

**Life After Welfare:  
Report of the Georgia Welfare Leavers Study**

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## **I. Executive summary**

Funded by the Department of Human Resources, the Georgia State welfare leavers study tracked families as they left Temporary Assistance to Needy Families (TANF).<sup>1</sup> Using administrative data combined with the results of a telephone survey, the project monitored the impact of leaving welfare on the individuals and their families. The study includes both single-parent and child-only leavers as well as individuals who have returned to the rolls.

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

- 1) Why did the respondents leave?
- 2) How are the women faring?
- 3) Which group of former recipients are faring best?
- 4) What are the barriers to transitioning off TANF?
- 5) How are the children of former recipient faring?

Using data collected between June, 1999 and August 2000<sup>2</sup>, we can answer these five questions. Before doing so, however, we can report basic demographics for the women and families in our study.

### **C most leavers are single women and have finished high school.**

97% of our respondents were female. A majority of respondents (61%) had never been married, while

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<sup>1</sup> The study also has received funding from the Assistant Secretary for Planning and Evaluation (ASPE) in the Federal Department of Health and Human Services under Grant #98ASPE302A. This study is part of a consortium of leavers.

<sup>2</sup>The response rate for the telephone survey approached 70%.

only a small percentage (12%) were currently married. Moreover, 59% had finished high school or received a GED, and another 19% reported having some college.

**C most respondents were African-American and the majority lived in urban or suburban areas.**

A full 84% of the respondents were African-American, and more than half (61%) lived in urban or suburban areas.

**C most respondents had been on assistance for a year or longer.**

Respondents did differ on length of time receiving TANF. Forty percent reported receiving TANF for less than one year, and 60% reported receiving TANF for more than one year.

### **Question 1) Why did the respondents leave?**

Most respondents left for employment, but a minority may have been confused about the terms of welfare reform.

- **most of the respondents (73%) reported leaving TANF for employment .**

An overwhelming majority (73%) of respondents left for employment. Among just single-parent cases, that percentage rises to 81%. Nine percent reported leaving because the child left the household, and only a very small percentage (2%) left for marriage. A majority (60%) of the respondents wanted to leave, and 93% of the respondents were at least somewhat confident they will remain off.

**C some respondents were confused about welfare reform, which may contribute to the closing of cases.**

Eight percent of the single-parent cases and 13% of the child-only cases reported they exceeded the

time limit. These figures illustrate some confusion about the terms of welfare participation. Single-parent cases will not begin to hit the time limit until January, 2001, and there is no time limit for child-only cases.

## **Question 2) How are the women faring?**

Focusing on single parent cases, most leavers have joined the ranks of the working poor (or near poor).

- **most leavers (69%) are working; however, among those working, full-time hours for low earnings were the norm.**

A full 69% of the respondents were working at the time of the survey. Of those working, 73% reported working at least a forty hour work week. While most leavers are working, monthly earnings were low. Sixty-five percent of employed leavers reported monthly earning below \$1,000. Of those, 32% reported monthly earnings below \$800. Only 18% reported earnings above \$1,200 per month. Unless these women are able to supplement their earnings with income from other sources, they and their families are living in poverty.

- **child support payments were not a reliable source of income for mothers .**

Child support income was not a reliable source of additional income for most leavers. The Child Support figures indicate that the vast majority of women either had no judgement (31%) or received nothing or less than they were owed (28%). Only 18% of all women were owed and received more than \$200 per month in child support.

- **most respondents remained off welfare, but many participated in other government**

**programs.**

Nine months after exit, only 15% of adults and 19% of the children had returned to TANF. Children in child-only cases that close are more likely to return to welfare as a single-parent case. Between 3 and 9 months after exit, only 1% of child-only cases returned to welfare as a child-only case. After 9 months, 22% of former child-only cases were active single-parent cases. While most leavers remained off the rolls, many were still participating in other government programs: 87% received free/reduced priced lunch, 74% used Food Stamps, and 60% lived in public housing.

- **recipients worried about food, but most are able to make ends meet.**

There was an obvious *perceived* worry about having enough to eat. Thirty-eight percent of the respondents sometimes or often worried they may not have enough food to eat. However, 13% reported running out of food before they had money to buy more. So while insecurities about the availability of food was a concern, many of those families found ways to obtain the food they needed. A majority of respondents (59%) said they relied on family members to make ends meet, and 43% reported relying on friends.

### **3) Which group of former recipients are faring best?**

Better educated leavers far substantially better than the less educated.

- **better educated leavers tend to do better than those without a high school diploma or GED.**

Forty-four percent of those without a high school diploma or a GED earned less than \$800 per month compared to 33% of high school graduates and 25% of those with some college. Thirty-three percent

of those with some college earned more than \$1,200 compared to only 11% of those without a high school diploma or GED. Furthermore, those without a high school diploma or GED were twice as likely to often worry food will run out.

- **education levels also impact the children living in the home .**

Only 57% of children living in a home with a parent or primary care-giver that did not have a high school diploma or GED had health insurance compared to nearly 80% of children whose parent or primary care-giver had at least a high school diploma.

- **there are enormous differences between single-parent and child-only cases.**

These differences are so great that the two groups should be tracked and examined separately.

Respondents in child-only cases were more likely to be married, have higher incomes, work fewer hours, and rely less on Food Stamps. Children in child-only cases were more likely to be insured, stay in day care for fewer hours each day and spend fewer days per week in a child-care arrangement.

#### **4) What are the barriers to transitioning off TANF?**

Report barriers among women having left are fairly low.

- **problems with transportation and other barriers affect only a minority of respondents.**

Transportation was a barrier for some leavers. Nearly 1 in 5 respondents reported walking or relying on rides from friends or family to get to work. Levels of *reported* domestic violence were fairly low with only 6% report ever being abused by their spouse or partner. However, self-reported instances of alcohol and drug abuse were slightly higher, 9% and 8%, respectively.

## 5) How are the children of former recipient faring?

Children of leavers face many of the problems faced by all children in poor families, such as limited involvement with absent parents and access to high-quality day care.

- **general health was good, but some children had physical disabilities or emotional problems.**

Nearly 80% of all children were reported as being in excellent or good health, but approximately 15% of the children have health problems that limit their daily activity. Nearly 30% of the children were reported by their mother or primary care-give as often or sometimes being unhappy, sad, or depressed. Also, nearly 1 in 3 were reported as having trouble concentrating or have trouble getting along with other children.

- **access to quality child care is still a concern.**

Nearly 20% of the children under 12 were reported as staying either home alone or in the care of a relative under the age of 13 as a “type of child care.”

- **involvement with children by absent parents is very limited.**

Ninety-seven percent of the children in this survey were **not** living with their father. Of those, 37% of single-parent leavers reported the child’s father was either dead, or ‘like-dead,’ meaning the mother had no contact with the father and did not know where he was living. A further 25% of children had absolutely no contact with their absent parent. Moreover, nearly 40% of the children living in child-only cases have no contact with either parent.

Where do we go from here? Continued research on leavers is clearly needed for at least two reasons. First, this study was designed to provide a snapshot of how leavers fare shortly after leaving



the rolls. Long term follow-up is needed to understand how these leavers fair over time. Second, as long-term recipients approach the four year time limit, one expects to see substantial shifts in the composition of leavers. How these families fare after leaving, compared to the families studied here, will be the true test of welfare reform.

## II. Introduction

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) replaced Aid to Families with Dependent Children (AFDC) program with the Temporary Assistance for Needy Families (TANF) block grant. Under the new state plan submitted by Georgia and approved by the federal government, welfare is no longer an entitlement but a program that provides temporary cash assistance. The Georgia Department of Human Resources' Division of Family and Child Services implemented the program according to these principles: 1) a central focus on work, 2) meeting the needs of children first, 3) linking benefits to personal responsibility, and 4) reducing teen pregnancy. In Georgia, cash assistance is limited to a maximum of four years—one year less than the federal maximum lifetime benefit. Individuals who have been on the rolls continuously since the reform was enacted reached their lifetime limit in January, 2001.

Since the implementation of these changes, the TANF caseload in Georgia has clearly plummeted. Between January, 1997, and January 2000, the number of families receiving TANF in Georgia dropped by more than 63,000, representing nearly a 55% reduction in three years. What is much less clear is the impact of leaving welfare on these women, their children, and the communities in which they live. Funded by the Department of Human Resources,<sup>3</sup> the Georgia State welfare leavers study monitors the impact of leaving on the individuals, their families, and their community. (For a fuller description of welfare reform in Georgia, please see technical appendix I, available under separate cover from the Applied Research Center, or at <http://www/arc/gsu.edu>.)

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<sup>3</sup>The study has also received funding from the Assistant Secretary for Planning and Evaluation (ASPE) in the Federal Department of Health and Human Services. This study is part of a consortium of leavers studies.

This project examines five key questions regarding former recipients and their families:

- 1) Why did the respondents leave?
- 2) How are the leavers faring?
- 3) Which group of former recipients are faring best?
- 4) What are the barriers to transitioning off TANF?
- 5) How are the children of former recipients faring?

This report will proceed in three major section. The first will outline the methodology of the study. It describes key characteristics of the study, including (1) definition of leavers; (2) use of interview and administrative data; and (3) a discussion of our efforts to locate respondents and an analysis of non-response. Using interview data, the second section will provide answers to the five key questions outlined above. The section also will compare Georgia leavers to those who have remained on cash assistance and to leavers nationwide. The final, third section will offer some conclusions and policy implications that can be gleaned from the Georgia leavers study.

### III. Methodology

This section outlines the methodology of the study. First we will present the project design including the definition of leavers and the use of administrative and interview data. Second, we will describe our efforts to locate the respondents and will provide an analysis of non-response. A fuller description of the study's design can be found in technical appendix II, available under separate cover from the Applied Research Center or at <http://www.arc.gsu.edu>.

#### Project Methods

##### *Definition of Leavers*

A discussion of the methodology of any leavers study begins with the definition of leavers. This project defines leavers as cases not having received cash assistance for two consecutive months. The two-month limit excludes cases that leave welfare for a single month. Prior research has treated these individuals as having missed a payment but not as having moved off welfare. The definition of leavers is consistent with that used in studies in other states, including the other studies in the Assistant Secretary for Planning and Evaluation (ASPE) -funded consortium of leavers studies. Included as leavers are clients who continue to receive other TANF services, such transitional Medicaid, Food Stamps, or child care assistance. This report focuses on leavers that left welfare between January, 1999, and June 2000.

##### *Sample population*

The study population in Georgia differs from that in other leaver studies in two ways. First, Georgia is among the few studies that include child-only cases in the study population. Child-only

cases involve children who are receiving welfare but who are not living with a parent. These children might be living with a grandparent, aunt or uncle, or with a parent who is ineligible for TANF (e.g. an SSI recipient). While the child may not live with a parent, the care-givers income does not count towards determining TANF eligibility for the child as they are not included in the grant. *Neither these children nor their care giver are subject to work requirements or time limits.*

These cases are essential to understanding the full impact of welfare reform, especially on children. First, these children make up a substantial minority of children on TANF. In December 1999, child-only cases made up 47% of the active case load in Georgia, and 23% of cases leaving the rolls. Furthermore, some researchers, policy makers and advocates fear that welfare reform will stimulate the growth of child-only cases. In particular, they argue that reform gives parents an incentive to move their children in with relatives. Doubtless these changes in living arrangements have important implications for the child's well-being. For these reasons, we believe that researchers should not arbitrarily drop child-only cases from studies of either leavers or stayers.

A second difference between the Georgia State leavers study and those in some other states is that this study includes individuals who have returned to the rolls. One would expect these individuals differ systematically from individuals remaining off the rolls, and as a result, studies that exclude individuals who have returned offer an incomplete and misleading picture of how leavers are fairing. Furthermore, because states differ in the rate at which families return to the rolls, excluding those families makes it virtually impossible to compare results across states<sup>4</sup>.

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<sup>4</sup>All studies funded by ASPE follow all leavers, including those who return to the rolls, provided they remain off cash assistance for a minimum of two months.

### *Administrative data*

Like other leaver studies, the GSU study relies on interview data as well as various administrative databases. For the latter, there are four key files: the closed case file, the TANF Federal Report file, the current reciprocity file, and the Child Support Enforcement database.

The closed case file includes basic demographic information, including race, age, gender and relationship to other persons in the household and is used in several ways. First, these data serve as the sampling frame for the study. Initially, a sample of cases is drawn from which a study respondent is identified. For these individuals, the file provides the contact information with which the study begins to track potential respondents. Second, the file provides information on the family's use of welfare when they were receiving payments. This information includes case status, payments received, and case and client identification (ID) numbers. The two ID numbers are used to link these data to other data sources.

A second source of administrative data is the TANF Federal Report file. This file provides supplemental information describing the case when it closed—this information includes Food Stamp receipt, work eligibility status and work experience, reported earnings, and family structure at the time of case closure. Used in conjunction with the TANF Federal Report file is the third file—the current case file. This file is used to determine if and when individuals have returned to the welfare rolls.

A fourth and final source of administrative data is the Child Support Enforcement (CSE) database. This information is used to locate potential survey respondents and to determine whether they have an award and if they are currently receiving child support payments.

### *Telephone Interview*

While informative, administrative data are somewhat limited in their scope. They provide no information on many key outcomes (e.g., a leaver's mental health or barriers to employment) and exclude some individuals, notably those no longer involved in any public programs. As a result, the project is conducting a telephone interview with approximately 200 leavers per month covering a wide range of topics. All respondents complete a core set of items concerning demographics, employment and economic status at the time of the interview, approximately 6 months after exit from welfare. Individuals also complete a randomly chosen module. The module topics are (a) sources of income and transportation; (b) child care arrangements; (c) mother's mental health and exposure to domestic violence; (d) parenting and home environment; and (e) understanding of welfare reform. *Having study participants answer only part of the survey allows us to include a wide range of topics in the interview without overburdening respondents.* Conventional analytical methods can easily allow for the resulting patterns of missing data.

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

### Locating Respondents and the Analysis of Non-response

#### *Locating Respondents and the Response Rate*

Our analyses are based on individuals who left TANF between January, 1999 and April 2000.

These individuals were interviewed between June, 1999 and October, 2000. Most interviews occurred from 4 to 6 months after exit from welfare. The individuals were interviewed approximately 5 to 6 months after leaving TANF.

While challenging, locating a large and representative sample of respondents for the survey is essential. In order to locate hard-to-find individuals, we have implemented a thorough tracking procedure that utilizes all available resources. This process represents a significant improvement over what was included in our original proposal. These methods include advance cover letters, a \$25 incentive payment, a toll-free telephone number for call-ins, reverse directory look-up information, and data-matching with the CSE databases. Reflecting these improvements, our response rates rose dramatically between June, 1999 and October, 2000<sup>5</sup>. It is important to note that as the response rate increased, the number of disadvantaged families responding to the survey increased. (For the full analysis of our response rate, see technical appendix III, available under separate cover from the Applied Research Center, or at <http://www.arc.gsu.edu>.)

Table 1 describes our response rate by cohort month. One can see that the increase in the response rate was driven by two factors. First, we increasingly were able to establish a working telephone number. One can see the valid sample size rose as a percentage of potential respondents from under 50% to over 80%. Second, one can see that the participation rate rose from just over half (53%) to more than 80% in the final months of the study.

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<sup>5</sup>We completed interviews for the August, 2000 cohort in October, 2000.



<u>Table 1</u> Cohort <sup>6</sup>	Potential Respondents	Response Rate (%)	Valid Sample Size*	Participation Rate (%)**	Refusal Rate (%)
June '99	600	<b>26.0</b>	293	53.2	1.7
August '99	600	<b>34.1</b>	370	55.1	0.5
September '99	600	<b>37.3</b>	413	54.2	2.2
October '99	600	<b>52.6</b>	355	89.0	0.9
December '99	600	<b>50.6</b>	362	83.9	2.8
February '00	450	<b>54.6</b>	246	87.2	7.5
March '00	450	<b>63.6</b>	286	87.5	2.5
April '00	450	<b>67.8</b>	323	94.4	2.7
May '00	450	<b>66.9</b>	336	89.6	1.3
June '00	450	<b>70.1</b>	378	83.3	0.4
August '00	400	<b>69.3</b>	328	84.1	2.3

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

\*\* Percent of valid sample size that is interviewed.

### *Analysis of Non-response*

The response rate for this project is in the range of response rates among comparable projects<sup>7</sup>.

The quality of a study, however, depends not only on the response rate but on the extent to which respondents and non-respondents differ. The response rate could be rather high (80%), but the study

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<sup>6</sup> The cohorts are defined as the month the survey lab began to locate them for an interview. To make sure we obtained 200 completed interviews per month, we began by attempting to locate 600 individuals per monthly cohort. Because of our increased response rate, we reduced the pool of potential respondents to 450, and then to 400.

<sup>7</sup> The following response rates have been reported and are available on the ASPE web page: Arizona 72%, California 69%, New Mexico 72%, Ohio 70%, Texas 51%, Virginia 69%, and Washington State 72% ( see: <http://aspe.os.dhhs.gov/hsp/leavers99/reports.htm>)

might be very misleading if the 20% who do not respond differ substantially from those who complete interviews. At the same time, a study with a much lower response rate might describe the population of leavers accurately if respondents and non-respondents are similar.<sup>8</sup>

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

Using administrative data on all individuals in our study, the project examined such differences. We estimated statistical models using the roughly 5000 individuals we tried to contact to participate in the study. Table 2 compares those we were able to interview with those we were unable to locate. There are relatively few, if any, meaningful differences between the groups. Several of the differences are statistically significant or nearly so, but are small in practical terms. The former reflects the large sample size. It does appear that white leavers are somewhat under represented in our data. (For the full analysis of our response rate, see technical appendix III, available under separate cover from the Applied Research Center, or at <http://www.arc.gsu.edu>.)

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<sup>8</sup>Of course, all else equal, a higher response rate is desirable because (1) the number of observations is greater, increasing statistical power; and (2) the potential bias caused by differences between respondent and non-respondents is greater at higher levels of non-response. (If the response rate is 98%, then the potential bias is still rather small even if non-respondents are quite different.)

Table 2		Respondents	Non-respondents
Race ( $p = .13$ )	White	16%	23%
	Non-white	84%	77%
Age ( $p = .11$ )	<18	0%	1%
	18-25	33%	34%
	26-35	33%	37%
	36-44	21%	18%
	45-62	10%	8%
	>62	3%	3%
Length of Time on Welfare ( $p = .09$ )	< 6 months	16%	17%
	1-12 months	22%	24%
	1-2 years	30%	30%
	>2 years	31%	29%
Region Type ( $p = .19$ )	Urban	36%	35%
	Suburban	25%	24%
	Rural growth	26%	30%
	Rural decline	11%	9%
Total N		2870	2193

### *Item Non-response*

The study also suffered from a modest amount of item non-response, where survey respondents either would not or could not answer particular questions. This was quite rare. By far, the most common instance where this problem occurred was in the case of earnings. About 15% of individuals who were employed or temporarily laid off were unable or unwilling to provide information on hourly wages or other information necessary to calculate monthly earnings. These data appeared to be missing completely at random, but we did consider the impact of this "missingness" on our findings. To allow

for systematic differences among individuals with and without reported earnings, we used hot-deck imputation<sup>9</sup> to impute missing earnings using respondents' demographic information. We found that the distribution of earnings did not change. The demographic variables used in the imputation were: age, race, education, and region. As shown in table 3, we were able to impute 58 observations using demographic information and the earnings distribution does not measurably change.

Table 3	N	Mean	SD
Reported earnings	576	\$1,047	\$542
Imputed earnings	634	\$1,066	\$585

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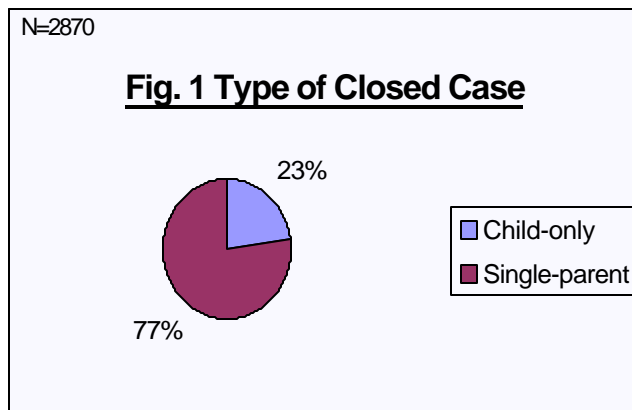
<sup>9</sup>This is an advanced method to correct for the missing values where each missing value is replaced by a set of plausible values drawn from their predictive distribution. In any data set, a row of data with missing values in any of the variables is defined as a missing line of data, and a complete line is one where all the variables contain data. Our imputation method replaces the variables in the missing lines stochastically with the corresponding values of the complete lines using a Bayesian bootstrap method.

#### IV. Results

Our original proposal posed five sets of questions. Using interviews completed between June 1999 and October 2000, we will answer those questions. Before doing so, however, we briefly describe the demographic characteristics of our respondents. This section concludes by comparing key outcome measures of leavers in Georgia with stayers in Georgia and leavers nationwide. We provide these additional data to place our findings in a context. (For a review of findings from other ASPE leavers studies, see technical appendix IV, available under separate cover from the Applied Research Center, or at <http://www.arc.gsu.edu>.)

##### Basic Demographics

We begin by noting that 23% of our leavers are child-only cases. For these cases, the child's primary care-giver served as the respondent. In most circumstances that was a grandparent (40%) an aunt or uncle (20%), or other relative (22%).



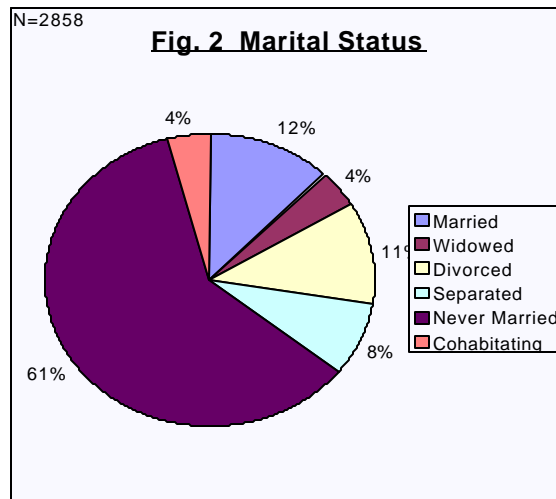
As noted in table 4<sup>10</sup>, the average age of our respondent population is 34 years old. Twenty percent are between 35 and 45, and almost 13% are over the age of 45. Only 2% are less than 18 years old.

When divided by case type, it is evident that care givers in child-only cases are significantly older than parents in single-parent cases (45 vs. 29).

	Age	Percentage
	Less than 18	2%
	18-25	31%
	25-35	33%
	35-45	20%
	Above 45	13%
<b>Average Age (n=2868)</b>		<b>34 years</b>

Moreover, 61% of our leavers have never been married. Figure 2 describes marital status.

Approximately equal numbers of respondents are either married (12%) or divorced (11%). Only 8% report cohabitating.

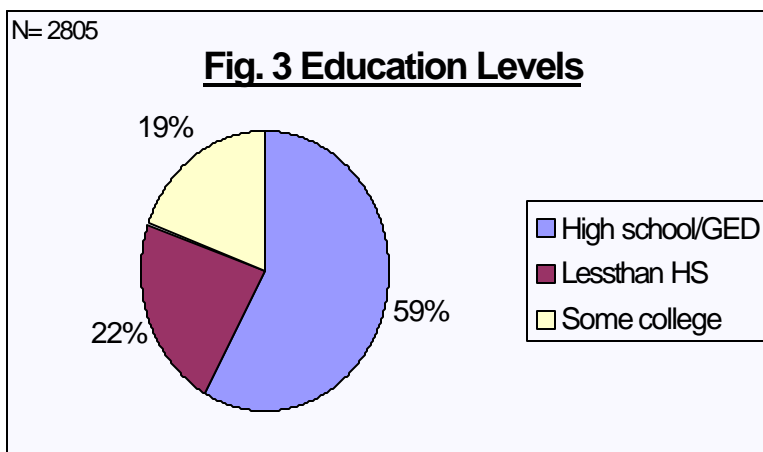


<sup>10</sup>The number of observations varies by item due to item non-response or matrix sampling. A few reported outcomes, such as time receiving welfare, are from the Federal Report File from which we only have 6 months worth of information.

When divided by case type, the most striking difference is among married respondents.

Twenty-seven percent of care-givers in child-only cases are married, compared to only 7% of single-parent leavers.

Figure 3 describes the education level of the general population of respondents. A full 19% of leavers reported having some college education, and another 59% have a high school diploma or a GED. Only 1 in 4 (22%) leavers did not finish high school.



This distribution does not change by case type. Approximately 60% of both groups have at least a high school diploma or GED. However, a slightly higher percentage (20%) of child-only care givers have some college, compared to 17% of single-parent leavers.

Next, we look at where our respondent live. Fig 4 shows that more than half live in urban or

suburban areas<sup>11</sup>. Only a small percentage (11%) live in a rural area with declining economic growth and population, a rate roughly comparable to the Georgia population as a whole (13%). (Bachtel, 1999). Twenty-eight percent of the leavers live in a rural area where the population and economy is growing. The distribution for child-only cases and single-parent cases was similar.

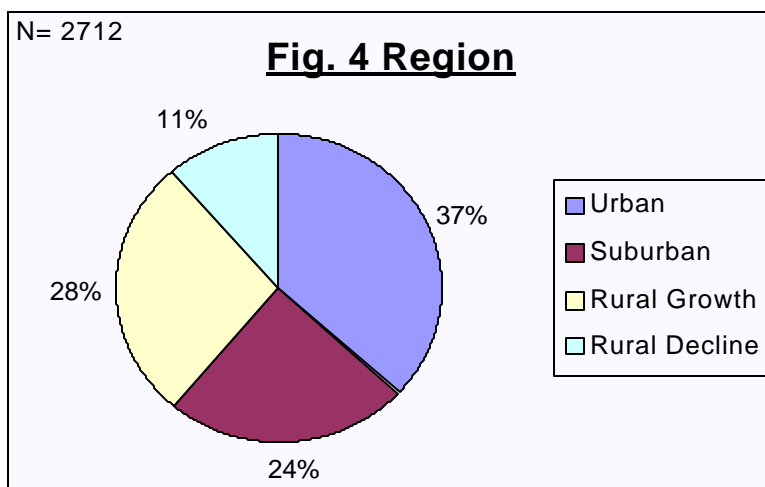


Table 5 provides a break down of the remaining demographic characteristics of our sample

<sup>11</sup>The report uses a classification system of the 159 counties in Georgia developed by Professor Doug Bachtel, a noted demographer at the University of Georgia and author of the Georgia County Guide. Variations in factors which characterize the quality of life in a particular geographic region such as income, employment, education, population migration, and housing are used as a basis for the classification of the counties. According to Dr. Bachtel's criteria, each county is classified into one of four categories: urban, suburban, rural growth, or rural decline. In summary, presented below is a brief description of the four areas within the classification. Of the 159 counties in Georgia, 7 are identified as urban, 35 are considered suburban, 77 counties are viewed as experiencing rural growth, and 40 counties are characterized as being in decline.

With populations over 50,000, characteristically, the urban counties represent the heart of Georgia's metropolitan urban centers. The suburban counties are, for the most part, metropolitan because a significant number of the residents living there commute to the urban areas to work. These areas generally are predominately white and affluent. Likewise, many residents in these areas possess a high degree of educational attainment and income level. Another group comprises those counties identified as "growing rural Georgia." While scattered across the state, these rural counties tend to be concentrated in the north. These areas are usually associated with having either scenic beauty or some type of landscape which makes them attractive places for tourism. Additionally, these areas are located near some regional growth center which contributes to the counties' economic development. Conversely, the counties identified as "declining rural Georgia," arguably, are the areas considered to be in the greatest peril. These counties are characterized as experiencing long term population loss, lack of employment opportunities, and low levels of supportive services. Historically, these areas have a legacy of low educational attainment and skill development. Thus, many of the residents in these counties are dependent on social welfare services (Bachtel, 1999).



population and do not differ significantly by case type. Only a small percentage of our respondents (3%) of the respondents were males. Eighty-four percent of the leavers are non-white, closely resembling the percentage of non-white respondents in the active case load in Georgia (83%) (Department of Human Resources, 1999). Another 30% received payments for more than 2 years. In terms of household composition, nearly 70% of the households had 1 to 2 children, and 30% reported having a child under 3 years of age in the home.

Race (n=2868)	Non-white	84%
	White	16%
Number of children in home (n=1955)	1 -2 Children	66%
	3 -4 Children	29%
	More than 4 children	5%
Households with children under 3 years old (n=1950)		30%
Child-only households (n=2870)		23%
Male headed households (n=2870)		3%
Short vs long term receipt (n=1919)	Less than 6 months	19%
	6-12 months	20%
	12-24 months	29%
	More than 24 months	31%

Table 5 also describes prior welfare receipt by respondents. According to the Federal Report File, at the time they left the rolls, nearly 40% of the leavers received cash assistance for less than one year. Only 31% had received assistance for 2 years or more.

Having outlined the demographics of our entire sample, we now turn to the first question; why

did the respondents leave?

Question #1 – Why did the respondents leave?

In this section we will explore why recipients left welfare, if they wanted to leave, and how confident they are they will remain off. We first present the results for our entire sample, then provide sub-groups analysis of how these reasons vary by race, education, monthly earnings, age, and case type (single-parent vs child-only cases).

*Why they left*

Figure 5 shows that the majority of leavers left for employment (73%). A small percentage (9%) reported they left because they exceeded the time limit. This finding indicates a misunderstanding on the part of the former recipient as the time limits do not take effect until January, 2001.

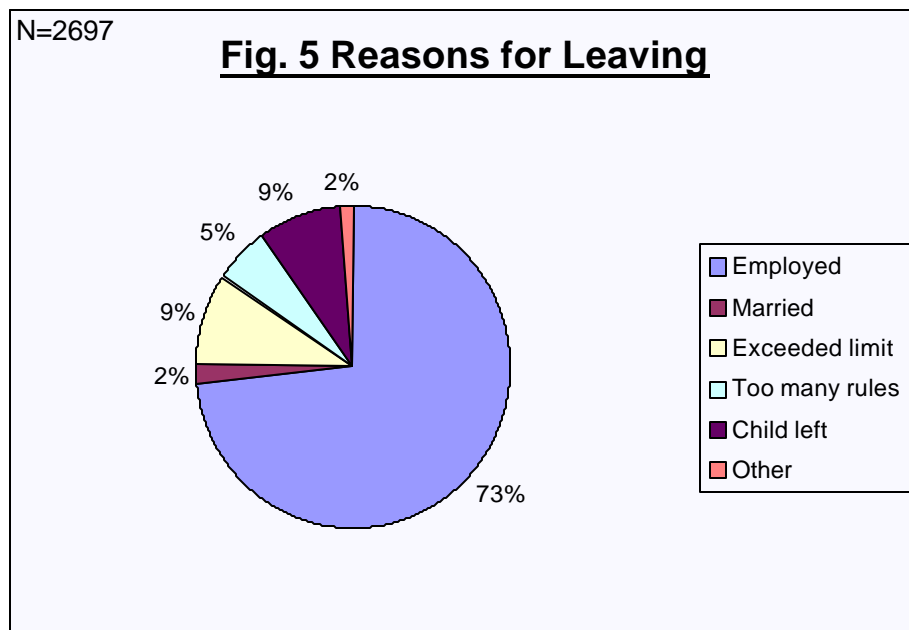


Table 6 provides a breakdown of why the respondents left by sub-groups. In terms of race,

reasons for leaving were relatively similar. However, the other groups provide some striking comparisons. In terms of education, 81% of those with either a high school diploma or GED left for employment compared to only 54% of those who had less than a high school education. Also, those without a high school education or GED were most likely to believe their case had been closed because of a time limit (19%). In terms of earnings, 88% of those who had monthly earnings of less than \$800 per month left TANF for employment compared to 80% of those who earned more than \$1,200. The reasons vary by age as well. Approximately 80% of those under 35 years of age left for employment. That percentage decreases as the respondents get older. Seventy percent of those age 35 to 45 left for employment, and only 37% of those over 45 left for employment. The most common reason for leaving in that age category is that there were no longer children in the household (42%).

Finally, comparisons by case type are also striking. Eighty-one percent of single-parent cases closed due to employment, compared to only 45% of child-only cases. Predictably, 33% of the child-only cases closed because the child was no longer living in the household.

Table 6 **Sub-group Analysis of Why Respondents Left TANF**

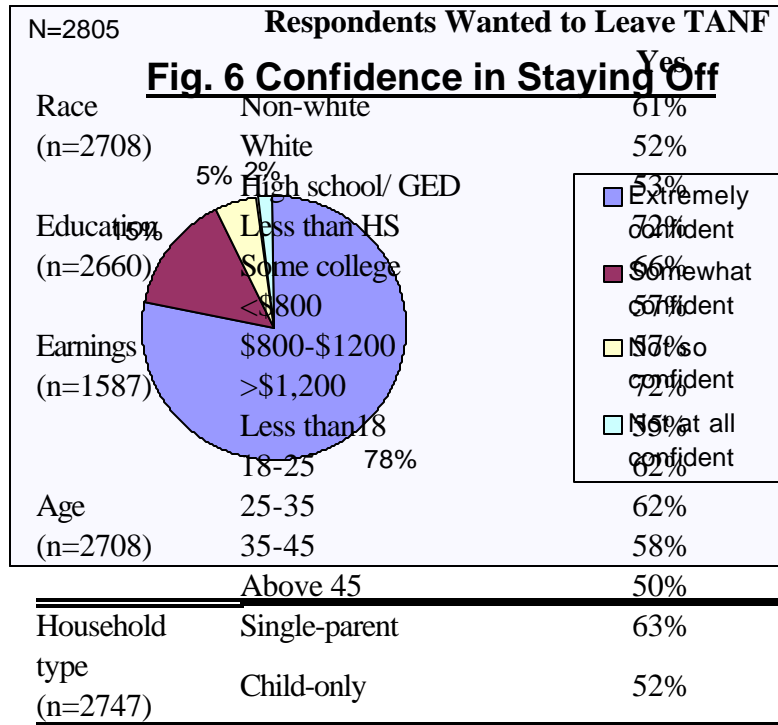
		<b>Employed</b>	<b>Married</b>	<b>Exceeded Time Limit</b>	<b>Too Many Rules</b>	<b>Child in House Left</b>	<b>Other</b>
Race (n=2697)	Non-white	75%	1%	9%	5%	8%	1%
	White	63%	5%	11%	6%	13%	2%
Education (n=2650)	High school/ GED	81%	2%	6%	3%	7%	1%
	Less than HS	54%	1%	19%	11%	13%	2%
	Some college	73%	2%	8%	5%	9%	2%
Earnings (n=1513)	<\$800	88%	2%	5%	2%	2%	1%
	\$800-\$1200	90%	1%	2%	2%	4%	0%
	>\$1,200	80%	1%	7%	2%	8%	1%

	Less than 18	78%	0%	9%	5%	2%	5%
	18-25	83%	1%	7%	7%	1%	2%
Age	25-35	80%	3%	8%	5%	3%	1%
(n=2697)	35-45	70%	3%	12%	5%	9%	1%
	Above 45	37%	1%	15%	3%	42%	2%
Case type	Single-parent	81%	2%	8%	6%	2%	1%
(n=2666)	Child-only	45%	3%	13%	4%	33%	2%

### *Desire to leave*

Table 7 shows that while a majority of respondents told the interviewers they wanted to leave, that result varied by respondent type. Most striking is that those without a high school diploma or GED were more likely to want to leave compared to those with a diploma or GED (72% v. 53%). There is a 9 percentage point difference between single-parent cases who wanted to leave and child-only cases (62% v. 53%). Slightly more than half (57%) of those who earned less than \$1,200 a month wanted to leave TANF. However, an overwhelming 72% of those who earned more than \$1,200 a month wanted to leave TANF.

**Table 7 Sub-group Analysis of Whether Respondents Wanted to Leave TANF**



*Confidence in staying off*

Finally, figure 6 shows that 93% of the respondents are at least somewhat confident that they will remain off TANF.

Table 8 describes, different sub-groups of respondents' confidence that they will remain off TANF. The confidence levels are relatively similar across sub-groups with the exception of education. While more than 80% of high school graduates or those with a GED, or some college are extremely confident they will remain off TANF, only 58% of those without a high school diploma or GED are extremely confident.

		Extremely	Somewhat	Not So Confidant	Not At All Confidant
Education (n=2730)	High school/ GED	82%	13%	3%	1%
	Less than HS	58%	24%	13%	6%
	Some college	83%	12%	3%	2%
Race (n=2778)	Non-white	77%	15%	5%	3%
	White	75%	15%	7%	3%
Earnings (n=1527)	<\$800	79%	15%	4%	2%
	\$800-\$1200	85%	11%	2%	1%
	>\$1,200	87%	8%	3%	1%
Age (n=2778)	Less than 18	75%	20%	4%	2%
	18-25	79%	15%	5%	2%
	25-35	77%	16%	5%	2%
	35-45	75%	15%	6%	4%
	Above 45	75%	15%	7%	4%
Household type (n=2745)	Single-parent	77%	15%	5%	2%
	Child-only	75%	21%	6%	4%

*Do leavers Understand the Rules?*

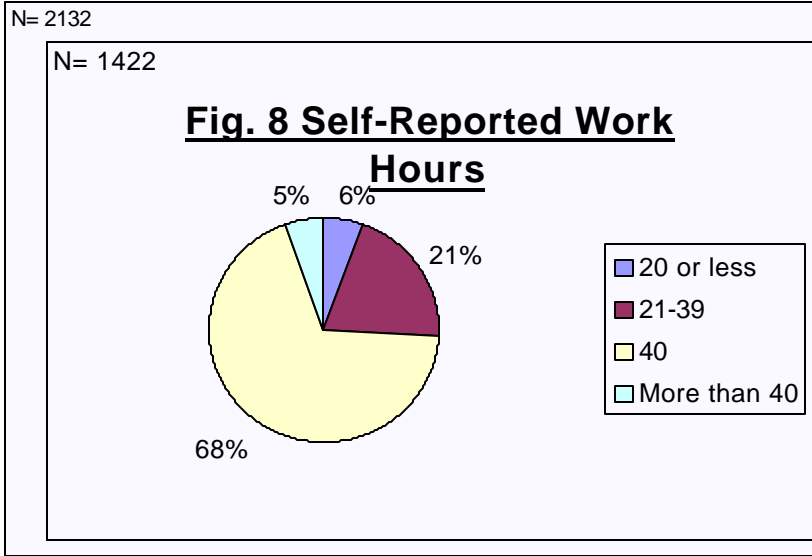
That some leavers indicated they left because of time limits is somewhat troublesome. This finding suggests that leavers (and stayers) may not fully understand welfare reform, however a majority of them do. Sixty-five percent of the respondents knew there was a lifetime time limit, and of those who knew, 79% said that it was 4 years. When asked if the household's benefits increase when a child is born after the mother has received TANF for more than 1 year, 62% said no. Finally, 65% reported that Medicaid does not automatically end when TANF ends. While these numbers are encouraging, there is still more than 30% of leavers that do not understand even the most basic of Georgia's welfare laws.

#### Question #2 – How are the women faring?

**This section will focus only on the women in single-parent cases.** We will present their employment rates, monthly earnings, receipt of child support payments, measures of food insecurity and hardship, and continuing government program use including recidivism rates.

#### *Employment*

As figure 7 shows, 69% of former recipients are working, and another 12% are actively looking for work. Only a small percentage (5%) report being disabled. (Figures on the extent of the disability will be presented.)

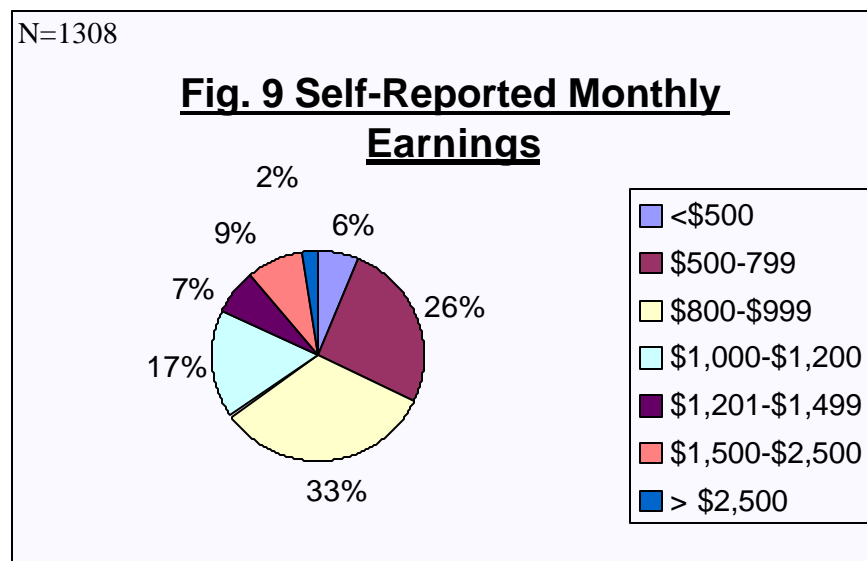


As shown in figure 8, 73% of those who report employment, report working at least 40 hours per week.



## Earnings

Even though employment rates are high, those who are working reported low monthly earnings. Fig. 9 displays the distribution of earnings for those who are currently working and provided earnings information.<sup>12</sup> As illustrated in fig. 9, 65% report monthly wages below \$1,000 per month. Of those, 32% report wages below \$800 per month. Only 18% report earning above \$1,200 per month. This figure excludes individuals who reported they were not working (approximately 30%).

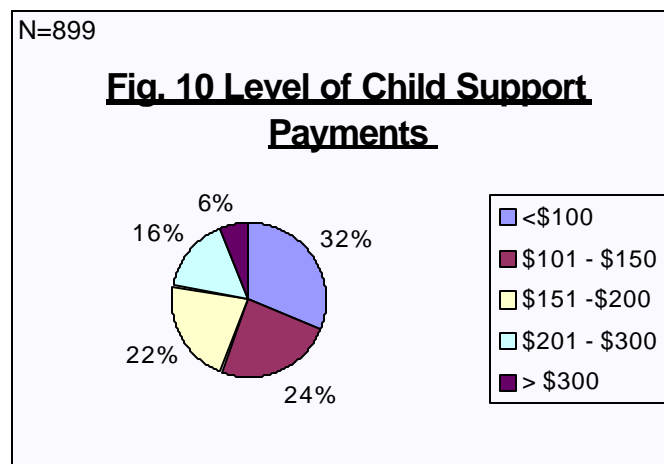


Many women also rely on child support payments each month. Of our sample of 2210 closed

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<sup>12</sup>Monthly earnings were calculated using four variables. Respondents who replied that they were employed were then asked (1) what they were paid, (2) was that hourly, weekly, bi-weekly, monthly, or yearly, (3) was that before or after taxes, and (4) how many hours a week did they work. Therefore, the results presented here do not include those respondents who said they were not working, and are only the earnings of the respondent.

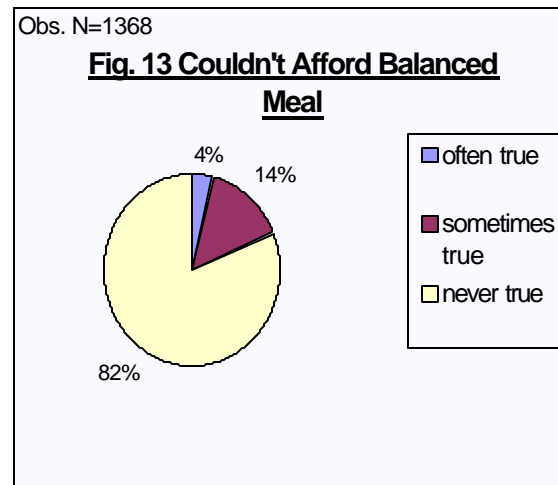
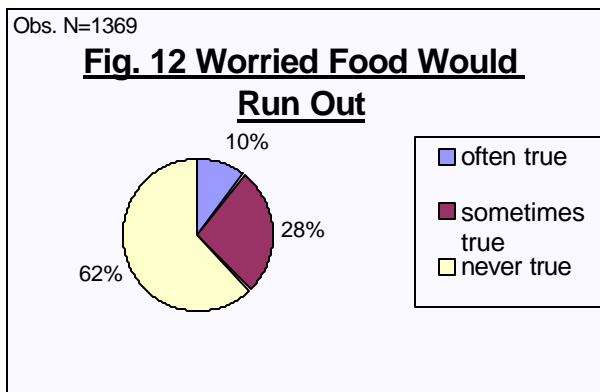
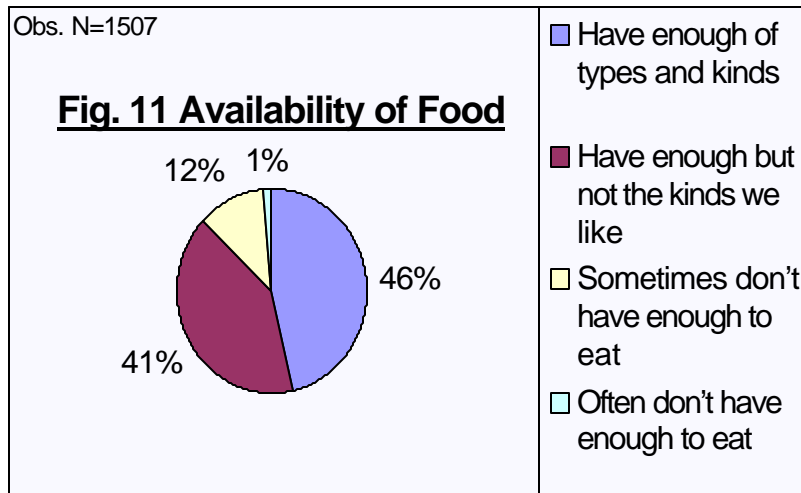
single-parent cases, 95% were found in the Child Support Enforcement Database. However, of that 95%, 69% (1524 cases) had a judgement that required payment from the father. A total of 899 cases (59% of those who were eligible to receive payments) actually received the amount owed to them each month. As fig. 10 shows, even these payments are relatively low. More than half (56%) receive less than \$150 per month.



Taken together, these figures indicate that the vast majority of women either had no judgement (31%) or received nothing or less than they were owed (28%). Only 18% of all women were owed and received more than \$200 per month in child support payments.

#### *Hardship and deprivation measures*

Considering the low income levels, we next explore levels of deprivation and need among leavers. We collected a series of items on food adequacy, and the resulting data are mixed. As figure 11 indicates, 46% of leavers state that they have enough of the types and kinds of food they want. An additional 41% report having enough food to eat but not always the kinds they would like.

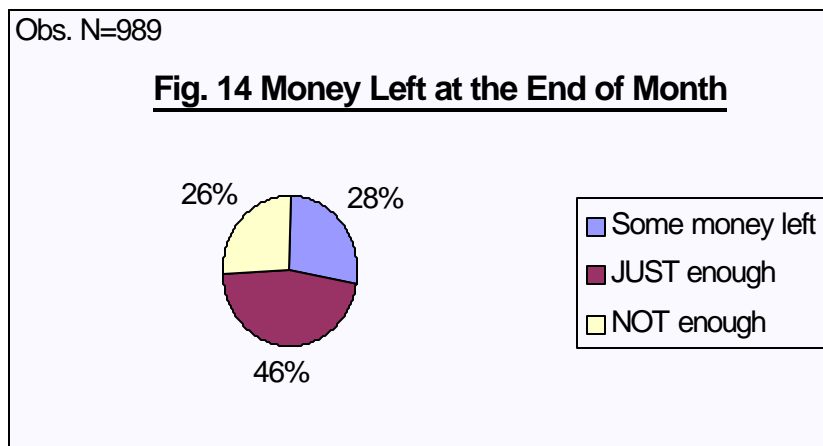


Moreover, as figure 12 indicates, 10% of the respondents often worried that their food would run out before they had the money to buy more. A total of 28% stated that they often or sometimes could not afford a balanced meal for themselves or their children.

The data indicate that worries about food adequacy are actually greater than food inadequacy. Thirty-eight percent of the respondents worried they may not have enough food to eat. However, 13% actually ran out of food before they had money to buy more. So while insecurities about the availability

of food is a concern, many of those families are finding a way to afford the food they need.

In order to provide a better sense of the standard of living of those who have left TANF, we asked a series of questions about material hardship. As figure 14 indicates, only 28% of the respondents report having some money left over at the end of the month after paying all their bills. Another 46% report having just enough money to cover their expenses each month.



As shown in table 9, 18% of respondents have been unable to pay their full rent or mortgage since they left TANF, and 22% have been unable to pay their full utility bill. Most revealing, however, is that more than half (59%) of single-parent leavers had to rely on family members to help them make ends meet.

Table 9

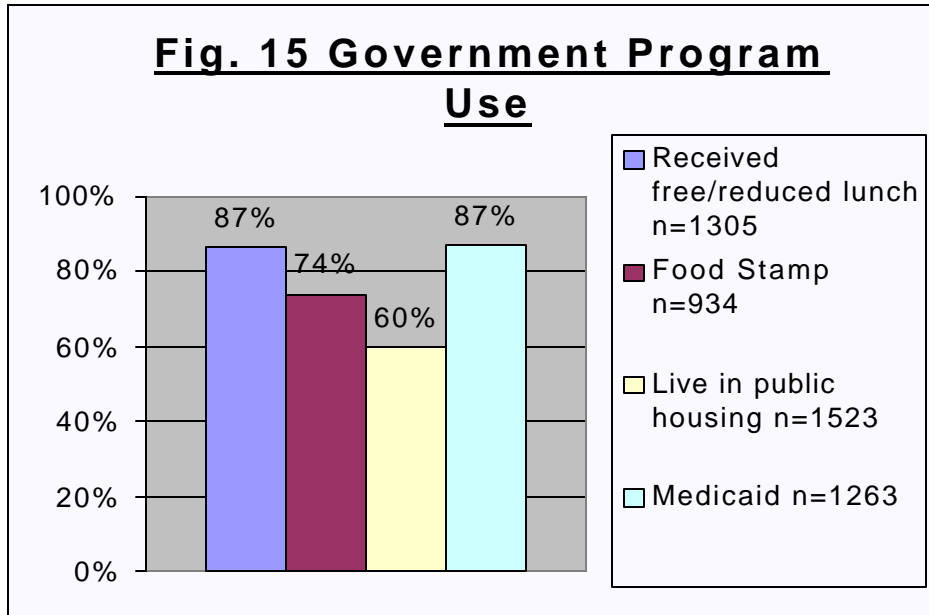
**Hardship Measures**

Needed help from family member to make ends meet	59%
Needed help from friend to make ends meet	43%
Unable to pay full utility bill	22%
Telephone service disconnected	19%
Unable to pay mortgage/rent in full	18%
Didn't go to the dentist when needed	16%
Sometimes or often do not have enough food	13%
Not enough food to eat	12%
Gas or electricity turned off	12%
Didn't seek medical attention when needed	10%
Have been evicted since leaving TANF	4%
N= 792	

*Continuing use of government services*

We also asked former recipients about their continuing use of government programs. Fig. 15 notes that 87% of former recipients utilize the free or reduced price lunch program for their children. Seventy-four percent are still enrolled in Food Stamps. Approximately 76% report having insurance. Of those, 87% report still being on Medicaid. Finally, 60% still live in public housing or use vouchers.

These figures are generally high in absolute terms, but are low relative to the rates among respondents prior to leaving the rolls. Presumably, nearly 100% of respondents received Food Stamps while on the rolls. Some reduction in Food Stamp use is expected or even desirable as individuals work their way off the rolls. However, when we limit our focus to individuals earning \$1,000 or less, we see that only 71% receive Food Stamps.



*Recidivism*

Table 10 compares recidivism rates for single-parent cases and child-only cases. The first column shows individuals whose cases had been closed for 3 months. January 2000 leavers were matched against the April 2000 active case file, and February 2000 leavers were matched against the May 2000 active case file. To gauge recidivism rates six months after exit (column 2), October 1999 leavers were matched against the April 2000 active case file, November 1999 leavers were matched against the May 2000 active case file, and December 1999 leavers were matched against the June 2000 active case file. Finally, to gauge recidivism rates nine months after exit (column 3), July 1999 leavers were matched against the April 2000 active case file, and September 1999 leavers were matched against the June 2000 active case file.

The rows present adults and children separately. The rows are further sub-divided according

to whether the closed case was single-parent or child-only. The recidivism process may depend on the type of case, and disaggregating the data in this way allows us to examine movement between child-only and single-parent cases. As discussed above, there is a concern that as adults remove themselves from the grant, children are shifted into child-only cases. Reading across the rows, one can see the distribution of recidivism rates for each type of leaver. One can draw several conclusions from the table. First, one can see that the vast majority of leavers stay off welfare. For example, six months after exit, only 14% of single-parent adult leavers had returned to TANF. A second lesson is that children return to the rolls at a much higher rate than adults. Three months after exit, 10% of children had returned, a rate double that for adults. Nine months after exit, only 15% of adults had returned to the rolls compared to 19% of the children. Third, there does appear to be movement between single-parent and child-only cases, even among children. Children in child-only cases that close are more likely to return to welfare as a single-parent case. Between 3 and 9 months after exit, only 1% of child-only cases returned to welfare as a child-only case. After 9 months, 22% of former child-only cases were active single-parent cases. These results are encouraging as there is not a lot of movement of children out of single-parent cases and into child-only cases.

Table 10	3 months after exit			6 months after exit			9 months after exit		
Characteristics of Leaver	No Cash Assist.	Child-Only	Single-Parent	No Cash Assist.	Child-Only	Single-Parent	No Cash Asst.	Child-Only	Single-Parent
Adults									
single-parent case	95%	0%	5%	86%	1%	13%	85%	1%	14%
child-only case	96%	1%	3%	90%	7%	3%	86%	8%	6%
Total	<b>95%</b>	<b>1%</b>	<b>4%</b>	<b>87%</b>	<b>2%</b>	<b>11%</b>	<b>85%</b>	<b>3%</b>	<b>12%</b>
Children									
single-parent case	92%	0%	8%	83%	0%	17%	83%	0%	17%
child-only case	85%	1%	14%	77%	1%	22%	77%	1%	22%
Total	<b>90%</b>	<b>1%</b>	<b>9%</b>	<b>82%</b>	<b>1%</b>	<b>17%</b>	<b>81%</b>	<b>1%</b>	<b>18%</b>



### Question #3 – Which recipients fare best?

This section compares earnings and hardship measures across sub-groups of leavers.

Comparisons are based on marital status, region, age of respondent, race, education level, length of time receiving TANF, family size, the presence of children under 3 years of age in the household, and child-only cases v. single-parent cases.

#### *Earnings measures*

Table 11 shows earnings measures by respondent type. A greater percentage of married respondents report their own monthly earnings above \$1,200 (38%). Approximately 47% of widows report the lowest earnings of under \$800, while 50% of women who have never been married, and 58% of separated women report earnings between \$800 and \$1,200 per month. Earnings also depend on the number of adults in the household. Twenty-eight percent of respondents who live in a household with 2 adults earn more than \$1,200 per month compared to only 18% of those who are the only adult in the household.

Background and demographic characteristics also influence earnings levels. Twenty-six percent of those living in suburban areas have earnings above \$1,200. However, the distribution of earnings is relatively similar across region types for those earning under \$800 per month. Eighty-eight percent of those under 18 years of age earn less than \$1,200 per month. Twenty-three percent of those between 25 and 35 earn more than \$1,200 per month. There is little variation between white respondents and African-American respondents across earnings categories. Not surprisingly, earnings vary by education level. Forty-four percent of those without a high school diploma or a GED earn less than \$800 per month compared to 33% of high school graduates and 25% of those with some college. Thirty-three

percent of those with some college earn more than \$1,200 compared to only 11% of those without a high school diploma or GED. Those in child-only cases earn more than their single-parent counterparts. Sixty-seven percent of single-parent cases earn more than \$800 per month compared to 74% of child-only cases. Furthermore, 27% of child-only cases earn more than \$1,200 compared to 17% of single-parent cases

### *Hardship measures*

To gauge hardship, we asked the respondents if they ever worried that food would run out before they had money to buy more. Table 12 presents the results by respondent type. Concerns about the availability of food varied little across respondent types. One source of variation was marital status. Nearly half (49%) of those who are cohabitating worry that food often or sometimes runs out compared to 37% of their married counterparts.

There are also some differences by education level. Those without a high school diploma or GED are twice as likely to often worry food will run out. Fifty-one percent never worry compared to 63% of those with a diploma or GED, and 70% of those with some college. There seems to be little relationship between earnings and how long they have been receiving welfare payments.

Table 11

		<b>Reported Monthly Earnings</b>		
		<b>&lt;\$800</b>	<b>\$800-\$1200</b>	<b>&gt;\$1,200</b>
Marital status	Married	21%	41%	38%
	Widowed	47%	41%	12%
	Divorced	34%	36%	30%
	Separated	28%	58%	14%
	Never Married	34%	50%	16%
	Cohabiting	37%	40%	22%
Number of adults in household	1 adult	32%	50%	18%
	2 adults	33%	39%	28%
	More than 2	30%	45%	25%
Number of kids in household	1-2 kids	33%	47%	19%
	3-4 kids	27%	57%	22%
	More than 4	43%	38%	19%
Presence of very young kids	Kids over3	35%	46%	19%
	Kids under3	29%	51%	20%
Age	Less than 18	41%	47%	12%
	18-25	36%	49%	15%
	25-35	30%	47%	23%
	35-45	34%	47%	19%
	Above 45	33%	48%	19%
Race	Non-white	33%	48%	19%
	White	33%	42%	25%
Case type	Single-parent	33%	50%	17%
	Child-only	26%	47%	27%
Education	High school/GED	33%	50%	17%
	Less than HS	44%	45%	11%
	Some college	25%	42%	33%
Length of receipt	<6 months	39%	43%	17%
	6-12 months	33%	54%	13%
	12-24 months	28%	54%	18%
	>24 months	39%	45%	16%
Region type	Urban	30%	50%	19%
	Suburban	29%	45%	26%
	Rural Growth	37%	43%	20%
	Rural Decline	39%	53%	9%

Table 12

**Worried That Food Would Run Out**

		often true	sometimes true	never true
Marital status	Married	7%	30%	63%
	Widowed	12%	19%	69%
	Divorced	13%	30%	58%
	Separated	15%	29%	55%
	Never Married	10%	27%	63%
	Cohabiting	16%	33%	51%
Number of adults in household	1 adult	10%	27%	63%
	2 adults	8%	33%	59%
	More than 2	16%	28%	56%
Number of kids in household	1-2 kids	10%	29%	63%
	3-4 kids	10%	30%	60%
	More than 4	10%	28%	62%
Presence of very young kids	Kids over3	11%	29%	61%
	Kids under3	10%	27%	62%
Age	Less than18	17%	19%	64%
	18-25	10%	26%	64%
	25-35	10%	29%	61%
	35-45	13%	31%	56%
	Above 45	8%	27%	65%
Race	Non-white	11%	28%	62%
	White	10%	24%	66%
Case type	Single-parent	11%	26%	58%
	Child-only	11%	26%	58%
Education	High school/GED	9%	27%	63%
	Less than HS	15%	33%	51%
	Some college	8%	22%	70%
Length of receipt	<6 months	17%	29%	53%
	6-12 months	22%	21%	57%
	12-24 months	16%	33%	51%
	>24 months	17%	24%	60%
Region type	Urban	12%	3%	58%
	Suburban	9%	26%	65%
	Rural Growth	9%	28%	63%
	Rural Decline	11%	25%	65%

#### Question #4 – Barriers to a successful transition off welfare<sup>13</sup>

This section addresses the presence of barriers in the life of former recipients that may impede a sustained transition off welfare, such as domestic violence and drug and alcohol abuse, reported disabilities, and long welfare histories.

A majority of individuals (60%) have access to a car to drive themselves to work. However, transportation is a barrier for some leavers. Eleven percent must rely on friends for rides and 9% must walk. Levels of *reported* domestic violence are fairly low with only 6% report ever being abused by their spouse or partner. However, reported instances of alcohol and drug abuse are slightly higher, 9% and 8%, respectively.

Finally, there are relatively high instances of reported disability, especially among care-takers among child-only cases. (5% and 28% for single-parent and child-only respondents reported disability, respectively.) To gauge the extent of any disability, we asked individuals who reported themselves as disabled a series of questions about any limitations they faced. Half of those respondents (50%) report that they are unable to take care of their own shopping needs or are unable to drive or travel independently (51%). Twenty-seven percent report being unable to maintain their home independently or do not feel they are able to be responsible for their own medication. A full 34% are unable to handle their own financial matters, and 17% report being unable to operate a telephone without assistance.

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<sup>13</sup>The questions concerning barriers to transition were each in one of five modules randomly assigned to the respondent. Therefore, only approximately one-fifth of our respondents were asked these questions.

Table 13

<b>Barriers To Transition</b>	
<b>Transportation</b> n=842	
Drive	60%
MARTA	10%
Walk	9%
Depend on friends	11%
<b>Domestic Violence</b> n=1003	
Abused by husband or partner	6%
Taken children to a shelter	5%
<b>Drug/Alcohol Abuse</b> n=657	
Anyone in the house had a drinking problem in the past year	9%
Anyone in the house had a drug problem in the past year	8%
<b>Reported disability</b> n=345	
Unable to operate telephone without help	17%
Unable to take care of shopping needs	50%
Unable to maintain house independently	27%
Unable to drive/ travel independently	51%
Can not be responsible for taking medications	22%
Unable to manage financial matters	34%

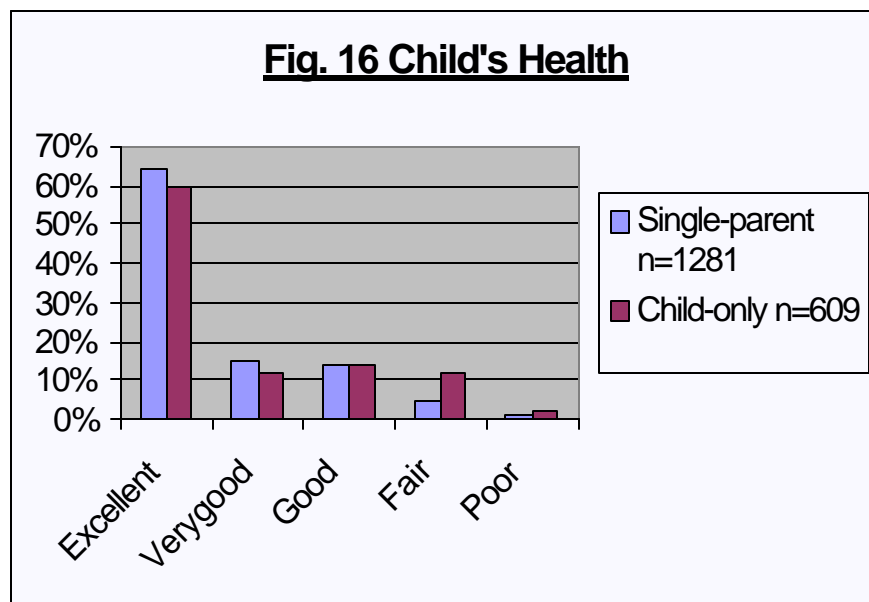
Question #5 – How are the children faring?

One of the main questions surrounding welfare reform involves its impact on children. This section examines the health and well-being of children of leavers as well as the environment shaping their development. The latter includes child care arrangements, involvement with absent parents, and residential stability. **As discussed above, child-only and single-parent leavers differ in many ways, and as a result, we consider the circumstances of children in each separately.** Also presented are subgroup analyses based on race, education level, region, and if the parent or care-giver

wanted to leave TANF.<sup>14</sup>

### Health care

Figure 16 examines general health outcomes, and the figure shows little difference between children in single-parent and child-only closed cases. In single-parent cases, 80% of the children are reported as being in very good or excellent health, a figure only slightly larger than that for child-only cases (72%).



If we focus on children with health problems, we can see that child-only cases have higher instances of child disability. As indicated by table 14, children in child-only cases are nine percentage points more likely to have a health concern that limits their daily activity than a child in a single-parent closed case (19% v. 10%).

---

<sup>14</sup>The number of observations per variable changes due to the fact that these variables were in modules, and there were several filter questions and skip patterns. For example, the child-care module was randomly assigned only to respondents who had a child in the household under the age of 12.

Our data also allow us to examine the emotional well-being and development of children in the study. It was reported that 30% of children in child-only cases often or sometimes being unhappy, sad, or depressed compared to 26% of children in single-parent cases. However, 33% of children in single-parent cases often or sometime have trouble concentrating, compared to 26% of their child-only counter parts. Finally, the children’s ability to get along with other children is similar in child-only cases and single-parent cases – 31% in both groups are often or sometimes unable to get along with others.

	<b>Children’s Emotional Well-Being and Development</b>	
	Single-parent	Child-only
Health concerns limit activity	10%	19%
Often/sometimes does not get along with others	31%	31%
Often/sometimes unable to concentrate	33%	26%
Often/sometimes unhappy, sad or depressed	26%	30%
N	507	189

*Children’s developmental environment*

A key feature of a child's developmental environment is the child care arrangements his or her care giver makes. In the child-care module, respondents with children under the age of 12 were asked “which of the following types of childcare are used for [identified child] on a regular basis, that is, at least once a week.” Table 15 describes the child care arrangements respondents make. Since parents can identify multiple sources of care, each column does not total 100%. The table reveals significant differences between child-only and single-parent cases. Most commonly, children in child-only cases are cared for by a non-relative sitter (44%) or are enrolled in a Head Start center (33%). Like child-only cases, the largest portion of children in closed single-parent cases are cared for by a non-relative



sitter (47%), followed by a Head Start program (42%). Among these children, however, the more troublesome arrangements are utilized. Seventeen percent of the children are cared for by a relative *under* the age of 13, and another 4% report the children stay home alone.

Table 15

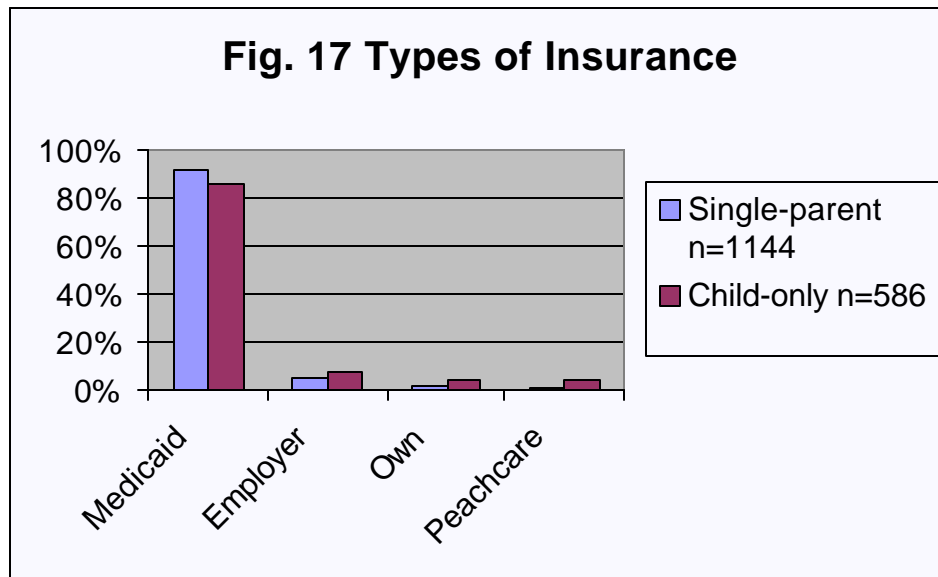
	<b>Child Care Arrangements</b>	
	<b>Single-parent</b>	<b>Child-only</b>
Relative under 13	17%	22%
Relative over 13	3%	11%
Non-relative sitter	47%	44%
Care in relative homes	5%	0%
Care in non-relative homes	3%	0%
Head start center	42%	33%
PreK/nursery program	5%	0%
Child stays alone	4%	0%
N	729	285

A second feature of the child's development environment is the availability of health insurance.

The number of insured children varies minimally between single-parent and child-only cases. Both are approximately 90%. However, as noted in figure 17, children of single-parent leavers are more likely to rely on Medicaid (92%) than child-only cases (87%).

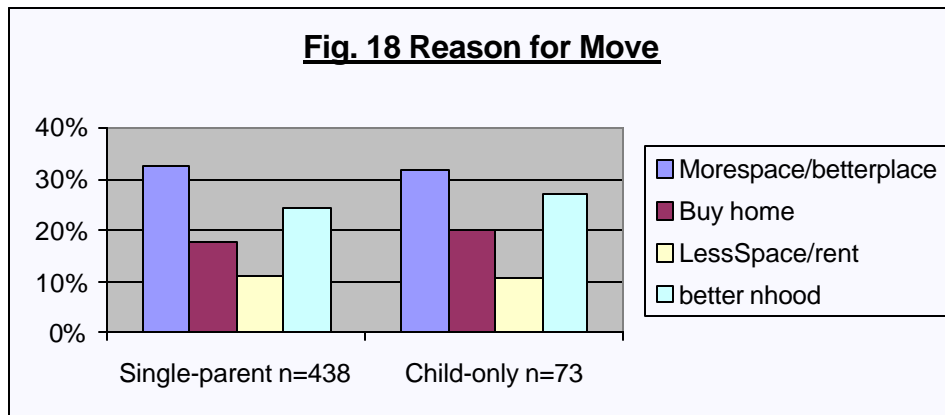
Table 16

<b>Children With Health Insurance</b>	
Single-parent cases	89%
Child-only cases	92%



A third feature of a child's development environment involves residential mobility. Single-parent-cases are more mobile than child-only cases, though both are relatively stable. (Again, the columns for single-parent and child-only are calculated separately and sum to 100%.) Only 21% of single-parent cases moved once or twice in the past year, compared to 13% of child-only cases. Among those who did move, for both case types, the most common reason was for more space (approximately 32%) or for a better neighborhood (27% and 23%). Approximately 20% of both case types moved because they were buying a home. Given the difficulties with locating families that move frequently, we suspect that our findings offer a somewhat optimistic view of residential stability.

	Single-parent	Child-only
Never	75%	85%
Once	15%	9%
Twice	6%	4%
More than twice	3%	3%



N

1144

586

Because so few of the children live with both parents, involvement with absent parents is a key feature of the developmental environment. For this reason, we asked a subset of respondents a series of questions about absent parent involvement. For the single-parent cases, the absent parent asked about was the father. Individuals who were randomly assigned the absent parent module were asked if the father was still alive and lived outside the home. For the child-only cases, the absent parent referred

to was the parent who put the child in the care of the respondent, this was always the mother.

Tables 18 and 19 show a very low level of absent parent involvement in children’s lives for both case types. Ninety-seven percent of the children in this survey are not living with their father. Of those, in 37% of single-parent leavers report the child’s father is either dead, or ‘like-dead,’ meaning the mother had no contact with the father and did not know where he was living. A further 25% of children had absolutely no contact with their absent parent. While the target parent differs, absent parent involvement is somewhat greater among child-only cases. For only 42% is the child’s mother dead, “like dead” or never seen by the child This figure is somewhat lower than that for single-parent cases (62%). However, one should remember that the figure for the child-only cases applies to the child’s mother. One can only presume that these children have no contact with their father. In that case, the figures in table 18 imply that two in five children have no contact with either parent.

Table 18	Absent Parent Visits	
	Single-parent	Child-only
Absent Parent Dead/or “like dead”	37%	16%
Never	25%	26%
About once a year	6%	8%
Several times a year	8%	23%
1-3 times a month	10%	12%
About once a week	5%	1%
Several times a week	10%	14%
N	697	185

*Sub-group comparisons*

For the sub-group comparisons, we combine both single-parent cases and child-only cases.

The first three outcomes (issues concerning residential mobility and health insurance) were asked in the

main body of the survey, so all respondents answered each of those questions. As presented in table 19, racial comparisons reveals few differences. Approximately 90% of both groups have moved no more than once in the past year. Insurance coverage and involvement with absent parent are very similar as well.

However, table 20 reveals that child outcomes do vary by respondent education levels. Higher education levels indicate more stability. Approximately 90% of those with at least a high school diploma or GED have moved no more than once in the past year. That figure is about twenty percentage points higher than those without a high school diploma or GED. Moreover, only 57% of children whose parents or care-givers do not have a diploma or GED are insured. The number of insured children increases by approximately 25 percentage points if child's parents or care-givers finished high school, earned their GED, or have some college.

Also, children who live with parents who wanted to leave TANF differ from those living with care givers who did not. Table 21 shows those who wanted to leave TANF were more likely to have never moved or moved only once compared to those who not did want to leave (89% v. 92%). Also, those who did not want to leave TANF were 4 percentage points less likely to retain health insurance for their children than those who wanted to leave (86% v. 90%).

There is little to no variation by education level.<sup>15</sup>

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<sup>15</sup>If anything, this suggests that our figures understate the difference between more and less educated respondents. One can only presume that the less educated moved more often. But since we only located people who moved infrequently, our figures may offer somewhat optimistic view of all families and particularly so for the less educated. Moreover, there is little difference in health insurance. This is one instance where the presence of a public policy—Medicaid and Chip—eliminates the difference between the more and less educated.

Table 19

		<b>Race Categories</b>		
		<b>Non-white</b>	<b>White</b>	
Never moved		75%	75%	
One move within a year		16%	15%	
Child insured		74%	73%	
	N			2303
Father <sup>16</sup> dead, 'like-dead', or never sees the child		48%	39%	
	N			5
				580

Table 20

		<b>Education Categories</b>		
		<b>HS/GED</b>	<b>No HS/GED</b>	<b>Some College</b>
Never moved		82%	58%	69%
One move within a year		12%	22%	21%
Child insured		82%	57%	73%
	N			2166
Father dead, 'like-dead', or never sees the child		27%	39%	18%
	N			498

Table 21

		<b>Wanted to Leave TANF</b>		
		<b>Yes</b>	<b>No</b>	
Never moved		66%	88%	
One move within a year		22%	6%	
Child insured		67%	87%	
	N			2228
Father dead, 'like-dead', or never sees the child		53%	28%	
	N			579

<sup>16</sup>Mother for child-only case.

### Comparability Figures

To put our data in context, we compared these figures first to stayers in Georgia, and second, to national figures on leavers and stayers.

#### *Comparability to stayers in Georgia*

Table 22 compares leavers and stayers in Georgia. (Figures on the former are provided by Risler and Nackerud, 1999). Given the large differences between child-only and single-parent cases, figures are presented for the two groups separately.<sup>17</sup>

The first three rows of the table present basic demographics for leavers and stayers. One can see that for both single-parent and child-only cases, leavers and stayers are of similar age and marital status. However, a slightly higher percentage of leavers are white. When considering background characteristics, both single-parent and child-only leavers and stayers have approximately the same number of children. However, age at first birth is greater for child-only leavers (24.5) compared to child-only stayers (18.8).

The greatest difference between leavers and stayers is education level. Among single-parent cases, 24% of leavers did not have a high-school diploma or a GED compared to 45% of stayers. The difference between child-only leavers and stayers are more noteworthy. Only 20% of the respondents for child-only leavers had neither a high-school diploma nor a GED compared to 52% of respondents for child-only stayers. For both child-only and single-parent cases, more disadvantaged are accumulating on the TANF rolls.

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<sup>17</sup>The time periods are somewhat inconsistent, however previous analyses of stayers and leavers for the same time period produce similar results.

Not surprisingly, employment is much higher for leavers than stayers. Employment rates for single-parent leavers are approximately thirty percentage points higher than stayers. Among child-only leavers, 42% report being employed compared to only 27% of single-parent stayers. Considering home ownership, single-parent stayers are the least likely to own their own home (5%). Child-only stayers are the most likely to own their own home (48%). Finally, there are differences between health insurance for children, especially for single-parent leavers. While 76% of single-parent leavers have health insurance for their children, a full 96% of children in single-parent stayers are insured.

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



Characteristic	Child-Only		Single-Parent	
	Stayers	Leavers	Stayers	Leavers
Average age (years)	43.5	43.2	29.3	29.2
Race – white	29%	28%	17%	20%
Marital Status – never married	29%	36%	70%	68%
Average number of kids in household	2.3	2.1	2.3	2.2
Age at first birth (years)	18.8	24.5	18.0	17.2
% who did not graduate HS or earn a GED	52%	20%	45%	24%
Monthly earnings below \$1000	*	51%	63%	65%
% employed	28%	42%	39%	67%
% extremely confident they will get off/ remain off welfare	27%	72%	79%	76%
% of children with health insurance	88%	82%	96%	76%
% who own their own home	48%	34%	5%	14%
% who “sometimes or often do not have enough to eat”	*	11%	5%	13%

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

### *National Comparability Figures*

Another way to put the experiences of Georgia leavers in a context is to compare them to experiences of leavers nationwide. For comparison data, we turned to the National Survey of America’s Families (NSAF). The study collects data on low-income families in 13 states. When weighted, these data are representative of the non-institutionalized, civilian population of persons under age 65.<sup>18</sup> Recent analysis of these data (Loprest and Zedlewski, 1999) compared welfare leavers and

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<sup>18</sup>For details on the NSAF, see <http://newfederalism.urban.org/nsaf/>

current welfare recipients.<sup>19</sup>

Table 23 summarizes findings from the GSU Leavers study and the NSAF. Using the latter, we describe both leavers and current welfare recipients.

First, leavers in Georgia (column A) resemble both leavers (column B) and stayers (Column C) in other states in terms of their gender and age. Georgia leavers differ in that they are more likely to have never been married (61% v. 44%), and more likely to be non-white (78% v. 36%). Leavers in Georgia are also somewhat better educated in that they are more likely to have completed high school or a GED (59% v. 37%). However, leavers in the national study are more likely to have some college (20% v. 27%).

In terms of their economic status, leavers from Georgia fare a bit better. Sixty-nine percent of leavers in Georgia report being employed, compared to 61% of other leavers.<sup>20</sup> Comparisons of food insecurity also suggest Georgia leavers are faring better. In Georgia, only 38% of leavers report that they sometimes or often “worried that food would run out before we got money to buy more”. This is a much lower figure than for leavers nation wide (50%).

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<sup>19</sup>In terms of leavers, The findings presented in Loprest and Zedlewski 1999, consider leavers individuals who received welfare between 1995-1997 and were not receiving cash assistance at the time of the NSAF interview in 1997. The current recipients were receiving cash assistance payments at the time fo the NSAF interview in 1997.

<sup>20</sup>This difference is likely not meaningful because of methodological differences in how employment is measured. The numbers do indicate, however, that employment is roughly the same across studies.

Table 23		NSAF*		
		A. GSU Leavers Study	B. Former Recipients	D. Current Recipients
Female		96%	93%	96%
Age	18-25	31%	30%	30%
	26-35	33%	44%	39%
Race	White	22%	52%	41%
	Non-White	78%	36%	34%
Never married		61%	44%	31%
3 or more children		33%	33%	41%
Education	Less than HS	21%	28%	40%
	GED or HS Diploma	59%	37%	35%
	Some College	20%	27%	20%
Economic Status	Employed	69%	61%	21%
	Food Inadequacy**	14%	50%	61%

\* NSAF data are from Loprest and Zedlewski 1999.

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

## V. Conclusion

Our findings provide a variety of insights into life after welfare. We find that most single-parent leavers left for employment. Rates of employment are substantially higher than those for open cases. This difference reflects both the fact that leavers went to work as well as preexisting differences between leavers and stayers. Comparisons between the two groups (Table 22) suggest that leavers are substantially more educated than stayers.

The forces driving child-only cases to close were not apparent at first. One possibility is that economic growth lead these families to leave the rolls. Our data bear this out to some extent. Four in ten left for employment. Another reason is perhaps more obvious. Roughly one-third of child-only cases closed when the only child in the household moved out. Also included in this group are instances where the only child in the household turned 18 and became ineligible.

We also find that many but not all leavers are well informed about welfare reform. Most know that there is a lifetime limit and that the limit is four years. There is somewhat more confusion about other programs, but most know that Medicaid coverage does not end when the family leaves the rolls. Most also know that Georgia does not increase benefits when a welfare recipient gives birth while on the rolls.

On the other hand, there is some confusion about reform, at least among some sub-groups. One in five low-educated single-parent leavers say they left because of the time limits. This could either mean that they were conserving eligibility or that they believe they have exceeded the limit already. The latter implies some confusion about the terms of welfare reform. One in 7 (13%) of child-only leavers indicate that they left because of time limits, which do not apply to those cases.

While most leavers are working, earnings levels are low, especially in rural areas. As a result, families piece together resources from various sources. Many leavers still participate in government programs, including Food Stamps. Many families rely on friends or family for support. Many also receive child support, but the amount of money involved is very modest. As a result, hardship is still common. One in five report having their telephone service disconnected. Two in five report that they often or sometimes worried that their food would run out.

Our figures also identify substantial diversity among leavers. This diversity is most apparent in terms of education. Individuals with a high-school degree or greater are roughly 50% more likely to identify employment as their reason for leaving the rolls than those with less than a high school degree. Barely half of the latter left the rolls for employment. This difference is also apparent in their confidence about remaining off the welfare rolls. One in five leavers (19%) with less than a high school degree were not so or not confident at all that they would remain off the rolls. This is nearly five times the rate for individuals with a high-school degree (4%). We also find some regional diversity. In areas of rural decline, earnings are especially low.

We also find substantial differences between single-parent and child-only leavers. The latter, for example, are far less likely to leave the rolls for employment. We also examined the movement between the two types of cases. In general, we find little movement from single-parent cases to child-only cases. It does not appear that the closure of single-parent cases leads to child-only cases. If anything, the flow of children from child-only cases to single-parent cases is greater. This flow might involve children moving back in with their parents or having a child of their own.

The children of welfare leavers appear to be faring reasonably well. They generally are in good

health. A substantial minority, however, have a health concern that limits their activity. This rate is particularly high for children in child-only cases (19%). The vast majority of children are insured, but the rates are lower than for stayers. Residential mobility is fairly low, suggesting a reasonably stable home environment. There are, however, troublesome features of their developmental environment. These children have little involvement with absent fathers. As many as two in five children in child-only cases have no contact with either parent. Child-care arrangements also leave something to be desired. One in five children ages 12 and under are either left alone or with another relative age 12 or younger.

On the whole, therefore, leavers have much in common with the working poor, a finding that is consistent with other leavers studies (See appendix IV.) Comparisons with stayers suggest that leavers are faring better in some ways, including employment. In other ways, leavers are faring worse than stayers. In terms of insurance for their children or food adequacy, they appear worse off.

The differences between leavers and stayers must be interpreted in light of the fact that leavers are better educated. As a result, one suspects that they fared better than stayers even before leaving the rolls. The true nature of this difference is difficult to ascertain. To some extent, the advantaged position of better educated leavers suggests that schools provide useful skills, which is fairly obvious. On the other hand, differences across education levels probably capture more than the impact of years of schooling. Individuals who have more schooling likely are better motivated and have greater ability. For that reason, providing the less educated with opportunities to complete their schooling will only partially close the gap between the more or less educated leavers.

The difference between more and less educated leavers, therefore, represents a sort of upper limit to what one might accomplish by providing skills and training to the less educated. However, the

difference between the two groups is so large in so many areas, better education and training may be essential to helping individuals remaining on the rolls to make a successful transition off welfare.

Where do we go from here? Clearly, continued research on leavers is needed. Our data provide only a quick snapshot of how leavers fare shortly after leaving the rolls. Longer-term followup is needed to understand how the leavers fare over time. Furthermore, the least educated and most disadvantaged remain on the welfare rolls. As the state approaches its time limit, one expects to see substantial shifts in the composition of leavers. How these families fare after leaving the rolls will be the true test of welfare reform.

Further research is also needed on the child-only cases. Additional information is needed on the households in which these children currently live. We chose to interview the adult who had been the head of the child-only case rather than the head of the household where the child now lives. As a result, our information on the child's current circumstances is somewhat limited. Moreover, additional information is needed on how the child-only cases interact with the foster care system.

Finally additional research is also needed on the stayers. The state's study of stayers is now over one year old, and it seems clear the composition of stayers has changed in that time. More current data on stayers would facilitate the interpretation of the data on leavers.

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