Tracking the Transition from Welfare to Work

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One of the primary goals of the 1996 federal welfare reform legislation was to reduce dependency on cash transfers and to promote self-sufficiency through employment in the paid labor force. This paper draws upon a qualitative study of 18 Iowa welfare recipients and tracks changes that occur over a three-year, post-reform period. Thick descriptions highlight the internal family dynamics of the choices made over time. The purposes of the study are twofold: first, to document changes in family composition, employment, housing, and program participation, and second, to report how recipients experience such changes. Findings reveal that the 11 families who left the cash benefit program were usually still dependent on Food Stamps, Medicaid, and other need-based programs to supplement family income. Income sources within families were often one or two low-wage jobs, Supplemental Security Income (SSI) or Social Security Disability Income (SSDI) payments. In addition, chronic health problems plagued most families still receiving cash benefits, and those cycling on and off cash benefits experienced frequent changes in employment and/or family composition.

Key words: welfare reform, working poor, TANF, panel study
The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) made major changes in the support provided to low-income families with children. The legislation eliminated the Aid to Families with Dependent Children (AFDC) entitlement program and replaced it with Temporary Assistance for Needy Families (TANF) block grants to the states. TANF programs required most welfare recipients to work, and limited their receipt of cash grants to a maximum cumulative period of 60 months. Although states were given considerable flexibility in the implementation of the law, there were clearly-defined federal requirements: each year, an increasing proportion of the welfare caseload was expected to be in the workforce or involved in work-related activities, and recipients who failed to cooperate could be sanctioned.

As a result of the early AFDC waiver reforms, a healthy economy, and the new requirements of PRWORA, the late 1990s witnessed unprecedented declines in welfare caseloads. Supporters of the law, including President Clinton, declared welfare reform a success. Critics, however, questioned whether leaving welfare was an end in itself and began looking for evidence of how families who were on welfare when TANF was implemented were now faring. One result of this query was the emergence of a proliferation of studies that examined the situations of former recipients of cash assistance, termed welfare "leavers."

Much of what is known about welfare leavers comes from 15 location-based studies¹ funded by the U.S. Department of Health and Human Services. Each study focused on a cohort of leavers, typically using administrative data to monitor subsequent use of welfare programs with links to employment and earnings data from the Unemployment Insurance program. In most cases, data were supplemented with household surveys that provided information not available from other sources. Most of the studies observed leavers at one year (at most two years) following exit from the TANF system. One of the 15 studies investigated a cohort who left Iowa’s TANF program (called the Family Investment Program or FIP) in mid-1999 (Kauff, Fowler, Franker & Milliner-Waddell, 2001). In addition, national surveys such as the National Survey of Families (NSAF), the Panel Study of Income Dynamics (PSID), and the
Survey of Income and Program Participation (SIPP) offered insights on the well-being of those who left welfare.

This study, which tracks changes in employment, housing, program participation and family composition that occur over a post-reform period among 18 Iowa families, contributes to the literature on former recipients of cash benefits—leavers—in several ways. First, the longitudinal investigation follows the respondents for three years—longer than most leaver studies. The wider window of observation, coupled with six different contacts for each family, provides the opportunity to gain a better sense of the dynamics in family composition, employment, housing and program participation that occur over time. Such dynamics are often masked, even in panel studies, because analyses often consider data at only two points in time. Second, the study adds in-depth, qualitative data to the mix of leaver studies that are predominantly quantitative investigations. Qualitative methods permit us to offer thick descriptions of families that contribute to our understanding of the daily lives and choices of recipient families. Finally, unlike typical leaver studies which track only those who exit welfare, this detail is available for all recipients: those who have left cash benefit programs, those still receiving benefits, and those cycling on and off programs.

Previous Research

Leaver studies have generally attempted to assess the overall well-being of former welfare recipients using both objective and subjective measures. Surveys have tracked income and a few studies have asked direct questions of whether leavers were better off since exiting welfare. Because income does not capture all aspects of well-being, many studies have investigated the extent to which leavers experienced material hardship.

For example, roughly half of all leavers in both the NSAF and the Iowa leaver survey reported living below the poverty line (53% and 47%, respectively); only one in five Iowa leavers had incomes above 185% of the poverty level (making them ineligible for most forms of government assistance). One in three Iowa leavers reported food insecurity; one in four had
difficulty paying for housing, but few (7%) were ever without a place to live. Half of the Iowa leavers indicated that they were “better off” compared to their standard of living before exiting the system, one in three said their well-being had not changed, and 19% reported being “worse off” (Kauff et al., 2001).

In 2004, Gregory Acs and Pamela Loprest synthesized findings from the 15 location-based leaver studies and supplemented these results with analyses of several nationally representative longitudinal data sets. They found that leavers who remained off welfare were a very heterogeneous group. Some may have obtained good jobs, while others likely left welfare through changes in living arrangements or by transitioning to other programs such as Supplemental Security Income (SSI), Social Security, and/or child support (p. 44). Those who exited and remained off TANF were more likely to receive transitional supports such as subsidized child care, public health insurance, or help with other transitional expenses (Litt, Gaddis, Fletcher & Winter, 2000; Loprest, 2002). On average, about three in five leavers worked nearly full time in the service industry at mean hourly wages ranging from $7.50 to $8.74. In general, workers did not have a comprehensive set of benefits and often experienced periods of joblessness (see Acs & Loprest, 2001; Hofferth, Stanhope, & Harris, 2002; Kauff et al., 2001; Loprest, 2001; Richer, Savner, & Greenberg, 2001).

Acs and Loprest’s overall conclusion about leavers was that, while many work, some cannot. Most were no worse off than they were while on welfare, although some had prospered and others had foundered. By and large, families that left welfare joined the ranks of the working poor—generally better off than they were on welfare, yet still facing substantial hardships. A significant minority of leavers, about one in five, left welfare without a job, remained jobless for long periods of time, and had no visible means of support (Acs & Loprest, 2004, chap. 7).

Understanding how leavers have fared is an important first step in discovering if federal or state policy interventions are warranted to help them meet their basic needs in the short term and to attain self-sufficiency in the long run. Using mixed methods, we began to explore some of the puzzles that large-scale studies leave unanswered: What pushes or pulls
recipients off the welfare rolls and into jobs? What are the stresses in balancing work and families for those at the bottom of the economic ladder? Clues identified from qualitative studies may suggest directions for future demonstration projects and for additional research that goes beyond the caseload decline discussions and explores more meaningful ways of designing policies and programs that support broader goals of improved family well-being.

Methods

Data for this study come from a series of in-depth interviews with families who were receiving FIP payments in mid-1997. This study was one phase of a comprehensive study of welfare reform in Iowa (Fletcher, Flora, Gaddis, Winter & Litt, 2000; Fletcher et al., 1999) that included case studies of seven communities ranging from an extremely rural community with a population of 1,800 to a growing metropolitan community of 109,000. A sample of five names in each community was selected randomly from the FIP lists and the initial interview was conducted in the fall of 1997. The respondent, usually an adult female and the primary caregiver for the children, remained the primary contact through all six interviews.

The first five interviews were conducted about six months apart; the sixth interview, in 2001, was conducted about one year after the fifth interview. Because the focus of the current study is on family change over the course of the six interviews, only the 18 households with whom all six interviews were conducted are included in this study.

Frequency distributions of demographic and program participation characteristics were prepared to describe the patterns of changes among the 18 families. The crux of this paper, however, is the analysis of the text data from the interview transcriptions. Of interest are changes in family characteristics and changes in household composition, housing, employment, and the receipt of welfare benefits. The qualitative analysis is organized around the pattern of changes in the receipt of cash benefits over the six interviews.
Findings

Family Characteristics and Changes over Time

At the first interview, five respondents were under age 25 and six were over 35 years old. At the last interview, none of the respondents was under 25 years old. Half of the respondents had some college or technical training; over the course of the interviews, one respondent completed her bachelor’s degree, and a second her Associate of Arts (AA) degree. Others completed Licensed Practical Nurse (LPN) programs. Advances in education were instrumental in helping some of the respondents qualify for better jobs. Respondents reported that their overall health improved from the first interview to the last. Seven respondents were employed full time at the beginning of the interviews and six were employed full time at the last interview.

Only one family owned their home at the first interview but over the course of the study, home ownership was achieved by five other respondents. Six of the families lived in the same dwelling over the course of the interviews while two of the families lived in four different residences between the first and sixth interviews.

Household composition among the families over the time period ranged from no change in household composition in six of the families to an increase—typically due to the birth of an infant—in six of the families. The remaining six families experienced both increases and decreases in family size but none of the 18 families had a decrease in family size that lasted over the course of the interviews. The overall distribution of marital status was identical at the first interview and the last: seven households were headed by a single woman, five were headed by a cohabiting couple, and six by a married couple. The identical distribution at the two points in time masked internal changes, however: one cohabiting couple married, one married couple divorced and then cohabited, one cohabiting couple split up, and two women without partners at the beginning were married or cohabiting at the last interview.

The relationships among changes in employment status and changes in program participation further illuminated the dynamics of leaving welfare. Eleven families were leavers,
exiting the FIP program over the course of the interviews and not returning within the interview period. Of those, six were employed, four were still receiving Food Stamps, and eight were receiving Medicaid benefits at the sixth interview (see Table 1). Three of the leavers were getting Supplemental Security Income (SSI) payments and two were receiving Social Security Disability Income (SSDI).

Table 1. Tracking employment, Food Stamps and Medicaid receipt in 2001 by patterns of Family Investment Program (FIP) use over the course of interviews, 18 families

<table>
<thead>
<tr>
<th>FIP Pattern</th>
<th>Leavers (11)</th>
<th>Stayers (4)</th>
<th>Cyclers (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>6</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>2001</td>
<td>6</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Receipt of Food Stamps</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>7</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>2001</td>
<td>4</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Receipt of Medicaid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>10</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>2001</td>
<td>8</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Receipt of SSI</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>3</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>2001</td>
<td>3</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Receipt of SSDI</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2001</td>
<td>2</td>
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<td>0</td>
</tr>
</tbody>
</table>

Four families continued to receive FIP benefits throughout the study; these FIP “stayers” were all receiving Food Stamps and Medicaid. Three families cycled off and on the FIP program over the six interviews: two “cyclers” were employed at the last interview, but were still receiving assistance in the form of Food Stamps, and all three were on Medicaid.

The Context of Change

Although informative, the descriptive statistics only give a
general sense of the dynamics of household change, employment, and the receipt of benefits. Qualitative analyses, however, can provide a better picture of the struggles in the lives of low-income families. To highlight the variety of changes families experienced, we provide detailed descriptions of three of the 18 families, a leaver, a stayer, and a cycler. We supplement these descriptions with examples from other families in the same category, when appropriate.

**Leavers.** The array of reasons that the 11 leavers exited FIP is striking; some joined the ranks of the working poor; others became more reliant on SSI or Social Security disability payments; others struggled with insufficient income and barriers to employment; and some left FIP because they no longer had dependent children in their care. In all cases, couple-headed households tended to be better off because of the two earners' wages.

Jody, 32, and Pete, 33, her live-in partner, and Jody's two daughters, ages 7 and 3, are an example of a couple-headed household in this category. They live in Pete's house, which they rent from his mother for $250 a month, plus utilities; they are hoping to buy it. They own two vehicles—a minivan, which is Jody's transportation, and a pickup that Pete uses to get to work.

Jody is a day care provider and her business is at capacity—caring for five children in addition to her younger daughter—at the first interview. Children begin arriving at 7:00 a.m. and the last one is usually picked up by 6:00 p.m. She charges $65 a child per week, $95 for two siblings. She has children in her home between 50 and 60 hours a week and grosses $290 a week. Despite the long hours and low wages, Jody prefers work that allows her to care for her preschooler in her home. The number of children in Jody's care, however, varies seasonally. When she is not full, she works part-time jobs to make up for the lost revenue. She could fill her daycare slots if she would offer longer hours for care: "I've had some phone calls, but they're just for nights and I don't want to babysit nights." By the last interview, her daycare is once again full, so she has dropped her part-time jobs.

Pete works as a mechanic, 10 hours a day, 4 days a week. He earns $320 a week unless he gets overtime, which typically
happens a couple of times a month. He receives steady pay increases that, coupled with overtime work, improve their economic position. Pete has health insurance through his job; Jody and the girls are covered by Medicaid. Jody says that she and the girls could be covered by his health insurance plan if she and Pete were married, but the cost of family health coverage would take a large chunk out of Pete’s paycheck. In addition to Medicaid, Jody and her daughters also receive Food Stamps.

Without a partner’s earnings, Jody’s “full” family daycare business does not generate enough income to put Jody and her girls above the poverty line. Jody’s multiple jobs, Pete’s overtime pay, and access to Medicaid and Food Stamps provide for the needs of this working poor family. Given the job opportunities in their rural community, it seems unlikely that Jody and Pete will see major improvements in their incomes any time soon, but, through hard work, they have left the welfare rolls.

Other leavers in our study illustrate the important role that disability income payments have come to play in providing a base income other than FIP. Marilyn, 40, is living with two daughters, Amanda, 17, and Angie, 6, at the first interview. She has serious physical health issues, and also suffers from mental illness. She takes medication for depression and psychotic episodes, and is under care of a mental health counselor and a psychiatrist.

In the early interviews, Marilyn is working with an in-home counselor on parenting skills to address what she describes as a chaotic relationship with her children. Angie is removed from the home before the third interview. Amanda is no longer living with her at the fourth interview—she has had a baby and is now living on her own. Marilyn is alone at the fourth and fifth interviews. At the sixth interview, Amanda’s infant son has been placed in foster care, and Amanda, with her fiancé, is back living with her mother. Despite major changes in household composition over the interview period, a simple comparison of household size at the first and last interviews would mask these changes.

Marilyn is supported by Social Security and SSI, and is living in subsidized housing. She loses her FIP benefits when Angie is removed from the home, but receives Food Stamps and Medicaid throughout the interview period. Without a
phone or car and little contact with family or friends, Marilyn is quite isolated. Physical and mental health problems contribute directly to her inability to handle the stresses of balancing roles of employment and family. The hallmarks of intergenerational poverty are evident in this family, somewhat ironically categorized as a welfare leaver.

Several families have both a disabled husband or partner and a disabled child. The women in these families typically say that caring for their families is their full-time job; they see no logic in attempting to work outside the home. Connie, the mother of two sons ages 6 and 4, spends amazing amounts of energy dealing with the educational and health care systems to get the support needed for her older son, who is autistic. Her husband, plagued by physical health problems and depression, is a truck driver at the first interview; by the sixth interview, he is unemployed and receiving Social Security Disability Income: “It’s been a godsend because we feel we can go on with life and not worry about where the next dollar is coming from.”

Connie’s autistic son is on Medicaid and receives SSI payments and it is clear that, without her advocacy, those benefits would not have been forthcoming. She tells of having to travel from their small community as much as 150 miles for evaluation by a physician approved by the Department of Human Services, and of needing to take a proactive stance with the school to get the in-school services her son needs. None of the teachers nor their aides have any experience with autism: “They’re learning...we’re all learning together.” The family finally moves to cheaper housing in a different county, where services for her son are in the community, rather than 40 miles away. At the last interview, things are better because her sons and husband are finally covered by Medicaid. Connie is uninsured, however: “Just to get insurance is $400 to $500 a month. I can’t swing it and don’t feel I should take that kind of money away from the family for my health insurance.” Her best bet would be to get a job with benefits, but “I really can’t do that because of his [her spouse’s] disability and the kids. With [her son’s] disability, I need to be on call.” At the fifth interview, Connie reports that life is better than at the first interview, a
tribute to her intelligence and tenacity in dealing with the multiple support systems that intersect with her family.

**Stayers.** The four stayers in our study illustrate the challenges that many long-term recipients face. Some have remained on FIP because of custodial parents' physical and/or mental disabilities that have made it difficult for them to obtain and retain jobs. Others illustrate patterns of intergenerational poverty and long-term dependency.

Bill, age 54, and Bettie, age 52, are raising Bill's youngest children from a previous marriage: Joe is 17 and a special education student and Christy is 13 and a typical middle school student. Bill participated in Iowa's job training program, but has struggled to find employment. Bettie believes both she and Bill have been victims of age discrimination. She describes Bill's experience: "They told him he was too old...said he had poor hygiene...so Job Search decided he would be better off doing something on his own...he could work better by himself." Bill's meager earnings come from two paper routes and seasonal yard work. Bettie's health problems prevent her from working. Most of their income comes from various assistance programs: SSI payments for Joe, FIP, Food Stamps, and Medicaid coverage for everyone but Bettie, as well as school lunch, and housing and utility subsidies. When money is really tight, there is periodic help from the local Catholic Church and the food pantry.

Health problems play a dominant role in this family. Between the first and sixth interviews, Bill suffers whiplash from a car accident and eventually receives disability payments. Both Bill and Joe take antidepressant medication and go to counseling to address violent behavior. Bettie experiences gall bladder attacks and finally has surgery during a brief period of Medicaid coverage. Joe is obese, but refuses to change his eating patterns. After completing school, he works at the sheltered workshop and continues to live at home.

At the fourth interview, Bill and Bettie have divorced. Bettie takes a job as a cashier and then tries telemarketing. She quits this job because she finds it too stressful: "It got to the point it was driving me crazy. I was breaking out in hives...I was so stressed out from all the things at home and then I'd get
to work... I said, 'no... no way.'” Bill remains involved with the family. He is unemployed and looking forward to a summer of camping and spending time with his family. At the final interview, Bill has received a “back pay” disability payment and uses it to buy a house for the family in a very rural area but finds the new home in need of many repairs. The family relies on disability income, FIP and Food Stamps: Bills are piled up and creditors are demanding payments.

The receipt of cash welfare for Bill and Bettie is not likely to end until Christy ages out of the system in a few years. FIP and other income supports have played an important role in stabilizing the resources available to this family over many years, but they are clearly not enough. Community safety nets come through in tough times, but Bettie recognizes the limits of that safety net: “I have lots of bills that I can’t pay... creditors (are) on me day and night. I don’t know how I’m going to dig it (money) up. I’ve went places. They’ve helped me and helped me and helped me. They don’t want to help me any more in this town.”

Cycling. Three of the families illustrate the complexities of cycling on and off of FIP. Some cyclers move on and off welfare in response to movement in and out of the labor force, or movement between part-time and full-time work, whereas changes in living arrangements explain why others cycle on and off of FIP as their eligibility changes.

Julie is a 23-year-old single parent whose daughter, Alana, is five years old. Her partner Brian, age 20, stays with them most of the time, helping with child care when not attending computer classes. Julie is a student at the local community college and works nights as a Certified Nurse’s Aide (CNA). She is living in Section 8 housing and gets FIP payments monthly, along with Food Stamps and Medicaid. Her daughter receives subsidized breakfasts and lunches at school.

At the second interview, they have moved to a larger, rent-subsidized apartment. Julie is working full time as a CNA at a nursing home, from 10 p.m. to 6 a.m. each night. Her partner is still in school and is also working the third shift, although not as many hours as Julie. He watches Alana on the nights he is not working. Julie is still receiving FIP, but the monthly payments have gone down. She comments, “Leased housing
and Food Stamps—it does help. The Food Stamps do, and the medical does. But the money, no.”

They are no longer receiving FIP or Food Stamps at the third interview, largely because she is working full time, and he is working part time. They are still eligible for Medicaid, and she is pregnant so is enrolled in the Women, Infants and Children (WIC) program. After the birth of the baby, Julie starts receiving FIP payments again, along with Food Stamps, WIC, and Medicaid. Julie’s baby is two months old when she starts back to work part time as a CNA. Her partner is working full time as a computer technician, with good benefits. They have moved into a mobile home that they purchased.

Brian’s 4-year-old son, Justin, has joined the household by the fifth interview. Julie is still working part time as a CNA and Brian continues full-time work as a computer tech. Julie and her children remain on FIP, along with Medicaid, Food Stamps, WIC, and school lunches.

At the last interview, they are no longer receiving FIP payments, but are receiving Food Stamps, WIC, and Medicaid. Julie is working “almost full time” at 35 hours a week, still as a CNA. She works the third shift, and likes it because “then the children don’t even know I’m gone.” Brian works days, so he does child care at night. They are talking about getting married and buying a house, although not necessarily in that order.

Julie and Brian illustrate how household composition and employment status combine to affect FIP eligibility. Increased earnings resulted in a drop and then a discontinuation of FIP checks. The birth of a child triggered eligibility and movement back onto the FIP rolls. Throughout the interviews, the family remains on Medicaid, but cycles on and off Food Stamps and the WIC program. Perhaps not surprisingly, Julie sees both positive and negative aspects in the FIP program: “I don’t like it where everybody is in your business and has to know every little cent you make...needs to know where I’m working.... But, I mean, they came through with money...with insurance and stuff.... I do need that. So that’s the positive part.”

Discussion and Implications

The unprecedented decline in welfare caseloads raises
concern about the well-being of former recipients. Our study monitored 18 families who were on the FIP rolls when federal welfare reform policies were implemented in Iowa in 1997. Our findings reinforce the need for qualitative as well as quantitative methods in studying the consequences of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Comparative analysis of some of the demographics of our sample at the first and sixth interviews would suggest stability, when in fact, the qualitative stories describe frequent changes. For example, the raw distributions of household structure in 1997 and 2001 are identical, yet there were changes in the household composition of 5 of the 18 families. Similar issues can be found in the distributions of employment status and the numbers of children in the household. Quantitative analyses, even in a sample as small as ours, would miss the "... the human terrain that lurks behind the numbers" (Newman, 2002).

Although our findings indicate that the majority (11 of 18) of the families left the FIP rolls, what is most striking is the diversity among their reasons. In only rare instances did we observe true upward mobility: someone moving directly from FIP into a well-paying job with benefits that made them ineligible for FIP on the basis of income. A more likely scenario was the addition of a second low-wage job or second earner whose income boosted the total family resources above the eligibility guidelines, yet kept the family eligible for food or medical assistance. For some, retaining a job was a huge challenge. Those with physical or mental disabilities were apt to quit a job because of flair-ups of physical problems or the stress of trying to balance work and family. Several adults with chronic health problems became eligible for disability income. Those benefits became a more stable and more lucrative transfer payment as compared to the time-limited FIP benefit. Other families became ineligible for FIP because they no longer had dependent children in the home. Interestingly, some who went from welfare to work to unemployment were likely to have regained FIP eligibility, but did not reapply for those benefits. One assumes that these families chose to piece together an alternate strategy that did not include FIP.

The three families who cycled on and off the FIP rolls and
moved in and out of the labor force experienced changes in the number of hours worked and/or in the number of persons in the household. The stayers in our study were often families in which adults and/or children experienced serious health problems. The caretaking demands of disabled children coupled with a lack of adequate child care made movement from welfare to work an impossibility for these families. One stayer had a job, but the pay was so low that the family remained eligible for a FIP check.

Our findings are consistent with the quantitative leaver studies that were conducted in the late 1990s, yet they paint a more vivid picture of overwhelming complexity in the lives of many low-income families. They highlight certain resiliencies in the face of difficult daily stresses: coping skills that result in access to resources; tenacious mothers of disabled children seeking out appropriate educational and social service programs; and management abilities to balance parenting responsibilities despite long work shifts at low wages. Our case studies also reveal some of the most troublesome scenarios of family life: alcohol addictions, family violence, chronic mental and physical health problems that go unattended, and hard-working adults struggling in labor markets that simply fail to reward low-skill jobs adequately.

Our findings also illustrate the fragmented nature of our welfare system and the bureaucracy surrounding it. Although families were often quick to praise welfare caseworkers, they also were likely to voice frustrations about the rigidity of rules and regulations. We observed instances where families failed to participate in programs such as transitional Medicaid or Iowa's child health insurance program. What is unclear is whether this was a conscious choice or a result of lack of awareness of the programs. In some cases, families were critical of caseworkers who showed a lack of respect and treated them in a condescending manner. Not surprisingly, some families were willing to forego cash benefits rather than return to a system that treated them poorly. In contrast, we learned of workers who labored along side of families to champion their cause and actively sought ways to cut red tape. These observations suggest a need for broader outreach to create awareness of programs and services, simplification of the system such as
“one-stop shops” that coordinate and centralize services for low-income families, and a re-thinking of how community professionals and volunteers are organized and trained for their work with low-income families.

This study builds and elaborates on the growing body of welfare reform research and reveals findings that are consistent with both large-sample quantitative and focused qualitative studies. There are lessons for community practitioners in the stories that have unfolded in this project. Also, in more general terms, our findings and those from other studies provide support for two broad directions for policy.

One package of policy recommendations builds on the premise that people who work should not be poor. A domestic policy agenda supporting access to health care, transportation, child care, and wage supplements seems straightforward. A major impediment is cost in an era of deficits and tax cuts; another is political will and priorities. Jason DeParle (2004) notes that the ultimate goal is not a safety net for workers but a reduced need for one—to give families like those in our study a chance at upward mobility. He writes, however, that “Elevators are harder to design than safety nets, but there are obvious places to begin” (p. 328). DeParle identifies three tested strategies that could have long-term payoffs: training, mobility, and child care. Reducing the current bias against training, and testing a mix of work and on-the-job training are a potential step in building skills that will garner higher wages. Oregon’s TANF program demonstrates that mixed job search and training raised earnings twice as much as those that stressed immediate employment (Poppe, Strawn & Martin, 2003). A second strategy involves mobility, literally—helping families move to areas with better job prospects and safe neighborhoods. The famous Gautreaux experiment in Chicago and its successor project, Moving to Opportunity, moved inner-city families to the suburbs and brought families better health, less crime, and improved behavior among girls (Rosenbaum, 2003; Kling, Liebman & Katz, 2007). A third strategy is informed by findings from the New Hope project in Milwaukee which demonstrated the positive long-term effects of center-based child care and after-school programs for boys in the participating families (Huston et al., 2003).
A second policy approach builds on the premise that people who are unable to participate fully in the labor market could contribute more to their families and improve their personal well-being if given greater access to quality health care and structured opportunities for work. Policies that provide health care access, but specifically feature parity in the provision of mental health care would greatly enhance the well-being of many of those who are on welfare rolls and/or receive disability income benefits. Furthermore, although many of these individuals may be unable to hold down full time work in private sector jobs, it does seem likely that many could contribute more to society and to their family’s economic well-being by working in public, community-based employment projects. To date, very little attention has been given to this important segment of the poor.

We suggest that it is time to invest in a new round of demonstration projects, coupled with multifaceted evaluations that could chart the next generation of welfare policy. If society’s goal is to identify ways in which child and family well-being can be improved, then it seems clear that policies and programs must go beyond their current focus on work requirements and attend seriously to the complex challenges facing many low-income families.

References


(Endnotes)

1) Leaver studies under the auspices of U.S. Department of Health and Human Services Office of the Assistant Secretary for Planning and Evaluation (ASPE) were conducted in Arizona, the District of Columbia, Florida, Georgia, Illinois, Iowa, Massachusetts, Missouri, New York, South Carolina, Washington, Wisconsin, Cuyahoga (Ohio) County, Los Angeles (California) County, and the Bay Area (California).