percent. Unemployment rates are even higher for African-American women with less than a high-school degree. These rates are higher than unemployment elsewhere in the region. For example, Virginia has an unemployment rate of 4.1 percent and Maryland has an unemployment rate of 4.3 percent.

In addition, urban areas have had lower caseload declines than other non-urban areas (Allen and Kirby 2000). This creates a "double whammy" for DC and other urban areas: they tend to have greater percentages of disadvantaged and long-term clients who may need additional expensive services, but their higher caseloads force them to spend a greater percentage of TANF dollars on direct cash assistance.⁴ This problem increases the importance of understanding the caseload and

² Authors' tabulations on DC administrative data for August 2002.

³ Note that months during which a sanctioned family receives benefits are not counted against the case's 60 month lifetime time limit.

⁴ See Meyers (2001) for more discussion of this problem for the Washington-Baltimore region.

what services would be most beneficial in helping recipients move into work and off TANF. The commonality of these problems across many urban areas means that results from this study may well be indicative of the issues facing high-unemployment urban areas more generally.

Data and Methods

To provide the most effective services to the remaining TANF recipients, particularly long-term recipients who are likely to hit the time limit, information is necessary on the additional challenges and potential work barriers they face. Administrative data alone, however, only contain information required to administer programs and basic demographic information on participants such as age, number of children, and ages of children. Consequently, more detailed information on barriers and their effects on work requires a survey of recipients.

To obtain a sample of welfare recipients for our survey, we begin with administrative data from DC covering its entire TANF caseload for August 2002. The District of Columbia Department of Human Services, Income Maintenance Administration's administrative database, the Automated Client Eligibility Determination System (ACEDS), links data for families receiving TANF benefits over time going back to 1992. This database also links together a number of other programs such as food stamps, General Assistance for Children, and Medicaid. Information on recipients' characteristics is limited but includes identifier information (names of all recipients in the case, address, telephone number, social security number), age of adults, number and ages of children, gender, race, and marital status (single, married, separated, divorced, and widowed). These data also include status codes (indicating if the case is under sanction, exempt from work requirements, or in POWER) and months with reported earnings while on TANF.

There are a few types of families that are excluded from our sample and our analysis. First, we exclude two-parent families because they are a very small percentage of the DC caseload (about 2 percent). Second, we exclude child-only cases where there is no parent in the family. Thus, we exclude children living with grandparents or other non-parental relatives as well as children in foster or kinship care situations. However, we do include child-only cases where the parent is in the family but their portion of the benefit has been eliminated due to sanction. Third, we exclude families that are in the POWER program, a DC funded program for those who are eligible for TANF but are seriously ill or incapacitated. Although there is certainly more to be learned about this group and the service strategies that might enable them to eventually move to work, the information need is less urgent because this group is completely exempt from work requirements and time limits and their serious health barriers have already been identified.⁵

Using the ACEDS data, we find that there are 11,918 single-parent TANF cases active in August 2002. From this universe our survey subcontractor, Mathematica Policy Research (MPR), selected a representative random sample of 581 families. Over a nine-week field period between mid-September and mid-November 2002, MPR completed 420 survey interviews with sample members. Consequently, the survey response rate is 72.3 percent and the sample credibly represents all single-parent cases in DC. Details of the survey methodology and sample selection appear in Appendix A.

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⁵ POWER participants, however, do have to comply with their treatment plans.

The survey questions aim to identify barriers that interfere with TANF recipients' abilities to move from welfare to self-sufficiency:

- <u>Skill-based Barriers</u>. Very low education levels, low levels of prior work experience, and limited job skills.
- <u>Personal Barriers</u>. Physical and mental health problems, substance dependency issues, severe physical domestic violence, learning disability, and criminal records.
- <u>Family and Logistical Barriers</u>. Child with health problem, other family member of friend with health problem, transportation problem, child care problems, unstable housing, and being pregnant or having an infant. ⁶

Because obtaining data on some of these barriers through self-reported survey data can be a challenge, we use batteries of questions that have been validated and used in previous studies of welfare recipients and low-income families. Many of the measures we use follow the work done by researchers conducting the Women's Employment Study (WES) in Michigan and the Illinois TANF caseload study. In addition, findings from this study on DC's TANF recipients can eventually be compared with those obtained from studies underway by researchers in California, Colorado, Maryland, Missouri, and South Carolina. Because funding for the DC study and these other state studies was provided by the US Department of Health and Human Services Office of the Assistant Secretary for Planning and Evaluation (ASPE), virtually identical survey instruments are being used in all six studies.⁷

In addition to information on barriers, the survey also collects information on employment and economic outcomes. These include employment status, job characteristics (including hours, schedule, and benefits), reason not working, participation in other work activities (including job search, education/training, and work readiness classes), earnings, total family income, and receipt of sources of income (including disability income and child support payments).

One drawback of surveys, however, is they rely solely on the ability of the respondent to recall information. Consequently, it is difficult to obtain reliable data on information such as exact dates and history of program receipt in past years. For this information we use DC administrative data. Administrative records in DC provide the history of TANF receipt, both entries and exits, from 1992 to the present. This allows us to distinguish long-term recipients, both those continuously on TANF and those who have cycled on and off over time. In addition, DC TANF administrative records contain information on current recipients' sanction status, exempt status, and participation in work activities.⁸

DC exempts recipients with certain barriers (such as having a child under age 1) from program work requirements.
 Note, however, that comparisons between these other state studies and DC should be made with caution because DC

as a single urban area does not have the full battery of resources available to states.

⁸ These administrative data do not allow us to see if family members engaged in work or any information about the type of job(s) held. Linking the ACEDS database to DC's Unemployment Insurance (UI) system is of limited value because employed TANF recipients may be working in neighboring jurisdictions in Maryland and Virginia and federal government employment is not captured by DC UI records. We rely primarily on the survey for information on recipients' employment and earnings.

Chapter 2: Overview of DC TANF Recipients

In this chapter, we use the survey data to examine the characteristics of DC single-parent welfare recipients in August 2002. We also assess their employment situations and the characteristics of their most recent jobs.

Time on Welfare

Families move on and off the welfare rolls over time. Each period of time on welfare is conventionally referred to as a "spell." Exhibit 2.1 shows how long single-parent families on DC's TANF rolls have been receiving welfare during their current spell. For the purposes of this analysis, we consider months in which a family head is sanctioned but her family continues to receive TANF to be part of the current spell. Note that months during which the family head is sanctioned do not count against the federal 60 month time limit.

Exhibit 2.1 shows that 42.9 percent of all single-parent TANF cases have received welfare continuously over the past three years in DC. We consider it likely that any family in the midst of a spell of welfare receipt that has gone on for more than 3 years faces significant obstacles for moving from welfare to self-sufficiency. Another 29.8 percent of cases have been on the rolls for one to three years; 10.2 percent have been receiving TANF for the past 6 to 12 months, and 17.1 percent have been on the rolls for 6 months or less.

Interestingly, between the time the sample of families receiving TANF was drawn in August 2002 and these families were interviewed in September, October, or November 2002, 8.1 percent had left welfare. Because they represent an important part of the TANF caseload, these "leavers" are included in our study.

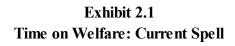
Demographic Characteristics

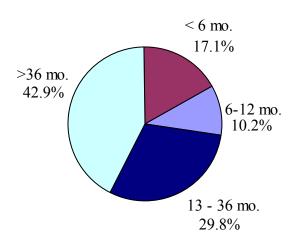
Given the demographics of DC, it is not surprising that the overwhelming majority of single-parent TANF caseheads are African-American and non-Hispanic (96 percent) and female (98 percent). Exhibit 2.2 shows that the average TANF casehead is about 30 years old and more than one-quarter are less than 25 years old. About four out of five TANF caseheads have never been married, and about one in ten are separated, divorced, or widowed. The remainder are married or living with a partner.⁹

Exhibit 2.2 also shows the household composition of single-parent TANF cases. Note that there may be individuals present in the household who are not part of the TANF case. In nearly half of all cases, the household is composed of just the single parent and her children. In 43.6 percent of all cases, the single mother and her children live with another adult who is not the casehead's spouse or partner. In a small portion of cases, the casehead lives with a partner (4.5 percent) or a spouse (2.6 percent) who is reportedly not part of the TANF case.

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⁹ The casehead's current spouse/partner may not necessarily be the father of her children. If the casehead's spouse is not in the TANF unit, then we consider the unit to be a single-parent case. Note also that in some cases, the head's spouse does not reside in the household.





Note: Includes sanctioned months.

Source: Urban Institute calculations from 2002 Survey of DC TANF cases.

Exhibit 2.2 TANF Recipients in DC Demographic Characteristics and Household Composition of Single-Parent TANF Cases in the District of Columbia

	All	Long-term
Age*		
Younger than 25 years	28.1	18.1
25 to 34 years	35.7	37.9
35 years or older	36.2	44.0
Median age (years)	29.0	33.0
Marital Status		
Never Married	79.8	82.4
Married or living with partner	11.0	9.9
Separated, divorced, or widowed	9.3	7.7
Household Composition*		
Single parent, children	47.9	56.0
Two married adults, children ^a	2.6	3.9
Single parent, partner, children ^a	4.5	3.9
Single parent, other adults, children b	43.6	34.1
Adults only, no children	1.4	2.2
Median number of persons in HH	4.0	4.0
Number of Children Less than Age 18 in Household*		
0	1.4	2.2
1	25.2	18.7
2	29.8	26.9
3	20.2	20.3
4 or more	23.4	31.9
Median number of children < 18 in HH	2.0	3.0
Number of Children Less than Age 6 in Household*		
0	29.8	35.7
1	41.4	35.2
2	21.7	19.8
3 or more	7.1	9.3
Median number of children < 6 in HH (N=415)	1.0	1.0
Age of Youngest Child*		
Not applicable (no child on case)	1.4	2.2
Less than 1 year	14.5	7.7
1 to 5 years	55.7	56.6
6 to 14 years	25.7	30.8
15 years or older	2.6	2.8
Median age of youngest child (N=414)	3.0	4.0

[&]quot;Includes months in which the casehead was sanctioned.

NOTE: Percentages may not sum to 100 due to rounding.

Source: 2002 survey of families on TANF in the District of Columbia.

^bOther adults may also have been present in the household.

^cOther adults is exclusive of a spouse or partner.

^{*} Significant at the 90% confidence level.

The typical (median) single mother TANF case in DC has two children under the age of 18, one of whom is under the age of six. In over half of all cases, the youngest child in the case is between the ages of one and five. Mothers with large families and young children are likely to have trouble moving off welfare due to the demands of raising large numbers of children and providing care for pre-schoolers.

There are several interesting differences between recipients whose cases have been open for more than 36 months and other TANF recipients. Compared with all recipients, those on for more than three years are older: their median age is about 33 and only 18.1 percent are less than 25 years old (exhibit 2.2). In comparison to all recipients, those on for more than three years are more likely to live in single-parent families with children and no other adults present (56.0 v. 47.9 percent). They also have larger families: among cases that have been open for more than three years, the median number of children is three. Further, nearly one-third of all cases open for over three years have four or more children, compared with less than one-quarter of all single mother cases.

In some respects, recipients whose cases have been open for over three years resemble all recipients. For example, there are no appreciable differences in marital status between them and other recipients. And regardless of time on welfare, the median single-parent recipient has 1 child under the age of six.

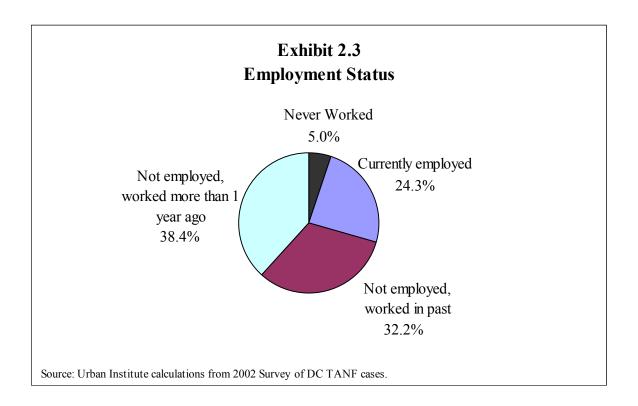
Employment

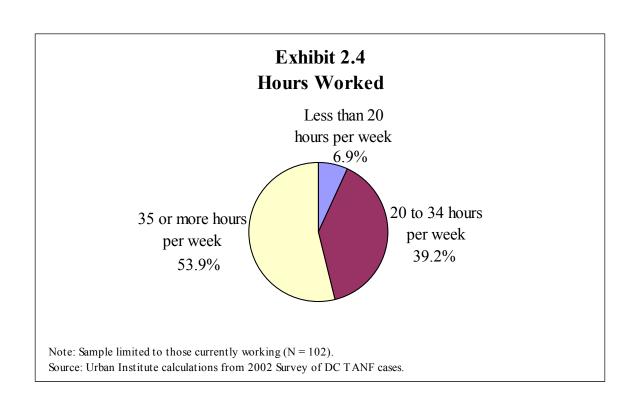
Most TANF recipients have some work experience, and over half have worked in the past year. Exhibit 2.3 shows that nearly one-quarter of TANF unit heads were working at the time of the survey, and another 32.2 percent had worked during the past year. Only 5 percent had never worked for pay. ¹⁰

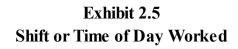
When TANF recipients work, they spend a significant amount of time on the job. Considering the jobs held by those who are currently employed, Exhibit 2.4 shows that 53.9 percent work full-time—35 or more hours per week. Another 39.2 percent work between 20 and 34 hours per week, and only 6.9 percent work fewer than 20 hours a week.

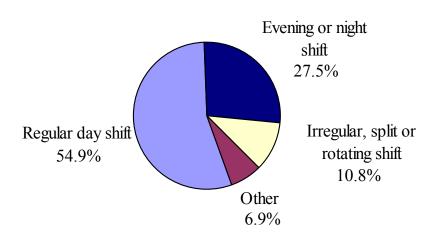
More than half of the welfare recipients employed at the time of the survey work regular daytime shifts (Exhibit 2.5). More than one-quarter work regular evening and/or night shifts. Although paid child care is usually easier to find for those working the day shift, those working the night shift may be able to rely on family and friends to watch their children during the evening hours. Rotating or irregular shifts that change from day to day or week to week may present the greatest complications for single parents trying to arrange for child care. Just under one out of five TANF recipients who currently work (17.7 percent) have irregular shifts.

¹⁰ Some of those who work during the survey month (September, October, or November, 2002) were no longer receiving welfare.









Note: Sample limited to those currently working (N = 102).

Source: Urban Institute calculations from 2002 Survey of DC TANF cases.

Exhibit 2.6 shows the industries in which DC's TANF recipients work. One in five are employed in health care or social assistance, and 17.6 percent work in the accommodation and food service industry. Administrative support, waste management, and remediation services also employ another 17.6 percent, and 11.8 percent work in educational services. Given these industries, it is not surprising to see that the most common occupations for TANF recipients include administrative support (29.4 percent), food preparation and serving (12.7 percent), building and grounds cleaning (11.8 percent), and protective services (10.8 percent) (see Exhibit 2.7).

Wages and Benefits

When TANF recipients in DC work, their wages, on average, are considerably above DC's minimum wage of \$6.15 per hour. For those working at the time of the survey, the median wage is \$8.40 and the mean is \$8.68. These wage rates are comparable to those of DC's welfare leavers (Acs and Loprest 2000). If TANF recipients could work full-time, year-round at these wage rates, their family incomes would be comfortably above the poverty line for a single mother with two children; however, working full-time, year-round may be a challenge for many women on TANF.

Exhibit 2.8 shows the distribution of wages for TANF recipients working at the time of the survey. Over one-third of working TANF recipients earn more than \$9 an hour. ¹² Given the education and experience of TANF leavers, earning over \$9 must be considered a very good job. On the other hand, a significant number of TANF recipients earn less than \$6 an hour (12.8 percent); this is below DC's minimum wage suggesting that these jobs are either exempt from minimum wage statutes (waiting tables) or in sectors where compliance is low (domestic help).

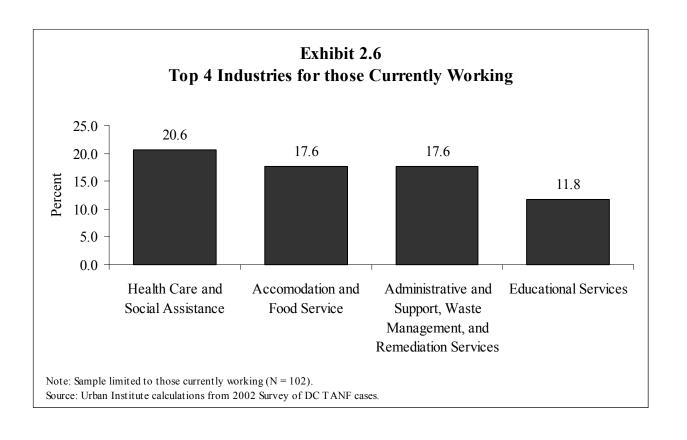
Non-wage benefits can be an important component of TANF recipients' jobs. Indeed, having paid sick days and vacation days can help these workers manage the demands of their jobs and the unexpected demands of caring for a sick child or a child whose usual routine has been disrupted (for example, when schools are closed due to inclement weather). Exhibit 2.9 shows that 45.5 percent of those working at the time of the survey have paid sick leave. Similarly, 51.6 percent of those who are currently working have paid vacation days.

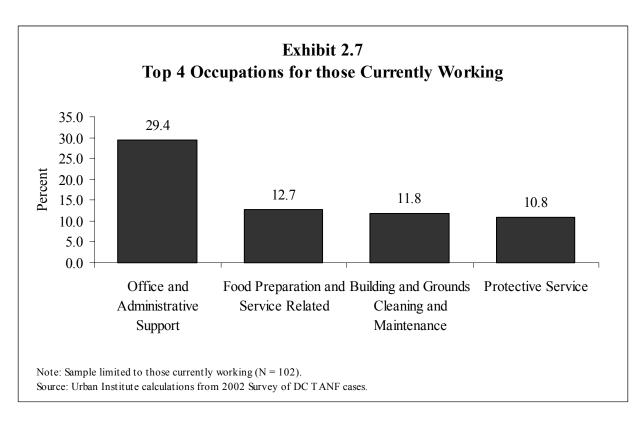
Health insurance coverage may also help workers leave and stay off welfare. More than half the TANF recipients working at the time of the survey have health insurance from their employers. Finally, 44.4 percent of those currently working hold jobs with retirement plans. These non-wage benefits often mark the difference between a good long-term job and short-term low-paying work. Overall, about half of DC's TANF recipients have jobs with one or more of these benefits.

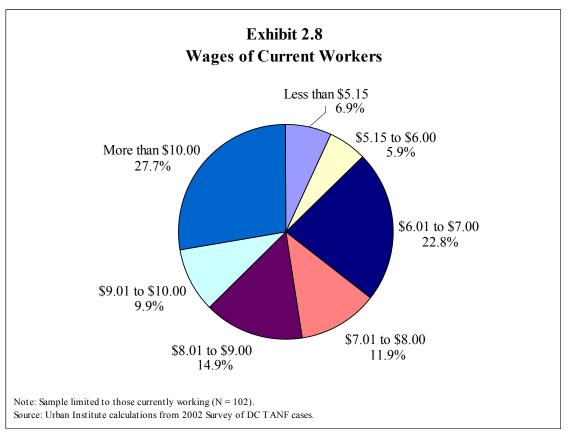
¹² Thirty-seven percent of those earning over \$9 an hour are no longer receiving TANF.

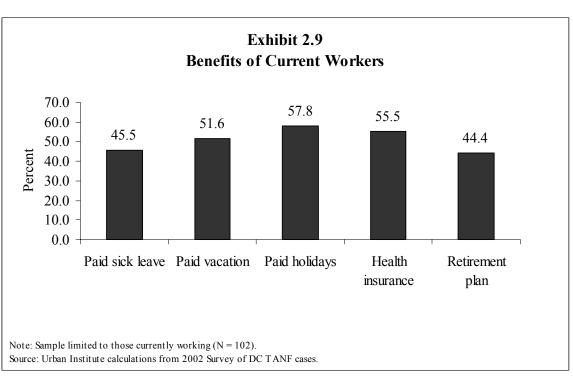
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¹¹ D.C. TANF recipients with sufficiently low earnings can mix work and welfare. In 2002, D.C. disregarded the first \$160 of monthly earnings and 66.7 percent of remaining monthly earnings in determining TANF benefits.









Income

The incomes of TANF recipients are quite low. The mean monthly income for TANF recipients in DC is \$1,062 from all sources, and this includes the cash value of food stamps the families receive. The median monthly income is substantially lower at \$842. This indicates that half of all families on TANF in DC make due on about \$200 a week. Exhibit 2.10 shows the distribution of family income relative to the poverty line, referred to as the income-to-needs ratio.

The vast majority of TANF recipients (86.1 percent) are poor; 33.8 percent are extremely poor with incomes below 50 percent of the poverty line. ¹⁴ Indeed, the median income-to-needs ratio for DC's TANF families is 55.3. Of the few families above the poverty line, the vast majority are near poor with income-to-needs ratios falling within 150 percent of the poverty line.

Exhibit 2.11 shows the sources of income for TANF families. Among the vast majority receiving TANF benefits, the average monthly benefit is \$371. Nearly two out of five TANF families have earned income, and among working families, average monthly income is just over \$1,000. Note that this is consistent with a 35 hour per week job paying \$7 per hour. One of the most common sources of support for TANF families is food stamps. The average monthly cash value of food stamps for the 88.6 percent of TANF families that receive them is almost \$300. Although only 15.6 percent of families receive SSI or disability income, those that do receive a substantial amount each month: \$626. About one of ten TANF families receives income from other sources such as child support, unemployment benefits, alimony, or money from friends or relatives. At the time of the survey, those receiving such support received an average of \$274 per month.

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¹³ In Illinois, mean and median household income for TANF recipients are \$1,065 and \$934, respectively (Kirby et al. 2003).

¹⁴ In Illinois, 94 percent of TANF recipients are poor and 65 percent are extremely poor (Kirby et al. 2003).

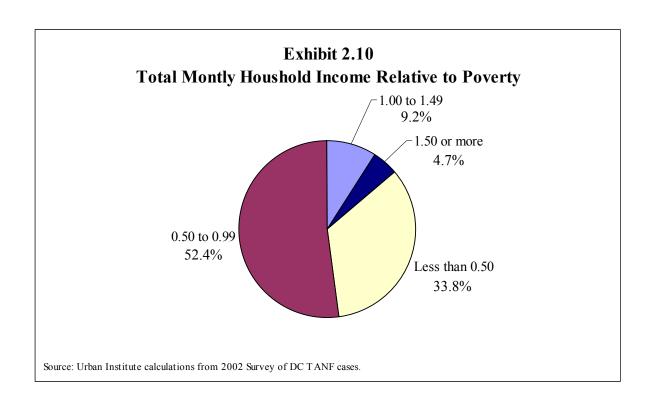


Exhibit 2.11 Income Source and Amounts Among DC TANF Households^a (Percentages, Unless Stated Otherwise)

Percentage	Income in Last Month ^b	
with Income from	Cases with Income	
Source ^b	from Selected Source	All Cases ^c
38.0	\$1.005.73	\$307.38
	(N=114)	,
	,	
91.9	\$370.66	\$340.37
	(N=382)	
88.6	\$293.87	\$259.55
00.0	,	Ψ209.00
	(11 303)	
15.6	\$625.86	\$77.84
	(N=50)	
3.8	N/A	N/A
37.5	N/A	N/A
(N=16)		
10.5	\$273.95	\$25.74
	(N=39)	
	` ,	
		\$1,062.11
		ψ1,002.11
	with Income from Source ^b 38.0 91.9 88.6 15.6 3.8 37.5 (N=16)	with Income from Source b Cases with Income from Selected Source 38.0 \$1,005.73 (N=114) 91.9 \$370.66 (N=382) 88.6 \$293.87 (N=363) 15.6 \$625.86 (N=50) 3.8 N/A (N=16)

Source: Urban Institute calculations from 2002 Survey of DC TANF cases.

Notes: Rounding may cause percentages to sum to something other than 100.

^aIncome sources and amounts refer to the month prior to the survey.

^bCategories include income received by any member of the household.

^cFigures for "all cases" includes cases that received or did not receive the income source in the last month. Cases that did not receive the income source had values of \$0 in the calculation of the average.

^dTabulated only for cases that received child support in the past 12 months (n= 16).

^eOther income includes child support, unemployment benefits, alimony payments, or money from friends or relatives. Separate figures for monthly child support payments were not gathered in the survey.

Chapter 3: Challenges to Work

Since the implementation of TANF in DC, there has been an increased focus on moving recipients into work and work activities. Yet TANF administrators are aware of the many challenges TANF recipients face in making that transition. This chapter discusses the prevalence of personal, family, and logistical challenges to work among TANF recipients in the District. The challenges are organized into three groups: work skill deficits, personal challenges, and family and logistical challenges. The specific factors are interchangeably referred to here as challenges, barriers, and liabilities.

Facing one or more of these challenges does not mean work is impossible. As we will see in the next chapter, many recipients with challenges are working. However, each of these barriers can be a significant obstacle to work; and for the most part these barriers are ones that TANF administrators (and other service providers) can help eliminate, alleviate, or accommodate to make working easier.

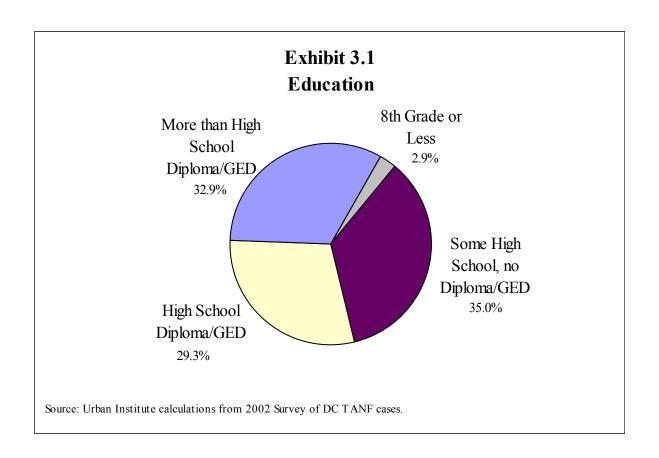
Work Skill Deficits

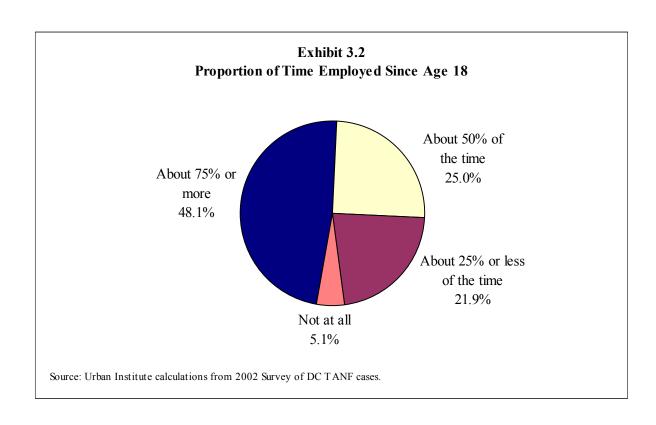
Many DC TANF recipients have low levels of education. Over one-third have neither completed high school nor earned a GED (Exhibit 3.1). This is less than national estimates that 50 percent of welfare recipients in 1999 lacked a high school degree (Zedlewski and Alderson 2001). Lacking this credential can severely limit job opportunities for recipients. For example, the average monthly unemployment rate for women with less than a high school education in DC exceeded 40 percent in the late 1990s (Mishel et al. 2000). In addition, high school graduates may be more likely to find higher wage jobs. While fewer DC recipients lack a high school degree than recipients nationwide, even those with a high school degree may have limited basic skills. One study found that of all DC TANF recipients in 1992, 38 percent had extremely low basic skills, meaning they are unable to perform simple tasks such as locating an intersection on a street map or filling out an application and another 47 percent had low basic skills, meaning they are unable to write a letter or use a bus schedule (Levenson, Reardon, and Schmidt 1999). 15

Having an employment history is an important advantage in finding a new job. Past work experience demonstrates knowledge of "soft" skills, such as punctuality, communicating with coworkers, and ability to follow directions, that employers report are especially important in their consideration of hiring welfare recipients (Holzer et al. 2003).

A majority of TANF recipients in DC have worked more than half the time since they were 18 (Exhibit 3.2). Almost half, 48.1 percent, have substantial work experience, working 75 percent or more of the time since they were 18. In addition, many recipients' work experience is fairly recent. Almost a third of DC TANF recipients, have worked in the past year and another quarter are working at the time of the interview (data not shown). However, about a fifth of DC TANF recipients have relatively little work experience, working less than 25 percent of the time since 18, and 5.1 percent have no prior work experience (data not shown).

15 Another related issue is fluency in English. We do not report on this potential barrier because we only administered our survey in English. However, few DC TANF recipients are of Hispanic origin.





Many recipients' work experience involved performance of common job tasks. However, a substantial minority did not regularly perform multiple of these tasks on their current or former job. About one-quarter of DC TANF recipients regularly performed fewer than four of nine common job tasks on their jobs (Exhibit 3.3). Kirby et al. (2003) and Danziger et al. (2000) find similar results for Illinois TANF recipients (28 percent) and Michigan TANF recipients (21 percent), respectively.

Personal Challenges

Single-parent TANF recipients face many personal challenges to employment. Those considered here are generally individual characteristics--problems or past experiences that could make finding or keeping a job more difficult. We consider six specific areas: physical health, mental health, chemical dependence, learning disability, domestic violence, and criminal record.

In the general population, having a physical or mental health problem is a common reason given for not working. Health problems can limit the type or amount of work a person can do, require additional time for medical care, or lead to employer discrimination. Although existence of a health problem could be cause for an exemption from work requirements, TANF administrators can also use knowledge of the specific problem to help recipients' seek treatment or to match a recipient to an appropriate job.

For the most part, a recipient knows she has a specific physical condition and can provide this information to an interviewer or to TANF program staff. In DC, individuals who provide documentation of a medical condition that prohibits work are enrolled in the POWER program and exempt from work requirements, although they must comply with their treatment plans. These recipients are not included in our survey. However, our results indicate that for some recipients not in POWER, physical health problems that may make working more difficult.

About half of TANF recipients in DC, 54 percent, report they are in excellent or very good health (Exhibit 3.4). Another fifth of recipients report they are in fair or poor health. Recipients were asked to report their ability to perform a set of specific physical activities, including climbing stairs, lifting heavy objects, bending and kneeling. Responses to these questions are combined using a standardized methodology into a score that can be compared to age-specific national norms. According to this scale of physical functioning, 45.4 percent are in the lowest quartile for the nation. This means that 45 percent of DC's TANF recipients physically function at a level that places them among the lowest 25 percent of people nation-wide.

We create a summary measure of physical health problems that indicates a person reports fair or poor health and is in the lowest quartile of physical functioning following the WES in Michigan (Danziger et al. 2000). In DC, 16.0 percent of TANF recipients have a physical health problem according to this measure. In Michigan, 19 percent of TANF recipients and in Illinois 21 percent of TANF recipients (Kirby et al. 2003) had physical health problems. This summary measure has some overlap with prevalence of chronic conditions. Of those DC TANF recipients with physical health problems, 67.2 percent also have chronic conditions.

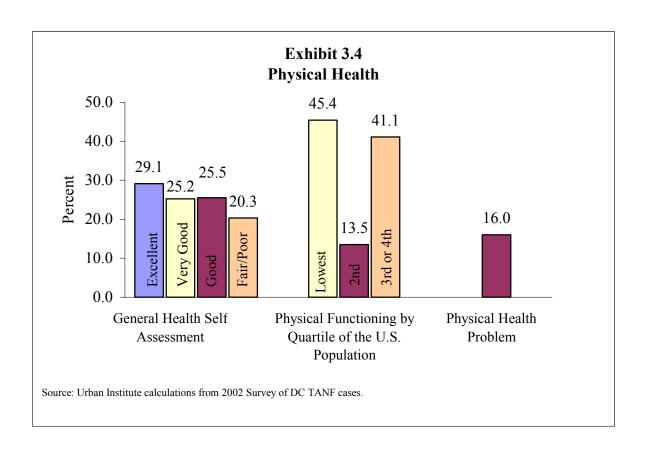
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¹⁶ This physical functioning scale is based on the methodology of the Physical Functioning Scale of the SF-36 Health Survey (see Ware et al. 2000).

Exhibit 3.3 Common Job Tasks Regularly Performed on Any Current or Former Job

Job Tasks	Percent
Talk with customers face to face	83.9
Talk with customers over the phone	57.8
Read instructions or reports	60.7
Write letters or memos	39.8
Work with a computer	47.1
Work with another electronic machine	70.4
Do arithmetic	63.3
Fill out forms	64.1
Keep watch over gauges or instruments	42.1
Performed Fewer than Four of the Above Job Tasks	26.4

20



In addition, over a quarter of DC TANF recipients report they have a chronic health or medical condition (Exhibit 3.5). The most commonly reported conditions are asthma, emphysema, or respiratory problems (10.2 percent), high blood pressure (6.7 percent), diabetes (3.6 percent), and heart or circulatory problems (3.1 percent).

Measuring the prevalence of mental health problems is more difficult than measuring physical problems because many recipients may be unable or unwilling to report specific mental health conditions. They may have never sought medical help for symptoms of mental or emotional problems or be unwilling to divulge this information because of the social stigma associated with mental illness or the fear of losing custody of their children. We use two separate sets of questions that have been validated and normed nationally to identify mental health problems among survey respondents. The first is a scale measuring psychological distress, which closely replicates a diagnostic assessment of serious mental illness.

The other measures experience of major depression. ¹⁷ We find that 9.9 percent of DC TANF recipients have experienced psychological distress in the past 30 days (exhibit 3.6). This is several times higher than national estimates using the same methodology for the general population. For 2002, preliminary national estimates find that 3.3 percent of all women ages 18 to 44 and 2.9 percent of all persons 18 and over have experienced psychological distress in the past 30 days (National Center for Health Statistics 2002). Unfortunately, we do not have comparable national estimates for welfare recipients or poor women, which would likely be higher.

We also find that 17.0 percent of DC TANF recipients have experienced major depression in the past year. This is somewhat lower than studies of TANF recipients in other geographic areas have found. The percent of TANF recipients that had experienced major depression in the past year was 25 percent in an urban Michigan county (Danziger et al. 2000) and 33 percent in Nebraska (Ponza et al. 2002).

Combining the two measures of mental health, we find that 20.9 percent of DC TANF recipients have experienced either of these problems. We refer to this combined measure as having experienced mental health problems. In contrast, only 1.9 percent of recipients directly reported a chronic condition, such as anxiety or depression that could be classified as a mental health problem. TANF recipients in Illinois have slightly higher prevalence of mental health problems by this measure, 25 percent (Kirby et al. 2003). This highlights the difficulty of using direct reports to screen for these issues.

SF). Individuals with three or more of seven symptoms of major depression are classified as being at probable risk of major depression (Walters et al. 2002) as well as individuals who say they took drugs or medication for these problems.

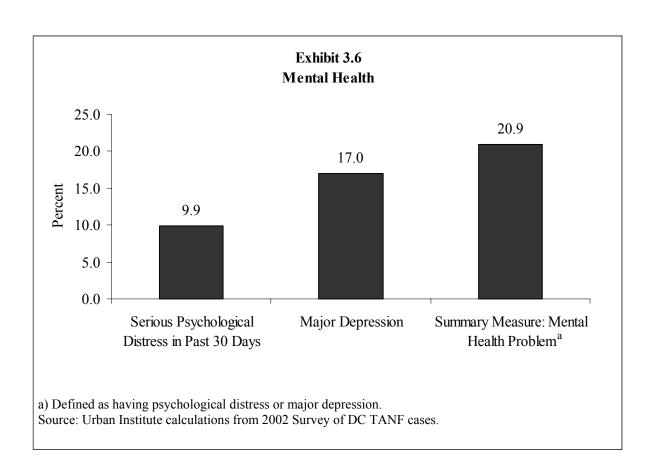
¹⁷ Psychological distress in the past 30 days is measured using the K6 Psychological Distress Symptom Scale that asks frequency of feelings such as depression, hopelessness, and worthlessness. Individuals who score 13 or more points out of 24 are classified as experiencing distress (National Center for Health Statistics 2002). The probability of major depression measure follows the methodology of the Composite International Diagnostic Interview Short Form (CIDI-

Exhibit 3.5 Chronic Conditions

	Percent
Reports a Chronic Health or Medical Condition	28.3
Asthma/Emphysema/Respiratory	10.2
High Blood Pressure	6.7
Diabetes	3.6
Heart/Circulatory	3.1
Bad Back	2.4
Nerves/Anxiety/Mental Illness	2.4
Arthritis/Joint Problems	2.1
Other	9.5

Note: Multiple responses allowed.

Source: Urban Institute calculations from 2002 Survey of DC TANF cases.



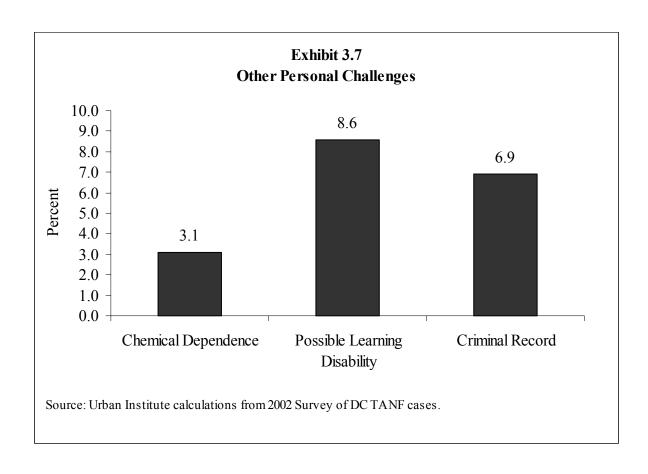
In addition to these measures of physical and mental health problems, there is great concern over the levels of chemical dependence and substance dependence among welfare recipients. Eliciting information about these problems in a TANF office or service provider setting is difficult because of the possible legal consequences. Given assurances of confidentiality and the fact that interviewers are not government officials, survey responses better reflect the true prevalence, although underreporting is likely to still be a problem.

There are a number of different measures of drug or alcohol use. We use a validated short scale that measures chemical dependence. Among DC TANF recipients we find 3.1 percent have a probable risk of being chemically dependent (exhibit 3.7). This breaks down to 1.4 percent with alcohol dependence and 1.9 percent with other drug dependence. This is similar to rates found in the general population using this scale. A 2001 national survey using a similar measure of chemical dependence finds rates of 2.4 percent for alcohol dependence, 1.6 percent for drug dependence, and 3.6 percent for any chemical dependence (Substance Abuse and Mental Health Services Administration 2002).

The WES study of TANF recipients in Michigan finds 3 percent alcohol dependence and 3 percent drug dependence (Danziger et al. 2000). The study of Illinois TANF recipients also found that 3 percent of recipients had a chemical dependence (Kirby et al. 2003). Another common assessment tool, used by many welfare offices, is the CAGE Drug and Alcohol Abuse screener, which measures alcohol or drug abuse, considered to be less severe than dependence. This measure typically finds much higher prevalence levels. For example, Ponza et al. (2002) find that 17 percent of TANF recipients in Nebraska have a problem with chemical abuse.

Another possible challenge to employment is the presence of learning disabilities. This can lead to recipients having serious trouble reading or writing or processing directions, hampering their ability to fill out job applications or function in some job settings. While detection of learning disabilities requires an extensive battery of tests, we use a screener, the Washington State Learning Needs Screener, to assess the possible presence of a learning disability. This screener uses a series of questions about prior learning problems and specific skills to assess the probable presence of a learning disability. We find that 8.6 percent of DC TANF recipients have a potential learning disability (exhibit 3.7). This is significantly lower than results for other areas. A review of state studies of learning disabilities finds that between 32 and 49 percent of TANF recipients in Washington State, 30 percent of the non-exempt TANF population in Kansas and 23 percent of TANF recipients in Utah had possible learning disabilities (Sweeney 2000). However, more recent studies using the Washington State Learning Needs screener find more similar results: 15 percent of recipients in Nebraska (Ponza et al. 2002) and 12 percent in Illinois (Kirby et al. 2003) had probable learning disabilities. However, it is important to note that learning disability is different from functional literacy. Low rates of learning disability can be consistent with the low rates of basic literacy skills in the DC TANF population, discussed earlier.

¹⁸ The scales use the methodology of the Composite Diagnostic Interview Short Form (CIDI-SF). Individuals with three or more of seven symptoms of dependence are classified as being at probable risk of dependence (Walters et al. 2002). This scale was used in the WES, see Danziger et al. (2000).



Another potential barrier to employment is having a prior criminal record. Many job applications ask about prior convictions and some jobs require criminal background checks. About 6.9 percent of DC TANF recipients said they had a past criminal record (exhibit 3.7). This does not distinguish the type of offense, felony from misdemeanor or include past arrests. Kirby et al. (2003) find that for TANF recipients in Illinois, multiple arrests were a "more important determinant of employment" than convictions. Their data was based on actual administrative data, not self-reports. They find much higher rates of arrests and convictions, 36 percent ever arrested in past 6 years and 18 percent ever convicted of a felony or misdemeanor.

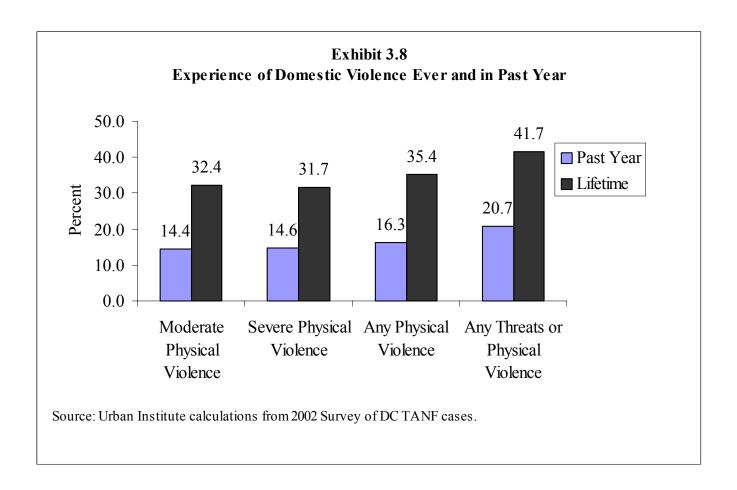
The final personal barrier we consider is the experience of domestic violence. The measures we use consider moderate and severe physical violence as well as physical or coercive threats from a domestic partner. Exhibit 3.8 shows that about a third of DC TANF recipients have experienced moderate physical percentage of recipients reported experiencing severe physical violence, both over their lifetime and in the past year. The percent reporting physical or coercive threats from a partner are similar (not shown).

The overlap between experience of moderate and severe physical violence is large. Thirty-five percent of DC TANF recipients report any physical violence from a partner in their lifetime and 16.3 percent in the past year. Combining physical violence or threats, the percent experiencing either of these in the past year is 20.7 percent and in their lifetime is 41.7 percent. These results on physical violence are similar to levels found in other studies of welfare recipients. Raphael and Haennicke (1999) report in their review that 20 to 30 percent of welfare recipients are current victims of domestic violence. Using the same measure as employed here, Kirby et al. (2003) find that 13 percent of Illinois TANF recipients have experienced severe physical domestic violence in the past year and Danziger et al. (2000) report a prevalence of 12 percent for Michigan TANF recipients. They also report that results from the 1985 National Family Violence Survey found that 3 percent of all women ages 18 and over report current experience of severe physical abuse.

It is important to put these estimates of domestic violence in perspective. In DC, recipients who experience domestic violence are exempt from work requirements and referred to appropriate services. However, not all domestic violence will be reported out of fear and studies show that even past experience of domestic violence can have longer-term effects on victims' ability to function and mental health (Tolman and Rosen 2001). Also, it is unclear that community-based domestic violence services have enough resources to serve the needs of all victims.

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¹⁹ The measure we use is the same as used in the WES (Danziger et al. 2000), which was modeled on a modified version of the Conflict Tactics Scale. Moderate physical violence includes pushing, grabbing, shoving, slapping, kicking, or biting. Severe physical violence includes hitting, beating, choking, using or threatening use of a weapon, or forcing sexual activity. Physical threats include threatening to hit with a fist or object, or throwing anything that could harm, while coercive threats include threatening to take children away, to harm individual or friends, to turn into child protective services or welfare agency, harassing at work or school, or coercing into doing illegal acts.



Family and Logistical Challenges

Finding and keeping a job can be difficult because of family or logistical circumstances and broader neighborhood problems. In this section we consider the prevalence of these types of problems for DC TANF recipients in five separate areas: care for a child or other family member with a health problem, child care, transportation, housing, and neighborhood challenges.

Having a child that needs additional caretaker time or specialized child care can make work more difficult.²⁰ This is especially true for women on TANF with limited resources who are often single parents (Meyers 2000). In DC, 26.1 percent of TANF recipients said they have a child with a health, behavioral or other special need (exhibit 3.9). The same issues can arise when caring for a sick or elderly parent or other family member or friend. In DC, 10.7 percent of TANF recipients said they are in this situation. In addition, 4.5 percent of recipients are caring for both a child with special needs and another family member or friend. Similar results were found for Illinois TANF recipients (Kirby et al. 2003).

Finding quality child care that is accessible, affordable, and meets special needs such as irregular or night hours can be difficult for any family. For single parents on TANF, this challenge can be key to making work possible. Among DC TANF recipients, child care is the most common principal reason for not working, given by 17.5 percent of non-workers.

In DC, only 37.4 percent of TANF recipients with children under age 13 used non-parental child care on a regular basis. This includes before or after-school care (exhibit 3.10).²¹ For younger children, under age 6, this percentage is somewhat higher, 41.0 percent. A higher percentage of recipients who are employed currently or in the past year used non-parental child care, about half of those with children under age 13 and slightly more than half with children under age 6.

Many TANF recipients report they have a problem with child care. Specifically, we asked recipients "during the past year, was child care or lack of child care ever such a problem that you could not take a job or had to stop working, or could not attend education or training activities?" Over a third of families with children under 13 and 43.7 percent of families with children under 6 answered affirmatively. These reports of child care problems can include a variety of issues, including problems finding quality child care or getting into a center of choice, ease of access either in location or hours, and affordability of desired child care arrangement.

To better understand the type of child care problems these families faced, we asked them to specify the problem they had with child care or lack of child care. The most common problem, reported by almost half of families with a child care problem, is that care was not available when needed. While reports of this problem are somewhat higher among recipients who have worked in the past year (53.3 percent), those working an irregular or night shift were no more likely to report that child care was not available than those working a day shift.

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²⁰ In D.C., a TANF recipient caring for a sick child can be exempted from work requirements.

²¹ This excludes child care from either the custodial or non-custodial parent. In DC, 94 percent of TANF residents had children under age 13.

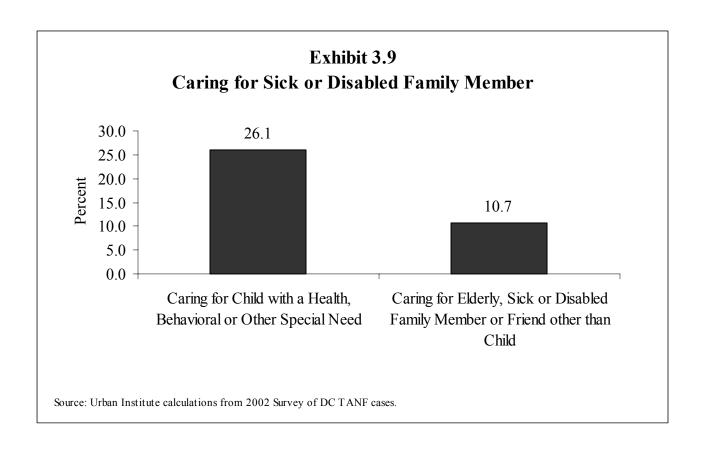


Exhibit 3.10 Child Care Use and Problems

	TANF Recipients with a Child Less than 13 Years Old	
	Less Than 6 Years	All
	(%)	(%)
Used Child Care During the Past Year ^a	41.0	37.4
Received Child-Care Subsidy	19.3	16.7
Child-Care Problems Interfered w/ Work/School/Training	43.7	37.8
Specific problems for those reporting child care problems ^b		
Not available when needed	48.4	47.7
Cost	27.3	25.5
Provider unavailable or unreliable	9.4	9.4
Worry about child neglect or abuse	4.7	5.4
Too far from home or work	4.7	4.0
Sick or disabled child	3.9	4.7
Other	33.6	31.5

Source: 2002 survey of families on TANF in the District of Columbia.

Notes: Rounding may cause percentages to sum to something other than 100.

^aThe measure of child care use does not include care provided by a child's parent.

^bTabulated only for cases that experienced problems with care that interfered with work, school, or training. Percentages sum to more than 100 because some cases experienced multiple problems.

The second most common problem was cost, reported by 25.5 percent of families with child care problems. This is true despite the fact that 16.7 percent of all TANF recipients with children under 13 (or 44.6 percent of families using non-parental child care) are receiving child care subsidies. In DC, the primary way for TANF recipients to receive child care subsidies is through participation with a DC TANF vendor providing work-related services. The vast majority, 93.9 percent, of those using subsidies do not report child care cost as a problem. A final common problem was that the provider was unavailable or unreliable, reported by 9.4 percent of recipients.

Transportation can be another logistical challenge for families on TANF. In DC, the extensive public transportation system decreases the need for (or the hardship of not having) a car. This is reflected in the fact that 80.3 percent of TANF recipients in DC report they use public transportation to get to work or work activities (exhibit 3.11). In addition, 61.8 percent do not have a valid driver's license, and 68.2 percent neither own nor have access to a car.

Despite high use of public transportation, 19.4 percent of DC TANF recipients report they had a transportation problem in the past year that prevented them from participating in work, education or training. This could reflect the growth of suburban job markets, which means some jobs are hard to reach by public transportation or, while accessible, require long commutes. Long commute times are one indicator of a challenge to employment. Of all recipients, 43.7 percent report a 30 to 60 minute commute to work or work activity and 19.0 percent report a commute of longer than an hour (exhibit 3.12). Not surprisingly, those using public transportation have longer commutes than those using other means. Also, recipients who report a transportation problem are much more likely to have a commute over an hour, 31.7 percent compared to the 19.0 percent overall. One way DC tries to limit transportation difficulties is to use community-based organizations in different areas of the city for education, training, and other required work activities.

Housing problems, especially evictions and the need to move, can also be detrimental to keeping employment. In DC, 10.5 percent of TANF residents have moved multiple times in the past year (exhibit 3.13), 6.0 percent moved twice and 4.5 percent moved three or more times. In addition, 4.1 percent of families had been evicted in the past 12 months. Combining those who experienced multiple moves or eviction in the past year, 12.6 percent of TANF recipients in DC had unstable housing situations in the past year. This rate, however, is far lower than the 23 percent of TANF recipients in Illinois reporting unstable housing (Kirby et al. 2003). In part this might reflect the lower percentage of recipients in Illinois living in public housing or receiving a rent subsidy, 43 percent compared to 64 percent in DC.

The high cost of housing in the District is undoubtedly a factor in housing instability. Despite the fact that almost two-thirds of recipients have free or reduced rents, 22.3 percent of all recipients face "excessive housing cost burden," the term used by HUD for families that devote more than 30 percent of their income to housing. This rate is considerably lower than for all low-income families in the District due to the availability of public and subsidized housing. In the Washington area, 67 percent of all renter households with incomes under \$41,000 had excessive housing cost burden (Turner et al. 2002).

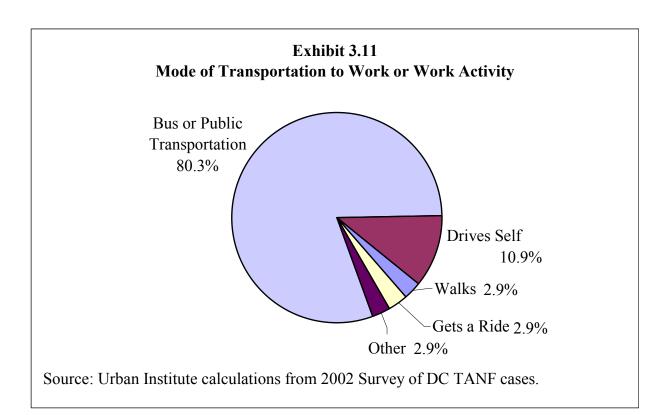
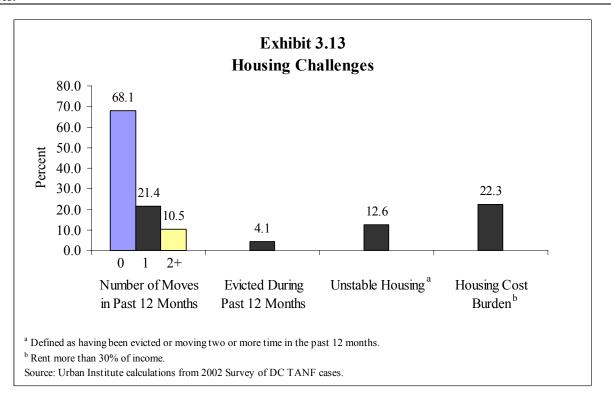


Exhibit 3.12

Commute Times to Work or Work Activities by Travel Mode and Transportation Problems

	_	Travel	Mode	- Transportation Problem Interfered
Commute Time	All	Public	Other	Transportation Problem Interfered with Work/Work Activities
	%	%	%	%
<30 Minutes	37.3	31.3	62.0	21.5
30 - 60 Minutes	43.7	46.6	31.7	46.8
>60 Minutes	19.0	22.1	6.3	31.7

Source: Urban Institute calculations from 2002 Survey of DC TANF cases.



The characteristics of a TANF recipient's neighborhood may also be an indicator of potential employment problems and challenges to raising children.²² An unsafe neighborhood can mean the need to provide more supervision for children and greater fear of commuting to and from work after dark. The survey asks about four specific neighborhood issues: unemployment among residents, drug users or pushers, crime/assaults/burglaries, and run-down buildings and yards. The percent of DC TANF recipients that consider each issue to be a big problem ranges from about half for unemployment and drugs to about a quarter for crime and a fifth for run-down buildings (exhibit 3.14).

Two-thirds of DC TANF recipients feel that at least one of these four issues is a "big problem" in their neighborhood and 43.6 percent feel that more than one of these characteristics is a big problem. This is higher than the 55 percent of IL TANF recipient who reported at least one of these four problems (Kirby et al. 2003), although the urban nature of DC relative to an entire state likely plays a role in these differences. In addition, almost half of DC TANF recipients report there is no safe area for children to play in the neighborhood (not shown).

A summary of the different challenges discussed above is presented in exhibit 3.15. We also include being pregnant or having a child under age one as an additional challenge to work. While these women are exempt from work requirements in DC, inclusion of this factor helps to describe the potential for work of the total DC TANF population. The challenges are grouped into three categories, skill challenges, personal challenges, and family or logistical challenges. The prevalence of these challenges varies greatly from 3.1 percent with chemical dependence to 41.6 percent reporting child care problems.²³

Multiple Challenges

Many TANF recipients are facing multiple challenges to work. Zedlewski and Alderson (2001) found that nationally, 40 percent of TANF recipients in 1999 had two or more of a set of six barriers. Danziger (2001) reports that in a sample of Michigan TANF recipients in 1999, 65 percent had two or more barriers and 31 percent had four or more barriers of the nineteen that study measured. The exact percentage will depend on the number and specific challenges considered.

In DC, we find that of the 15 challenges we summarize in exhibit 3.15, the vast majority of TANF recipients, 90.0 percent, face at least one of these problems and 74.3 percent face multiple problems (exhibit 3.16). About a third face four or more barriers, 34.3 percent. In fact, 11.9 percent of the sample face 6 or more of these challenges. Only 10.0 percent of recipients have none of these barriers.

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²² Neighborhood is defined by the recipient's perceptions of the area "right around" where she lives. The respondent could answer a specific issue was a big problem, somewhat of a problem, or not a problem.

²³This includes those who report that child care problems kept them from taking a job, attending education and training, forced them to stop working, or cite it as the principal reason for not working or for leaving previous job.

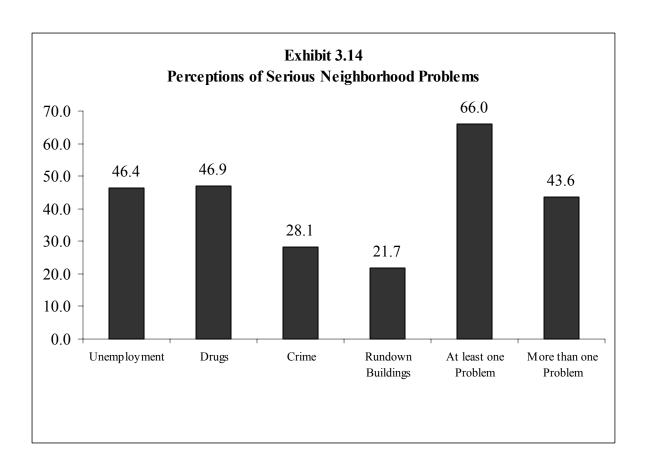
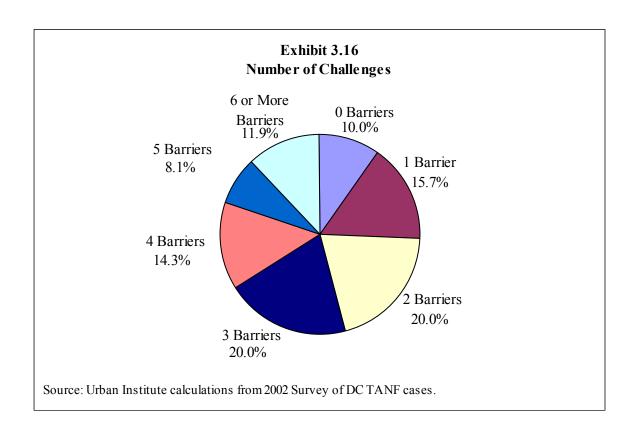
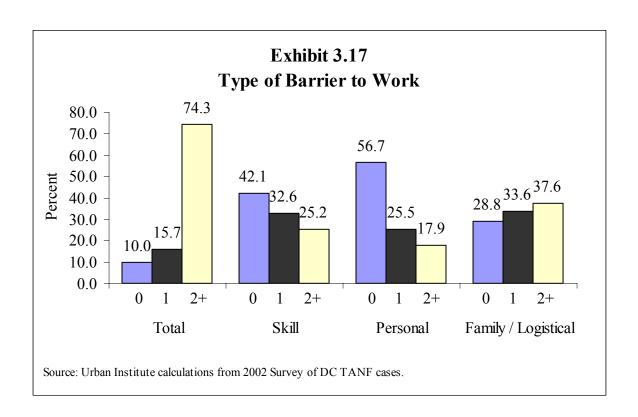


Exhibit 3.15 **Summary of Challenges for Employment** Percent **Skill Challenges** Less than High School/GED 37.9 Low work experience 27.1 Performed 3 or fewer common job tasks 26.4 **Personal Challenges** Physical health problem 16.0 Mental health problem 20.9 Chemical dependence 3.1 Severe domestic violence in past year 14.6 Possible presence of learning disability 8.6 Criminal record 6.9 **Family and Logistical Challenges** Caring for child with health or behavioral problems 25.7 Caring for sick family member other than child 10.7 Pregnant or have child under age 1 19.3 Transportation problem 19.4 Child care problems 41.6 Unstable housing 12.6 Source: Urban Institute calculations from 2002 Survey of DC TANF cases.



Many recipients have barriers from more than one of the summary categories we defined above: skill challenges, personal challenges, and family or logistical challenges. Although three-quarters of recipients have more than one barrier, no more than about a third have multiple barriers within any of these categories (exhibit 3.17). The distribution of number of barriers within each category suggests that most TANF recipients face a diverse set of barriers, with no one type of barrier dominating.



Chapter 4: Identifying the Most Significant Barriers to Work

DC's TANF recipients face many challenges, but some manage to work despite their barriers. Given the prevalence of barriers among DC TANF recipients shown in chapter 3, it is important to better understand the connection between specific barriers and work. In this chapter, we address three issues:

- How do employment rates differ for those facing one, two or three or more barriers to work?
- Are there specific barriers that, on their own, pose significant obstacles to work?
- Are certain combinations or categories of barriers serious obstacles to work?

Multiple Barriers and Work

The overwhelming majority of TANF recipients face some barriers to work; after all, if they faced no barriers, they would be unlikely to be on welfare in the first place. Thus, it is not surprising to see that 83.2 percent of those who are working at least 20 hours per week have at least one barrier.

The employment rates for recipients who do not face any barriers or face only one barrier are relatively high, 38.1 percent and 33.3 percent, respectively, substantially higher than the 24.3 percent employment rate for all DC TANF recipients (exhibit 4.1).²⁴ However, as challenges mount, the likelihood that a recipient works falls. Those facing two barriers have an employment rate of 26.2 percent and the employment rate for those facing three or more barriers is only 15.4 percent.

Individual Barriers that Inhibit Work

Although many recipients face multiple barriers to work, it is possible that certain specific barriers play a key role in reducing employment, whether a recipient faces this barrier alone or in combination.²⁵ We discuss here the differences in employment for recipients that face each specific challenge compared to those not facing that challenge.²⁶

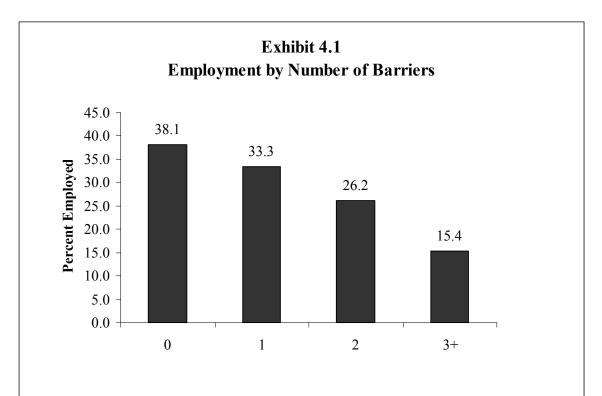
Recipients with skill challenges are less likely to work than other recipients (exhibit 4.2). Less than one-fifth of recipients who lack a high school degree or GED are working compared with 25.6 percent of recipients with this level of education. Recipients with low work experience

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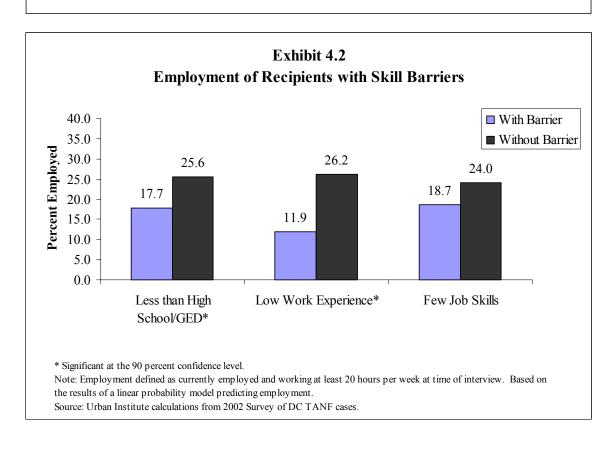
²⁴ Throughout this chapter we will define employed as working 20 hours per week or more at the time of the interview. Non-employed includes all other recipients. We also considered an employment cut-off of 30 hours per week. Results were not substantially different.

²⁵ Note that recipients with certain barriers, such as a child less than 1, are exempt from TANF work requirements. Consequently, they may work less than other recipients because they are not being "pushed" to work by program requirements in addition to the obstacles the barriers present.

²⁶ Results reported in this section are from a multivariate ordinary least squares regression model that controls for individual demographic characteristics that might also be connected to employment independent of the specific barriers. A separate regression was run for each barrier. Controls include age, presence of children under age 6, presence of three or more children, and whether the recipient lives with her children's father.



Note: Employment defined as currently employed and working at least 20 hours per week at time of interview. Source: Urban Institute calculations from 2002 Survey of DC TANF cases.



(defined as working less than a quarter of the time or not at all since turning 18) are also significantly less likely to be working (11.9 percent v. 26.2 percent) than recipients with more work experience. Interestingly, there is no significant difference in work by whether a recipient performed multiple job tasks on a current or former job.

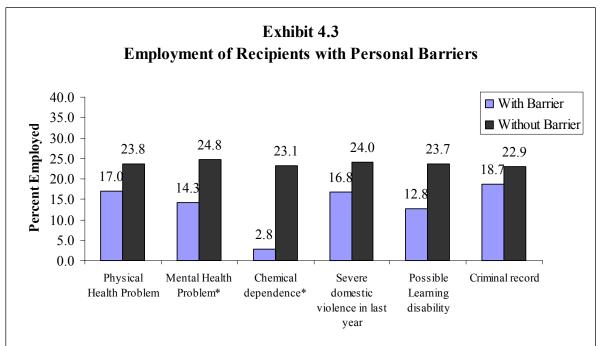
Of the set of personal barriers we examine, only two are significantly related to work (exhibit 4.3). Recipients with mental health problems are less likely to work than recipients without these problems (14.3 percent v. 24.8 percent). In addition, those recipients who are chemically dependent have lower employment rates than those who are not (2.8 percent v. 23.1 percent), although few recipients overall face this barrier. Employment for those facing other personal barriers such as physical health problems, being the victim of severe physical domestic violence, having a learning disability, and having a criminal record, is no different from the group of recipients who are not facing each of these barriers.

Two of the family and logistical barriers stand out: caring for a child with health or behavioral problems and having child care problems. Recipients facing these barriers are significantly less likely to be working (exhibit 4.4). Of those caring for a child with health problems, 15.9 percent are working, compared to 25.0 percent of those not facing this barrier. This lower employment rate likely reflects both the difficulty of maintaining work for these recipients and the fact that they are generally exempt from TANF work requirements. Of families reporting they have had some type of child care problem in the past year that prevented work or led them to stop working, 14.6 percent are working compared to 27.7 percent who do not report child care difficulties. Nevertheless, it is important to note that more than a quarter of working recipients report having child care problems.

Those who report they have some type of transportation problem do not have significantly lower employment rates. However, recipients who report they have long commute times (of 1 hour or more including time to drop children off at school or daycare) do have significantly lower employment rates (not shown). This suggests that even though most recipients have access to public transportation and DC tries to minimize transportation problems by contracting for services with organizations throughout the city, transportation remains a key barrier to work for some recipients.²⁷

The previous results show barriers that are significantly related to lower employment rates. However, it is possible that it is not the specific barrier that is causing lower employment rates, but that recipients with that barrier tend to have a combination of barriers that together reduce work.

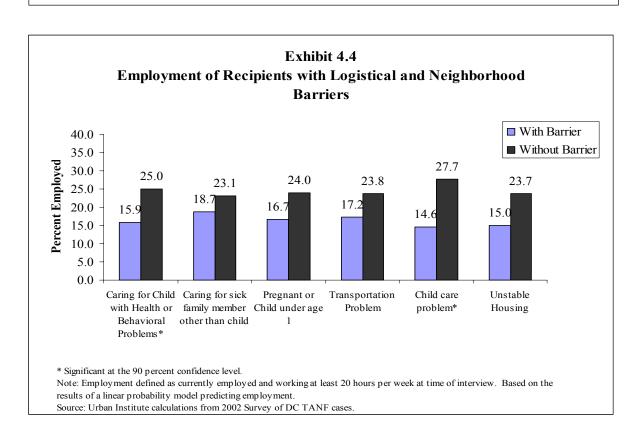
²⁷ There are alternate ways to define some of the other challenges discussed. We also considered alternate measures for physical health challenges, housing challenges, and domestic violence. None of these alternate measures gave substantially different results than what is described here.



^{*} Significant at the 90 percent confidence level.

Note: Employment defined as currently employed and working at least 20 hours per week at time of interview. Based on the results of a linear probability model predicting employment.

Source: Urban Institute calculations from 2002 Survey of DC TANF cases.



For example, chemical dependence itself may not reduce employment, but it might co-occur with other barriers that, taken together, reduce employment.

We would like to know whether there are specific barriers whose presence reduce the likelihood of work, regardless of other barriers a recipient faces. To address this question, we run a multivariate regression that includes all the barriers we have discussed and the recipient's demographic characteristics. Any barrier that is significantly related to lower employment while controlling for all other barriers stands out as making work difficult, no matter in what combination of barriers it appears. This analysis does not identify the importance of specific combinations of barriers, but can identify barriers that play a key role in reducing work.

Results from this analysis indicate that few individual barriers significantly affect the work status of recipients when controlling for all other barriers (exhibit 4.5). Indeed, only two barriers stand out as significantly reducing work: having low work experience and having child care problems. Having little or no work experience could itself be a result of facing multiple barriers, either currently or in the past.²⁸ These results suggest that few specific challenges reduce work in isolation, that is, regardless of the other barriers a recipient faces.

Categories of Barriers and Work

We next address whether combinations of barriers may effectively impede recipients' attempts to work. However, we cannot separately measure the impact of all the numerous combinations of our 15 identified barriers that DC TANF recipients face. One way to examine combinations of barriers is to examine how different categories of barriers—skill-based, personal, and family/logistic—affect the likelihood that a welfare recipient works at least 20 hours per week. To do this we run a multivariate regression including an indicator for whether a recipient has any of each of these three categories of challenges.

Each of the three categories of barriers significantly lowers the probability of work (exhibit 4.6). Welfare recipients with a skill barrier have a 10.2 percentage point lower probability of working than those without such barriers. Having a personal barrier lowers the probability of working by 8.5 percentage points, and having a family or logistic barrier lowers the probability by 14.4 percentage points. That all three of these significantly lower employment rates suggests that it is not only combinations of barriers within one category that are most important but also combinations of barriers across these categories.

Implications

Taken together, these findings suggest that the more barriers a recipient faces, the less likely she is to work. Further, although a few specific barriers reduce work no matter what, there are not easily identified combinations of barriers that are more important in reducing work than others.

²⁸ When we exclude low work experience from this regression, our results do not change. Only child care problems significantly reduce employment.

Exhibit 4.5 **Estimated Impact of Barriers on Work All Barriers Included**

Barrier	Coefficient
Intercept	0.339*
Age 25 to 34	0.067
Age 35 and older	-0.027
Child less than age 6 in Household	-0.039
Three or more children in Household	0.102*
Two parents, married or cohabiting	0.143*
Skill Barriers	
Less than High School/GED	-0.012
Low Work Experience	-0.128*
Few Job Skills	-0.022
Personal Barriers	
Physical Health Problem	-0.027
Mental Health Problem	-0.025
Chemical Dependence	-0.132
Severe Domestic Violence	-0.016
Learning Disability	-0.037
Criminal Record	-0.026
Logistical and Family Barriers	
Caring for Child with Health or	
Behavioral Problem	-0.074
Caring for Sick Family Member other than Child	-0.027
Pregnant or have child under age 1	-0.027
Transportation Problem	0.010
Child Care Problem	-0.110*
Unstable Housing	-0.110

* Significant at the 90 percent confidence level. Source: Urban Institute calculations from 2002 Survey of DC TANF cases.

Exhibit 4.6 **Estimated Impact of Barriers on Work** by Type of Barrier

Barrier	Coefficient	
Intercept	0.386*	
Age 25 to 34	0.080	
Age 35 and older	0.007	
Child less than age 6 in Household	-0.056	
Three or more children in Household	0.085*	
Two parents, married or cohabiting	0.150*	
Skill Barrier Present	-0.102*	
Personal Barrier Present	-0.085*	
Family and Logistical Barrier Present	-0.144*	

* Significant at the 90 percent confidence level. Source: Urban Institute calculations from 2002 Survey of DC TANF cases.

The majority of recipients face more than one barrier, and having additional barriers makes it progressively harder to work. Among all the individual barriers, however, only two significantly reduce the probability of work when all other barriers are taken into account simultaneously: low work experience and child care problems.

That lack of work experience is a key barrier to work is not a new or surprising finding. However, it does suggest that targeting recipients with low work experience is an important strategy in helping recipients transition to work. These results also underscore the importance of child care as a service that helps welfare recipients maintain employment.

More generally, it is also important to note that there are several other barriers that are associated with lower employment. Our findings suggest these barriers are likely most problematic for work in combination with other barriers. However, they do indicate that recipients with these barriers are likely to have more trouble finding work or keeping work than other recipients. These bellwether barriers include low work experience, having less than a high school degree/GED, mental health problems, being chemically dependent, having a child with health problems, and having difficulties with child care. Although DC already does screening and service provision for some of these barriers, recipients with any of these challenges could be targeted for more extensive services as a gateway to addressing their multiple barriers in order to facilitate their transitions from welfare to work.

Chapter 5: The Challenges Facing Special Populations

Although nine of ten welfare recipients face at least one obstacle they must overcome to move from welfare to work, certain sub-groups of recipients may be particularly vulnerable. Here, we focus on two such populations—recipients whose cases have been open for more than three years and those that are sanctioned for non-compliance with DC's program rules--and examine the number and types of barriers they face.

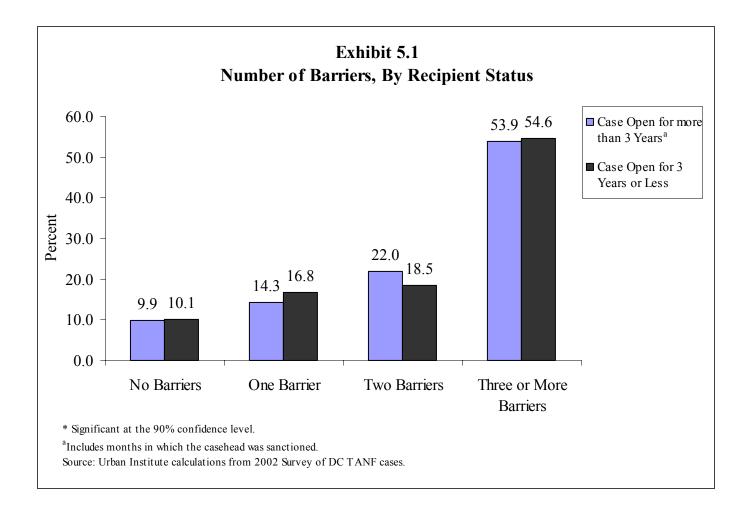
Recipients on TANF for More than Three Years

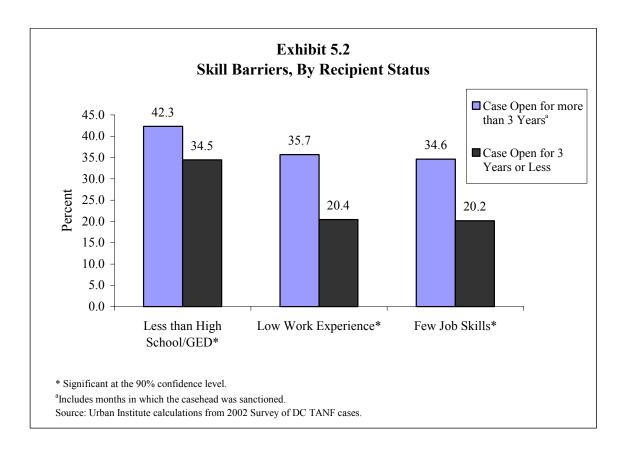
Recipients who have spent more time on welfare are in danger of exhausting their lifetime allotment of federal aid. In addition, the fact that they have been unable to leave welfare may indicate that they confront substantial barriers to work. We focus on recipients who have been on DC's TANF rolls for more than 36 consecutive months. Even though DC does not count months in which a person is sanctioned for non-compliance with program rules as time on TANF, our definition makes no distinction between months in which a person actually received benefits for herself and months in which she was sanctioned but her family received benefits. This is based on the idea that sanctioned recipients are clearly still attached to the welfare system and having trouble making the transition to work. We find that 43.3 percent of DC's single-parent TANF cases have caseheads that have been open for more than three consecutive years. These recipients are less likely to be working at the time of the survey than other recipients (19.2 v. 25.2 percent).

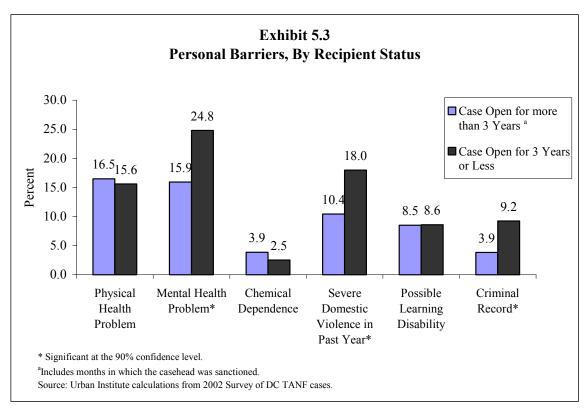
Exhibit 5.1 compares the number of barriers facing recipients who have been on the rolls for more than three years and those receiving benefits for three years or less. Interestingly, there is little difference between the two groups. For example, about ten percent of both groups face none of the challenges considered. Further, virtually identical shares of the more than three year and less than three year groups face three or more barriers (54.6 v. 53.9 percent). Although the number of barriers facing both groups is similar, the types of barriers they face are quite different. In fact, some barriers are more prevalent among recipients whose current spells of receipt have lasted three or fewer years.

First, consider skill-related challenges. Exhibit 5.2 shows that recipients who have been on the rolls for more than three years are significantly more likely to confront each of the three skill challenges considered. For example, when compared with those with shorter tenures, recipients with longer tenures are more likely to not have a high school degree or GED (42.3 v. 34.5 percent), to have low work experience (35.7 v. 20.4 percent), and to have experience with three or less job tasks (34.6 v. 20.2 percent).

Shorter tenure recipients are far more likely to face personal challenges than longer tenure recipients. For example, nearly one-quarter of short tenure recipients have some mental health problems compared with 15.9 percent of longer tenure recipients (Exhibit 5.3). Similarly, compared with longer tenure recipients, shorter tenure recipients are more likely to have experienced domestic violence in the past year (18.0 v. 10.4 percent) and to have a criminal record (9.2 v. 3.9 percent). In the case of mental health problems and domestic violence, it may be that the onset of these barriers lead people on to welfare and are resolved before these recipients spend more than three years on the rolls. It is also possible that people facing these challenges cycle on and







off welfare meaning the length of any one spell of receipt, including their current spell, may be quite short. There are no statistically significant differences between the two groups in the incidence of physical health problems, chemical dependence, and learning disabilities.

Finally, Exhibit 5.4 shows differences in the family and logistical challenges facing recipients with longer and shorter tenures on TANF. Recipients with longer tenures are more likely to have a child with health problems and to have a family member or friend with health problems than recipients with shorter tenures (35.2 v. 18.5 percent and 14.3 v. 8.0 percent, respectively). Conversely, short tenure recipients are more likely to be pregnant or have an infant, have child care problems, and have unstable housing situations than long tenure recipients. Again, it is possible that these problems are associated with the start of a spell of TANF receipt and are more likely to be resolved before a person has stayed on welfare for 36 consecutive months. Alternatively, they may be common problems among recipients who cycle on and off welfare.

Overall, TANF recipients with longer and shorter tenures face the same number but very different types of barriers. This suggests that certain challenges are either being addressed quickly or are more common among caseheads who move on and off the TANF rolls. These include mental health challenges, having child care or housing problems. Other challenges disproportionately arising for recipients with shorter tenures like being pregnant or having an infant resolve themselves over time. Either recipients address these problems on their own or the current services provided by DC meet these needs. Other problems linger or develop over time. The problems disproportionately confronting welfare recipients who have been on the rolls for over three years involve skill deficiencies and the need to tend to a loved one with health problems.

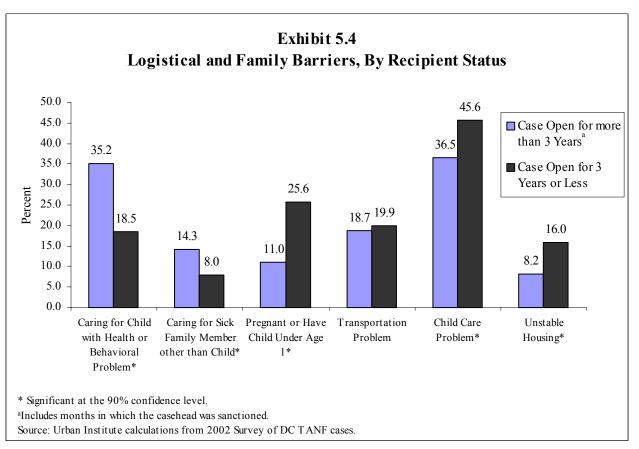
Sanctioned Families

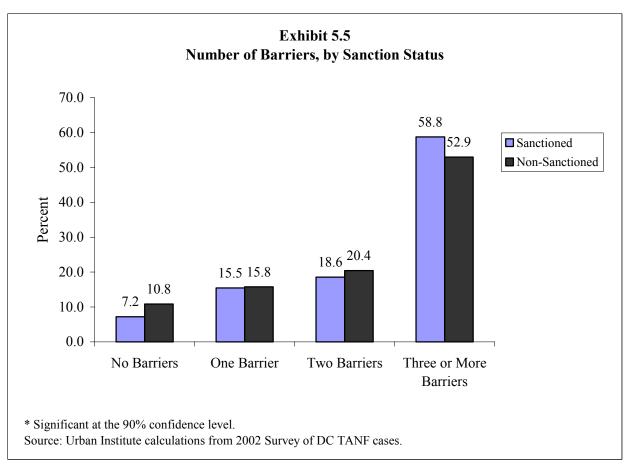
Nearly one quarter of the TANF recipients in our sample were not in compliance with DC's program rules at the time the sample was selected in August 2002. The families of these sanctioned caseheads receive smaller cash grants putting them at heightened risk for material hardship. Unlike many other jurisdictions, DC does not employ a full family sanction. Even if the casehead consistently fails to comply with program rules, some TANF assistance will flow to the children in the TANF case. Consequently, some of these caseheads might be "happily sanctioned"—they accept a smaller cash grant and do not bother with program requirements. Alternatively, sanctioned caseheads may face multiple barriers or certain types of barriers that make it particularly hard for them to participate in work or work activities. Sanctioned recipients are less likely to be working at the time of the survey than other recipients (14.4 v. 25.1 percent).

Exhibit 5.5 shows that the incidence of barriers is similar between sanctioned and non-sanctioned recipients: 7.2 percent of sanctioned recipients face no barriers whatsoever, compared with 10.8 percent of non-sanctioned recipients. There is little difference between the two groups in the probabilities that they face only one or two barriers. Although the difference is not significant, sanctioned recipients are somewhat more likely to have three or more barriers than non-sanctioned recipients (58.8 v. 52.9 percent).

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²⁹ Note that recipients who must care for a sick child or family member are exempt from DC's work requirement; as such, it is not surprising to find these barriers more prevalent among those with longer tenures on DC's TANF rolls.

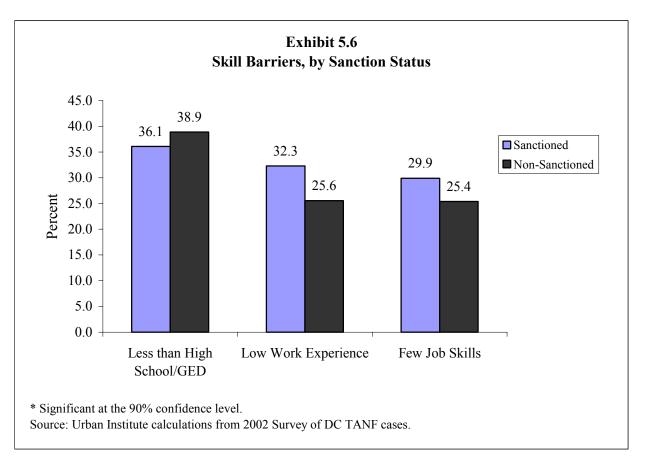


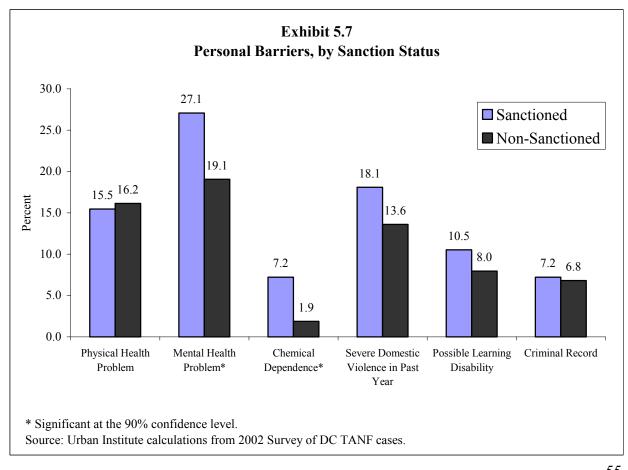


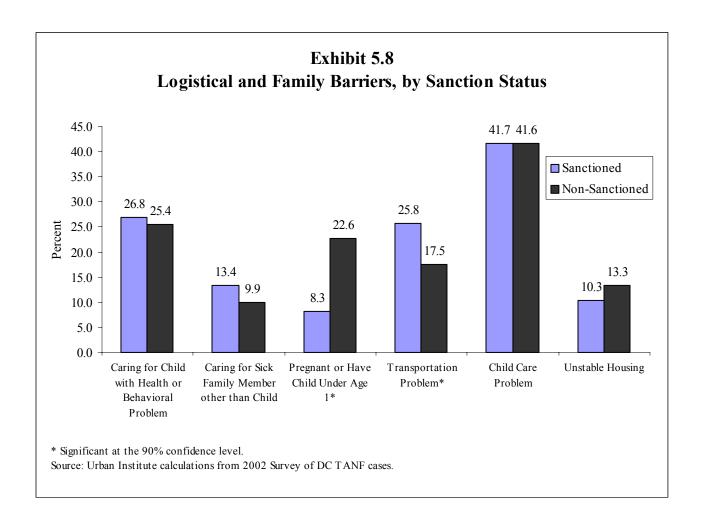
Interestingly, there are no significant differences in the incidence of skill-based differences between the two groups (see Exhibit 5.6). Exhibit 5.7, however, shows that when compared with non-sanctioned recipients, those under sanction are more likely to have mental health problems (27.1 v. 19.1 percent) and more likely to be chemically dependent (7.2 v. 1.9 percent). These problems may well keep recipients from complying with TANF program rules, leading to the sanction.

Exhibit 5.8 shows differences in the family and logistical challenges faced by the two groups. In most cases, there are no significant differences between sanctioned and non-sanctioned recipients; however, there are two exceptions. More than a quarter of sanctioned recipients encounter transportation problems compared with 17.5 percent of non-sanctioned recipients. Again, it is the presence of this barrier that likely makes it harder for recipients to comply with program rules and, thus, increases the probability of a sanction. Conversely, non-sanctioned recipients are more likely to be pregnant or have an infant than sanctioned recipients (22.6 v. 8.3 percent). This difference may simply reflect the fact that recipients with infants are exempt from DC TANF work requirements. They are less likely to be sanctioned because they face fewer rules with which they must comply.

Overall, some of the barriers that make it hard for TANF recipients to work, also affect recipients' ability to comply with program rules. These barriers include chemical dependence, mental health problems, and transportation problems. Recipients confronting these barriers are more likely to be sanctioned, and their families must make do on smaller cash grants. Although sanctions are intented to encourage compliance among recipients in general, the nature of the barriers that disproportionately affect sanctioned recipients may make it difficult for those who are actually sanctioned to come into compliance. Indeed, sanctioned recipients may need additional services to comply with program requirements. Currently, DC has grants with community organizations to conduct home visits with sanctioned customers. Home visiting grantees conduct an in-depth assessment in an effort to identify any barriers or challenges that prohibit participation. Based on this assessment, customers are referred to services to address these needs and help them re-engage in employment services, have their benefits restored, and eventually move from welfare to work.







Chapter 6: Employment and Training Services for DC TANF Recipients

The District of Columbia offers a wide variety of education, training, and job preparation programs to families receiving TANF. This chapter examines the types of employment and training (E & T) services TANF recipients report receiving, the extent to which vulnerable populations receive these services, and how well they line up with the barriers facing these families.

The District of Columbia relies on contractors, referred to as vendors, to run its Employment & Training programs. All adult TANF recipients are referred to one of these vendors soon after their TANF application is approved. These vendors provide job readiness services, help customers access training, and provide job leads. The only customers who are not referred to a vendor are those who are exempt from federal work requirements and those who are already participating in an approved work activity such as unsubsidized employment or vocational education.

It is important to note that because E & T services are provided by vendors rather than directly by DC DHS, TANF recipients may not be aware that they are participating in TANF-related E & T programs. Further, because vendors have their own ways of referring to services, survey respondents may misidentify the specific services they receive. As a result, the TANF-recipient reports of E & T service participation should be interpreted with some caution; the survey responses reflect TANF recipients' recollections and perceptions of the services they received.

E & T Services Received by TANF Recipients

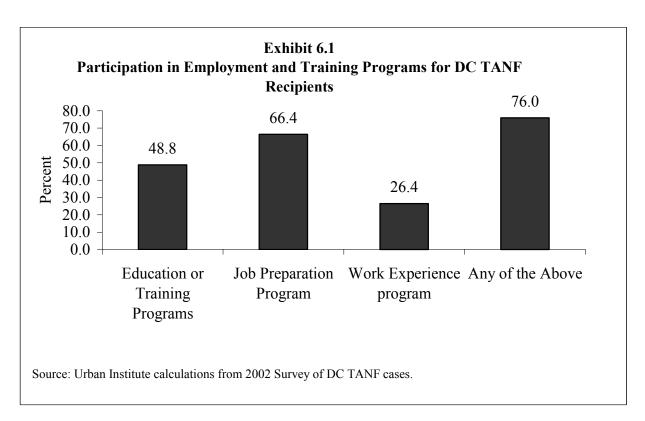
Three quarters of surveyed TANF recipients report participating in some employment and training services within the past 12 months (Exhibit 6.1).³⁰ The most common, attended by 66.4 percent of recipients, were job preparation and placement programs, including job readiness and job search programs. Another 26.4 percent report participation in work experience programs, such as a community service job. This is somewhat surprising, because DC does not have a community work experience program. Respondents are likely misidentifying some recent job or vendor-provided service as community work experience.

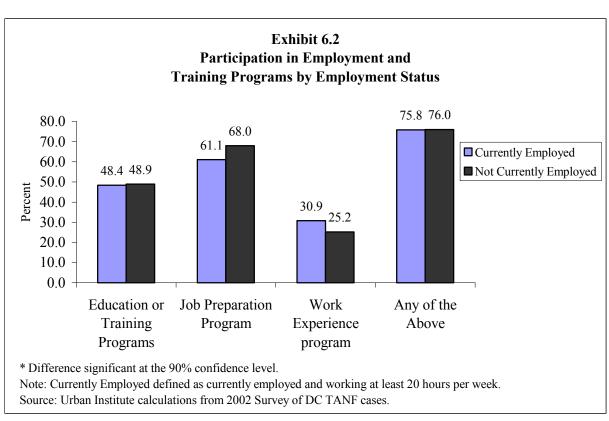
About half of recipients, 48.8 percent, report participating in some form of education or training program. The specific types of programs attended include basic education, GED classes or GED exam preparation (17.6 percent), specific skill training programs such as word processing or medical technician (37.6 percent), and college classes (6.4 percent).³¹

TANF recipients who work 20 or more hours a week at the time of the survey are just as likely to report having participated in employment and training programs in the past year than their non-working counterparts (Exhibit 6.2). Overall, 75.8 percent of working recipients report that they received some services, compared with 76.0 percent for non-working recipients. Similar proportions of working and non-working recipients claim to have participated in education,

Note that the survey does not ask about the intensity of participation in E & T programs; consequently, a respondent who attended an activity for one day within the past 12 months could report she participated in these services.

³¹ DC's State Education Office administers the TAPIT program (Tuition Assistance Program Initiative for TANF), a scholarship program to assist Temporary Assistance for Needy Families (TANF) customers to pursue post-secondary degree or certificate programs offered by accredited institutions in the District of Columbia metropolitan area. Awards of up to \$4,000 will cover tuition, mandatory fees and books for half, three quarters or full time attendance.





training, and work experience programs. Although the difference is not statistically significant, the reported job preparation program participation rates of workers are slightly lower than those of non-workers (68.0 v. 61.1 percent). Note that certain non-working recipients (such as those with a child under age one) are exempt from participation requirements.

E & T Services to Long Tenure and Sanctioned Recipients

An important concern is that some TANF recipients (such as those who have been on the rolls for more than three years and those who have been sanctioned) may not have received the employment and training services that could help them transition from welfare to work. The survey results indicate that this is not the case.

Recipients with long tenures have not been languishing on the welfare rolls without participating in E & T services. In fact, as Exhibit 6.3 shows, recipients heading units that have been on TANF for over three years are more likely to have participated in these programs over the past 12 months than recipients with shorter tenures (82.4 v. 71.0 percent). Compared to those with shorter tenures, recipients with long tenures are more likely to have attended job preparation programs (75.8 v. 59.2 percent) and work experience programs (37.8 v. 17.8). This is consistent with the idea that recipients with long tenures (who are less likely to be working than recipients with short tenures) are meeting their TANF requirements by participating in E & T services.

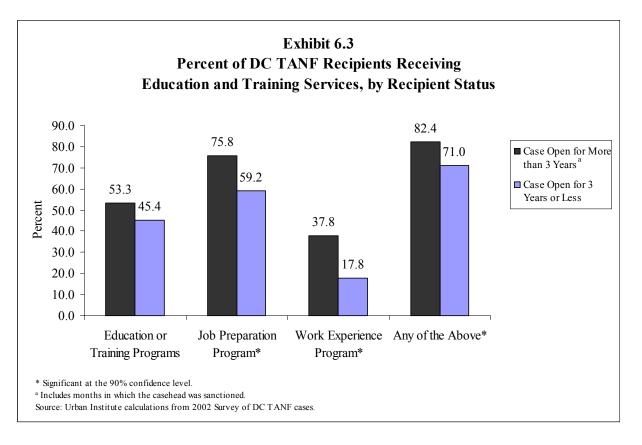
TANF recipients who were under sanctions in August 2002 are just as likely to have participated in employment and training programs in the past year as those who were not sanctioned. Exhibit 6.4 shows that about three quarters of sanctioned and non-sanctioned caseheads participated in any E & T services in the past 12 months, and there are no statistically significant differences in participation rates between these two groups of recipients in any of the specific types of E & T services considered.

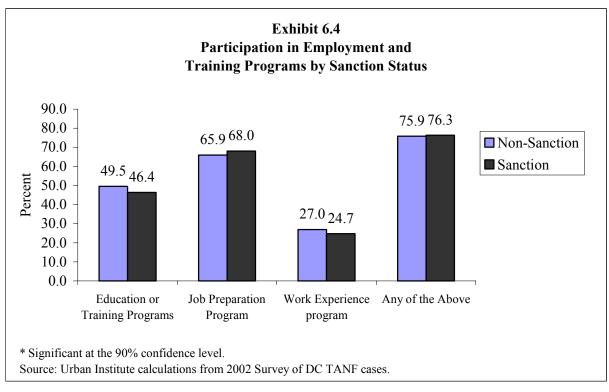
Services and Skill-based Barriers to Work

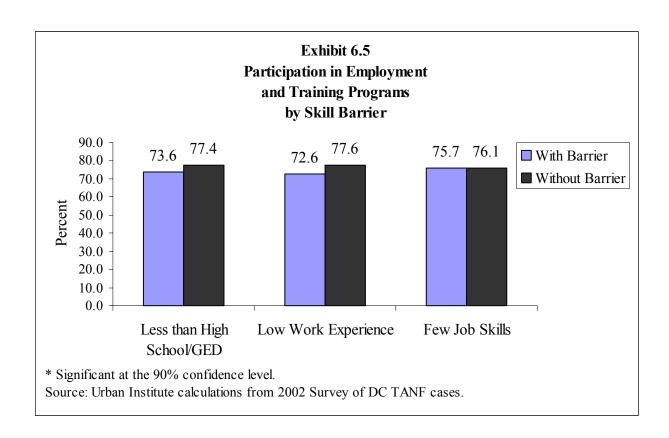
Although all TANF recipients are likely to benefit from employment and training services, those who confront skill-based barriers to work such as low education and work experience might benefit the most. Of course, these barriers to work may also inhibit recipients' ability to participate in some employment and training programs.

Exhibit 6.5 shows that there is no difference in employment and training program participation rates between those with skill-based barriers and those without. For example, 73.6 percent of those with low levels of educational attainment participate in some of these programs in the past 12 months, compared with 77.4 percent of those with more years of formal education. Similarly, 72.6 percent of those with low work experience and 75.7 percent of those who have used three or fewer job skills have participated in employment and training compared with 77.6 and 76.1 percent of those not facing these barriers.

Note, however, since employment and training participation is measured over the past 12 months while barriers are assessed at the time of the survey, those who participate, say in the Spring, may have eliminated certain barriers to work by the time they were surveyed in the Fall.







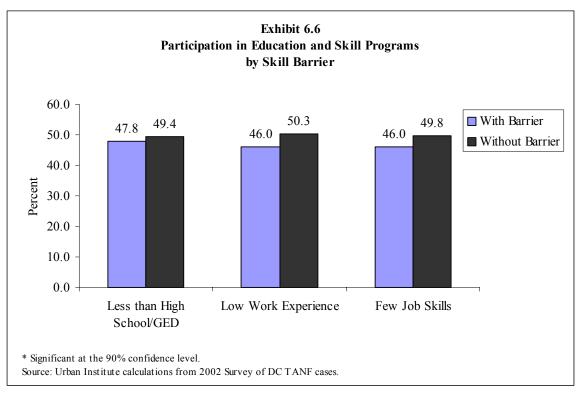
For example, a client who participated in GED training may have earned a degree and would not be considered to have a barrier to work like low education. Thus, it would erroneously appear that the service went to someone who did not especially need it. Consequently, these findings should be interpreted cautiously.

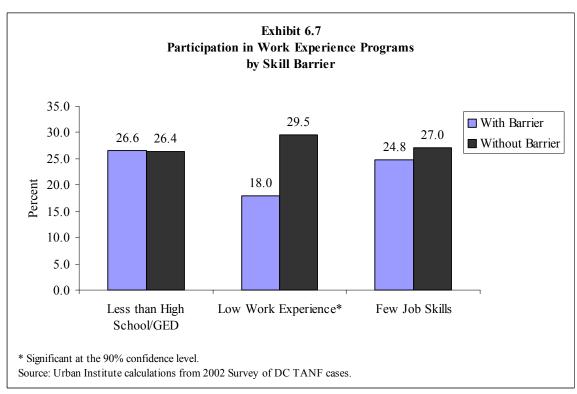
Further, it may be the case that specific types of E & T programs may be particularly suited to helping those with certain skill-based challenges. For example, education programs may be particularly appropriate for those who have no high school degree or GED. Exhibit 6.6 shows that those with low levels of education are no more or less likely to participate in education and skill training programs than those with higher levels of education. However, when we focus exclusively on participation in GED preparation, we do find that recipients with low-education are more likely to be enrolled in GED programs than more educated recipients (30.8 v. 9.6 percent, not shown). TANF recipients with low levels of work experience and who have performed fewer than three common job tasks are no more likely to participate in education and training programs than those who do not face these barriers.

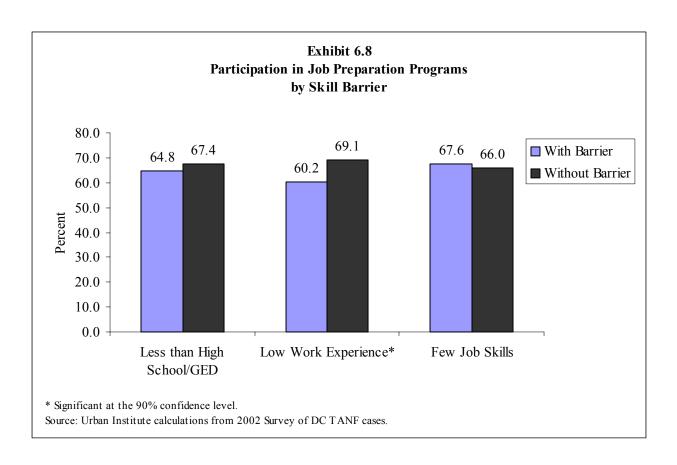
Work experience programs may be particularly useful for recipients with limited work experience. Surprisingly, only 18.0 percent of TANF recipients with low work experience report that they participated in work experience programs compared with 29.5 percent of recipients with more prior experience (Exhibit 6.7). Again, these reports should be viewed with some caution because DC does not have a community work experience program, and it is not clear what specific services or experiences these respondents are referring to. TANF recipients with low levels of education and who have performed fewer than three common job tasks are no more likely to participate in work experience programs than those who do not face these barriers.

Finally, job preparation services may be best suited for those who are most job ready—those who do not face significant skill-based challenges to work. Exhibit 6.8 shows that TANF recipients with more past work experience are more likely to have participated in job preparation programs than those with more limited experience (69.1 v. 60.2 percent). However, there are no statistically significant differences between the job preparation program participation rates of TANF recipients facing other skill barriers to work and those who do not face such barriers.

Overall, these findings indicate that most TANF recipients—even long-term and sanctioned recipients—are participating in employment and training programs. Also, there are few differences in program participation rates between those recipients facing specific skill-based barriers and those who do not. On one hand, this indicates that those facing skill-based challenges to work can access employment and training services. On the other hand, it may also indicate that there is room for additional individualization in the matching of services to client needs.







Chapter 7: Conclusions

This study examines the challenges to work confronting DC TANF recipients. We find that barriers to work are prevalent among DC TANF recipients. Of the 15 individual barriers we identify in the study, 90 percent of DC TANF recipients face at least one of these challenges and three-quarters face more than one. This isn't surprising. Many of these barriers are the reason recipients receive benefits in the first place.

We also find that work is seriously reduced for those facing multiple barriers. The more barriers a recipient faces, the less likely she is employed. In addition, different categories of barriers—skill, personal, and family or logistical—all reduce employment. We also tried to isolate whether there are specific barriers that reduce work regardless of the other barriers the recipient faces; that is, barriers that still significantly reduce work after separating out the impact of other barriers. We find two such barriers: limited prior work experience and self-reports of any type of child care problem. Since 27.1 percent and 41.6 percent of recipients face these barriers, respectively, targeting these barriers is one way to increase work participation.

Implications

Taken together, these findings have several interesting implications for welfare policy. Although virtually all TANF recipients face at least one barrier to work, these barriers can be overcome. Over one-quarter of all recipients were working, and of those facing three or more barriers, 15 percent were working.

The barriers recipients face are many and varied. But our results do not point to specific services that could help large groups of recipients move from welfare to work. In other words, we cannot identify a "one size fits all" approach for addressing the needs of the hardest to serve recipients.

Realistically, intensive assessments for every possible work barrier cannot be conducted for all TANF recipients. Nor, would it be cost-effective, because many recipients work in spite of these barriers. Further, DC already conducts screening and assessment on many of the barriers we identify.

One approach given these findings is to focus on families with multiple barriers, that are truly the hardest-to-employ. To some extent this group can be identified with current screening practices using the bellwether barriers we identify, although it is true that many of these barriers (including mental health problems, domestic violence, and chemical dependence) are significantly underreported in a TANF office setting.

Finally, although sanctions likely encourage compliance among recipients in general, we find here that many families that are actually sanctioned face serious challenges. DC's policy of home visits to sanctioned families is one attempt to connect these families to needed services and is a model of a caseworker trying to address all of a families barriers to work, or, in this case, program participation. Not all sanctioned families desire to come back into compliance, even though this

means an ongoing reduced benefit. In fact, some recipients refuse to have any contact with the DC home visitor. While some of these families likely do not want to regain full benefit status, the high level of barriers, particularly mental health problems, chemical dependence, and domestic violence, suggest some of these families need additional intervention.

These findings may generalize beyond DC to other urban areas. Similar studies are being conducted in California, Colorado, Illinois, Maryland, Missouri, and South Carolina. It will be interesting to compare DC's TANF recipients to those in the urban areas of these states.

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Appendix A: Survey Methodology

This appendix describes the design and implementation of the survey of DC TANF recipients. It provides detail on the construction of the sample frame, sample selection, disposition of the sample, survey method, and comparison of survey respondents and nonrespondents.

Construction of Sample Frame

All open TANF cases in DC as of August 15, 2002: 16,351

Cases deleted by reason:

Missing demographic information:	(205)
Child Only cases	(3,104)
Two-parent cases ^a	(619)
Enrolled in POWER or special category ^b	(443)
Casehead is a minor	(62)
Universe of single-parent TANF cases:	11,918

Sample Selection

The survey contractor, Mathematica Policy Research (MPR) drew a random sample of 581 cases eligible to be interviewed out of the 11,918 universe file. MPR completed 420 interviews for a response rate of 72.3 percent. The field period for the survey lasted 9 weeks, from mid-September to mid-November 2002.

Sample Disposition

Completed interviews	420
Refusals	14
Unable to locate	107
Located but field period closed	36
Other (language barrier, institutionalized, etc.)	4
Total	581

^a Two-parent cases include cases in which the head is coded as married or common law married as well as cases in which there is another adult in the unit who is coded as a spouse or the parent of a child in the unit. In addition, other adults codes as a non-related adult or an other related adult are also dropped if they appear to be the parent of a child in the unit.

^b These cases are known to have barriers and are exempt from work requirements and time limits.

^c MPR attempted to draw a stratified random sample, over-sampling long-term recipients; however, the variable identifying long-term recipients was improperly coded in the file provided to MPR by the Urban Institute. The resulting sample is a random sample of all cases. MPR originally drew a sample frame of 585 cases; 4 cases were ineligible to be interviewed (deceased, minor heads). Our response rate is computed based on the eligible sample frame of 581.

Survey Method

All sample members were mailed an advance letter informing them that they had been selected to participate in a telephone survey of DC's TANF recipients. They were informed that their participation was purely voluntary but that they would receive an incentive payment if they participated. All advance letters contained a \$2 pre-payment. The incentive payment for participants varied (1/3 of the sample was offered an additional \$18 for participating; 2/3 were offered an additional \$33) for the purposes of conducting an experiment to determine if higher incentive payments improved survey response.^d

Computer assisted telephone interviews (CATI) were used to administer the survey. The survey instrument was developed by the US Department of Health and Human Services Office of the Assistant Secretary for Planning and Evaluation (ASPE), its grantees under cooperative agreements to study "welfare stayers", and its Technical Assistance contractor, MPR. The survey instrument received clearance from the US Office of Management and Budget (OMB) and is available from the Urban Institute and ASPE.

Comparison of Survey Respondents and Nonrespondents

Because we have administrative data for respondents as well as non-respondents, we can compare these two groups to see if our survey findings can be safely generalized to all single-parent TANF cases in DC. If non-respondents appear to be appreciably different from respondents, then our findings from the survey may paint a misleading picture of the status of TANF recipients.

Measure	Respondents (N=420)	Nonrespondents (N=161)
Age (median)	31.0	29.3
Age distribution (%)		
Under 25	28.8	31.1
25-34	35.5	41.6
Over 34	35.7	27.3
Two or More Children (%)	67.4	64.0
Age of youngest child (%)		
Under 3	45.5	42.2
3-5	25.0	23.6
Over 5	29.5	34.6
Long-term recipient (%)	43.3	39.8

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^d Results of the response rate experiment appear in Kovac (2003). Over the 9 week field period, the response rate for the higher incentive group was not statistically significantly higher than the rate for the lower incentive group. However, those offered the higher incentive responded to the survey more quickly than those in the lower incentive group. This suggests that higher incentives can be used to achieve a target response rate in a shorter field period. Higher incentives may be more cost-effective than extending field periods to achieve target response rate, and they will likely improve the timeliness of the data.

This comparison indicates that there are only small differences between respondents and nonrespondents. Compared with non-respondents, respondents are slightly more likely to be long-term recipients, have two more children, and have a youngest child under age 5. They are also slightly older. Overall, respondents are broadly representative of DC's single-parent TANF caseload.