

## Chapter II. Indicators of Dependence

Following the format of the previous annual reports to Congress, Chapter II presents summary data related to indicators of dependence. These indicators differ from other welfare statistics because of their emphasis on welfare dependence, rather than simply welfare receipt.

As discussed in Chapter I, the Advisory Board on Welfare Indicators suggested that families be considered dependent if more than 50 percent of their total income in a one-year period comes from cash assistance through the Temporary Assistance for Needy Families (TANF) program (formerly the Aid to Families with Dependent Children (AFDC) program), food stamps and Supplemental Security Income (SSI) benefits. Furthermore, this welfare income was not to be associated with work activities. Existing data from administrative records and national surveys, however, do not generally distinguish welfare benefits received in conjunction with work from benefits received without work. Thus, it was not possible to construct one single indicator of dependence that captured fully the Advisory Board's recommendation; that is, one indicator based on the percentage of income from means-tested assistance *only if this income is not associated with work activities*. As discussed in Chapter I, we adopt the following definition of welfare dependence among individuals in families<sup>1</sup> for use in this report:

Welfare dependence is the proportion of all individuals in families that receive more than half of their total family income in one year from TANF, food stamps and/or SSI.

The ten indicators in Chapter II were selected to provide information about the range and depth of dependence as proposed by the Advisory Board, including indicators that measure the presence of employment activities. This chapter focuses on recipients of three major means-tested cash and nutritional assistance programs: cash assistance through the AFDC and TANF programs, benefits under the Food Stamp Program, and SSI benefits for elderly and disabled recipients. For some indicators, summary data and characteristics are provided for all recipients, not just those defined as welfare-dependent. While a number of indicators focus on the percentage of recipients' income from means-tested assistance, other indicators focus on presence of work activities at the same time as welfare receipt.

### Indicator Summary

*Indicator 1: Degree of Dependence.* This indicator focuses most closely on those individuals who meet the Advisory Board's proposed definition of "dependence." In addition to examining individuals with more than 50 percent of their annual family income from AFDC/TANF cash assistance, food stamps and/or SSI benefits, it shows various levels of dependence by examining those with more than 0 percent, 25 percent and 75 percent of their family income from these sources (Indicators 1a and 1b). This indicator also shows the average percentage of income from means-tested assistance and earnings received by families with various levels of income relative to the poverty level (Indicators 1c and 1d).

*Indicator 2: Receipt of Means-Tested Assistance and Labor Force Attachment.* This indicator looks further at the relationship between receipt of means-tested assistance and participation in the labor force. This is an important issue because of the significant number of low-income individuals that use a combination of means-tested assistance and earnings from the labor force.

*Indicator 3: Rates of Receipt of Means-Tested Assistance.* This indicator paints yet another picture of dependence by measuring reciprocity rates, that is, the percentage of the population that receives AFDC/TANF, food stamps or SSI in an average month. Administrative data for the AFDC/TANF, Food Stamp and SSI programs make these figures readily available over time, allowing a better sense of historical trends than is available from the more specialized indicators of dependence.

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<sup>1</sup> Appendix D provides more information on the use of individuals, rather than families or households, as the unit of analysis for most of the statistics in this report.

*Indicator 4: Rates of Participation in Means-Tested Assistance Programs.* While means-tested public assistance programs are open to all that meet their requirements, not all eligible individuals and households participate in the programs. This indicator uses AFDC/TANF, Food Stamp and SSI administrative data and microsimulation models to reflect “take-up rates” – the number of families that actually participate in the programs as a percentage of those who are estimated to be legally eligible.

*Indicator 5: Multiple Program Receipt.* Depending on their circumstances, individuals may choose a variety of different means-tested assistance “packages.” This indicator looks at the percentage of individuals receiving AFDC/TANF, food stamps and SSI in a month, examining how many rely on just one of these programs, and how many rely on a combination of two programs.

*Indicator 6: Dependence Transitions.* This indicator uses data from the Survey of Income and Program Participation (SIPP) to look at whether individuals dependent on welfare in one year make the transition out of dependence in the following year.

*Indicator 7: Program Spell Duration.* One critical aspect of dependence is how long individuals receive means-tested assistance. This indicator provides information on short, medium and long spells of welfare receipt for each of the three major means-tested programs – AFDC/TANF, the Food Stamp Program and SSI.

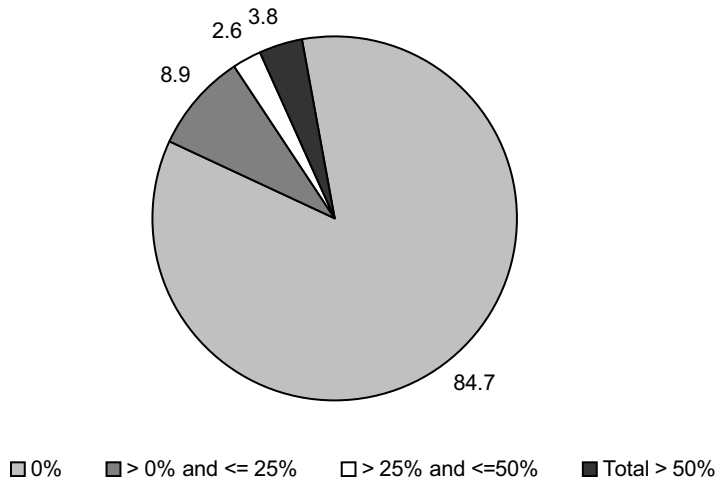
*Indicator 8: Welfare Spell Duration with No Labor Force Attachment.* This indicator is concerned with dynamics of welfare receipt among persons in families with no attachment to the labor market. It differs from Indicator 7 in that it provides information on spells of TANF receipt *during months where no one in the family worked or was officially unemployed.*

*Indicator 9: Long Term Receipt.* Many individuals who leave welfare programs cycle back on after an absence of several months. Thus it is important to look beyond individual program spells, measured in Indicator 7, to examine the cumulative amount of time individuals receive assistance over a period of several years.

*Indicator 10: Events Associated with the Beginning and Ending of Program Spells.* To gain a better understanding of welfare dynamics, it is important to go beyond measures of spell duration and examine information regarding the major events in people’s lives that are correlated with the beginnings or endings of program spells. This measure focuses on receipt of TANF.

## INDICATOR 1. Degree of Dependence

Figure IND 1a. Percentage of Total Income from Means-Tested Assistance Programs: 2005



Note: Means-tested assistance includes TANF, SSI and food stamps. Total >50% includes all persons with more than 50 percent of their total annual family income from these means-tested programs. Income includes cash income and the value of food stamps.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2006, analyzed using the TRIM3 microsimulation model.

- Figure IND 1a shows the percentage of persons in families with varying degrees of dependence on means-tested assistance programs in 2005.
- The majority of persons (84.7 percent) lived in families that received no income from means-tested assistance programs in 2005.
- Fifteen (15.3) percent of persons lived in families that receive income supports from means-tested assistance programs. Almost 4 (3.8) percent of persons lived in families that received more than half of their income from means-tested assistance programs. These persons would be considered welfare dependent under the definition of dependence used in this report.<sup>1</sup>
- Table IND 1a shows the percentage of persons in families with varying degrees of reliance on income from means-tested assistance programs by demographic characteristics. Welfare dependence varies across demographic groups.
- Among racial and ethnic groups, Non-Hispanic Blacks were more likely to be welfare dependent (10.2 percent) than were Non-Hispanic Whites (2.2 percent) or Hispanics of any race (5.7 percent).
- Among age categories, children from birth to 5 years of age were more likely to live in families that were welfare dependent than were children of other age categories.
- Among family types, persons living in female-headed families were more likely to be welfare dependent than those in other family categories.
- Table IND 1b shows trends in welfare dependence between 1993 and 2005. Welfare dependence was highest in 1993 at 5.9 percent. Welfare dependence declined between 1993 and 2000, with notable drops occurring between 1996 and 2000. After 2000, the downward trend in welfare dependence reversed, with dependence increasing from 3.0 percent in 2000 to 3.8 percent in 2005.

<sup>1</sup> For a discussion on defining welfare dependence, please see "Measuring Welfare Dependence" in Chapter I.

**Table IND 1a. Percentage of Total Income from Means-Tested Assistance Programs by Selected Characteristics: 2005**

	0%	> 0% and <= 25%	> 25% and <= 50%	> 50% and <= 75%	> 75% and <= 100%	Total > 50%
<b>All Persons</b>	<b>84.7</b>	<b>8.9</b>	<b>2.6</b>	<b>1.1</b>	<b>2.7</b>	<b>3.8</b>
<b>Racial/Ethnic Categories</b>						
Non-Hispanic White	89.9	6.4	1.4	.6	1.6	2.2
Non-Hispanic Black	67.1	15.9	6.8	3.2	7.0	10.2
Hispanic	76.0	14.1	4.2	1.7	3.9	5.7
<b>Age Categories</b>						
Children ages 0-5	74.4	13.0	5.2	2.4	5.0	7.4
Children ages 6-10	77.4	11.9	4.6	1.9	4.2	6.1
Children ages 11-15	79.1	11.4	4.0	1.9	3.7	5.5
Women ages 16-64	84.6	8.9	2.5	1.1	2.9	4.0
Men ages 16-64	88.3	7.7	1.6	.6	1.8	2.4
Adults ages 65 and over	89.7	6.3	1.8	.7	1.5	2.2
<b>Family Categories</b>						
Persons in married-couple families	91.2	6.4	1.2	.4	.7	1.1
Persons in female-headed families	55.5	20.8	9.6	4.6	9.5	14.0
Persons in male-headed families	77.9	13.9	3.9	1.5	2.8	4.3
Unrelated persons	87.8	6.4	1.2	.6	4.1	4.7

Note: Means-tested assistance includes TANF, SSI and food stamps. Total >50% includes all persons with more than 50 percent of their total annual family income from these means-tested programs. Income includes cash income and the value of food stamps. Spouses are not present in the female-headed and male-headed family categories.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2006, analyzed using the TRIM3 microsimulation model.

**Table IND 1b. Percentage of Total Income from Means-Tested Assistance Programs: 1993-2005**

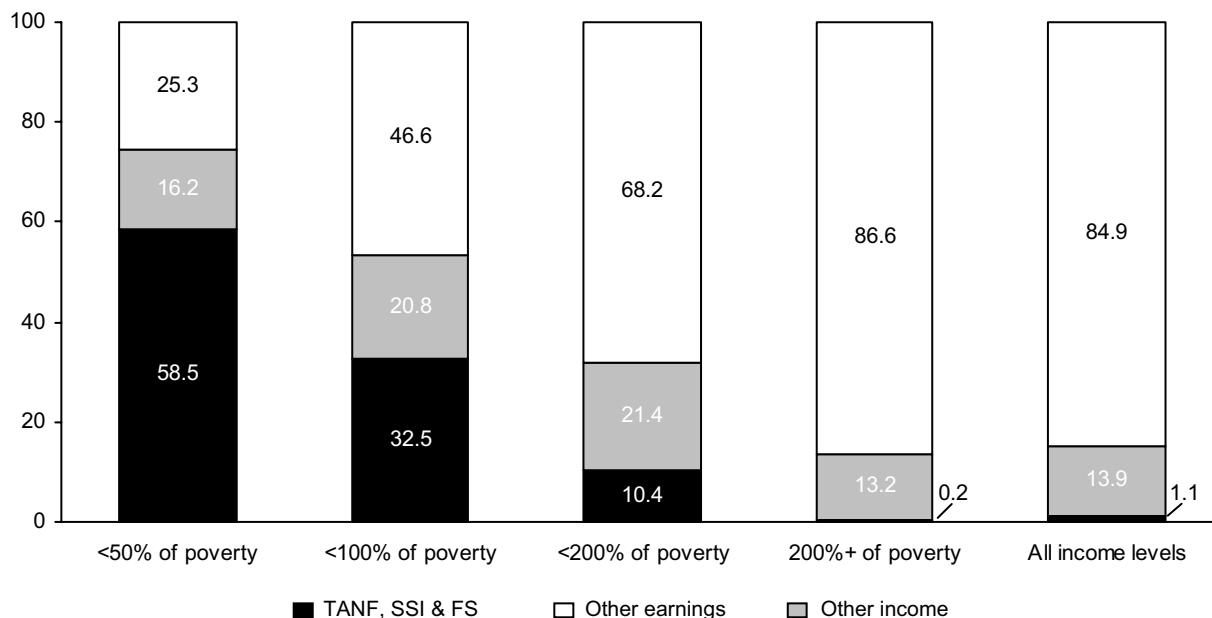
	0%	> 0% and <= 25%	> 25% and <= 50%	> 50% and <= 75%	> 75% and <= 100%	Total > 50%
1993	83.4	7.8	3.0	1.8	4.1	5.9
1994	82.8	8.4	3.1	1.8	4.0	5.8
1995	83.2	8.5	3.1	1.8	3.5	5.3
1996	84.0	7.8	3.1	1.9	3.3	5.2
1997	85.3	7.7	2.5	1.5	3.1	4.5
1998	86.5	7.3	2.5	1.3	2.5	3.8
1999	86.7	7.7	2.3	1.1	2.2	3.3
2000	87.5	7.3	2.2	1.0	2.0	3.0
2001	87.4	7.3	2.2	1.0	2.1	3.1
2002	86.8	7.8	2.3	1.0	2.1	3.2
2003	85.9	8.2	2.4	1.1	2.4	3.6
2004	85.0	8.8	2.5	1.1	2.5	3.7
2005	84.7	8.9	2.6	1.1	2.7	3.8

Note: Means-tested assistance includes TANF, SSI and food stamps. Total >50% includes all persons with more than 50 percent of their total annual family income from these means-tested programs. Income includes cash income and the value of food stamps.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2006, analyzed using the TRIM3 microsimulation model.

**Figure IND 1b. Percentage of Total Income from Various Sources by Poverty Status: 2005**

(In percent)



Note: Total income is total annual family income, including the value of food stamps. Other income is non-means-tested, non-earnings income such as child support, alimony, pensions, Social Security benefits, interest and dividends. Poverty status categories are not mutually exclusive.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2006, analyzed using the TRIM3 microsimulation model.

- Figure IND 1b shows sources of income by poverty status in 2005. There is an association between poverty status and receiving income from means-tested assistance programs.
- Persons in families with incomes below the poverty line received 46.6 percent of their income from earnings and 32.5 percent from means-tested assistance programs. Persons in families with incomes at 200 percent or more of the poverty line received 86.6 percent of their income from earnings and .2 percent of their income from means-tested assistance programs.
- The percentage of family income that comes from earnings is inversely proportional to overall family income relative to the poverty line. For example, the percentage of income received from earnings for persons in families living in deep poverty (below 50 percent of the poverty line) was 25.3 percent compared to 46.6 percent for all poor persons in 2005.
- Table IND 1c shows sources of income by poverty status for various demographic groups. On average, persons in married-couple families rely on earnings more and on means-tested assistance programs less than persons in other family categories at all income levels.
- Table IND 1d shows the percentage of income from various sources across selected years. The percentage of income received from earnings for persons in families with incomes below the poverty line increased from 40.4 percent in 1995 to a high of 49.5 percent in 2000. After 2000, the rate decreased to 46.6 percent in 2005.
- Over the same time period, the percentage of income from means-tested programs among persons in poor families decreased substantially from 41.3 percent in 1995 to 30.3 percent in 2000. After 2000, the rate increased to 32.5 percent in 2005.

**Table IND 1c. Percentage of Total Income from Various Sources by Poverty Status and Selected Characteristics: 2005**

	<50% Poverty	<100% of Poverty	<200% of Poverty	200%+ of Poverty	All Persons
<b>All Persons</b>					
TANF, SSI and Food Stamps	58.5	32.5	10.4	0.2	1.1
Earnings	25.3	46.6	68.2	86.6	84.9
Other income	16.2	20.8	21.4	13.2	13.9
<b>Racial/Ethnic Categories</b>					
<i>Non-Hispanic White</i>					
TANF, SSI and Food Stamps	53.1	29.9	8.0	0.1	0.6
Earnings	25.5	41.9	62.7	85.6	84.3
Other income	21.4	28.3	29.4	14.3	15.1
<i>Non-Hispanic Black</i>					
TANF, SSI and Food Stamps	66.3	43.5	17.9	0.5	4.0
Earnings	18.9	35.3	60.6	88.1	82.5
Other income	14.7	21.2	21.6	11.5	13.5
<i>Hispanic</i>					
TANF, SSI and Food Stamps	55.6	26.5	9.4	0.5	2.7
Earnings	32.7	62.4	81.5	91.6	89.1
Other income	11.7	11.1	9.0	7.9	8.2
<b>Age Categories</b>					
<i>Children ages 0-5</i>					
TANF, SSI and Food Stamps	65.5	37.2	13.5	0.2	2.3
Earnings	22.8	52.0	78.0	94.6	92.1
Other income	11.6	10.7	8.5	5.2	5.7
<i>Children ages 6-10</i>					
TANF, SSI and Food Stamps	65.1	35.5	12.0	0.2	1.9
Earnings	20.7	50.2	77.4	93.7	91.3
Other income	14.2	14.3	10.6	6.2	6.8
<i>Children ages 11-15</i>					
TANF, SSI and Food Stamps	61.8	36.1	12.5	0.1	1.7
Earnings	22.6	47.3	74.3	92.0	89.8
Other income	15.6	16.6	13.2	7.9	8.5
<i>Women ages 16-64</i>					
TANF, SSI and Food Stamps	55.6	33.3	11.2	0.2	1.1
Earnings	26.6	46.3	71.4	89.1	87.7
Other income	17.8	20.5	17.5	10.7	11.2
<i>Men ages 16-64</i>					
TANF, SSI and Food Stamps	48.0	27.4	8.0	0.2	0.7
Earnings	34.4	53.1	76.4	90.2	89.3
Other income	17.6	19.5	15.5	9.6	10.0
<i>Adults ages 65 and over</i>					
TANF, SSI and Food Stamps	37.2	21.4	6.5	0.3	1.0
Earnings	9.2	6.5	9.9	40.2	36.6
Other income	53.6	72.2	83.5	59.5	62.4
<b>Family Categories</b>					
<i>Persons in married-couple families</i>					
TANF, SSI and Food Stamps	49.7	22.4	5.9	0.1	0.5
Earnings	35.0	62.0	77.0	87.6	86.9
Other income	15.3	15.6	17.1	12.3	12.6
<i>Persons in female-headed families</i>					
TANF, SSI and Food Stamps	66.9	45.2	21.7	1.0	6.9
Earnings	17.8	36.4	58.6	81.9	75.3
Other income	15.2	18.4	19.7	17.1	17.8
<i>Persons in male-headed families</i>					
TANF, SSI and Food Stamps	65.8	31.2	11.0	0.5	2.0
Earnings	21.0	50.7	72.1	87.3	85.2
Other income	13.2	18.0	16.9	12.2	12.8

Note: Total income is total annual family income, including the value of food stamps. Other income is non-means-tested, non-earnings income such as child support, alimony, pensions, Social Security benefits, interest and dividends. Poverty status categories are not mutually exclusive. Spouses are not present in the female-headed and male-headed family categories. Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2006, analyzed using the TRIM3 microsimulation model.

**Table IND 1d. Percentage of Total Income from Various Sources: Selected Years**

	< 50% Poverty	<100% of Poverty	<200% of Poverty	200%+ of Poverty
<b>1995</b>				
AFDC, SSI and Food Stamps	65.9	41.3	14.2	0.3
Earnings	22.5	40.4	64.8	85.4
Other income	11.6	18.3	21.0	14.3
<b>1998</b>				
AFDC, SSI and Food Stamps	58.9	32.0	10.6	0.2
Earnings	27.0	47.9	67.8	85.3
Other income	14.1	20.1	21.6	14.5
<b>2000</b>				
TANF, SSI and Food Stamps	54.3	30.3	9.8	0.2
Earnings	30.5	49.5	68.7	86.7
Other income	15.2	20.3	21.5	13.0
<b>2004</b>				
TANF, SSI and Food Stamps	58.4	31.1	10.4	0.2
Earnings	25.7	48.2	67.2	86.8
Other income	15.9	20.7	22.4	13.0
<b>2005</b>				
TANF, SSI and Food Stamps	58.5	32.5	10.4	0.2
Earnings	25.3	46.6	68.2	86.6
Other income	16.2	20.8	21.4	13.2

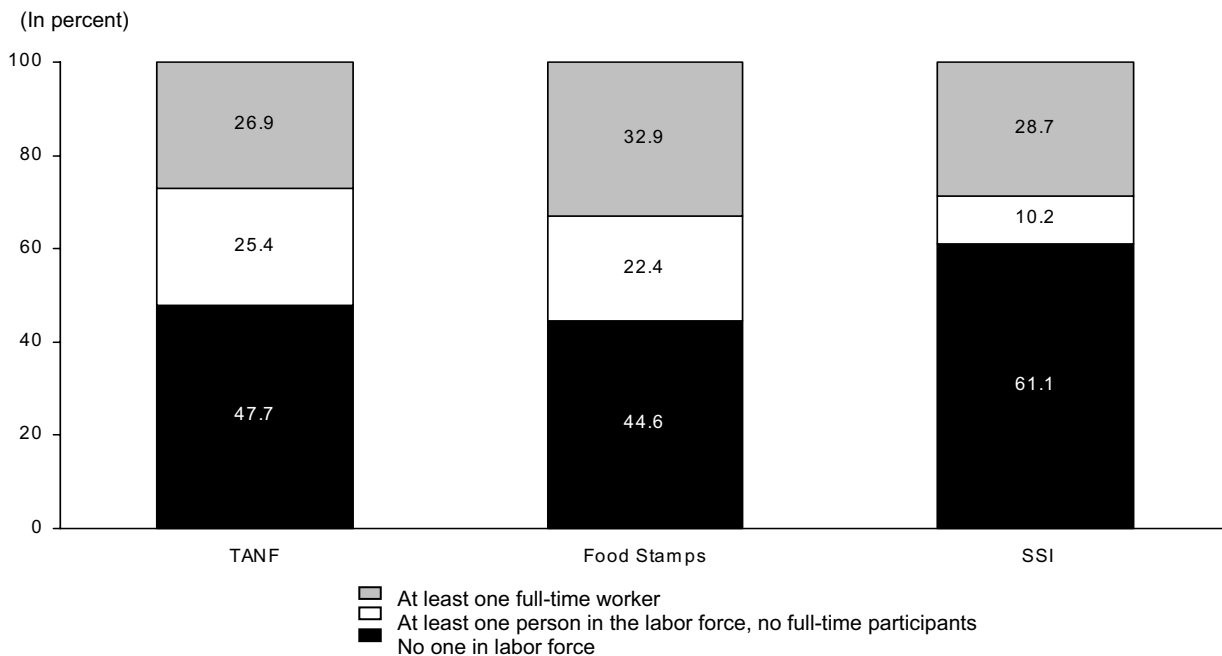
Note: Total income is total annual family income, including the value of food stamps. Other income is non-means-tested, non-earnings income such as child support, alimony, pensions, Social Security benefits, interest and dividends. Poverty status categories are not mutually exclusive.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2006, analyzed using the TRIM3 microsimulation mode.

## INDICATOR 2. Receipt of Means-Tested Assistance and Labor Force Attachment

**Figure IND 2. Percentage of Recipients in Families with Labor Force Participants by Program: 2005**



Note: Recipients are limited to those individuals or family members directly receiving benefits in a month. Full-time workers are those who usually work 35 hours or more per week. Part-time labor force participation includes part-time workers and those who are unemployed, laid off and/or looking for work. This indicator measures, on an average monthly basis, the combination of individual benefit receipt and labor force participation by any family member in the same month.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2006, analyzed using the TRIM3 microsimulation model.

- Figure IND 2 shows the percentage of recipients in families with labor force participants by program.<sup>1</sup> In 2005, SSI recipients were more likely to live in families with no labor force participants (61.1 percent) than were TANF recipients (47.7 percent) or food stamp recipients (44.6 percent).
- Table IND 2a shows the percentage of recipients in families with labor force participants by program and demographic characteristics.
- Among TANF recipients, Hispanics of any race were more likely to live in families with at least one full-time worker (34.3 percent) than were Non-Hispanic Whites (25.9 percent) or Non-Hispanic Blacks (22.5 percent).
- Among TANF recipients, 49.2 percent of persons in married-couple families lived with at least one full-time worker compared to 19.6 percent of persons in female-headed families, and 28.3 percent of persons in male-headed families.
- Table IND 2b shows the percentage of AFDC/TANF recipients living in families with labor force participants by year. The percentage of recipients living in families with full-time workers increased from 18.8 percent in 1993 to 35.3 percent in 2001 and then declined to 26.9 percent in 2005.

<sup>1</sup> Note that lower family employment rates are reported in TANF administrative data, which are limited to the employment of family members in the TANF assistance unit and employment reported to welfare agencies (see Table TANF 7 in Appendix A).



**Table IND 2a. Percentage of Recipients in Families with Labor Force Participants by Program and Selected Characteristics: 2005**

		No One in LF	At Least One in LF, No One FT	At Least One FT Worker
<b>TANF</b>	<b>All Persons</b>	<b>47.7</b>	<b>25.4</b>	<b>26.9</b>
	Non-Hispanic White	47.3	26.8	25.9
	Non-Hispanic Black	50.7	26.8	22.5
	Hispanic	43.9	21.8	34.3
	Children ages 0-5	48.1	23.6	28.4
	Children ages 6-10	49.2	25.8	25.0
	Children ages 11-15	49.2	22.4	28.4
	Women ages 16-64	49.4	27.0	23.6
	Men ages 16-64	35.8	31.4	32.9
	Adults ages 65 and over	51.4	7.6	40.9
	Persons in married-couple families	25.0	25.8	49.2
	Persons in female-headed families	55.8	24.6	19.6
	Persons in male-headed families	39.9	31.8	28.3
	Unrelated persons	NA	NA	NA
<b>FOOD STAMPS</b>	<b>All Persons</b>	<b>44.6</b>	<b>22.4</b>	<b>32.9</b>
	Non-Hispanic White	47.0	23.0	30.0
	Non-Hispanic Black	45.2	24.9	30.0
	Hispanic	39.0	17.7	43.3
	Children ages 0-5	34.5	22.8	42.8
	Children ages 6-10	36.3	24.6	39.1
	Children ages 11-15	38.4	22.2	39.4
	Women ages 16-64	47.6	23.9	28.5
	Men ages 16-64	44.4	24.0	31.6
	Adults ages 65 and over	84.8	6.6	8.6
	Persons in married-couple families	28.5	20.0	51.5
	Persons in female-headed families	44.8	25.2	30.0
	Persons in male-headed families	35.7	27.1	37.2
	Unrelated persons	79.4	15.2	5.4
<b>SSI</b>	<b>All Persons</b>	<b>61.1</b>	<b>10.2</b>	<b>28.7</b>
	Non-Hispanic White	65.0	9.5	25.4
	Non-Hispanic Black	62.8	12.4	24.7
	Hispanic	54.4	8.7	36.9
	Children ages 0-5	39.8	13.9	46.3
	Children ages 6-10	42.8	12.1	45.1
	Children ages 11-15	42.8	19.0	38.3
	Women ages 16-64	67.8	10.2	21.9
	Men ages 16-64	58.5	11.4	30.1
	Adults ages 65 and over	65.9	6.6	27.6
	Persons in married-couple families	36.4	11.5	52.1
	Persons in female-headed families	53.7	14.4	31.9
	Persons in male-headed families	44.8	14.0	41.2
	Unrelated persons	95.2	4.0	0.9

Note: Recipients are limited to those individuals or family members directly receiving benefits in a month. Full-time workers are those who usually work 35 hours or more per week. Part-time labor force participation includes part-time workers and those who are unemployed, laid off and/or looking for work. This indicator measures, on an average monthly basis, the combination of individual benefit receipt and labor force participation by any family member in the same month. Spouses are not present in the female-headed and male-headed family categories.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2006, analyzed using the TRIM3 microsimulation model.

**Table IND 2b. Percentage of AFDC/TANF Recipients in Families with Labor Force Participants: 1993-2005**

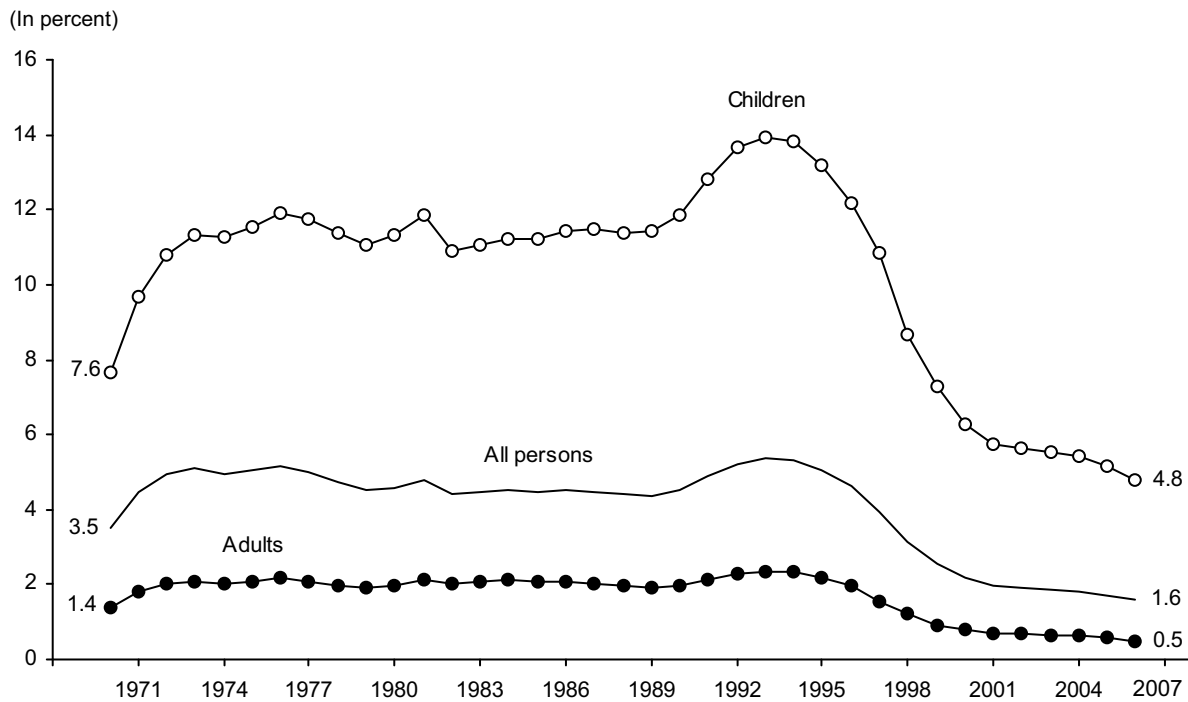
	No One in LF	At Least One in LF, No One FT	At Least One FT Worker
1993	57.0	24.2	18.8
1994	54.8	24.8	20.4
1995	50.6	24.3	25.1
1996	50.1	25.6	24.3
1997	47.6	28.0	24.4
1998	44.3	25.8	29.9
1999	40.8	24.1	35.1
2000	41.2	24.1	34.7
2001	38.7	26.0	35.3
2002	39.8	25.8	34.3
2003	47.4	24.1	28.5
2004	48.0	23.8	28.1
2005	47.7	25.4	26.9

Note: Recipients are limited to those individuals or family members directly receiving benefits in a month. Full-time workers are those who usually work 35 hours or more per week. Part-time labor force participation includes part-time workers and those who are unemployed, laid off and/or looking for work. This indicator measures, on an average monthly basis, the combination of individual benefit receipt and labor force participation by any family member in the same month.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1994 - 2006, analyzed using the TRIM3 microsimulation model.

### INDICATOR 3. Rates of Receipt of Means-Tested Assistance

Figure IND 3a. Percentage of the Total Population Receiving AFDC/TANF by Age: 1970-2006



Note: See Appendix A, Tables TANF 2, TANF 12 and TANF 14, for more detailed data on reciprocity rates, including reciprocity rates by calendar year. Recipients are expressed as the fiscal year average of monthly caseloads from administrative data, excluding recipients in the territories. Tribal TANF recipients are also excluded. Child recipients include a small number of dependents ages 18 and older who are students. The average number of adult and child recipients in 1998 and 1999 are estimated using data from the National Emergency TANF Data Files and thereafter using the National TANF Data Files. Beginning in 2000, the data include both TANF and SSP recipients who have comprised as much as 11 percent of total recipients.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance. Population denominators for the percents in each category are from the U.S. Census Bureau (available online at <http://www.census.gov>).

- Figure IND 3a shows the percentage of the population who received income from the AFDC program or TANF program by age group from 1970 to 2006.
- Table IND 3a shows the number and percent of the population receiving AFDC/TANF by age between 1970 and 2006. In 1993, 5.4 percent of the population received income from AFDC. In 2006, the percentage was 1.6. The 2006 rate of TANF receipt was the lowest since 1970.
- AFDC/TANF reciprocity rates have been higher with more pronounced changes over time for children than for adults. Between 1993 and 2006, AFDC/TANF receipt among children decreased from 13.9 percent to 4.8 percent, the most rapid decline in the time period shown.

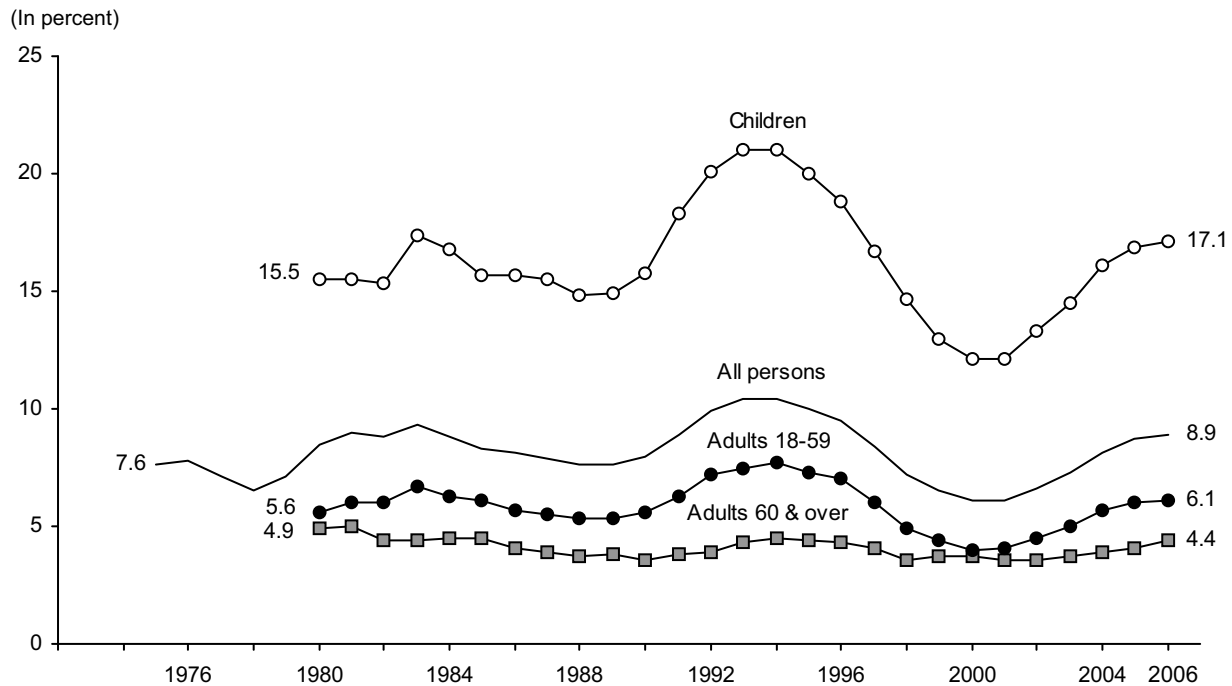
**Table IND 3a. Number and Percentage of the Total Population Receiving AFDC/TANF by Age: 1970-2006**

Fiscal Year	Total Recipients		Adult Recipients		Child Recipients	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
1970	7,188	3.5	1,863	1.4	5,325	7.6
1971	9,281	4.5	2,516	1.8	6,765	9.7
1972	10,345	4.9	2,848	2.0	7,497	10.8
1973	10,760	5.1	2,984	2.1	7,776	11.3
1974	10,591	5.0	2,935	2.0	7,656	11.3
1975	10,854	5.0	3,078	2.1	7,776	11.6
1976	11,171	5.1	3,271	2.2	7,900	11.9
1977	10,933	5.0	3,230	2.1	7,703	11.8
1978	10,485	4.7	3,128	2.0	7,357	11.4
1979	10,146	4.5	3,071	1.9	7,075	11.0
1980	10,422	4.6	3,226	2.0	7,196	11.3
1981	10,979	4.8	3,491	2.1	7,488	11.8
1982	10,233	4.4	3,395	2.0	6,838	10.9
1983	10,467	4.5	3,548	2.1	6,919	11.1
1984	10,677	4.5	3,652	2.1	7,025	11.2
1985	10,630	4.5	3,589	2.0	7,041	11.2
1986	10,810	4.5	3,637	2.1	7,173	11.4
1987	10,878	4.5	3,624	2.0	7,254	11.5
1988	10,734	4.4	3,536	2.0	7,198	11.4
1989	10,741	4.4	3,503	1.9	7,238	11.4
1990	11,263	4.5	3,643	2.0	7,620	11.9
1991	12,391	4.9	4,016	2.1	8,375	12.8
1992	13,423	5.2	4,336	2.3	9,087	13.7
1993	13,943	5.4	4,519	2.3	9,424	13.9
1994	14,033	5.3	4,554	2.3	9,479	13.8
1995	13,479	5.1	4,322	2.2	9,157	13.2
1996	12,477	4.6	3,921	2.0	8,556	12.2
1997	10,779	4.0	3,106	1.5	7,673	10.8
1998	8,653	3.1	2,469	1.2	6,184	8.7
1999	7,068	2.5	1,838	0.9	5,231	7.3
2000	6,218	2.2	1,687	0.8	4,531	6.3
2001	5,673	2.0	1,503	0.7	4,171	5.7
2002	5,576	1.9	1,476	0.7	4,099	5.6
2003	5,452	1.9	1,415	0.7	4,037	5.5
2004	5,315	1.8	1,357	0.6	3,957	5.4
2005	5,064	1.7	1,276	0.6	3,788	5.2
2006	4,695	1.6	1,163	0.5	3,532	4.8

Note: See Appendix A, Tables TANF 2, TANF 12 and TANF 14, for more detailed data on reciprocity rates, including reciprocity rates by calendar year. Recipients are expressed as the fiscal year average of monthly caseloads from administrative data, excluding recipients in the territories. Tribal TANF recipients are also excluded. Child recipients include a small number of dependents ages 18 and older who are students. The average number of adult and child recipients in 1998 and 1999 are estimated using data from the National Emergency TANF Data Files and thereafter using the National TANF Data Files. Beginning in 2000, the data include both TANF and SSP recipients who have comprised as much as 11 percent of total recipients.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance. Population denominators for the percents in each category are from the U.S. Census Bureau (available online at <http://www.census.gov>).

**Figure IND 3b. Percentage of the Total Population Receiving Food Stamps by Age: 1975-2006**



Note: See Appendix A, Tables FSP 1 and FSP 6 for more detailed data on reciprocity rates. Recipient totals exclude the territories and are the fiscal year averages of monthly caseloads from administrative data. From 1975 to 1983 the number of participants includes the Family Food Assistance Program (FFAP) that was largely replaced by the Food Stamp Program in 1975. From 1975 to 1983 the number of FFAP participants averaged only 88 thousand.

Source: Recipient data by age from U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis, Nutrition and Evaluation, *Characteristics of Food Stamp Households, Fiscal Year 2006* and earlier reports (available online at [www.fns.usda.gov/oane/MENU/Published/FSP/participation.htm](http://www.fns.usda.gov/oane/MENU/Published/FSP/participation.htm)), and unpublished data from the Food Stamps National Data Bank. Population denominators for the percents in each category are from U.S. Census Bureau (available online at <http://www.census.gov>).

- Figure IND 3b shows the percentage of the population who received food stamps by age category from 1975 to 2006.
- The food stamp reciprocity rate increased to 8.9 percent in 2006 from a low of 6.1 percent in 2000 and 2001, the lowest rate since the Food Stamp Program became available nationwide. While the 2006 reciprocity rate is higher than the 2005 rate, it is still lower than the peak rate of 10.4 percent experienced in 1993 and 1994.
- As with AFDC/TANF, food stamp reciprocity rates have been higher over time for children than for adults. Between 1980 and 2006, the percentage of all children who received food stamps was at least double the percentage for all adults ages 18 to 59.
- Table IND 3b shows the number and percentage of the population receiving food stamps by age from 1975 to 2006. Trends in food stamp reciprocity across all age groups are similar over the time period. The trends may largely reflect changes in the rate of unemployment and programmatic changes.
- The percentage of all persons receiving food stamps declined between 1984 and 1988 and then increased in the early 1990s reaching a peak rate in 1993 (10.4 percent). The percentage then declined through 2000 and since then has risen to 8.9 percent in 2006.

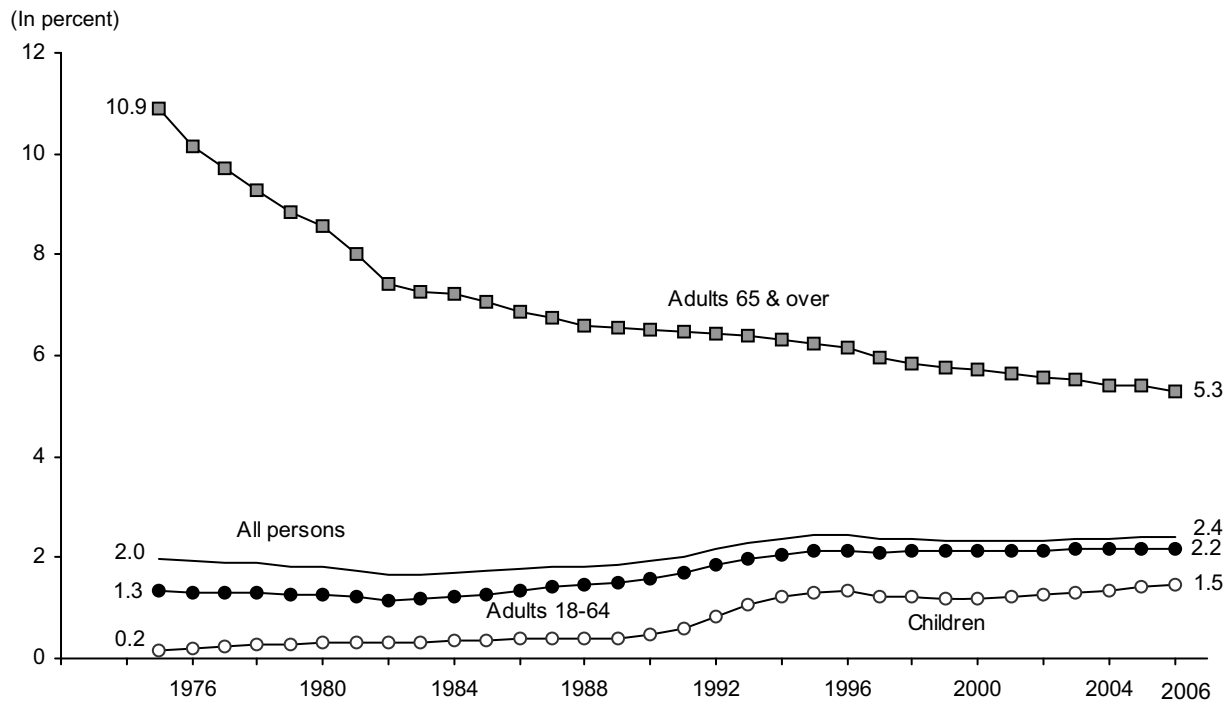
**Table IND 3b. Number and Percentage of the Total Population Receiving Food Stamps by Age: 1975-2006**

Fiscal Year	Total Recipients		Adult Recipients Ages 60 and over		Adult Recipients Ages 18-59		Child Recipients Ages 0-18	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
1975	16,320	7.6	—	—	—	—	—	—
1976	17,033	7.8	—	—	—	—	9,126	13.8
1977	15,604	7.1	—	—	—	—	—	—
1978	14,405	6.5	—	—	—	—	—	—
1979	15,942	7.1	—	—	—	—	—	—
1980	19,253	8.5	1,741	4.9	7,186	5.6	9,876	15.5
1981	20,654	9.0	1,845	5.0	7,811	6.0	9,803	15.5
1982	21,754	9.4	1,641	4.4	7,838	6.0	9,591	15.3
1983	21,668	9.3	1,654	4.4	8,960	6.7	10,910	17.4
1984	20,796	8.8	1,758	4.5	8,521	6.3	10,492	16.8
1985	19,847	8.3	1,783	4.5	8,258	6.1	9,906	15.8
1986	19,382	8.1	1,631	4.1	7,895	5.7	9,844	15.7
1987	19,072	7.9	1,589	3.9	7,684	5.5	9,771	15.5
1988	18,613	7.6	1,500	3.7	7,506	5.3	9,351	14.8
1989	18,778	7.6	1,582	3.8	7,560	5.3	9,429	14.9
1990	20,020	8.0	1,511	3.6	8,084	5.6	10,127	15.8
1991	22,599	8.9	1,593	3.8	9,190	6.3	11,952	18.3
1992	25,370	9.9	1,687	3.9	10,550	7.2	13,349	20.1
1993	26,957	10.4	1,876	4.3	11,214	7.5	14,196	21.0
1994	27,439	10.4	1,955	4.5	11,615	7.7	14,391	21.0
1995	26,579	10.0	1,920	4.4	11,105	7.3	13,860	20.0
1996	25,495	9.5	1,891	4.3	10,769	7.0	13,189	18.8
1997	22,820	8.4	1,831	4.1	9,373	6.0	11,847	16.7
1998	19,749	7.2	1,635	3.6	7,760	4.9	10,524	14.7
1999	18,146	6.5	1,696	3.7	7,079	4.4	9,332	13.0
2000	17,156	6.1	1,700	3.7	6,612	4.0	8,743	12.1
2001	17,282	6.1	1,658	3.6	6,778	4.1	8,819	12.1
2002	19,059	6.6	1,684	3.6	7,625	4.5	9,688	13.3
2003	21,222	7.3	1,786	3.7	8,503	5.0	10,605	14.5
2004	23,819	8.1	1,917	3.9	9,753	5.7	11,771	16.1
2005	25,677	8.7	2,044	4.1	10,390	6.0	12,405	16.9
2006	26,631	8.9	2,226	4.4	10,751	6.1	12,579	17.1

Note: See Appendix A, Tables FSP 1 and FSP 6 for more detailed data on reciprocity rates. Recipient totals exclude the territories and are the fiscal year averages of monthly caseloads from administrative data. From 1975 to 1983 the number of participants includes the Family Food Assistance Program (FFAP) that was largely replaced by the Food Stamp Program in 1975. From 1975 to 1983 the number of FFAP participants averaged only 88 thousand.

Source: Recipient data by age from U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis, Nutrition and Evaluation, *Characteristics of Food Stamp Households, Fiscal Year 2006* and earlier reports (available online at [www.fns.usda.gov/oane/MENU/Published/FSP/participation.htm](http://www.fns.usda.gov/oane/MENU/Published/FSP/participation.htm)), and unpublished data from the Food Stamps National Data Bank. Individual age groups do not sum exactly to total recipients. The population denominators for the percents in each category are from U.S. Census Bureau (available online at <http://www.census.gov>).

**Figure IND 3c. Percentage of the Total Population Receiving SSI by Age: 1975-2006**



Note: December population figures used as the denominators are obtained by averaging the U.S. Census Bureau's July 1 population estimates for the current and the following year. See Appendix A, Tables SSI 2, SSI 8 and SSI 9 for more detailed data on SSI reciprocity rates.

Source: Social Security Administration, Office of Research, Evaluation and Statistics, *SSI Annual Statistical Report, 2006*, (available online at <http://www.ssa.gov/policy>). Population denominators for the percents in each category are from the U.S. Census Bureau (available online at <http://www.census.gov>).

- Figure IND 3c shows the percentage of the population who received income assistance from the SSI program by age category from 1975 through 2006.
- Unlike the reciprocity rates for AFDC/TANF and food stamps, overall reciprocity rates for SSI show less variation over time. After decreasing from 1975 to the early 1980s, the proportion of the population that received SSI increased from 1.7 percent in 1985 to 2.5 percent in 1996. The percentage then declined to 2.4 percent in 2006. The total number of recipients has increased by 72 percent over the same period, from 4.1 million in 1985 to 7.2 million people in 2006.
- Table IND 3c shows the percentage of the population and number of persons receiving SSI by age between 1975 and 2006.
- Elderly adults (ages 65 and older) have higher reciprocity rates than any other age group. The gap, however, has narrowed as the percentage of adults aged 65 and older receiving SSI has been cut in half, declining from 10.9 percent in 1975 to 5.3 percent in 2006.
- The proportion of children receiving SSI increased gradually between 1975 and 1990, and grew more rapidly in the early and mid-1990s, reaching 1.4 percent in 1996. The rate then fell through 2000 before rising to 1.5 percent in 2006.

**Table IND 3c. Number and Percentage of the Total Population Receiving SSI by Age: 1975-2006**

Date	Total Recipients		Adult Recipients Ages 65 & over		Adult Recipients Ages 18-64		Child Recipients Ages 0-18	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
Dec 1975	4,314	2.0	2,508	10.9	1,699	1.3	107	0.2
Dec 1976	4,236	1.9	2,397	10.2	1,714	1.3	125	0.2
Dec 1977	4,238	1.9	2,353	9.7	1,738	1.3	147	0.2
Dec 1978	4,217	1.9	2,304	9.3	1,747	1.3	166	0.3
Dec 1979	4,150	1.8	2,246	8.8	1,727	1.3	177	0.3
Dec 1980	4,142	1.8	2,221	8.6	1,731	1.2	190	0.3
Dec 1981	4,019	1.7	2,121	8.0	1,703	1.2	195	0.3
Dec 1982	3,858	1.7	2,011	7.4	1,655	1.2	192	0.3
Dec 1983	3,901	1.7	2,003	7.3	1,700	1.2	198	0.3
Dec 1984	4,029	1.7	2,037	7.2	1,780	1.2	212	0.3
Dec 1985	4,138	1.7	2,031	7.1	1,879	1.3	227	0.4
Dec 1986	4,269	1.8	2,018	6.9	2,010	1.3	241	0.4
Dec 1987	4,385	1.8	2,015	6.7	2,119	1.4	251	0.4
Dec 1988	4,464	1.8	2,006	6.6	2,203	1.5	255	0.4
Dec 1989	4,593	1.9	2,026	6.5	2,302	1.5	265	0.4
Dec 1990	4,817	1.9	2,059	6.5	2,450	1.6	309	0.5
Dec 1991	5,118	2.0	2,080	6.5	2,642	1.7	397	0.6
Dec 1992	5,566	2.2	2,100	6.5	2,910	1.9	556	0.8
Dec 1993	5,984	2.3	2,113	6.4	3,148	2.0	723	1.1
Dec 1994	6,296	2.4	2,119	6.3	3,335	2.1	841	1.2
Dec 1995	6,514	2.5	2,115	6.3	3,482	2.2	917	1.3
Dec 1996	6,630	2.5	2,110	6.2	3,568	2.2	955	1.4
Dec 1997	6,495	2.4	2,054	6.0	3,562	2.2	880	1.3
Dec 1998	6,566	2.4	2,033	5.9	3,646	2.2	887	1.3
Dec 1999	6,557	2.4	2,019	5.8	3,691	2.2	847	1.2
Dec 2000	6,602	2.3	2,011	5.7	3,744	2.1	847	1.2
Dec 2001	6,688	2.3	1,995	5.6	3,811	2.1	882	1.2
Dec 2002	6,788	2.3	1,995	5.6	3,878	2.1	915	1.3
Dec 2003	6,902	2.4	1,990	5.5	3,953	2.2	959	1.3
Dec 2004	6,988	2.4	1,978	5.4	4,017	2.2	993	1.4
Dec 2005	7,114	2.4	1,995	5.4	4,083	2.2	1,036	1.4
Dec 2006	7,236	2.4	2,004	5.3	4,152	2.2	1,079	1.5

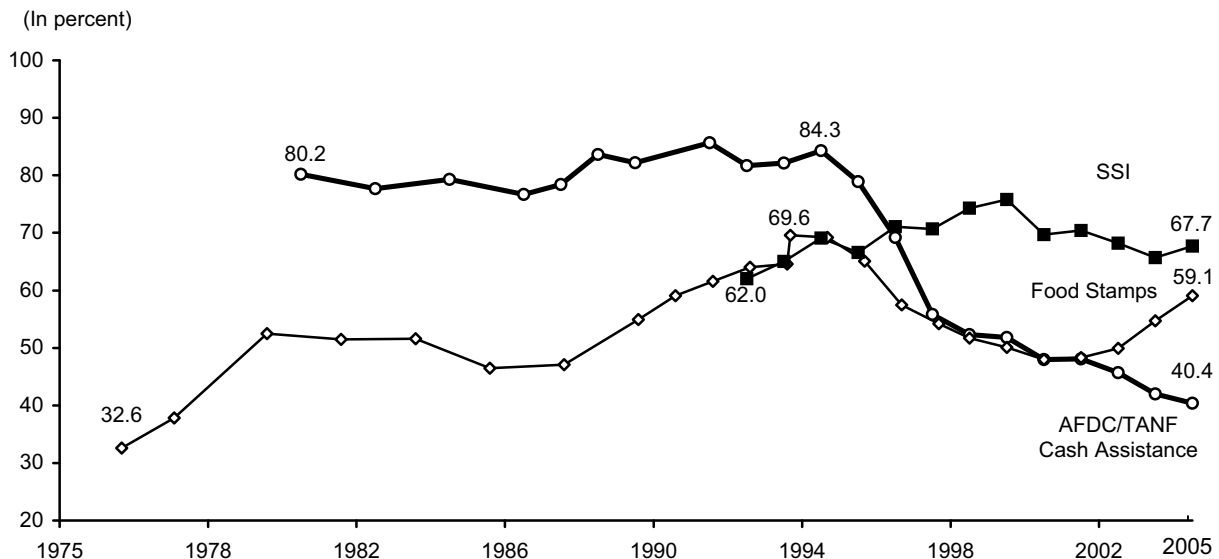
Note: December population figures used as the denominators are obtained by averaging the U.S. Census Bureau's July 1 population estimates for the current and the following year. See Appendix A, Tables SSI 2, SSI 8 and SSI 9 for more detailed data on SSI reciprocity rates.

Source: Social Security Administration, Office of Research, Evaluation and Statistics, *SSI Annual Statistical Report, 2006*, (available online at <http://www.ssa.gov/policy>). Population denominators for the percents in each category are from the U.S. Census Bureau (available online at <http://www.census.gov>).



## INDICATOR 4. Rates of Participation in Means-Tested Assistance Programs

Figure IND 4. Participation Rates in the AFDC/TANF<sup>1</sup>, Food Stamp and SSI Programs: Selected Years



Note: AFDC/TANF and SSI participation rates are estimated by an Urban Institute model (TRIM3) that uses CPS data to simulate program eligibility and participation for an average month, by calendar year. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. Most notably, since 1994 the model has been revised to more accurately estimate SSI participation among children, and in 1997 and 1998 the model was adjusted to more accurately exclude ineligible immigrants. For TANF, in contrast to editions prior to 2004, this table includes families receiving assistance under Separate State Programs (SSPs). Note that families subject to full-family sanctions are counted as nonparticipating eligible families due to modeling limitations. Although the coverage rate estimates take into account the number of families who lost aid due to the time limit (and do not count such families in the denominator of the coverage rate estimate), they do not make any allowance for families staying off of TANF to conserve their time-limited assistance months. Also, the numbers of eligible and participating families include the territories and pregnant women without children, even though these two small groups are excluded from the TRIM model. The numbers shown here implicitly assume that participation rates for the territories and for pregnant women with no other children are the same as for all other eligibles. In 2004 the methods for identifying potential child-only units capture the fact that non-parent caretakers generally have a choice of whether or not to be included in the TANF unit. TRIM now excludes those caretakers whose income would make the unit ineligible, increasing the number of potential child-only units.

Food Stamp Eligible households are estimated from a Mathematica Policy Research, Inc. model that uses CPS data to simulate the Food Stamp Program. Food Stamp caseload data are from USDA, FNS program operations caseload data. There have been small changes in the methodology over time, due to model improvements and revisions to the CPS. Notably, the model was revised in 1994 to produce more accurate and lower estimates of eligible households. The estimates for previous years show higher estimates of eligibles and lower participation rates relative to the revised estimate for 1994 and estimates for subsequent years. The two estimates for 1999 are due to re-weighting of the March 2000 – 2003 CPS files to Census 2000 and revised methodologies for determining food stamp eligibility. The original estimate (September 1999) is consistent methodologically with estimates from September 1994 – September 1998, while the revised estimate (FY 1999) is consistent with the estimates for FY 2000 – FY 2005.

Source: U.S. Department of Agriculture, Food and Nutrition Service, *Trends in Food Stamp Program Participation Rates: 1999-2005* (available online at <http://www.fns.usda.gov/oane/MENU/Published/FSP/FILES/Participation/Trends1999-2005.pdf>), and unpublished tabulations from the TRIM3 microsimulation model.

- Figure IND 4 shows the participation rates of means-tested assistance programs for selected years. This indicator examines participating families or households as a percentage of the estimated eligible population. It is a contrast to Indicator 3, which examines participants as a percentage of the total population (reciprocity rates).
- Forty (40.4) percent of families estimated as eligible for TANF cash assistance, 59.1 percent of households estimated as eligible for food stamps, and 67.7 percent of adults estimated as eligible for SSI are estimated to have enrolled and received benefits in an average month in 2005.

<sup>1</sup> Unlike the Food Stamp and SSI programs, TANF is a block grant program for which there is no individual entitlement. One of the main goals of TANF is to move people from cash assistance to self-sufficiency, which may be inconsistent with achieving a higher coverage rate.

**Table IND 4a. Number and Percentage of Eligible Families Participating in the AFDC/TANF Cash Assistance Program: Selected Years**

Calendar Year	Eligible Families (millions)	Participating Families (millions)	Participation Rate (percent)
1981	4.78	3.84	80.2
1983	4.75	3.69	77.7
1985	4.67	3.70	79.3
1987	4.92	3.78	76.7
1988	4.78	3.75	78.4
1989	4.54	3.80	83.6
1990	4.93	4.06	82.2
1992	5.64	4.83	85.7
1993	6.14	5.01	81.7
1994 (revised)	6.13	5.03	82.1
1995	5.69	4.80	84.3
1996	5.62	4.43	78.9
1997 (adjusted)	5.41	3.74	69.2
1998 (adjusted)	5.47	3.05	55.8
1999	5.07	2.65	52.3
2000	4.44	2.30	51.8
2001	4.56	2.19	48.0
2002	4.55	2.19	48.1
2003	4.77	2.18	45.7
2004	5.22	2.19	42.0
2005	5.27	2.13	40.4

Note: AFDC/TANF participation rates are estimated by an Urban Institute model (TRIM3) that uses CPS data to simulate AFDC/TANF eligibility and participation for an average month, by calendar year. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. Most notably, since 1994 the model has been revised to more accurately estimate SSI participation among children, and in 1997 and 1998 the model was adjusted to more accurately exclude ineligible immigrants. In contrast to editions prior to 2004, this table includes families receiving assistance under Separate State Programs (SSPs). Note that families subject to full-family sanctions are counted as nonparticipating eligible families due to modeling limitations. Although the coverage rate estimates take into account the number of families who lost aid due to the time limit (and do not count such families in the denominator of the coverage rate estimate), they do not make any allowance for families staying off of TANF to conserve their time-limited assistance months. Also, the numbers of eligible and participating families include the territories and pregnant women without children, even though these two small groups are excluded from the TRIM model. The numbers shown here implicitly assume that participation rates for the territories and for pregnant women with no other children are the same as for all other eligibles. In 2004 the methods for identifying potential child-only units capture the fact that non-parent caretakers generally have a choice of whether or not to be included in the TANF unit. TRIM now excludes those caretakers whose income would make the unit ineligible, increasing the number of potential child-only units.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, caseload tabulations and unpublished tabulations from the TRIM3 microsimulation model.

- Table IND 4a shows the number and percentage of eligible families participating in the cash AFDC/TANF program in selected years.
- Between 1981 and 1996, participation rates in the AFDC program ranged from 76.7 percent (in 1987) to 85.7 percent (in 1992).
- After 1996, participation rates in the cash TANF program decreased from 78.9 percent of families estimated to be eligible for AFDC/TANF cash benefits in 1996 to 40.4 percent of families estimated to be eligible for TANF cash benefits in 2005.
- Note that TANF is a flexible program with a flexible funding stream. As such, states provide substantial “non assistance” services and benefits that would not be included in these cash assistance estimates.
- Families also may receive cash benefits or other services through general assistance and other solely state-funded programs<sup>1</sup> that are separate from the TANF program and are not shown here.

<sup>1</sup> As discussed in the note to Table IND 4a above, the model for estimating participation in the TANF cash assistance program does take into account benefits from Separate State Programs (SSPs) that are used to meet Maintenance of Effort (MOE) requirements.

**Table IND 4b. Number and Percentage of Eligible Households Participating in the Food Stamp Program: Selected Years**

Date	Eligible Households (millions)	Participating Households (millions)	Participation Rate (percent)
September 1976	16.3	5.3	32.6
February 1978	14.0	5.3	37.8
August 1980	14.0	7.4	52.5
August 1982	14.5	7.5	51.5
August 1986	15.3	7.1	46.5
August 1988	14.9	7.0	47.1
August 1990	14.5	8.0	54.9
August 1991	15.6	9.2	59.1
August 1992	16.7	10.2	61.6
August 1993	17.0	10.9	64.0
September 1994 (revised)	15.3	10.7	69.6
September 1995	15.0	10.4	69.2
September 1996	15.3	9.9	65.1
September 1997	14.7	8.4	57.5
September 1998	14.0	7.6	54.2
September 1999	13.7	7.3	53.0
Fiscal Year 1999	14.5	7.5	51.4
Fiscal Year 2000	14.3	7.1	50.0
Fiscal Year 2001	15.2	7.3	47.8
Fiscal Year 2002	16.7	8.0	47.6
Fiscal Year 2003	17.9	8.9	49.7
Fiscal Year 2004	18.0	10.0	55.5
Fiscal Year 2005	18.1	10.7	59.1

Note: Food Stamp Eligible households are estimated from a Mathematica Policy Research, Inc. model that uses CPS data to simulate the Food Stamp Program. Food Stamp caseload data are from USDA, FNS program operations caseload data. There have been small changes in the methodology over time, due to model improvements and revisions to the CPS. Notably, the model was revised in 1994 to produce more accurate and lower estimates of eligible households. The estimates for previous years show higher estimates of eligibles and lower participation rates relative to the revised estimate for 1994 and estimates for subsequent years. The two estimates for 1999 are due to re-weighting of the March 2000 – 2003 CPS files to Census 2000 and revised methodologies for determining food stamp eligibility. The original estimate (September 1999) is consistent methodologically with estimates from September 1994 – September 1998, while the revised estimate (FY 1999) is consistent with the estimates for FY 2000 - FY 2005.

Source: U.S. Department of Agriculture, Food and Nutrition Service, *Trends in Food Stamp Program Participation Rates: 1999-2005* (available online at <http://www.fns.usda.gov/oane/MENU/Published/FSP/FILES/Participation/Trends1999-2005.pdf>).

- Table IND 4b shows the number and percentage of eligible households participating in the Food Stamp Program for selected years. Between fiscal years 2004 and 2005, the participation rate for food stamps increased from 55.5 percent in 2004 to 59.1 percent in 2005.
- Between fiscal years 1999 and 2005 there was a 24.8 percent increase in households eligible for the Food Stamp Program (from 14.5 to 18.1 million households). Caseloads grew by 42.6 percent over the same period, with notable increases occurring in both 2004 and 2005. Subsequently, the estimated participation rate increased from 51.4 percent in 1999 to 59.1 percent in 2005.
- While there were 10.7 million households participating in the Food Stamp Program in 2005, the caseload is still lower than the 1993 peak (10.9 million households). During the mid to late 1990s, there was a 33 percent drop in food stamp caseloads, from a peak of 10.9 million households in 1993 to 7.3 million households in 1999. This decline in caseloads occurred during a time when both the eligible population and the program participation rates were generally decreasing.

**Table IND 4c. Percentage of Eligible Adult Units Participating in the SSI Program by Selected Characteristics: 1993-2005**

	All Adult Units	One-Person Units		
		Aged	Disabled	Married-Couple Units
1993	62.0	57.0	71.0	37.0
1994	65.0	58.4	73.0	43.9
1995	69.1	64.9	74.0	52.2
1996	66.6	60.4	73.5	46.7
1997	71.1	62.7	79.4	49.1
1998	70.7	63.6	77.9	48.1
1999	74.3	65.8	83.3	47.8
2000	75.8	70.9	82.3	49.9
2001	69.7	64.4	75.9	45.7
2002	70.4	61.9	78.3	47.9
2003	68.2	62.3	73.8	47.6
2004	65.7	63.3	69.2	46.0
2005	67.7	63.4	73.5	41.1

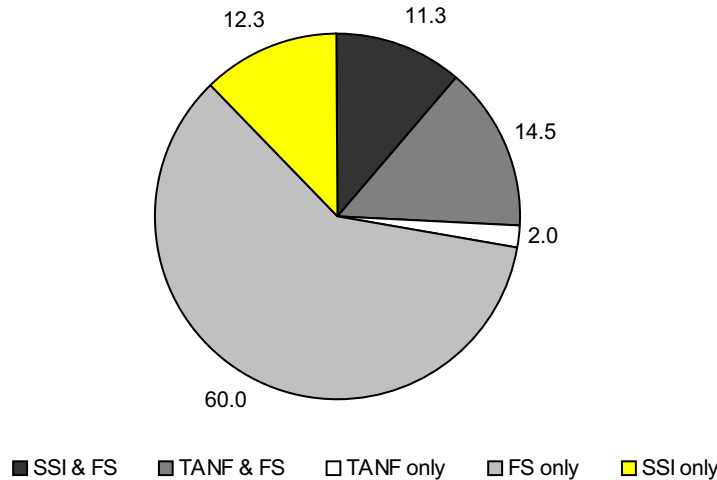
Note: SSI participation rates are estimated using the TRIM3 microsimulation model that uses CPS data to simulate SSI eligibility for an average month, by calendar year. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. In particular, the model was revised in 1997 and 1998 to more accurately exclude ineligible immigrants. Thus the increased participation rate in 1997 is partly due to a revision in estimating methodology. In 2004 the TRIM methods for identifying individuals eligible for SSI due to disability were improved resulting in more eligibles for this category. Still it is important to note that the TRIM model utilizes the limited information on disability status available from the Current Population Survey and thus may be underestimating the eligible non-elderly adult population resulting in participation rates that are too high. For example unpublished tabulations from the Social Security Administration based on data from the Survey of Income and program Participation suggest that the rate of SSI participation among eligible non-elderly adults may be somewhere between a low estimate of around 40 percent and a high estimate of 80 percent – a fairly wide range. Also note that the figures for married-couple units are based on very small sample sizes—for example, married-couple units were only about 7.5 percent of the eligible adult units and 5.1 percent of the units receiving SSI in the average month of 1998.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1994-2005, analyzed using the TRIM3 microsimulation model.

- Table IND 4c shows the percentage of eligible adult units participating in the SSI program by select demographic categories. After rising to 75.8 percent of adults estimated to be eligible for SSI in 2000, the SSI participation rate decreased to 67.7 percent of those estimated to be eligible for SSI in 2005. This rate remains higher than recent TANF and food stamp participation rates (see Tables IND 4a and IND 4b).
- Between 2004 and 2005, for aged adults in one-person units, the estimated SSI participation rate increased from 57.0 percent in 1993 to a high of 70.9 percent in 2000. After some declines in the early 2000s, the estimated SSI participation rate among aged one-person units increased from 61.9 percent in 2002 to 63.4 percent in 2005.

## INDICATOR 5. Multiple Program Receipt

**Figure IND 5. Percentage of Recipients Receiving Assistance from Multiple Programs – TANF, Food Stamps and SSI: 2005**



Note: Categories are mutually exclusive. SSI receipt is based on individual receipt; AFDC/TANF and food stamp receipt are based on the full recipient unit. In practice, individuals do not tend to receive both AFDC/TANF and SSI; hence, no individual receives benefits from all three programs. The percentage of individuals receiving assistance from any one program in an average month (shown here) is lower than the percentage residing in families receiving assistance at some point over the course of a year (shown in Table SUM 1 in Chapter I and Table IND 1a in Chapter II). Spouses are not present in the female-headed and male-headed family categories

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2006, analyzed using the TRIM3 microsimulation model.

- Figure IND 5 shows the percentage of those receiving benefits from TANF, food stamps, or SSI or a combination of benefits from these programs in 2005. About three-quarters (74.3 percent) of persons in families receiving TANF, food stamps, or SSI benefits in an average month received assistance from only one program. Most received food stamps or SSI benefits only. Two percent of persons in families received only TANF benefits.
- Table IND 5a shows the percentage of the population receiving assistance from multiple means-tested assistance programs by demographic characteristics. Among age categories, children were more likely than persons in other age categories to live in families that received support from multiple means-tested assistance programs. For example, 5.3 percent of children from birth to 5 years lived in families that received both TANF and food stamps as compared with 1.2 percent of women aged 16 to 64.
- Among family categories, persons in female-headed families were more likely than those living in other types of families to receive support from multiple means-tested assistance programs. Among persons in female-headed families, 7.4 percent received support from TANF and food stamps, as compared to .5 percent of those in married-couple families, and 1.9 percent of those in male-headed families.
- Table IND 5b shows the percentage of the population receiving assistance from multiple means-tested assistance programs between 1993 and 2005. Reliance on multiple means-tested programs has decreased over time. In 1993, 4.8 percent of the population received AFDC and food stamps. In 2005, the percent who received both TANF and food stamps decreased to 1.5 percent.

**Table IND 5a. Percentage of Population Receiving Assistance from Multiple Means-Tested Assistance Programs by Selected Characteristics: 2005**

	Any Receipt	One Program Only			Two Programs	
		TANF	FS	SSI	TANF & FS	FS & SSI
<b>All Persons</b>	<b>10.2</b>	<b>0.2</b>	<b>6.2</b>	<b>1.3</b>	<b>1.5</b>	<b>1.2</b>
<b>Racial/Ethnic Categories</b>						
Non-Hispanic White	6.7	0.1	4.1	0.9	0.7	0.8
Non-Hispanic Black	24.9	0.5	15.1	2.0	4.4	2.9
Hispanic	14.6	0.4	8.5	1.7	2.7	1.3
<b>Age Categories</b>						
Children ages 0-5	20.7	0.6	13.4	0.7	5.3	0.7
Children ages 6-10	17.6	0.5	11.6	0.7	4.2	0.6
Children ages 11-15	15.9	0.7	10.2	0.9	3.3	0.8
Women ages 16-64	9.6	0.1	6.1	0.9	1.2	1.3
Men ages 16-64	6.3	0.1	3.8	1.2	0.4	0.9
Adults ages 65 and over	8.0	0.0	2.4	3.1	0.0	2.4
<b>Family Categories</b>						
Persons in married-couple families	4.8	0.1	3.0	0.7	0.5	0.4
Persons in female-headed families	33.4	0.7	20.1	2.5	7.4	2.7
Persons in male-headed families	13.9	0.3	8.2	2.2	1.9	1.3
Unrelated persons	9.4	0.0	4.9	1.8	0.0	2.7

Note: Categories are mutually exclusive. SSI receipt is based on individual receipt; AFDC/TANF and food stamp receipt are based on the full recipient unit. In practice, individuals do not tend to receive both AFDC/TANF and SSI; hence, no individual receives benefits from all three programs. The percentage of individuals receiving assistance from any one program in an average month (shown here) is lower than the percentage residing in families receiving assistance at some point over the course of a year (shown in Table SUM 1 in Chapter I and Table IND 1a in Chapter II). Spouses are not present in the female-headed and male-headed family categories.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2006, analyzed using the TRIM3 microsimulation model.

**Table IND 5b. Percentage of Population Receiving Assistance from Multiple Means-Tested Assistance Programs: 1993-2005**

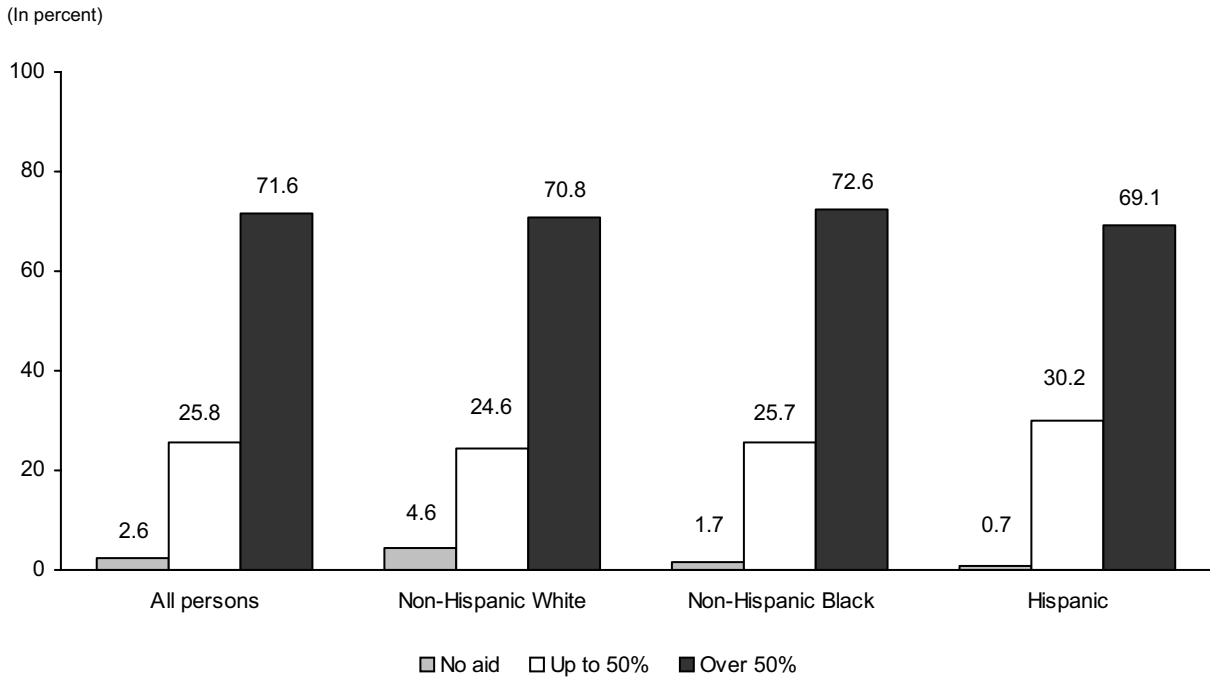
	Any Receipt	One Program Only			Two Programs	
		AFDC/TANF	FS	SSI	AFDC/ TANF& FS	FS & SSI
1993	12.6	0.6	5.2	1.1	4.8	1.0
1994	12.8	0.5	5.3	1.2	4.6	1.1
1995	12.3	0.4	5.0	1.2	4.5	1.1
1996	12.0	0.3	5.3	1.2	4.0	1.1
1997	10.2	0.4	4.3	1.3	3.1	1.0
1998	9.0	0.4	3.9	1.4	2.4	0.9
1999	8.5	0.4	3.8	1.3	2.0	1.0
2000	8.1	0.2	3.8	1.4	1.7	1.0
2001	8.1	0.3	3.9	1.4	1.5	1.0
2002	8.5	0.3	4.5	1.3	1.4	1.0
2003	9.7	0.2	5.5	1.3	1.6	1.0
2004	10.3	0.2	6.1	1.2	1.6	1.1
2005	10.2	0.2	6.2	1.3	1.5	1.2

Note: Categories are mutually exclusive. SSI receipt is based on individual receipt; AFDC/TANF and food stamp receipt are based on the full recipient unit. In practice, individuals do not tend to receive both AFDC/TANF and SSI; hence, no individual receives benefits from all three programs. The percentage of individuals receiving assistance from any one program in an average month (shown here) is lower than the percentage residing in families receiving assistance at some point over the course of a year (shown in Table SUM 1 in Chapter I and Table IND 1a in Chapter II).

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1994-2006, analyzed using the TRIM3 microsimulation model.

## INDICATOR 6. Dependence Transitions

**Figure IND 6. Dependency Status in 2003 of Persons Who Received More than 50 Percent of Income from Means-Tested Assistance in 2002 by Race and Ethnicity**



Note: Means-tested assistance is defined as AFDC/TANF, food stamps and SSI. While only affecting a small number of cases, General Assistance income is included within AFDC/TANF income. Individuals are defined as dependent if they reside in families with more than 50 percent of total annual family income from these means-tested programs.

Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

- Figure IND 6 shows the 2003 dependency status of persons who were welfare dependent in 2002 by race and ethnicity. Welfare dependence is defined as receiving more than half of one's total family income in the year from TANF, food stamps, and/or SSI. For further discussion of defining welfare dependency, see Chapter I.
- Of the recipients who received more than 50 percent of their total family income from AFDC/TANF, food stamps and/or SSI in 2002, 70.8 percent of Non-Hispanic Whites, 72.6 percent of Non-Hispanic Blacks, and 69.1 percent of Hispanics were welfare dependent in 2003.
- Table IND 6a shows the 2003 dependency status of persons who were welfare dependent in 2002 by demographic groups. Men ages 16 to 64 who received more than half of their total income from means-tested assistance programs in 2002 remained dependent in 2003 in higher percentages than women.
- Table IND 6b shows the dependency status of all persons who received more than 50 percent of their income from means-tested assistance programs in the previous year. Recipients of means-tested assistance programs were more likely to move out of welfare dependency in the early 2000s than in the early 1990s.

**Table IND 6a. Dependency Status in 2003 of Persons Who Received More than 50 Percent of Income from Means-Tested Assistance in 2002 by Selected Characteristics**

Persons Receiving More than 50 Percent of Income from Assistance in 2002	Total (thousands)	Percentage of Persons Receiving		
		No aid in 2003	Up to 50% in 2003	Over 50% in 2003
<b>All Persons</b>	<b>6,023</b>	<b>2.6</b>	<b>25.8</b>	<b>71.6</b>
<b>Racial/Ethnic Categories</b>				
Non-Hispanic White	2,222	4.6	24.6	70.8
Non-Hispanic Black	2,225	1.7	25.7	72.6
Hispanic	1,077	0.7	30.2	69.1
<b>Age Categories</b>				
Children ages 0-5	853	2.9	33.9	63.2
Children ages 6-10	697	1.3	27.9	70.9
Children ages 11-15	648	0.0	24.8	75.2
Women ages 16-64	2,271	3.7	27.3	69.0
Men ages 16-64	1,090	3.1	17.9	79.0
Adults ages 65 and over	447	0.9	20.3	78.8

Note: Means-tested assistance is defined as AFDC/TANF, food stamps and SSI. While only affecting a small number of cases, General Assistance income is included within AFDC/TANF income. Individuals are defined as dependent if they reside in families with more than 50 percent of total annual family income from these means-tested programs.

Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Individual age categories do not add to total because of a small number of people not reporting age.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

**Table IND 6b. Dependency Status of All Persons Who Received More than 50 Percent of Income from Means-Tested Assistance in Previous Year**

Transitions from:	Total (thousands)	Percentage of Persons Receiving		
		No aid in second year	Up to 50% in second year	Over 50% in second year
1993 to 1994	14,810	1.6	18.6	79.8
1994 to 1995	13,986	2.7	18.8	78.5
1997 to 1998	9,672	3.1	28.8	68.1
1998 to 1999	8,163	2.9	27.1	70.0
2001 to 2002	6,258	1.5	29.2	69.3
2002 to 2003	6,023	2.6	25.8	71.6

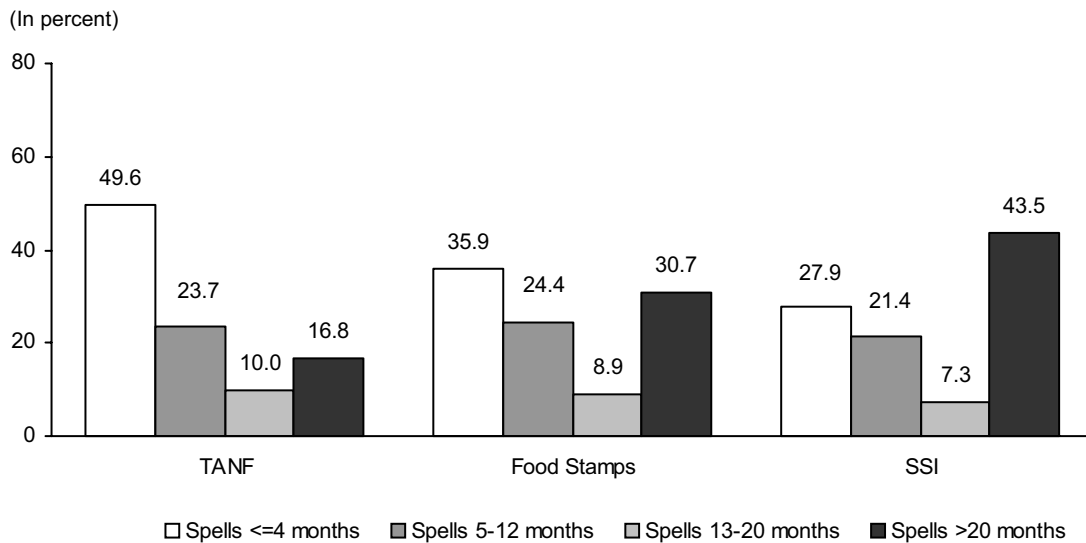
Note: Means-tested assistance is defined as AFDC/TANF, food stamps and SSI. Individuals are defined as dependent if they reside in families with more than 50 percent of total annual family income from these means-tested programs. While only affecting a small number of cases, General Assistance income is included within AFDC/TANF income in all years and veterans pension benefits are included in means-tested assistance income for receipt and dependence estimates prior to 2001. Because full calendar year data for 1995 were not available for all SIPP respondents, some transitions between 1994 and 1995 were based on twelve-month periods that did not correspond exactly to calendar years.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993, 1996 and 2001 panels.



## INDICATOR 7. Program Spell Duration

**Figure IND 7. Percentage of TANF, Food Stamp and SSI Spells for Persons Entering Programs during the 2001-2003 Period by Length of Spell**



Note: Spell length categories are mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. Program spells are defined as those starting during the 2001 SIPP panel. For certain age categories, data are not available (NA) because of insufficient sample size.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

- Figure IND 7 shows the percentage of TANF, food stamp, and SSI spells by spell length categories for persons entering programs in the early 2000s. Between 2001 and 2003, spells lasting four months or less accounted for 49.6 percent of TANF spells, 35.9 percent of food stamp spells, and 27.9 percent of SSI spells.
- Approximately three-fourths of all TANF spells (73.3 percent) and three-fifths of food stamp spells (60.3 percent) lasted one year or less compared to 49.3 percent of SSI spells.
- Table IND 7a shows the percentage of program spells for persons entering programs during the 2001 – 2003 period by length of spell and demographic characteristics. For TANF spells, a smaller percentage of Non-Hispanic White recipients (11.9 percent) had long spells lasting more than 20 months compared to Non-Hispanic Blacks (19.1 percent) and Hispanics (19.8 percent).
- Table IND 7b shows how the percentage of program spells of varying lengths for persons entering programs during selected periods has changed. Spells of welfare receipt were shorter in the early 2000s than in the early 1990s. For instance, 16.8 percent of TANF spells for persons entering TANF between 2001 and 2003 lasted 20 months or longer as compared to 34.4 percent of AFDC spells beginning between 1992 and 1994.

**Table IND 7a. Percentage of TANF, Food Stamp and SSI Spells for Persons Entering Programs during the 2001-2003 Period by Length of Spell and Selected Characteristics**

Program		Spells <=4 Months	Spells 5-12 Months	Spells 13-20 Months	Spells >20 Months
<b>TANF</b>	<b>All Recipients</b>	<b>49.6</b>	<b>23.7</b>	<b>10.0</b>	<b>16.8</b>
	Non-Hispanic White	51.4	23.7	13.1	11.9
	Non-Hispanic Black	50.6	23.5	6.8	19.1
	Hispanic	51.7	20.1	8.4	19.8
	Children ages 0-5	50.0	24.0	11.9	14.1
	Children ages 6-10	45.4	21.5	8.5	24.6
	Children ages 11-15	43.7	25.3	12.4	18.6
	Adults ages 16-64	52.9	24.2	8.4	14.4
	Adults ages 65 and over	NA	NA	NA	NA
<b>FOOD STAMPS</b>	<b>All Recipients</b>	<b>35.9</b>	<b>24.4</b>	<b>8.9</b>	<b>30.7</b>
	Non-Hispanic White	35.9	25.8	8.0	30.3
	Non-Hispanic Black	32.2	23.7	11.7	32.4
	Hispanic	40.5	22.5	7.8	29.2
	Children ages 0-5	27.7	25.6	12.9	33.8
	Children ages 6-10	28.6	27.4	10.7	33.3
	Children ages 11-15	31.8	28.1	9.6	30.6
	Adults ages 16-64	40.3	23.9	7.5	28.4
	Adults ages 65 and over	30.0	12.5	9.6	48.0
<b>SSI</b>	<b>All Recipients</b>	<b>27.9</b>	<b>21.4</b>	<b>7.3</b>	<b>43.5</b>
	Non-Hispanic White	31.3	19.8	7.9	41.0
	Non-Hispanic Black	26.9	25.3	7.1	40.7
	Hispanic	23.7	18.8	7.3	50.2
	Children ages 0-10	NA	NA	NA	NA
	Children ages 11-15	31.2	18.8	3.9	46.1
	Adults ages 16-64	29.4	20.9	7.2	42.5
	Adults ages 65 and over	22.7	23.2	8.4	45.7

Note: Spell length categories are mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. Program spells are defined as those starting during the 2001 SIPP panel. For certain age categories, data are not available (NA) because of insufficient sample size. Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

**Table IND 7b. Percentage of AFDC/TANF, Food Stamp and SSI Spells for Persons Entering Programs during Selected Periods by Length of Spell**

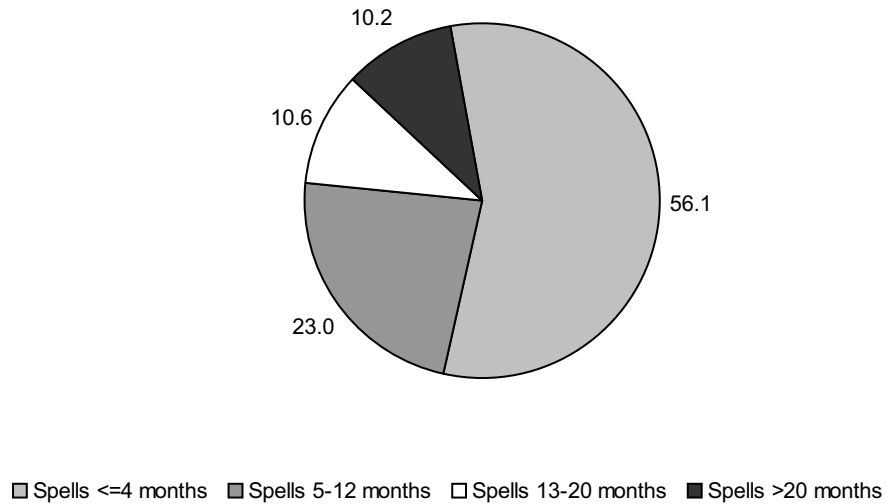
Period	Program	Spells <=4 Months	Spells 5-12 Months	Spells 13-20 Months	Spells >20 Months
<b>1992 – 1994</b>	AFDC	30.4	24.7	10.5	34.4
	Food Stamps	33.4	24.9	10.2	31.5
	SSI	25.7	8.9	4.8	60.6
<b>1993 – 1995</b>	AFDC	30.7	25.4	12.5	31.4
	Food Stamps	33.1	26.8	10.1	30.0
	SSI	24.0	7.9	4.7	63.4
<b>1996 – 1999</b>	AFDC/TANF	46.6	29.2	11.5	12.7
	Food Stamps	43.1	27.7	9.3	19.8
	SSI	34.1	19.2	9.1	37.6
<b>2001 – 2003</b>	TANF	49.6	23.7	10.0	16.8
	Food Stamps	35.9	24.4	8.9	30.7
	SSI	27.9	21.4	7.3	43.5

Note: Spell length categories are mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. Program spells are defined as those starting during the 2001 SIPP panel.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1992, 1993, 1996 and 2001 panels.

## INDICATOR 8. Welfare Spell Duration with No Labor Force Attachment

Figure IND 8. Percentage of TANF Spells with No Family Labor Force Attachment for Persons Entering Programs during the 2001 – 2003 Period by Length of Spell



Note: Spell length categories are mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. TANF spells with no family labor force attachment are defined as those spells starting during the 2001 SIPP panel for persons who received TANF and lived in families with no labor force participants in each month.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

- Figure IND 8 shows the percentage of TANF spells with no family labor force attachment for persons entering the TANF program between 2001 and 2003 by length of spell.
- Welfare spells with no family labor force attachment are measured as consecutive months that a person received TANF benefits and lived in a family with no labor force participants. Welfare spells with no family labor force attachment may end when a person leaves the TANF program or when a person remains on TANF but at least one person in the family enters the labor market.
- Fifty-six (56.1) percent of welfare spells with no family labor force attachment lasted less than four months as measured in the SIPP.
- Table IND 8a shows the percentage of TANF spells with no family labor force attachment by spell length for different demographic groups. The percentage of spells ending in four months or less was larger for Non-Hispanic Whites (61.2 percent) than it was for Non-Hispanic Blacks (52.8 percent) and Hispanics (59.9 percent).

**Table IND 8a. Percentage of TANF Spells with No Family Labor Force Attachment for Persons Entering Programs during the 2001 – 2003 Period by Length of Spell and Selected Characteristics**

	Spells <=4 Months	Spells 5-12 Months	Spells 13-20 Months	Spells >20 Months
<b>All Persons</b>	<b>56.1</b>	<b>23.0</b>	<b>10.6</b>	<b>10.2</b>
<b>Racial/Ethnic Categories</b>				
Non-Hispanic White	61.2	20.2	13.5	5.1
Non-Hispanic Black	52.8	25.7	4.5	17.0
Hispanic	59.9	21.1	12.8	6.2
<b>Age Categories</b>				
Children ages 0-15	53.7	23.8	11.4	11.1
Adults ages 16-64	59.7	22.1	9.4	8.9

Note: Spell length categories are mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. TANF spells with no family labor force attachment are defined as those spells starting during the 2001 SIPP panel for persons who received TANF and lived in families with no labor force participants in each month.

Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

**Table IND 8b. Percentage of TANF Spells with No Family Labor Force Attachment for Persons Entering Programs during Selected Years**

	Spells <=4 Months	Spells 5-12 Months	Spells 13-20 Months	Spells >20 Months
1993 – 1995	42.6	26.4	8.5	22.5
1996 – 1999	54.2	28.3	9.3	8.3
2001 – 2003	56.1	23.0	10.6	10.2

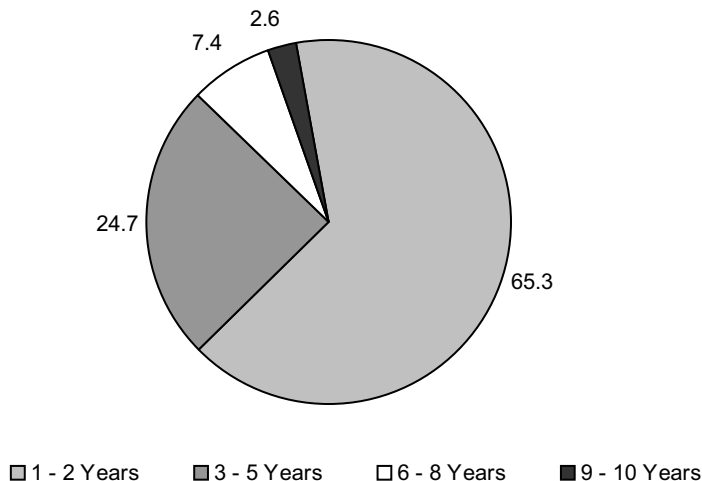
Note: Spell length categories are mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. TANF spells with no family labor force attachment are defined as those spells starting during the 2001 SIPP panel for persons who received TANF and lived in families with no labor force participants in each month.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993, 1996 and 2001 panels.

- Table IND 8b shows the percentage of TANF spells with no family labor force attachment for persons entering the program during selected periods by spell length. In the early 2000s, 56.1 percent of TANF spells with no family labor force attachment ended within four months and 79.1 percent ended within a year.
- The percentage of spells with no family labor force attachment lasting more than 20 months was higher in the early 1990s than in the early 2000s (22.5 percent compared to 10.2 percent, respectively).
- Indicators 7 and 8 provide similar information; however, the percentages of spell lengths differ because the two Indicators are computed differently. Indicator 7 shows spells for *all* recipients while Indicator 8 restricts welfare spells to recipients in families without any labor force participants. This difference results in a higher percentage of spells longer than 20 months in Indicator 7, where TANF and employment may be combined and compared to Indicator 8 where no one in the family may be in the labor force.

## INDICATOR 9. Long Term Receipt

Figure IND 9. Percentage of AFDC/TANF Recipients by Years of Receipt during the 1995 – 2004 Period



Note: The base for the percentages consists of mothers who received at least \$1 of AFDC/TANF in any year in the ten-year period. Child recipients are defined by age in the first year of the 10-year period. This indicator measures years of receipt over the specified ten-year time periods and does not take into account years of receipt that may have occurred before or after each ten-year period.

Source: Unpublished tabulations from the Panel Study of Income Dynamics, public release data files, 1996-2005.

- Figure IND 9 shows the percentage of AFDC/TANF recipients by years of receipt between 1995 and 2004. Among all persons receiving AFDC/TANF at some point within the ten-year period, 65.3 percent received assistance in only one or two of these years. In contrast, 2.6 percent received assistance in 9 or 10 of the years.
- Table IND 9 shows the percentage of AFDC/TANF recipients with varying years of receipt across three ten-year time periods by demographic characteristics. Long spells of welfare receipt were more common in earlier time periods than they were in later time periods. For example, for the 1975 - 1984 time period, 14.6 percent of AFDC recipients received benefits in at least 9 of the 10 years as compared to 2.6 percent of AFDC/TANF recipients for the 1995 – 2004 time period.
- Short spells of TANF were more prevalent in the 1995 to 2004 period compared to earlier periods. Between 1995 and 2004, 65.3 percent of TANF recipients received benefits in only one or two years compared to 44.5 percent in the 1985 to 1994 period and 46.2 percent in the 1975 to 1984 period.
- Among child recipients, for the 1975 – 1984 time period, 36.3 percent of children birth to age 5 lived in families that received AFDC/TANF in only 1 or 2 of the years as compared to 66.3 percent for the 1995 – 2004 time period.
- Among racial groups, the percentage of Non-Hispanic Black recipients receiving TANF benefits in only one or two years during a ten-year period increased by 25.6 percentage points between the 1975 to 1984 period and the 1995 to 2004 period. In comparison, this same percentage for Non-Hispanic White recipients increased by 15.8 percentage points across the same two time periods.

**Table IND 9. Percentage of AFDC/TANF Recipients across Three Ten-Year Time Periods by Years of Receipt and Selected Characteristics**

<b>All Persons</b>	All Recipients			Child Recipients Ages 0-5		
	1975-1984	1985-1994	1995-2004	1975-1984	1985-1994	1995-2004
Years received AFDC/TANF						
1-2 years	46.2	44.5	65.3	36.3	32.1	66.3
3-5 years	24.4	27.1	24.7	24.5	28.1	19.5
6-8 years	14.8	17.9	7.4	16.5	21.0	12.6
9-10 years	14.6	10.5	2.6	22.6	18.9	1.7
<b>Non-Hispanic Whites</b>	All Recipients			Child Recipients Ages 0-5		
	1975-1984	1985-1994	1995-2004	1975-1984	1985-1994	1995-2004
Years received AFDC/TANF						
1-2 years	55.1	50.1	70.9	44.7	41.9	67.7
3-5 years	20.8	27.7	22.5	19.1	28.1	17.0
6-8 years	12.4	17.7	6.6	13.9	22.7	14.6
9-10 years	11.8	4.6	0.0	22.4	7.3	0.6
<b>Non-Hispanic Blacks</b>	All Recipients			Child Recipients Ages 0-5		
	1975-1984	1985-1994	1995-2004	1975-1984	1985-1994	1995-2004
Years received AFDC/TANF						
1-2 years	32.6	38.0	58.2	24.1	21.6	63.2
3-5 years	29.5	25.9	27.6	32.4	28.1	24.8
6-8 years	18.9	18.5	8.4	20.5	19.2	8.1
9-10 years	19.0	17.6	5.9	23.0	31.1	3.9

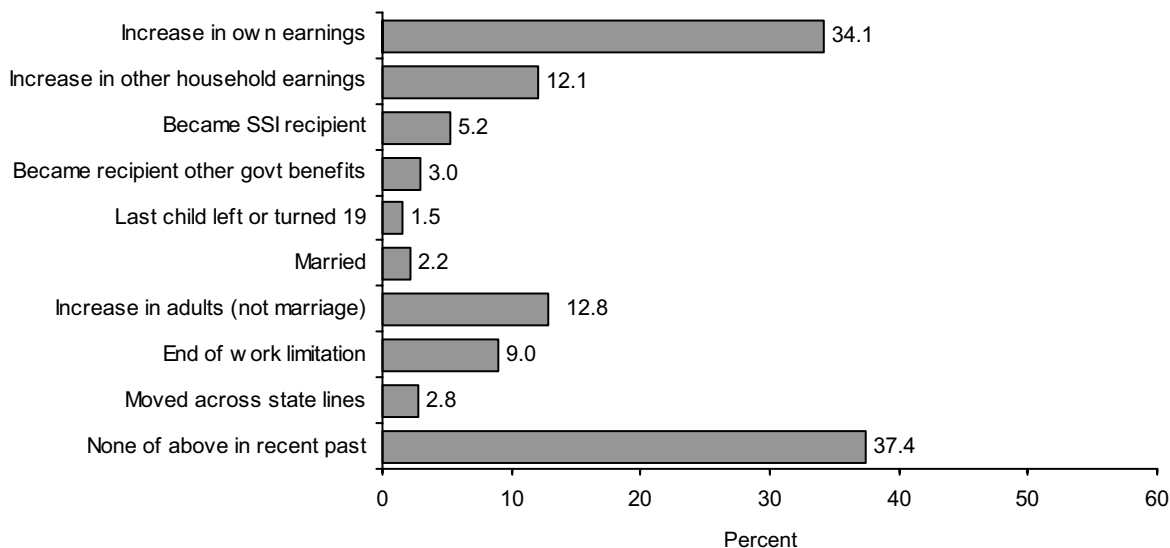
Note: The base for the percentages consists of mothers who received at least \$1 of AFDC/TANF in any year in the ten-year period. Child recipients are defined by age in the first year of the 10-year period. This indicator measures years of reciprocity over the specified ten-year time periods and does not take into account years of reciprocity that may have occurred before or after each ten-year period.

Due to small sample size, Hispanics, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the estimates for all persons but are not shown separately.

Source: Unpublished tabulations from the Panel Study of Income Dynamics, public release data files, 1976-2005, and unreleased data from 2003-2005

## INDICATOR 10. Events Associated with the Beginning and Ending of Program Spells

Figure IND 10a. Events Associated with Single Mother TANF Exits during the 2001-2003 Period



Note: Welfare exits are defined as moving from receipt to non-receipt between two successive SIPP interviews (conducted 4 months apart); an event was associated with a welfare transition if the event was observed within two interviews (i.e., 8 months) of the interview marking the welfare exit. In general, events are neither mutually exclusive nor exhaustive, and transition events may sum to more than 100 percent. Two exceptions are that "Increase in other Household Earnings" was limited to cases when there were increases in household earnings without an increase in recipient earnings, and "Increase in Adults (not marriage)" was limited to cases where the adult joining the household was not marrying the head of the household. While only affecting a small number of cases, General Assistance income is included within AFDC/TANF income. Other government benefits include Unemployment Insurance, Foster Care, Railroad Retirement, veterans payments and Workers Compensation. An increase in earnings must be an increase of at least \$50 per month. A work limitation is defined as a condition that limits the kind or amount of work. The category "None of above in recent past" represents the percentage of all spell beginnings during the period that were not associated with any of the events measured.

Spells of welfare receipt and associated events are measured using *monthly* data from the SIPP. In the 2003 *Indicators of Welfare Dependence* volume (and earlier volumes), events associated with the beginning and ending of program spells were measured using *annual* data from the Panel Study of Income Dynamics (PSID). Thus, the estimates shown above are not comparable to estimates reported in volumes prior to 2004.

Events sum to more than 100 percent because the same household could experience more than one event associated with a specific welfare entry or exit.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

- Figure IND 10a shows events associated with single mother TANF exits during the 2001 – 2003 time period. Welfare exits were most often associated with an increase in recipient earnings. Thirty-four (34.1) percent of welfare spells that ended during the 2001 to 2003 time period were associated with an increase in the recipient's earnings. Twelve (12.1) percent of welfare exits were associated with an increase in the earnings of other household members.
- Table IND 10a shows the events associated with welfare exits among single mother recipients for selected years. Exits associated with an increase in recipient earnings have decreased over time. For the 1993 – 1995 time period, 54.8 percent of exits were associated with an increase in recipient earnings yet for the 2001 - 2003 time period, 34.1 percent were associated with increases in recipient earnings<sup>1</sup>.
- Thirty-seven percent of welfare exits during the 2001 – 2003 time period were not associated with any of the events listed above within the time period observed.

<sup>1</sup>The percentage point difference between the two time periods in exits associated with increases in earnings may be related to the larger share of the welfare caseload combining welfare and work. Some recipients with welfare exits in more recent years may have experienced increases in earnings before the 5- to 8-month time period used to observe "associated" events.

**Table IND 10a. Percentage of Single Mother AFDC/TANF Spell Exits Associated with Specific Events: Selected Periods**

	Spell Ended 1993-1995	Spell Ended 1996-1999	Spell Ended 2001-2003
Increase in own earnings	54.8	44.6	34.1
Increase in other household earnings	10.3	11.9	12.1
Became SSI recipient	1.6	5.9	5.2
Became recipient of other government benefits	2.2	2.6	3.0
Last child left or turned 19	5.6	2.4	1.5
Married	5.4	2.1	2.2
Increase in number of adults (not marriage)	17.6	12.4	12.8
Ended work limitation	3.0	10.9	9.0
Moved across state lines	2.4	1.4	2.8
None of above in recent past	24.0	31.1	37.4

Note: Welfare exits are defined as moving from receipt to non-receipt between two successive SIPP interviews (conducted 4 months apart); an event was associated with a welfare transition if the event was observed within two interviews (i.e., 8 months) of the interview marking the welfare exit. In general, events are neither mutually exclusive nor exhaustive, and transition events may sum to more than 100 percent. Two exceptions are that "Increase in other Household Earnings" was limited to cases when there were increases in household earnings without an increase in recipient earnings, and "Increase in Adults (not marriage)" was limited to cases where the adult joining the household was not marrying the head of the household. While only affecting a small number of cases, General Assistance income is included within AFDC/TANF income. Other government benefits include Unemployment Insurance, Foster Care, Railroad Retirement, veterans payments and Workers Compensation. An increase in earnings must be an increase of at least \$50 per month. A work limitation is defined as a condition that limits the kind or amount of work. The category "None of above in Recent Past" represents the percentage of all spell beginnings during the period that were not associated with any of the events measured.

Spells of welfare receipt and associated events are measured using *monthly* data from the SIPP. In the 2003 *Indicators of Welfare Dependence* volume (and earlier volumes), events associated with the beginning and ending of program spells were measured using *annual* data from the Panel Study of Income Dynamics (PSID). Thus, the estimates shown above are not comparable to estimates reported in volumes prior to 2004.

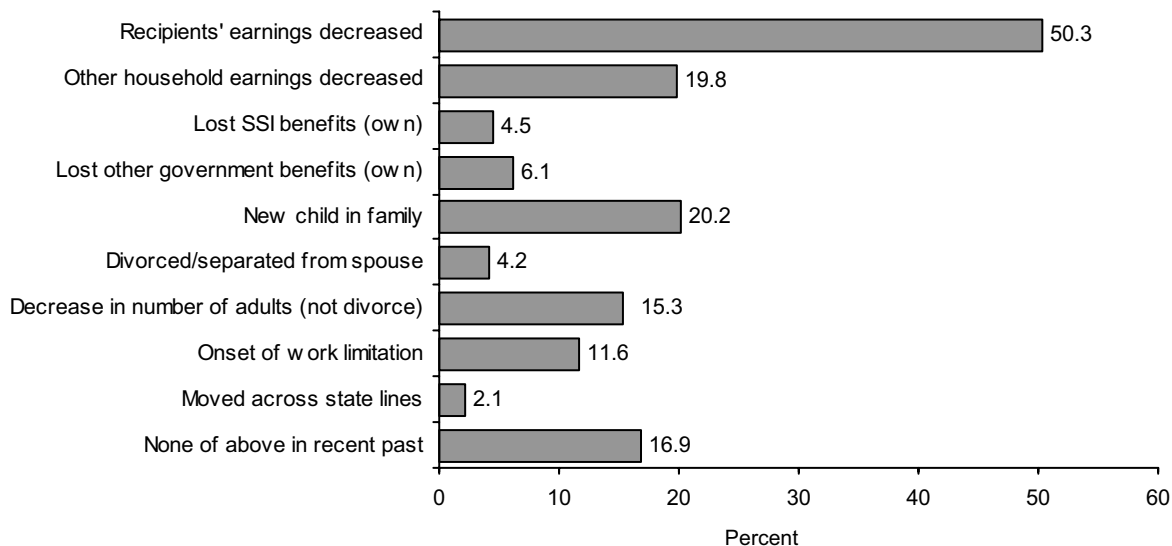
Events sum to more than 100 percent because the same household could experience more than one event associated with a specific welfare entry or exit.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993, 1996 and 2001 panels.

- Welfare exits associated with changes in household composition have also decreased over time. For the 1993 – 1995 time period, 5.6 percent of welfare exits were related to the last child in a household leaving home or turning 19 years old as compared to 1.5 percent for the 2001 – 2003 time period. Welfare exits associated with marriage also declined over the two time periods. For the 1993 – 1995 time period, 5.4 percent of exits were related to marriage, for the 2001 – 2003 time period, the rate was 2.2 percent.
- Thirty-seven (37.4) percent of welfare exits were not associated with any of the events listed above within the time period observed.



**Figure IND 10b. Events Associated with Single Mother TANF Entries during the 2001-2003 Period**



Note: Welfare entries are defined as moving from non-receipt to receipt between two successive SIPP interviews (conducted 4 months apart); an event was associated with a welfare transition if the event was observed within two interviews (i.e., 8 months) of the interview marking the welfare entry. In general, events are neither mutually exclusive nor exhaustive, and transition events may sum to more than 100 percent. Two exceptions are that "Other Household Earnings Decreased" was limited to cases when there were decreases in household earnings without a decrease in recipient earnings, and "Decrease in Number of Adults (not divorce)" was limited to cases where the adult leaving the household was not married to the head of the household. While only affecting a small number of cases, General Assistance income is included within AFDC/TANF income. Other government benefits include Unemployment Insurance, Foster Care, Railroad Retirement, veterans payments and Workers Compensation. A decrease in earnings must be a decrease of at least \$50 per month. A work limitation is defined as a condition that limits the kind or amount of work. The category "None of above in Recent Past" represents the percentage of all spell beginnings during the period that were not associated with any of the events measured.

Spells of welfare receipt and associated events are measured using *monthly* data from the SIPP. In the 2003 *Indicators of Welfare Dependence* volume (and earlier volumes), events associated with the beginning and ending of program spells were measured using *annual* data from the Panel Study of Income Dynamics (PSID). Thus, the estimates shown above are not comparable to estimates reported in volumes prior to 2004.

Events sum to more than 100 percent because the same household could experience more than one event associated with a specific welfare entry or exit.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

- Figure IND 10b shows the events associated with the beginning of TANF spells among single mother recipients in the 2001 – 2003 time period. A decrease in earnings was the most common event associated with welfare entries. For spells beginning between 2001 and 2003, 50.3 percent were associated with a decrease in the recipient's earnings and 20.0 percent were associated with a decrease in the earnings of other household members.
- Changes in household composition also were associated with the beginning of welfare spells. Twenty (20.2) percent of welfare entries were associated with a new child joining the family while 4.2 percent of welfare entries were associated with divorce or separation.
- Seventeen (16.9) percent of welfare entries were not associated with any of the events listed above within the time period observed.

**Table IND 10b. Percentage of Single Mother AFDC/TANF Spell Entries Associated with Specific Events: Selected Periods**

	Spell Began 1993-1995	Spell Began 1996-1999	Spell Began 2001-2003
Recipients' earnings decreased	57.1	52.6	50.3
Other household earnings decreased	24.0	21.0	19.8
Lost SSI benefits (own)	1.4	5.1	4.5
Lost other government benefits (own)	8.1	5.1	6.1
New child in family	22.0	17.1	20.2
Divorced/separated from spouse	8.7	6.7	4.2
Decrease in number of adults (not divorce)	19.2	17.6	15.3
Onset of work limitation	7.2	10.9	11.6
Moved across state lines	1.7	1.4	2.1
None of above in recent past	8.8	14.1	16.9

Note: Welfare entries are defined as moving from non-receipt to receipt between two successive SIPP interviews (conducted 4 months apart); an event was associated with a welfare transition if the event was observed within two interviews (i.e., 8 months) of the interview marking the welfare entry. In general, events are neither mutually exclusive nor exhaustive, and transition events may sum to more than 100 percent. Two exceptions are that "Other Household Earnings Decreased" was limited to cases when there were decreases in household earnings without a decrease in recipient earnings, and "Decrease in Number of Adults (not divorce)" was limited to cases where the adult leaving the household was not married to the head of the household. While only affecting a small number of cases, General Assistance income is included within AFDC/TANF income. Other government benefits include Unemployment Insurance, Foster Care, Railroad Retirement, veterans payments and Workers Compensation. A decrease in earnings must be a decrease of at least \$50 per month. A work limitation is defined as a condition that limits the kind or amount of work. The category "None of above in Recent Past" represents the percentage of all spell beginnings during the period that were not associated with any of the events measured.

Spells of welfare receipt and associated events are measured using *monthly* data from the SIPP. In the 2003 *Indicators of Welfare Dependence* volume (and earlier volumes), events associated with the beginning and ending of program spells were measured using *annual* data from the Panel Study of Income Dynamics (PSID). Thus, the estimates shown above are not comparable to estimates reported in volumes prior to 2004.

Events sum to more than 100 percent because the same household could experience more than one event associated with a specific welfare entry or exit.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993, 1996 and 2001 panels.

- Table IND 10b shows the events associated with the beginning of welfare spells among single mother recipients by selected time periods.
- For the 1993 – 1995 time period, 57.1 percent of AFDC spell entries were associated with a decrease in recipient earnings. The percentage was 50.3 percent for the 2001 – 2003 time period.
- A decrease in other household members' earnings also was related to the beginning of welfare spells. For the 1993 – 1995 time period, 24.0 percent of welfare entries were associated with a decrease in other household members' earnings. For the 2001 – 2003 time period, 19.8 percent of welfare entries were associated with a decrease in other household members' earnings.