
CT FISCAL ANALYSIS & FAMILY INVESTMENT SERIES

February, 2000

**WELFARE REFORM AND
SELF-SUFFICIENCY**



**RESEARCH ON
CONNECTICUT'S
FIRST STEPS**

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A Opening Note

In some respects, the 1990s were both the best of times and the worst of times to implement *Jobs First*, Connecticut's pioneering welfare reform initiative.

The 1990s were the best of times for welfare reform because Connecticut was recovering from its recession of 1989-1992 (a time of substantial job loss) and moving into a period of significant economic expansion. By the end of the 1990s, Connecticut was recording record-low unemployment rates and its per capita income, the highest in the nation, was continuing to climb. *Jobs First*, with its "carrots" (including a generous earned income disregard and additional supports for child care and transportation) and its "sticks" (a work-first requirement and short time limit on receipt of cash benefits), predictably encouraged families to engage in more work and increasingly report earnings. Welfare rolls began to fall, by nearly half from January 1996 when *Jobs First* began (with more than 57,000 families) to today (with about 28,000 families). Because one of the primary goals of the *Jobs First* initiative was reducing families' dependency on welfare, its success was surely aided by the expanding Connecticut economy.

The 1990s were also, in other respects, the worst of times for the type of welfare reform that Connecticut initiated – a reform that stressed quick attachment to the labor force or *Jobs First* – because Connecticut's economy was rapidly transforming to the so-called "New Economy." As described in *The State New Economy Index: Benchmarking Economic Transformation in the States* (July, 1999):

In the old economy, states prospered by having workers who were skilled with their hands and who could reliably work in repetitive and often physically demanding jobs... Today, a New Economy is clearly emerging: it is a knowledge and idea-based economy where the keys to wealth and job creation are the extent to which ideas, innovation, and technology are embedded in all sectors of the economy.... In the New Economy, states will prosper if their workers are good with their minds.

Connecticut's transformation to the "New Economy" was marked by the loss – between 1989-1999 -- of nearly 95,000 manufacturing jobs. These were jobs that parents with relatively little education could hold and earn fairly high wages and

good benefits. Over the same time, Connecticut added more than 112,000 service jobs. (Connecticut Department of Labor, 2000) This service job growth was polarized in Connecticut, as it was in the rest of the Nation:

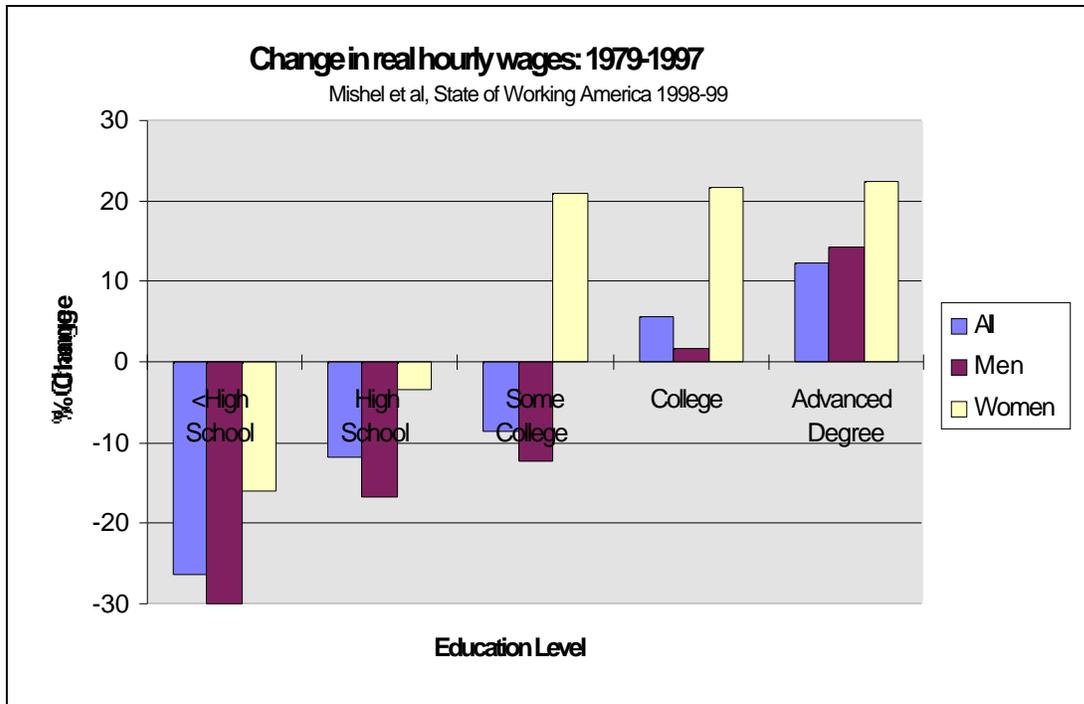
Job growth in the new economy has become more polarized into two dimensions: high-skill, high-wage, technical and professional jobs that tend to be full-time with generous benefits and low-skill, low-wage, service jobs that are often part time with few benefits.

National Governors' Association, *Remaining Vibrant in the New Economy* (1999)

For example, between 1992 and 1998, Connecticut added more than 10,000 computer-related jobs paying on average nearly \$75,000/year and 6,400 management and public relations jobs paying about \$86,000/year. These jobs require a college education. Connecticut also added nearly 17,000 "amusement and recreation" jobs paying about \$22,000/year, nearly 7,000 home health care jobs paying about \$20,000/year, and about 3,500 child day care jobs paying about \$13,700/year. None of these jobs require post-secondary education, but they also pay wages so low enough as to make children in the household eligible for free or reduced price meals at school. (Connecticut Department of Labor, 1999)

In short, over the 1990s many parents who were displaced from manufacturing jobs and who lacked the education to move up into the emerging "high tech," "high knowledge" jobs joined the thousands of parents who were being transitioned off of cash assistance in Connecticut's low-skill, low-wage labor market. Not surprisingly, hourly wages for low-wage Connecticut workers (bottom fifth) fell from \$9.20/hour in 1989 to \$8.06/hour in 1996 before the tight labor market began to press wages up again to \$8.30/hour in 1998 (in 1998 dollars). And, not surprisingly, the average inflation-adjusted income of Connecticut's poorest fifth of families decreased by more than \$6,100 since the late 1980s, from \$23,780 to \$17,620 (in 1997 dollars). (Center on Budget and Policy Priorities & Economic Policy Institute, *Pulling Apart: A State-by-State Analysis of Income Trends*, January 2000)

In addition, over the 1990s, the hourly wages of parents with the *least* education continued their pattern of decline that began more than a decade earlier:



Thus, while Connecticut’s welfare reform initiative, that stressed “*Jobs First*,” succeeded in moving many low-skill parents off cash assistance in Connecticut’s expanding economy, the premium this “New Economy” put on education meant that moving families *also* out of poverty was to be remain a challenge. Indeed, CT Voices for Children’s 1999 analysis of United States Census Bureau data showed that fully three-quarters of Connecticut’s “working poor” families in the mid-1990s were headed by a parent with a high school diploma/GED *or greater* level of educational attainment. (Connecticut Voices for Children, *Connecticut Families: Poverty Despite Work*, March, 1999).

Not surprisingly, therefore, the studies that are summarized in this report indicate that while thousands of Connecticut families have left cash assistance, far fewer have left poverty. Clearly, to make this next transition – to build a bridge to true family economic self-sufficiency for these most vulnerable families in Connecticut’s “New Economy” -- will require some mid-course adjustments.

The report that follows, therefore, comes at a most important moment. By looking back – at where Connecticut has been with *Jobs First* over this time of dramatic economic change in Connecticut – we are now poised to look ahead – at where Connecticut needs to go to help *all* its low-income families continue paths out of poverty.

Connecticut Voices for Children is pleased to present this summary of current research on Connecticut’s welfare reform initiative and its low-income families. Hopefully, it can help inform the necessary mid-course adjustments.

In addition, because Connecticut's time limit is among the shortest in the Nation, and the Connecticut "clock" began to run even before Congress enacted welfare reform in 1996, Connecticut's early experience may help guide other states. In this regard, Connecticut is particularly fortunate to have maintained its experimental design for the *Jobs First* initiative, allowing Connecticut to assess the impact of the initiative by comparing the experience of those enrolled in *Jobs First* with a control group. Connecticut is to be commended for its decision to maintain this "gold standard" of research, even after it was no longer required by federal law.

CT Voices thanks the Melville Charitable Trust for its financial support of this specific report, the Forum at which it was released, and our other work on family economic security and state tax and budget issues. We also thank the Annie E. Casey Foundation for its support of our developing research network.

We extend great thanks to Dianne Jenkins, the author of this report, for the care she took in researching and preparing this most useful guide to welfare reform research in Connecticut. Our final thanks are to those in the academic community, and those in the not-for-profit sector with research training, for bringing your skills to these various essential research efforts.

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Welfare Reform and Self-Sufficiency: Research on Connecticut's First Steps

Executive Summary

Because Connecticut was one of the first states to implement statewide welfare reform using time limits, it is at a point where mid-course corrections based on available research can be made. This report summarizes research on Connecticut's *Jobs First* welfare reform initiative, and places findings in the context of national welfare reform research.

Nineteen studies of the impact of welfare reform in Connecticut conducted between 1996 and 1999 were located. Most were authored by Connecticut-based researchers. Of these, sixteen had findings available for discussion. Five studies addressed implementation issues associated with *Jobs First*. Seven addressed employment issues and barriers to employment raised by implementation of *Jobs First*. Finally, four studies addressed issues of family well-being, ranging from health coverage to child outcomes.

This report is divided into four sections. Section I provides an introduction to welfare reform in Connecticut, and discusses findings of the state-based research by impact category. Impact categories included waiver evaluation/program implementation; employment and barriers to employment; and family well-being. Section II summarizes recommendations by impact area as presented in these studies. Section III highlights national findings of interest in the impact areas reviewed, and Section IV offers several recommendations for further action and study.

Overall, the findings from these state-based studies suggest that, while *Jobs First* has been implemented as intended, the state's goal of moving families toward self-sufficiency has not been fully realized, despite declining caseloads. *Jobs First* moves clients into employment quickly, but often without regard to individual needs, and without the supports required to move towards economic self-sufficiency and out of poverty. Moving families from welfare to work, as the program currently operates, is not sufficient to move all families out of poverty or to the point where they do not need to rely on other, noncash assistance programs. The earned income disregard, while an incentive to work while still receiving cash assistance, effectively creates a cliff, off of which clients' income falls when time limits are reached. Their earnings alone do not allow many of them to climb past the federal poverty level.

Second, many clients have serious barriers to employment that are not adequately addressed by the program. The barriers to employment identified by these studies include lack of employment history, lack of a high school (or higher) education, and limited access to "employment-enabling" services such as quality

child care and reliable transportation. Education was found to have a significant impact on the type and amount of employment that clients could secure, as well as on wages that clients could command. However, the labor force attachment model on which *Jobs First* is based precludes a focus on education as a means to help clients improve their employability. As a result, many who gain employment find jobs that are low-wage, without benefits and with little promise for advancement. Those who *do* secure employment at sustainable wages are those who already have the requisite education and employment history.

Third, clients losing cash assistance encounter losses or interruptions in health care coverage, despite their continued eligibility, and in eligibility for Food Stamps. These losses occur at a time when their young children are in crucial developmental periods and such coverage is especially important to their well-being. They occur because eligibility processes for these non-cash assistance programs are linked to those for cash assistance, resulting in problems for those who lose benefits under *Jobs First*.

Solutions to these problems are within reach, and require that the program adjust its focus from those who are ready and able to secure employment to those who are not. Client barriers to employment need to be assessed early and comprehensively; services that address these barriers need to be available sooner rather than later. A balanced approach to employment and job training will produce better employment outcomes. Streamlining eligibility processes for noncash assistance, along with clear communications about the availability of these programs apart from eligibility for cash assistance, will reduce the number of families cut off from these important safety net programs. A comprehensive approach to child care and transportation issues, attained in partnership with related state agencies, will help to resolve these issues.

A policy of continuous improvement as new information is available will allow *Jobs First* to lead the country in its responsiveness. Ongoing and rigorous research on outcomes related to employment and family well-being is necessary to continue to identify and address unintended consequences of welfare reform. Continued support of these efforts, as well as the convening of forums to disseminate and discuss results, are crucial to program success, and to better outcomes for the Connecticut's most needy families.

**Welfare Reform and Self-Sufficiency:
Research on Connecticut’s First Steps**

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WELFARE REFORM AND SELF-SUFFICIENCY: RESEARCH ON CONNECTICUT'S FIRST STEPS

Dianne Jenkins, MSSW¹

INTRODUCTION

Welfare caseloads in Connecticut have fallen by slightly over half since the implementation of the State's welfare reform initiative, *Jobs First*, in January 1996. Approximately 28,000 families were receiving cash assistance in January 2000 as compared to 57,000 families in January 1996.² The rate of welfare receipt is the most public measure of the impact of a welfare reform initiative, and one of the primary goals of reform efforts is reduced welfare dependency. However, information on related impacts is often not generally available to the public, even though these relate to additional goals of welfare reform, such as moving families toward self-sufficiency. Further information on these related issues is presented in this report.

Sixteen Connecticut-based research studies are summarized. These studies were conducted by academic and non-academic researchers between 1996 and 1999, and focused on the *Jobs First* welfare reform initiative, including broader issues of family economic self-sufficiency; three additional studies scheduled for release in February 2000 are discussed, but findings were not available. To place the findings in context, national studies are also discussed. This discussion is limited to studies in which Connecticut was one of the states analyzed and/or where the impacts studied are related to a state-based finding.

Section I provides a very brief introduction to *Jobs First*, Connecticut's current welfare reform initiative, then discusses Connecticut-based research. These studies and their key findings and recommendations are grouped into the following three, inter-related categories:

¹ Dianne Jenkins, of Monroe, CT, holds a Master's degree in Social Work from Columbia University, and is an independent consultant. She has served as a policy analyst for the State of Wisconsin's Office of Strategic Finance, and as a program consultant to the Heinz Endowments. She has consulted with state and local government agencies in Pennsylvania, Wisconsin and Connecticut on systems delivery issues related to child development, poverty, mental health, and long term care. The author wishes to thank all of the researchers whose work is included in this report for their cooperation and assistance. Any oversights, exclusions or misinterpretations of data are the responsibility of the report's author, with apologies in advance for any such errors. The author also wishes to thank Shelley Geballe, President of CT Voices for Children, for help in conceptualizing this report and editorial revisions, and DSS Family Services staff for their review of an earlier version.

² Memorandum from Kevin Loveland, Director of Family Services, DSS, January 31, 2000.

- a) Connecticut Department of Social Services (DSS)-supported research on *Jobs First* program implementation and impact evaluation;
- b) Research on issues of employment and barriers to employment (including implementation of the employment services program, family earned and unearned income, levels and types of employment, and barriers to employment such as education, training, transportation and child care);
- c) Research on issues related to family well-being (including health care, food, housing, utilities & clothing).

Section II summarizes the key recommendations from these Connecticut studies, while Section III highlights relevant national research in the three areas. Section IV concludes the report by offering suggestions for a research and action agenda.

As will become clear from reading this report, the research summarized varies by type of study, study population, outcomes measured, sources of data, and rigor of design and analysis (Appendix 1 includes tables summarizing the studies' design and measured outcomes, as well as major findings and recommendations).

In a sense, this composite of research paints part – but certainly not all – of the picture of the impact of *Jobs First* on involved families, and the challenges Connecticut's low-income families face more generally. Together the research suggests the need for some mid-course adjustments. As the program is continuously refined, this report should allow the reader to track the implementation of recommendations presented and results then obtained.

SECTION I: WELFARE REFORM IN CONNECTICUT

I. Some Context: A Brief History of Welfare Reform in Connecticut

Prior to the start of *Jobs First* in January 1996, Connecticut had already begun its welfare reform efforts. Connecticut's original welfare reform initiative, *A Fair Chance*, was implemented beginning in October 1994. The major emphasis of the program was to encourage persons receiving cash assistance to go to work by using incentives such as more generous income disregards (i.e., the income a person may earn and still remain eligible for assistance) and higher asset limits. One component of the *Fair Chance* initiative, called *Pathways*, required recipients to work after receiving benefits for 24 months.

A Fair Chance was never fully implemented. When the elections of 1994 led to a change in administration, it was replaced with the current *Jobs First* program,

which has as its primary focus immediate employment (rather than a primary focus on education and training to improve the recipient's earning potential).

The *Jobs First* legislation passed by the Connecticut General Assembly in 1995 authorized one of the nation's strictest lifetime limits on welfare receipt: 21 months. It also reduced cash assistance grants to less than 50% of the federal poverty level. Implemented statewide beginning in January 1996, *Jobs First* was initiated under waivers of federal welfare rules that required a rigorous evaluation of the program, using a classical random assignment experimental design. Families in New Haven and Manchester were randomly assigned to either the "control group" (who continued to follow the "old" welfare rules) or the "program" group (who were required to follow the new *Jobs First* rules). The evaluation was then to compare the experiences of control group and program group members with respect to a variety of outcomes (e.g., receipt of employment and training services, employment, earnings, welfare and food stamp receipt, and income). Such waivers and waiver evaluations were necessary prior to the passage of the 1996 federal welfare law.³

Key features of *Jobs First* program include:

- **Mandatory "work first" employment services:** *Jobs First* participants are required to participate in employment services that are targeted to rapid job placement. There are strong sanctions for failing to comply with employment services mandates; one sanction results in a 20% reduction in TFA benefits for 3 months, a second sanction in a 35% reduction for 3 months, and a third in discontinuance for three months.
- **Work incentives – the "carrots":** Work effort is encouraged: a) by allowing *all* earned income to be disregarded (i.e., not counted) in calculating the recipient's Temporary Family Assistance (TFA) grant and Food Stamp benefits, as long as the earned income is below the federal poverty level;⁴ b) through child care subsidies that are available to families while they are working, and even after leaving welfare as long as the family's income is less than 75% of the state median income level; c) assistance with transportation to work; d) extension of Medicaid benefits for two years for families that lose TFA due to employment or who become employed within six months of losing TFA; and e) higher asset limits than under the old AFDC program.

³ The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, Public Law No 104-93.

⁴ This policy allows working recipients to continue receiving their entire TFA grant (typically \$543/month for a family of three), along with a substantial Food Stamp allotment *in addition to* their earnings. Recipients lose their entire cash grant when earnings exceed the poverty level.

- **Jobs First time limit – the “stick”:** Families are limited to a cumulative total of 21 months of cash assistance receipt. Certain families, such as those in which every adult is incapacitated, are exempt from the time limit. Recipients may receive renewable six-month extensions of the time limit if they have made a “good faith” effort to find employment but still have family income below the welfare payment standard (plus \$90 work expense) when they reach the time limit, or at any point thereafter. Recipients may also receive extensions even if they have not made a good faith effort, if there are circumstances beyond their control that prevent them from working when they reach the time limit.⁵

Other changes in traditional welfare rules are included in *Jobs First*. A partial “family cap” reduces by half the benefits increase to which a recipient is entitled when she gives birth to a child conceived while she received cash assistance. In addition, *Jobs First* participants who leave welfare for work are eligible for two years of transitional Medicaid coverage (a more generous benefit than the one year required by federal legislation).

Since *Jobs First* began implementation, the General Assembly has made additional programmatic changes. One that has particular significance to this research summary is creation of a safety net program – a program of services and basic needs payments for families who have lost (or who are at risk of losing) cash benefits due to non-compliance with *Jobs First* work requirements. Families at risk of losing TFA benefits because they have been sanctioned or otherwise did not follow the rules can enter into an Individual Performance Contract (IPC), the successful completion of which allows them to re-establish eligibility for benefits. In addition, safety net services must be provided to families with minor children who, because of non-compliance with *Jobs First* program rules, are ineligible to receive TFA benefits and whose income is below the payment standard. The Connecticut Council of Family Service Agencies and United Way’s INFOLINE operate this safety net program, termed “WorkSteps.” Its Employment Success Program (ESP), the direct services component of *WorkSteps* is specially targeted to families who have been cut off benefits or who have IPCs.

Connecticut’s relatively short time limit, coupled with the early date at which Connecticut’s “clock” began to run for the first of the *Jobs First* families (January 1996) means that the program’s experience may provide important early lessons for other states’ welfare reforms that have been implemented in response to the

⁵ Although there is a five-year time limit on the use of federal Temporary Assistance to Needy Families (TANF) funds for any given welfare recipient, there is no five year time limit in the TFA program. Absent any changes to state law, DSS will continue to assist needy TFA recipients beyond the five-year federal time limit using state maintenance of effort funds. *Memorandum from Kevin Loveland*, January 31, 2000.

federal law, as well as early opportunities to reflect and improve on Connecticut's own current programs.

2. Scope and Methodology

This first section summarizes and synthesizes community- and academy-based research studies on the impact of welfare reform in Connecticut. Criteria for inclusion of a study in this report included: a) Connecticut based; b) initiated after *Jobs First* was implemented; c) clearly identified design and scope; and d) the study has been completed and has some reported results.

Advocacy and research groups across the state were contacted, either directly by CT Voices for Children or through the Welfare Working Group, with requests for their work, as were academics known to be conducting research in this area.

In all, a total of sixteen studies were identified; an additional three studies with release scheduled in February 2000 are briefly discussed, but findings were unavailable. Studies consulted are listed in Appendix 1, Table 1, and categorized by impacts studied. The included studies were primarily interview- and survey-based. They varied in size from the large scale evaluation of *Jobs First* being conducted by the Manpower Demonstration Research Corporation (MDRC) to a study of 25 Safety Net service recipients conducted by Yale law students. Impacts studied ranged from the comprehensive waiver evaluation by MDRC, with its child outcomes add-ons, to analyses of specific impacts, such as Connecticut Association for Human Service's (CAHS) review of emergency food pantry utilization. Where possible, the summaries of each study were shared with its lead researcher to assure that the methodology, findings, and recommendations were fairly presented.

As noted earlier, each study has its limitations. Indeed, as one national assessment of research efforts conducted by the Children's Defense Fund concluded⁶, none of the welfare reform studies it analyzed had been able to incorporate methodologies that included the full spectrum of former recipients. While some excluded those that were doing well, others excluded the worst off.

In this sense, Connecticut is most fortunate that DSS continued its "gold standard" random assignment, experimental design for the evaluation of *Jobs First* even after changes in federal law in 1996 allowed it to discontinue this waiver evaluation. This primary study, together with the others herein summarized, contributes to our knowledge about the effects of major policy shifts in Connecticut's social welfare policy in the context of its shift to the "New Economy." It should be emphasized, however, that *only* the DSS evaluation has a study design that allows one to attribute observed impacts on family economic,

⁶ Sherman A. *et al*, 1998. *Welfare to What: Early Findings on Family Hardship and Well Being* (Washington, DC: Children's Defense Fund and National Coalition for the Homeless).

health, and social well-being across the spectrum of recipients to the *Jobs First* initiative itself.

3. Impacts of Welfare Reform in Connecticut: A Survey of Findings

The key findings of the Connecticut-based studies summarized in this report are presented in this section. The studies are grouped, as noted above, into three, inter-related and sometimes overlapping categories:

- a) Connecticut Department of Social Services (DSS)-supported research on *Jobs First* program implementation and impact evaluation;
- b) Research on issues of employment and barriers to employment (including implementation of the employment services program, family earned and unearned income, levels and types of employment, and barriers to employment such as education, training, transportation and child care);
- c) Research on issues related to family well-being (including physical and mental health and access to health care, food, housing, utilities & clothing).

Of the nineteen studies reviewed, findings were available for sixteen studies and are summarized in this section: five were based on DSS-supported research evaluating *Jobs First* impacts; seven assessed employment services' implementation, employment, and employment barriers; and four examined impacts related to family well-being. Major findings are categorized by impact area in Appendix 1, Table 2.

Overall, these studies paint a fairly complex picture of the challenges of an initiative of this magnitude and import to the families involved. They show that *Jobs First* was implemented statewide quickly, which initially presented a variety of significant challenges to its successful implementation. Workers on the front-line were not always given the support needed to make decisions critical to clients' well being, and program rules and regulations were not all clearly and consistently specified, communicated and enforced. The employment services system, not accustomed to serving large numbers of clients with severe employment barriers, is taking some time to begin to operate at its highest level of efficiency and effectiveness. At the same time, the *Jobs First* labor force attachment model appears not to be working well for those who lack the requisite education and training, and have other severe and multiple barriers to employment.

A. DSS-Supported Research on *Jobs First*

i. Administrative data

DSS routinely publishes reports summarizing key information pertaining to the TFA caseload, such as number of cases, cases and clients reporting earned income, new applications for assistance, discontinuances, sanctioning activity, average earnings, job entries and extension data. The report also compares the percentage of cases with earnings in *Jobs First* to the pre-reform AFDC control group. These data are included in the monthly DSS report, *Temporary Family Assistance Program Report*.

In addition, the Connecticut Department of Labor now also publishes a monthly pamphlet, *Jobs First Employment Services: Time Limited Clients*. This report provides data on the number of total clients, family size and type, regional distribution of clients, clients' age, gender, ethnicity, and educational level, percentages of clients in extensions, and proportion of individuals being served in various types of activities.

Because these reports are widely distributed, they are not discussed in detail in this report. Several important points from a review of these reports over time merit mention:

- **The welfare caseload has markedly declined.** The welfare caseload has fallen from over 57,000 families when *Jobs First* started in January 1996 to about 28,000 in late 1999. Since a primary goal of *Jobs First* was reduction in welfare dependency, this measure demonstrates significant progress toward this goal.
- **Client workforce participation is declining; earnings for those still on TFA remain low.** The proportion of TFA and time-limited TFA cases with earnings has been declining since at least August 1998. The average earnings per hour for a TFA client who is employed is \$6.58 (as of October 1999). Nearly two-thirds work less than 30 hours/week; average monthly earnings are \$718 (or \$8,616/year).
- **An increasing proportion of clients has entered extensions.** Not surprisingly, as those most able to move off cash assistance have done so and the "clock" continues to run for others, the proportion of time-limited clients in extensions (beyond 21 months) has steadily increased, from about 3% in November, 1997 to nearly 40% in October, 1999. The most rapid increase in the proportion of clients in extensions was between October, 1997 and July 1998. As of October 1999, more than 6,000 cases were in extensions out of a total time-limited caseload of 15,261.

- **About half of all Time Limited Clients in the *Jobs First* Employment Services Program have less than a high school education, yet the vast majority are involved in “job search” activities.** As of December, 1999, only 7% of the time-limited clients in this program had some post-secondary education and 48% had not graduated from high school, yet about 90% of clients in the employment services program are in “job search” (11,498 out of 12,818), a much higher proportion than in basic education/ESL or vocational education.

ii. **The *Jobs First* Evaluation**

As noted above, *Jobs First* was initiated under waivers of federal welfare rules granted before the passage of the 1996 federal welfare law. A formal, outside evaluation of *Jobs First* was required as a condition of this waiver.

DSS contracted with the Manpower Development Research Corporation (MDRC) - a nonprofit, nonpartisan organization experienced in designing and studying social policy initiatives - to conduct this waiver evaluation. Then, in 1997, Connecticut received enhanced federal funding from the United States Department of Health and Human Services to support continuation of its on-going welfare reform evaluation. Connecticut later received a second federal grant to expand the study to examine *Jobs First's* impacts on children, working in partnership with Child Trends.

Originally, the waiver evaluation was to have gathered baseline data and then follow-up data 36 months later. The evaluation was modified to permit interim interviews with recipients at 18 months. In addition, Dr. Sarah Horwitz of Yale's School of Public Health and Dr. Sharon Lynn Kagan of the Yale Bush Center and Dr. Bruce Fuller of the University of California, Berkeley, were permitted to add questions to the 18-month survey instrument to gather data on maternal and child mental health and child care utilization and quality.

In addition, a Child Outcome Study was added to the 36 month evaluation, as a subset of MDRC's broader evaluation at that follow-up point. The 36 month client survey was enhanced to capture data on a range of child outcomes, using such instruments as the Home Observation for Measurement of the Environment-Short form, the Behavioral Problems Index, and the Positive Behavior Scale. The areas of focus of this child outcome evaluation, which is part of a twelve state evaluation in partnership with Child Trends, are: health care; child care type, quality, and extent; home environment and parenting practices; parent psychological functioning; consumption of material resources; family structure; measures of child academic achievement; measures of child behavioral and emotional adjustment, and measures of child health, nutrition and safety. (It is expected that these results will be released at the time of the final MDRC report, in late 2001.)

The *Jobs First* evaluation began with random assignment to the control and program groups between January 1996 and December 1996. A total of 6,127 recipients are in the study sample, drawn from New Haven and Manchester (half in the control and half in the program group). The study is a classic experimental design that compares the post-random assignment experience of the control and program group members with respect to a variety of indicators. The individuals in the *Jobs First* group are subject to all the *Jobs First* rules while those in the control group are subject to the prior AFDC rules (i.e., no time limit, and no enhanced earned income disregard). MDRC is following these two groups over a period of several years; any differences that emerge between the groups' members will be attributable to *Jobs First* – its program impacts.

The *Jobs First* evaluation has three major components:

- **Impact analysis.** This component of the study provides estimates of the changes that *Jobs First* makes in employment rates and earnings, rates and amounts of welfare receipt, extent of welfare dependency, child well-being, and other outcomes. Because of the random assignment, differences between the two groups over the follow-up period can be attributed to *Jobs First*.
- **Implementation analysis.** This component of the study examines how *Jobs First* is operated by staff in the research sites and how well the new policies have translated into day-to-day operations. It identifies the obstacles encountered in implementation, as well. This component of the study can help DSS identify ways to improve program performance, as well as understand impact results.
- **Benefit-cost analysis.** This element of the study uses data from the impact study, along with fiscal data, to compare the financial benefits and costs generated by *Jobs First* for both eligible families and taxpayers.⁷ This component will not be reported on until the final evaluation report.

This evaluation is scheduled to end in 2001, with a final report scheduled to be released in late 2001. As noted above, it focuses on two of the state's welfare offices, Manchester and New Haven (together, these two regions covered 25% of the state's total welfare population at that time). A variety of data sources are used to assess implementation, impacts, benefits and costs.

The primary sources for the impact analysis are:

- baseline data (data obtained through interviews with all participants at the point they were randomly assigned)

⁷This description of the evaluation design is taken from Bloom D et al, 1998. *Jobs First: Early Implementation of Connecticut's Welfare Reform Initiative*.

- administrative records (monthly cash assistance and food stamp payments, and quarterly earnings statements)
- follow-up surveys on a subset of each of the two groups (capturing information not available from administrative records, such as job characteristics, household income and participation in employment-related activities).

The first of the follow-up surveys, the Interim Client Survey, was administered about 18 months after clients were randomly assigned; interviews were completed in 1998. A total of 772 people were interviewed. The second survey, approximately 36 months after assignment, will include over 2,000 respondents. Begun in 1999, it will be completed in mid-2000.

Two *Jobs First* evaluation reports have been issued to date and are summarized in this section:

- *Early Data on the Implementation of Connecticut's Jobs First Program* (Mary Andes and Dan Bloom, MDRC, February 1997)
- *Jobs First: Early Implementation of Connecticut's Welfare Reform Initiative* (Dan Bloom, Mary Andes and Claudia Nicholson, MDRC, July 1998).

A third report, *Jobs First: Implementation and Early Impacts of Connecticut's Welfare Reform Initiative*, will be released in early February 2000. This report is based on administrative records, the Interim Client Survey, field research, and other sources. Also to be released at this time are the two supplementary studies by Dr. Horwitz and Drs. Kagan and Fuller that relied on data gathered in the Interim Client Survey, administered in 1998. These studies explore how *Jobs First* and collateral child-care programs affect the well-being of participating parents and children.

These two supplemental studies are:

- *Remember the Children: Mothers Balance Work and Child Care under Welfare Reform* (Sharon Lynn Kagan, Yale University, and Bruce Fuller, University of California at Berkeley, 2000)
- *Initial Results of the Interim Survey for Women and Children Aged 37 months to 10 years* (Sarah McCue Horwitz and Bonnie Kerker, Yale University School of Public Health, 2000)

When released in early February, 2000, Lynn Kagan and Bruce Fuller's *Remember the Children: Mothers Balance Work and Child Care under Welfare Reform* will describe the results of a three year longitudinal study conducted in Connecticut, California, and Florida, investigating the effects of welfare reform on

children's early development and school readiness. The Connecticut sample consisted of 293 respondents who had at least one child under 18 months at the time she was randomly assigned (between September 1996 and January 1997), or between 18 and 36 months at the time of the interview. The authors examine changes in child care supply, child care subsidy usage, changes in children's social environment, and the effects of changes in home and child care settings on children's early development and learning.

In an earlier report, *Growing Up in Poverty Project: Year 1 Progress Report*, Drs. Kagan and Fuller found that over one-third of all women sampled across the three states did not finish high school and that over half (52%) were using their own income to pay their child care provider. Further, many women reported difficulty paying for food, at a time when their children were in the crucial years of development. Finally, they found sharp differences among states in the proportion of children placed in preschools and child care centers.

Initial Results of the Interim Survey for Women and Children Aged 37 Months to 10 years will report on child and maternal well-being outcomes, focusing on how the mental health of mothers and other factors influences employability and medium-term earnings. Dr. Horwitz's analysis is based on a sample of 288 respondents who had a child between three and nine years old (but no children between 18 and 36 months old) at the time of the interview.

Early Data on the Implementation of Connecticut's Jobs First program

The initial implementation report, *Early Data on the Implementation of Connecticut's Jobs First Program*, issued in February 1997, found that the program was being initiated as intended, but had experienced start up problems that, while inherent in any new program implementation, were probably exacerbated by the decision to implement the program statewide at the outset.

A small-scale telephone survey of program and control group members found that *Jobs First* participants were aware of the two major features of the new program (the time limit and the earnings disregard) but that other important features, such as the family cap, were not as well known. At the same time the survey found that few respondents thought their grants would be terminated at the end of the time limit.

Interviewed staff believed that the earnings disregard was a factor in recipients' increasing work efforts, but were not certain whether work efforts were increasing overall or just among the current recipients. The authors concluded that a large number of recipients might use up all their benefit months and reach the time limit without adequate labor force attachment, precluding their eligibility for future cash assistance at a relatively young age.

Jobs First: Early Implementation of Connecticut's Welfare Reform Initiative

The second implementation report, released by MDRC in July of 1998, covered the first two years of program operations. The authors asserted that it was “too early to say whether Jobs First approach will prove to be an effective way to increase employment and reduce welfare dependence.... while Jobs First’s financial incentives may prove to be costly, its administrative costs are likely to be fairly low...On the other hand, the fact that many recipients do not interact much with staff means that there are relatively few opportunities for workers to help clients understand how they might best respond to the new rules.”⁸ The authors cautioned that their findings reflected the way *Jobs First* operated during its start-up period only.

The authors found that just over 25% of early Jobs First enrollees received benefits continuously for 21 months and reached the time limit. Others left welfare, or were granted an exemption that stopped their time limit clock. Of those who reached the time limit, about half initially received a six-month extension. Extensions were given to clients who had income under the payment standard and who also were deemed to have made a good faith effort to find employment.

The report enumerated four key tasks faced by DSS in implementing the program and described how those tasks were addressed in the research sites.

The tasks were:

1. *Explaining the time limit and the financial incentives.* The success of *Jobs First* was seen as heavily dependent on communication: clients needed to be aware of and understand the new policies. The authors found that workers routinely informed and reminded clients about the time limit and the financial incentives, and that most clients were aware of these policies. However, large caseloads prevented caseworkers from contacting clients proactively, and this restricted their opportunities to explain and assist clients to achieve desired goals. Another key finding was the appearance of variation among staff in how policies were described to clients.
2. *Re-orienting employment services.* Significant changes needed to be made in the employment services program to convert a largely voluntary program, with a strong emphasis on education and training, into a mandatory program focused on immediate job placement. The report notes that these key changes had been initiated.

⁸ Bloom D, Andes M, and Nicholson C. *Connecticut's Jobs First Evaluation: Early Implementation of Connecticut's Welfare Reform Initiative* (July 1998), p. ES-6.

Also, *Jobs First* greatly expanded the number of clients served without a corresponding increase in DSS staff resources; staff interviewed reported difficulties in monitoring client compliance with program rules. Limited staff resources also resulted in employed clients being given low priority -- even those working in low wage, part time jobs that would qualify them for an extension when they reached the time limit. Relatively few referrals were made to the "safety net" service offered by the state, largely because very few clients with income below the payment standard had their benefits terminated.

3. *Changing the message* – The *Jobs First* -mandated shift in the welfare system's focus from income maintenance to self-sufficiency needed to be communicated with clients to be effective and welfare eligibility workers are key players in such communication. *Jobs First* facilitated this by reducing staff time spent monitoring clients' income, while increasing time spent discussing topics related to employment and self-sufficiency. While staff reported doing so, they also reported that they had relatively limited contact with many clients.
4. *Creating and implementing a pre-time limit review process* - A critical challenge in implementing the six-month extension policy was to create a review process flexible enough to account for individual circumstances but uniform enough to ensure that clients in similar situations received similar treatment. The process also needed to be streamlined enough so that large numbers of cases could be reviewed without placing undue burden on staff. The report found that the review process was implemented as intended. In the period studied, most clients who were denied extensions had income over the payment standard and very few clients with income below the payment standard were denied extensions. Some clients had their benefits canceled because they did not show up for a re-determination interview, leaving DSS unable to ascertain their income. However, statuses at the end of the time limit were not permanent. Some of those who were initially denied extensions were subsequently granted them due to income reductions. Others were thought to have been employed and not targeted for employment services, when in fact they had failed to inform DSS that they had lost a job. Individual Performance Contracts (IPCs) were to be implemented in mid-1997 for those recipients in danger of losing their benefits due to a lack of good faith effort to find employment. Monitoring and enforcement activities were increased with a staff reconfiguration in mid-1998.

The report also noted the impact of implementing such major policy changes on a statewide basis, with little time for advance planning. Only six months elapsed between the date *Jobs First* was approved by the state legislature and the date it was implemented statewide, with federal waiver approval obtained less than a

month before implementation. In addition, DSS was implementing many other new initiatives during the same time frame, including a Medicaid managed care program for children and assumption of responsibility for GA programs in several of the state's largest cities. Until mid-1997, workers also handled child care payments, a task contracted out to Maximus in mid-1997.

iii. Post-Time Limit Tracking Studies

In addition to administrative reports and the *Jobs First* evaluation, DSS contracted with MDRC to do a study of individuals from six areas of the state whose TFA benefits were discontinued in late 1997 when they reached their 21 month time limit and were found to be ineligible for an extension. These post-time limit tracking studies followed a fielded survey sample of 421 individuals from six DSS district offices: Bridgeport, Hartford, Manchester, New Haven, Norwich and Waterbury. Interviews were conducted at 3 months and 6 months following an individual's loss of benefits at the time limit.

The surveys were designed to elicit information regarding income, employment, household composition, financial well-being, food sufficiency and experiences with the extension process. Surveys also covered changes in these areas since the respondent's last TFA benefit month and, for the six-month study, since the 3 months interview. While this study describes the post-welfare circumstances of parents who reach the time limit and lose all TFA benefits, the study cannot measure the impact of *Jobs First* because there is no control group against whom to compare these clients who are being surveyed.⁹

There are two post-time limit tracking studies:

- *Connecticut Post-Time Limit Tracking Study: Three-Month Survey Results* (Jo Anna Hunter-Manns, Dan Bloom, Richard Hendra and Johanna Walter, MDRC Working Paper, September 1998)
- *Connecticut Post-Time Limit Tracking Study: Six-Month Survey Results* (Jo Anna Hunter-Manns, Dan Bloom, Richard Hendra and Johanna Walter, MDRC Working Paper, January 1999).

Connecticut Post-Time Limit Tracking Study: Three-Month Survey Results

In September 1998, MDRC released its first post-time limits tracking study, with findings from surveys administered three months after respondents lost benefits at the time limit.

⁹ Hunter-Manns J and Bloom D, 1999. *Connecticut Post-Time Limit Tracking Study: Six-Month Survey Results*.

Employment status and job characteristics. Survey results indicated that 80% of respondents were employed at the time of the interview, while 84% had been employed during their last month of benefit receipt. For most respondents, employment status was unchanged in the period between last benefit month and the 3 month interview. Of the 20% who were unemployed, 43% reported that they “could not find work,” and 61% reported that they were currently looking for work. Almost one fourth indicated the presence of “health problems” that precluded working, and 11% reported they were “taking care of someone,” and thus unable to work.

Those who were employed at both points reported working more hours at the 3 month point than during their last benefit month. Differences in the number of hours worked at all jobs and at the primary job existed across the sites, as did average earnings per week and time spent commuting. Waterbury respondents reported the highest weekly earnings (\$293) and Manchester respondents the lowest (\$230). Approximately 5% were working at more than one job. The proportion of those holding more than one job varied across the sites, from as few as 2% in New Haven to as many as 14% in Manchester.

Household composition and housing arrangements. Few major changes in respondents’ household living arrangements were reported. Seventeen percent had moved since their last benefit month. Of these, 87% reported that they moved to a better or equal quality home, and 13% reported moving to a home worse than the previous one.

Household income. While the average total household income of respondents in the month prior to the three-month interview was \$955, for those with households of three people (the most common) the average income at the time of interview was \$862, and for those with a household size of four, the average income was \$971. The comparative 1998 federal poverty threshold was \$1,094/month for a single-parent family of 3 and \$1,382/month for a single-parent family of four.¹⁰

Five percent of respondents reported no household income, and 19% reported incomes of less than \$500/month. The proportion of respondents in this income category ranged from 10% in Norwich to 20% in Bridgeport, 23% in Hartford and 26% in New Haven. More than half of these households did not have another adult and nearly all were black or Hispanic.

Over half of all respondents (56%) had higher incomes three months after the end of TFA benefits than they could have received from TFA and Food Stamps

¹⁰ Based on U.S. Census Bureau’s federal poverty threshold of \$13,133/year for single parent family of three and \$16,588 for single parent family of four, for 1998. In all instances where the federal poverty level is referenced, the reference is to the threshold as established by the Census Bureau, rather than the federal poverty guidelines as developed by the Department of Health and Human Services.

had they not been working. Forty-six percent reported having less income than they could have received from TFA and Food Stamps without working and of these, 69% were employed.

Financial security and measures of well being. Upon leaving welfare for work, recipients are eligible for transitional Medicaid coverage for two years. At the three months interview, 93% reported being covered by health insurance. However, 9% reported there were children in their household not covered by health insurance.

Respondents made ends meet in various ways: two-thirds (67%) delayed paying their bills, 40% borrowed money and 31% borrowed food. Fifteen percent got food from a church, soup kitchen, or food bank. When asked about their standard of living, almost half (46%) reported being less satisfied with their standard of living than in their last benefit month, a third felt about the same, and less than 25% reported being more satisfied.

Continuing benefit eligibility. Finally, when asked if they thought they were allowed to receive cash assistance any more in Connecticut, a majority (53%) of those who were denied extensions because they were over income responded negatively. A quarter responded affirmatively and 23% did not know. In fact, all would be eligible to apply for an extension at a later date if their income fell below the payment standard.

Connecticut Post-Time Limit Tracking Study: Six-Month Survey Results

MDRC released the six-month post-time limit survey results in January 1999. Key findings included:

Employment status and job characteristics. The authors found that the overall employment rate was similar across the three points (last month of benefit receipt, three months post-time limit and six months post-time limit), with 83% of respondents working, and 6% working at more than one job. Of the 17% who were not working, 48% reported not being able to find work, 23% reported they were “taking care of someone” and 10% indicated they had a “health problem or were pregnant.”

The proportion of those employed differed significantly across the state, from a high of 92% in Manchester and 91% in Bridgeport to a low of 76% in Waterbury and 78% in New Haven.

Household composition and living arrangements There were few major changes in respondents' living arrangements since the three month interview. Seventy-six percent did not move and of the 24% who did, only 11% (2% of all

respondents) indicated that the move was to a home worse than their previous home. For 71% of respondents, there was no change in household size; 15% reported an increase and 14% a decrease in household size.

Household income. A little more than half reported higher household income at the six-month follow-up point than at their three-month interview, while 41% experienced a decrease in income.

Financial security and measures of well-being. Ninety-three percent of the respondents were covered by health insurance at the time of the six month interview. Of the seven percent who indicated they were not covered by health insurance, 21% were working and would have been eligible for transitional Medicaid coverage.

The majority of respondents reported that their families always had enough to eat (40%) or had enough but not always the kinds of food they wanted (45%). Of the 373 respondents for whom data were available from both the three and six month interviews, most experienced changes in food sufficiency between their last benefit month and their six month interview, with more relying on low cost food to feed their families at the time of the six month interview.

B. Employment and Employment Barriers

The implementation of *Jobs First* initiated a major policy shift in how employment is viewed in relation to welfare. Not only were time limits on cash assistance implemented, but also the state shifted to a labor force attachment model as the prime means of moving recipients off assistance.

A number of studies assessed this policy shift, from the point of view of employers, workers, and those unable to secure employment. For the most part, existing employment services were found to be less responsive to the needs of clients than was desirable. In addition, these studies found that the primary barriers to employment were education, child care, and transportation. Those facing multiple barriers were less likely to be employed in a job leading to self-sufficiency, or employed at all.

This section summarizes the following seven studies:

- *CBIA/DSS Welfare-to-Work Small Business Research Project* (Connecticut Business and Industry Association, July 1997)
- *Individual Perspective on Jobs First: A Report on the Current Issues Confronting Welfare Recipients Transitioning from Public Assistance to the*

Labor Market (Alice Pritchard, Connecticut Women's Education and Legal Fund Working Paper, March 1998)

- *Out of Poverty: What Do Education and Training or a Labor Force Attachment Model Offer Low-Income Women in Connecticut?* (Marcia Bok, Nancy Churchill and Louise Simmons, Institute for Women's Policy Research, 1998 Conference Proceedings, March 1998)
- *Employment Services System Evaluation* (Alice Pritchard, Connecticut's Women's Education and Legal Fund Working Paper, June 1999)
- *WorkSteps Progress Report November 1997-December 1998* (Connecticut Council of Family Service Agencies & United Way of CT/Infoline, June 1999)
- *Welfare Time Limits on the Ground: An Empirical Study of Connecticut's Jobs First Program* (Emily Bazelon and Tamara Watts: prepared for Social Welfare Policy Research Seminar, Yale University, June 1999, and forthcoming, Connecticut Law Review).
- *Barriers to Employment in the Connecticut Safety Net Population: Preliminary Analysis* (Priscilla Canny, Connecticut Voices for Children, January 2000)

CBIA/DSS Welfare-to-Work Small Business Research Project

This 1997 study by the Connecticut Business and Industry Association (CBIA), a statewide association of over 4,000 businesses that employ 300 or fewer workers, was done under contract with DSS to assess best practices for assisting clients in the transition from welfare to work. CBIA also conducted ten pilot studies, in which small businesses employed welfare recipients.

CBIA reviewed national best practices for achieving welfare to work transition, surveyed its member companies, conducted focus groups and interviews with survey respondents and reported on the outcomes of four of the ten pilot projects it conducted in three of the state's DSS regions.

The report identified several best practices for successful transitions to work. These included effective screening and assuring that entry level job placement was preceded by training in pre-employment, life management, basic literacy and communication skills. It also noted that strong post-employment support is required for long term job retention.

Key survey findings included:

- Businesses are eager to hire motivated workers with basic English, math and communication skills, and no incentives will induce employers to hire individuals without these basic skills.
- Employers want pre-interview screening and assessment services and post-hiring case management that is invisible to the employer.

The pilot projects were conducted to test various employer support services available to encourage small businesses to hire welfare recipients. Each was limited to 25 clients with multiple barriers who were referred to the project by DSS. Sixty and 90 day retention data were available for the four projects begun in the fall of 1996, while this data were unavailable for projects initiated in the spring of 1997. Findings from the four pilots show that three had 90 day retention rates at or above 70%; the fourth had a retention rate of 62% at the 90 day mark.

Individual Perspectives On Jobs First: A Report On The Current Issues Confronting Welfare Recipients Transitioning From Public Assistance To The Labor Market

This 1998 study by Alice Pritchard, of the Connecticut Women's Education And Legal Fund (CWEALF), reports on the personal testimonies of 90 individuals who called in and shared their experiences transitioning off welfare during "Welfare Reform Call-In Week," held the second week of February 1998. Seventy-four of the callers were current or former welfare recipients and 16 were service providers. Together they represented twenty-three towns and cities. The callers ranged in age from 19 to 50, represented a variety of racial/ethnic backgrounds, had between one and four children; and had been on assistance from a few months to over 10 years.

Overall, callers reported a consistent commitment to finding employment and were supportive of reforms that would enable them to make the transition from welfare to work. Callers expressed much confusion about new rules and regulations, and clients were frustrated at the lack of attention paid to their particular situations. Caseworkers in turn expressed concern about varying interpretations and enforcement of rules across different areas and for different clients. Key issues raised included:

Transportation – Callers commented on the high cost of private transportation and on problems with public transportation around limited routes and schedules (especially routes that accommodate second and third shifts and weekends). They reported problems juggling their transportation schedules with their children's school transportation schedules. Callers reported they needed to use taxis to pick up sick children, because buses did not run often enough to meet these emergencies.

Child care - Caller comments focused child care rules and payments, and the quality and types of child care provided. The most common complaint was that Maximus (a private company contracted to administer the state's child care assistance program) failed to pay providers in a timely fashion, and in many cases did not pay enough to cover the providers' costs. As a result, callers reported that providers refused care for their children. Also, callers noted that Maximus would not pay for weekend care, or for more than one provider, and that no care was provided for teen-aged children.

Finding particular kinds of child care was also problematic: many centers didn't offer assistance for children with disabilities or medical needs, or for infants. Finding weekend and second and third shift child care coverage was extremely difficult.

Child support - Welfare recipients must cooperate with child support enforcement requirements unless they have a documented reason not to. The penalty for not cooperating is ineligibility for cash assistance to the entire family. The first \$100 per month of child support paid is provided to the family with no reduction in their cash assistance grant, while all money over that amount is paid to the state until a family leaves the cash assistance program, at which time they receive the full amount. Callers commented on problems with establishing and enforcing child support orders.

Education and job training - Callers found their desire for more education was at odds with DSS rules. Those pursuing education independently were not receiving child care and transportation assistance, and faced the threat of sanctions for not complying with work requirements. Many discontinued their education to look for part time employment, even though they believed that doing so would not lead to self-sufficiency.

Staff reported confusion about whether education was an allowable activity. A lack of consistency in application of rules reportedly existed at both regional and caseworker levels. Those juggling occupational skills training, 20 hours of work or work-related activities and family responsibilities reported difficulties managing all three.

Training was limited to a few occupations and was very short term. The occupations for which training was available were traditionally female jobs with lower pay and limited job stability (customer service, clerical, data entry, child care provider, CNA) - jobs that wouldn't pay enough once off assistance. English as a Second Language (ESL) programs were reportedly not helpful, and job readiness programs and job clubs did not lead to employment.

***Out Of Poverty: What Do Education And Training
Or A Labor Force Attachment Model Offer
Low-Income Women In Connecticut?***

Marcia Bok and Louise Simmons, of the University of Connecticut School of Social Work, interviewed 101 TFA recipients throughout the state during 1997 and 1998. Their findings are also reported in *The Goals of Education, Training and Employment in Welfare Reform: What Are We Trying to Achieve?* (Welfare Research Group, Working Paper, March 1998), and *The Clients' Perspective on Welfare Reform in CT* (Welfare Research Group, Working Paper, March 1998) Their major findings included:

- *Education is correlated with employment* - Only 10% of those who lacked a high school diploma were working, compared to 42% with a high school diploma and 48% of those with more than a high school diploma.
- *Education is correlated with type of work* - Factory/laborer/retail work was correlated with lower education levels, while office/clerical/human services work was correlated with more than a high school diploma.
- *Education is correlated with wages* - All of those without a high school diploma who were working earned less than \$7.50/hour, while 67% of those with a high school diploma and 38% of those with more than a high school diploma were earning less than \$7.50/hour.
- *Education is correlated with problems finding a job (where "problems" meant wages, working hours & location of job rather than availability of jobs)* - 79% of those with less than a high school diploma reported problems finding a job, as compared to 67% of those with a high school diploma and 59% of those with more than a high school diploma.
- *A larger proportion of those who participate in training activities are in job search activities, as opposed to vocational training activities* - Prior to welfare reform 6% of those in training were in job search, while 67% were in vocational training. At the time of the report, 49% of those in training activities are in job search and 35% in vocational training. The authors note that while vocational training is correlated with economic mobility, job search is not.

Sixteen percent of respondents had been sanctioned, primarily for leaving employment. Their reasons for quitting varied from being laid off to changes in hours or shifts, and problems with child care and transportation.

The report found that half of those interviewed used relatives for child care, while 16% turned to friends, and 16% used day care centers. 11% of those interviewed had children in after school programs. Almost half (45%) reported they had moved in the past year; a quarter of these moved because rent was

unaffordable. Only 26% were receiving a rental subsidy. Almost three-quarters, 73%, were receiving food stamps.

Given their findings correlating education and type of training with employment, the authors conclude that a “work first” or labor force attachment model should not be expected to help individuals leaving welfare to achieve economic self-sufficiency.

Employment Services System Evaluation

This 1999 report by Alice Pritchard reviews the implementation of *Jobs First’s* employment services system subsequent to July 1, 1998, when DOL assumed responsibility for delivering the employment services portion of the TFA program, pursuant to Public Law 97-2 (June 18 Special Session). Under this law, DSS retained responsibility for the overall administration of the Employment Services Program, while DOL was charged with providing the services, either directly or through the Regional Workforce Development Boards (RWDBs). Employment services for recipients of public assistance were administered previously by DSS.

The analysis used field research, interviews and administrative data to assess the employment services system as operated by DOL, DSS, the RWDBs and contracted vendors. Research activities took place in early 1999, and covered the time period July 1998 through May 1999. Research included: observations of the client process (2 orientation sessions, 7 job search skills training programs and 2 occupational skills training courses), surveys and interviews with program staff (from each agency and board, as well as from 15 community-based organizations) and participants (clients of 4 agencies), DSS caseload data, TANF and Welfare to Work program regulations and policy guidance, and program reports issued by the various agencies.

Pritchard’s findings identified obstacles to success in six areas, as discussed below.

1. Obstacles related to TANF rules and regulations

- *Inconsistency in interpretation* - Pritchard found that at every level, from DSS to the vendors, rules were interpreted differently, with a tendency toward restrictive rather than flexible interpretation. Rules also were applied inconsistently, causing problems for service providers and limiting opportunities for clients who qualified for additional services and activities.
- *Federal work participation rates* - When DSS administered the employment services program (when *Jobs First* began), clients were pushed to work 35 hours per week, in addition to training or other work activities. DSS believed that this level of labor force attachment was necessary to change clients’

views toward work and responsibility.¹¹ Since DOL has assumed these responsibilities, the emphasis has shifted to working 25-35 hours before participating in other countable activities.

- *TANF work activities* - Under TANF, allowable work activities that count toward the federal participation rate range from unsubsidized employment to community service. After 20 hours of work activities, clients can add training and education activities. However, the state's focus under TANF has been job search skills training (JSST) rather than occupational training or, for those with a work history, job development services.
- *Types of occupational training*: The majority of available occupational training was short-term and focused on customer service and clerical skills, perhaps explaining the fact that 80% of those employed in March 1999 were in clerical, sales and service employment. These positions are often part-time, offer no benefits and feature fluctuating shifts. They are also low-paying; only 11% of the participants were earning \$7/hour or more.

2. Obstacles related to Welfare To Work rules and regulations

The DOL administers this federal block grant, which is implemented by the RWDBs. Pritchard found that the restrictiveness of eligibility criteria for this program resulted in providers having difficulty filling program slots. Federal eligibility requirements dictate that 70% of all funds must be spent on recipients or non-custodial parents with two of three characteristics: 1) no high school diploma/GED coupled with low reading or math skills; 2) poor work history; and 3) in need of substance abuse treatment for employment. In addition, recipients must have received assistance for 30 months, or be in jeopardy of losing benefits in 12 months. Only 30% of Welfare to Work funds may be spent on recent recipients who exhibit characteristics associated with long-term dependency (school drop-out, teen pregnancy or poor work history). Approximately half of all recipients were ineligible based solely on their holding a high school diploma or GED.

3. Obstacles related to the Employment Service System process

- *Orientation process* - Changes implemented in January 1999 combined the orientation for DSS' *Jobs First* and DOL's Connecticut Works, moving clients more quickly through the system to employment services providers. However, Pritchard found that the orientation format and time frame were too short for a thorough assessment or vocational counseling. In addition, orientations differed by region in format, content and length. Clients interviewed found the

¹¹ At the time, federal participation rates specified that 40% of clients must be working 30 hours or more and two parent families must have a 90% work participation rate at 35 hours or mere per week. These rates have since increased.

session to be useless, threatening, and/or not motivational. Many reported being intimidated by staff, and spending only a few minutes with staff before being assigned to their next activity.

- *Recruiting/screening/client flow* – The Employment Service System did not allow employment services providers to recruit or screen for their own programs, often resulting in low numbers or inappropriate referrals. As the contract year progressed, referral numbers increased, putting a burden on providers at the end of year. Inconsistent client flow impeded program planning efforts and resulted in large class sizes and rolling enrollment rather than set program start dates.
- *Program continuity* - As clients lost jobs, they re-entered the system for additional services, but only in rare cases were they picked up where they left off. Most re-entered at the front end of the system and repeated JSST before getting to a service provider. This happened especially at the end of the year, when there were few resources for training or other employment services.
- *Sanctioning process* – Rules were found to be applied inconsistently and irregularly. Vendors reported having no leverage with clients, because the system did not respond quickly to their non-compliance reports. Vendors also reported that they were not informed of the status of sanctioning decisions in a timely manner, despite the fact that sanctioned clients are not included in the client counts required by their performance contracts with the state.
- *Lack of case management* - At each level (DSS, DOL, vendor) in the system, clients were seen by case managers who provided a variety of services. However, Pritchard asserts that true case management did not begin until clients reached the vendors, where they were seen on a daily basis and support services were offered to ensure client success. Even so, few of these case managers were trained social workers, and thus were unprepared for clients with employment barriers, whether structural or personal.

4. Obstacles related to agency relationships

Many opportunities for cooperation exist among DOL, DSS and RWDBs as well as vendors. Yet Pritchard found that these relationships were often tense, and clients suffered. Roles and responsibilities were new and coalition building was found to be only just beginning. Vendors are not represented on the committees and boards that make system decisions despite their key roles, due to the potential for conflict of interest.

5. Obstacles related to paperwork/reporting requirements

Client reporting requirements were reportedly an overwhelming burden across the system. Vendor reporting requirements for funders were viewed as equally burdensome.

6. Obstacles related to client barriers

The employment services system encountered hard-to-serve clients with whom they were not experienced. These clients required high levels of support in order to succeed, but Pritchard found that few programs had the resources available to provide intensive services.

- *Child care* - Clients experienced difficulty finding affordable, safe child care, especially for infants and special needs children. Off-hours care and weekend providers were difficult to find. The child care subsidy (\$325/mo or \$2/hr) was inadequate to meet costs and Maximus (the private contractor administering the child care subsidy program) used forms that were complex. Also, the system did not cover teen programs needed to keep youth off the streets and out of trouble while their parents are working.
- *Transportation* – The limited public transportation available to clients was not reflective of the job market with regard to routes and work hours. *Jobs First* regulations provide for transportation assistance if needed for any employment services activity except unsubsidized employment. In fact, clients were given bus passes only to training, but not to other employment services. Also, transportation benefits were restricted to public transportation when available, and excluded trains.
- *Educational background and occupational history* - Many clients were found to have extremely low basic skills and limited language proficiency, and possibly also undiagnosed learning/developmental disabilities, affecting their ability to secure and retain employment that leads to independence. Focusing on job search activities, Pritchard found, limited their success.
- *Health issues* - Clients experiencing mental health, domestic violence, substance abuse and other health-related issues need to have these addressed so that they can successfully participate in education and employment. While these are the barriers that clients needed to exhibit to qualify for Welfare To Work programs, they also kept them from successfully participating in these programs. Pregnant women and older clients faced particular challenge.

***WorkSteps Progress Report:
November 1997 - December 1998***

WorkSteps Progress Report November 1997 - December 1998 (CT Council of Family Service Agencies and the United Way of CT/Infoline, June 1999) describes the progress of the safety net program's first year and sets a baseline for understanding welfare recipients who have lost their cash assistance due to failure to comply with program rules.

"Safety net" services were established by DSS in 1997, following legislation that required special services for families enrolled in *Jobs First* who were at risk of losing or who had lost cash benefits as a result of failure to cooperate with employment requirements. The state refers eligible families to its contracted service provider, a collaborative administered jointly by the United Way of Connecticut and the Connecticut Council of Family Service Agencies and termed *WorkSteps*. Its primary purpose is to minimize the likelihood of harm occurring to children, to stabilize families, and to assist heads of households to achieve employment and eventual self-sufficiency.

WorkSteps serves two target populations: (1) families who have exhausted their 21 months of TFA, have incomes below the payment standard, have children under the age of 18 and are not eligible for an extension of cash benefits due to sanctions - these are referred to as "safety net" clients; and (2) families at risk of losing their cash assistance after 21 months due to having been sanctioned for not cooperating with employment requirements, who have developed an Individual Performance Contract (IPC). Successful completion of their IPC may qualify them for an extension of cash benefits at the end of their 21-month time limit. These families are referred to as "prevention" clients.

Referrals from DSS to the *WorkSteps* program are processed through the Infoline *WorkSteps* unit, and basic needs vouchers are administered by United Way of CT. The direct service component of *WorkSteps* is the Employment Success Program (ESP), operated by Family Service agencies throughout the state. Services offered include home based outreach services on evenings and weekends, intensive case management and a clinical support team and a comprehensive, and quantitative assessment of family strengths and risk factors using a situation assessment scale. The intensity of services offered is based on level of risk; the program is family focused and provides assistance with basic needs, including vouchers for food, rent and utilities.

In 1997-98, the program located and enrolled 869 clients out of the 1,420 client referrals from DSS, representing approximately 80% of safety net families referred and 88% of prevention families referred.

As of June 1999 the total caseload was 1,100, with an average of 250 active cases each month; referrals increased considerably from January to June of

1999. Almost half of all families enrolled were unable to comply with program rules during an extension period (44%). Of all program clients, 21% had a primary language other than English; 17% spoke Spanish. The age of the head of household ranged from 19 to 46, with an average age of 32.

Ninety percent of the safety net families were single parent-headed households; 10% were married or living with a partner. Thirty percent had lost eligibility for food stamps and only 51% were receiving their full benefit at time of enrollment. In general, safety net clients had a longer history of welfare receipt (86% had been on assistance for more than three years) than the average AFDC family (37% for over three years). Over 75% of all families referred were assessed as having multiple and severe barriers that impeded their functioning and retention in employment related activities, as compared to 54% of an average AFDC caseload.

The most common barriers to employment experienced by these safety net families were education, employment history, and child care. Approximately 15% reported drug use. Only 30% had a GED or HS diploma, as compared to 53% of the AFDC population. Almost half had less than one year of full-time work experience in their lifetime. Over half were unemployed continuously for three months or more at the time of their assessment.

Their children's issues also were significant, ranging from behavior and academic problems to health and developmental concerns. Thirty-six per cent of those referred had three or more children; 62% of these children were less than five years old. Nine percent of those enrolled in the safety net program reported some or many concerns about the development of their children who were under age five, and 28% reported significant academic and behavioral problems with their school-aged and adolescent children. Almost one-third (31%) reported a history of involvement with child protective services (as compared to 20% of AFDC families) and 17% reported current involvement with DCF. Many reported missing work due to children's problems.

Once a client is employed and reaches an income over the payment standard, she is monitored by the program for job retention purposes for up to 6 months before her case is closed. Eighteen percent (310) of the enrolled safety net families were closed in 1997-98. Of these, almost half (150, or 48%) had either refused services, moved out of state or could not be located. Of the remaining 52%, 64 were reinstated on TFA, 44 became employed (with salaries over the payment standard and ranging from \$550 to \$1806/month), 15 were non-compliant with the program, 8 had children removed from home and were thus no longer eligible and 4 became eligible for SSI benefits.

Over three quarters (76%) of the prevention families were successful in completing an IPC and had their eligibility for extensions restored. Eighty-four

percent of these clients were in single parent households, and 63% had been on public assistance for more than three years.

***Welfare Time Limits On The Ground:
An Empirical Study Of Connecticut's Jobs First Program***

In *Welfare Time Limits on the Ground: An Empirical Study of Connecticut's Jobs First Program*, authors Emily Bazelon and Tamara Watts (students at Yale Law School at the time the study was conducted) describe the particular situations of 25 safety net clients enrolled in *WorkSteps*. Sixty percent (15) of those interviewed were from New Haven, with the remaining 40% from Danbury, Waterbury and Meriden. The report highlights both administrative failures to fairly apply program rules and regulations, and the difficulty women with multiple barriers to employment faced in meeting program requirements.

Over three-quarters (19 respondents, or 76%) had received welfare continuously since first enrolling in AFDC, while six reported episodic AFDC receipt. Three of the 25 were either married or partnered, but in each case the men faced severe barriers to employment. Level of education attainment was available for sixteen of those interviewed. Of these, half held a high school or general equivalency diploma.

Since beginning *Jobs First*, all 25 had looked for work, and 24 found at least one job. In terms of multiple employers, 40% had held only one job, 40% had held 2 jobs, and 16% (4) had worked at 3 jobs. Seven (28%) had worked at the same job for 1-3 years, and only one had held the same job for more than 3 years. Almost one third (5 of 16) had never held a job for longer than six months; and three had held a job for between 6 months and one year.

The ten respondents who reported having a job worked, on average, 28.7 hours/week and had an average monthly salary of \$803. Six had jobs paying \$7 or less per hour, and three were earning between \$7 and \$11 per hour. Only one client was working full time with benefits.

The authors report that during a time period when no guidelines on "good faith" were available to caseworkers (January 98 – May 99), all of those interviewed lost their benefits at some point due to a determination that they had failed to prove "good faith" effort. No one lost benefits during the first 21 months of assistance. Rather, nine failed to qualify for a first extension, 10 lost benefits during their first six month extension, five lost benefits at the end of their first extension and one received a second extension, and lost benefits during that time. None received a third extension, despite having been eligible. Seven (28%) were denied an extension because they were earning more than the payment standard, then later lost their jobs and reapplied.

Only 20% (5 respondents) requested a fair hearing when they lost benefits. The others were either unaware of their right to appeal (20%), or were aware of their right but did not appeal (80%). Reasons for not appealing ranged from feeling too overwhelmed to assuming that the hearing would not be fair, to missing the 60-day filing deadline. Those who did request a fair hearing did so with assistance of workers; none did so on their own, even though the toll-free number of Connecticut Legal Services was included in the right-to-hearing notice.

Most of those interviewed were receiving food, rent or utilities vouchers through the program, which offers six months of emergency aid. Stable and affordable housing was considered to be the biggest barrier the women experienced: two were living in homeless shelters, while the others avoided eviction due only to *WorkSteps* program assistance. Over half (14) had to reapply for food stamps and Medicaid, with interruptions in receipt of food stamps and in health insurance coverage. Some were unaware that despite the loss of state aid, they could still receive federal benefits.

Barriers To Employment In The Connecticut Safety Net Population

In another assessment of *WorkSteps* participants, Dr. Priscilla Canny, Research Director at Connecticut Voices for Children, analyzed data obtained from the Situation Assessment Scale (SAS). This is an assessment conducted shortly after program enrollment for *WorkSteps* participants to determine their barriers to employment.

Canny's study examined the data on 226 safety net participants who had been enrolled between October 1997 and November 1998. Canny found that the most frequently reported barriers to employment were education less than high school (59%), depression (53%), domestic violence (35%) and health rated poor or fair (31%).

Canny looked at the impact of these and other barriers on employment. She found that clients with less than an 8th grade education were eight times less likely to have been employed than were those with more education. Clients with poor reading skills and those with drug problems were more than twice as likely to be unemployed as were clients without these problems.

In examining the influence of multiple barriers to employment, Dr. Canny found that about two-thirds of the safety net clients had two or more barriers to employment. About half the people were employed if they had three or fewer barriers (and nearly 80% of the clients had three or fewer barriers), but only 23% were employed if they had four barriers. No one with more than four barriers was employed. This precipitous decline in likelihood of employment as barriers increased Canny characterized as a "tipping effect."

C. Family Well-Being Studies

This section reviews studies that considered how families on welfare or transitioning off welfare fare on a variety of measures of family well-being, such as health, mental health, child well-being, housing, food, clothing and utilities. Studies ranged from a point in time census of the homeless, to agency self reports on service demand. These studies report that many families continue to rely on non-cash assistance programs after leaving welfare, and some experienced interruptions in their health care coverage as they lost their TFA benefits. Those with multiple barriers to employment were found to be least likely to be working, and most likely to be in need of emergency assistance.

It is important to note that some of these studies, by design, captured those persons who were most negatively affected by welfare reform, while others were based on a broader cross-section of recipients. Also, unlike the DSS-supported research reported earlier, most of these studies lack baseline data and all lack a control group. Their observed outcomes, therefore, cannot necessarily be attributed to changes in state welfare policy.

The studies by Dr. Horwitz and Drs. Kagan and Fuller, discussed earlier, which added questions to the 18-month Client Interim Surveys that were a part of MDRC's evaluation of *Jobs First*, will provide data on child and maternal outcomes. Because of the design of these studies, observed differences in outcomes (between the families in *Jobs First* and the control group) will be able to be attributed to welfare reform changes. The results of these studies will be released in February 2000. In addition, the Child Outcome Study, which is a part of the 36-month interviews in MDRC's evaluation of *Jobs First* will provide additional data in these important areas.

Ensuring Husky Coverage For Children

The Children's Health Council, in their November 1999 report, *Ensuring HUSKY Coverage for Children*, reported that between July 1998 and June 1999 a substantial number of low-income children (primarily those whose families received TFA benefits) either lost health insurance coverage or experienced gaps in coverage that interfered with their ability to receive necessary health services. The Council attributed this largely to the lack of a smooth transition in changing coverage groups. All families receiving TFA also receive HUSKY A coverage. In addition, most families who lose their cash benefits maintain eligibility for HUSKY A coverage, albeit under a different coverage group. Specifically, TFA families entitled to continued coverage must be administratively moved from one coverage group (TFA families) to another (Medicaid extension).

For those who leave the TFA program because their earned income is over the federal poverty level (about 25%), coverage should be automatically transferred to the Medicaid extension coverage group, as should families with earned income who are discontinued due to having reached the time limit. This did not always occur. In addition, many HUSKY-eligible families who lost TFA benefits for other reasons, including failure to complete the redetermination process, were found to be losing HUSKY A coverage as well.

Report of the Connecticut Welfare Monitoring And Advocacy Partnership

The Connecticut Coalition to End Homelessness, in partnership with Connecticut Voices for Children, coordinates Connecticut's local implementation of the *National Welfare Monitoring and Advocacy Project*. Nationally, surveys are administered four times a year at a variety of programs, including shelters, soup kitchens and other human service agencies and locations. The six page interview asks people about benefits received, whether they are working and how life has changed for them and for their families since welfare reform. Connecticut's research effort has focused on interviewing residents of homeless shelters and transitional housing programs.

This report discusses results of the July 1999 Connecticut survey, reporting on interviews with 82 individuals living in a total of thirteen homeless shelters.¹² Thirty-five percent had completed at least one year of high school, 18% had a GED, 18% had a High School diploma and 9% had attended college but did not receive a degree. Forty-four percent were white, 38% were black and 21% were Hispanic or Latino.

Almost two-thirds (61%) were not working. Almost 37% had found a job in the six months prior to the survey; and 30% lost a job in the same period. Forty-six percent were currently receiving a welfare check, while 39% were former recipients.

Of those who were working, 63% did not receive health insurance from their employer, and the average length of time at the current job was 11 months. In the six months prior to the survey, over half of the respondents had requested help from family or friends, shelters, a food bank or pantry or religious groups.

Finally, 47% of those residing in homeless shelters reported having lived with friends or family members immediately prior to entering shelter. Almost fifteen percent reported that their child changed school due to a family move.

¹² October 1999 and January 2000 surveys have been completed, with data analysis expected in mid-2000.

The report further notes that children under age 17 represented 18% of the people using emergency shelters between October 1997 and September 1998, based on information compiled from DSS .

The 1999 Census Of The Homeless In Hartford

A point-in-time enumeration of the homeless in Hartford, CT, conducted by Dr. Irene Glasser of Southern Connecticut State University, this census covered emergency and other shelters, transitional programs and supportive housing programs in Hartford on the night of April 13, 1999. Information was gathered on a total of 916 households, including 98 with children (approximately 11% of the total sample, with a total of 209 children). Of these 98 families, 40 were in shelters, 8 in transitional housing, and 49 in supportive housing. One family slept outside that night.

Of the forty families housed in an emergency shelter for the night, approximately 58% had previously lived in rental housing and had lost this housing. Over half attributed their loss of housing to family problems, while another 45% attributed their loss to income problems. For all families, family problems and income problems were the two dominant reasons for homelessness. Glasser argues that family problems may in fact arise from “doubling up” situations, in which families who lose their housing due to lack of income first move in with other family members. It is only when these arrangements fail that they then are forced to seek other shelter. As such, she viewed income problems as closely related to family problems. When asked to identify unmet needs, families most often mentioned job training, job placement, and day care services.

Survey Of Emergency Food Sites 1999

Conducted in October 1998 by Dr. Amy Sampson of the Connecticut Association for Human Services, this survey of users and administrators of emergency food sites that use the three major CT food banks analyzed responses from 128 emergency food sites and 400 users. Findings included an increase over the past year in the number of people using the sites, in the numbers who use the sites on a regular basis and in the proportion of those seeking assistance who were former welfare recipients, both working and not working.

Welfare Reform Impact Study: Fairfield County

The impact of welfare reform on Fairfield County was the specific focus of this study by Beverly Salzman, which surveyed TFA clients and service providers in Fairfield County over the period January – June 1998, when Fairfield County welfare clients began to lose their cash benefits. Results were reported on 515

clients, 47 agencies and 11 city/town governments. Of the 515 clients, 17% reported going without food for a day or more in the previous six months due to lack of funds, and 12% reported having their heat or electricity cut off due to nonpayment. The author noted that some clients who were eligible for fuel assistance¹³ reported they could not use these funds because their electric bill was in someone else's name. Nineteen percent reported having their telephone service cut off, and 13% reported having to move in the previous six months due to inability to pay the rent. Those in Section 8 or public housing reported significantly fewer worries related to housing.

Human services agencies surveyed indicated that over half of the clients they serve were having difficulty accessing medical care, despite coverage. Over half of the agencies reported that clients were having a more difficult time paying their bills and buying food than six months earlier. Almost three-quarters (71%) of agencies surveyed had provided additional services in the previous six months, which they attributed to welfare reform. Among others, these services included additional child care, advocacy, housing assistance, food, transportation, and financial assistance. In general, agencies reported an increase in caseloads and in the intensity of needs of those they served.

Section II: Recommendations From the Connecticut-Based Studies

Recommendations offered in these Connecticut-based studies primarily focused on ways that *Jobs First* could be reformed at the policy and administrative levels to meet the needs of those unable to find jobs that lead to self-sufficiency, and on implementation strategies to enhance outcomes. While most of those who studied the impact of welfare reform had suggestions to improve efforts, some limited themselves to descriptive analysis and are not represented in this section.

Reports that were prescriptive varied in the type of recommendations: some simply called for increased funding, while others provided detailed administrative reforms that, if implemented, could effect major positive impacts. The recommendations are summarized by area of impact and study. Some of these recommendations have since resulted in program adjustments; where this is known, it is so stated. See Appendix 1, Table 3 for a summary of recommendations by impact area.

¹³ According to *Programs That Help People in Connecticut 1999-2000: Benefits Available, Who's Eligible, Where To Go (CAHS: 1999)*, the State's fuel assistance program provides up to \$250 in oil fuel per household per heating season, for households with income below 200% of the federal poverty level. In addition, the State's energy assistance program prohibits utilities from cutting off service if a consumer informs the utility that he or she is having difficulty paying bills. The consumer is given up to 72 hours to produce supporting documentation to determine program eligibility.

1. The *Jobs First* Evaluation

In recommendations issued by MDRC's *Early Data on the Implementation of Connecticut's Jobs First Program* (January 1997), it was noted that the key challenge for Jobs First would be to "encourage and assist recipients to obtain stable jobs that provide enough income to support their families..."¹⁴ Also, the authors recommended that, due to the discretion given staff in making decisions on good-faith efforts, program administrators needed to create a process for reviewing cases that reach the time limit, as well as procedures that ensure that recipients in similar situations are treated consistently. At the same time, the authors asserted that this process must be streamlined in order to avoid creating an undue burden on staff.

In *Jobs First: Early Implementation of Connecticut's Welfare Reform Initiative*, reporting on the first two years of implementation, MDRC reiterated the need for procedures that ensured consistent treatment across the state, and for a case review process that is comprehensive, but streamlined. They also recommended staff training, "not just on rules and regulations, but also on how to market and discuss the new policies."¹⁵

2. Employment and Employment Barriers

Among the recommendations in *CBIA/DSS Welfare-To-Work Small Business Research Project* (1997), were the following:

- for those functioning below an eighth grade level and whose initial job searches have proven unsuccessful, require a combination of part-time work and part-time basic skills education to continue to receive benefits
- for those who have found jobs on their own, provide eligibility for additional education and training needed to advance
- provide high-quality child care for all working families
- develop creative, flexible transportation arrangements where public transportation is inadequate.

In *Individual Perspectives on Jobs First: A Report on the Current Issues Confronting Welfare Recipients' Transition From Public Assistance to the Labor Market* (1998), Pritchard offers the following recommendations:

¹⁴ Andes M & Bloom D, *Early Data on the Implementation of Connecticut's Jobs First Program* (December 1997), p. 20.

¹⁵ Bloom D, Andes M, and Nicholson C, *Jobs First: Early Implementation of Connecticut's Welfare Reform Initiative* (July 1998), p. ES-6.

- assure consistent policy interpretation and decision-making, by developing objective decision making criteria for workers, and by providing ongoing training to assure consistent implementation
- invest in occupational skills training for those occupations that meet Connecticut business needs
- re-examine policies that produce a “cliff effect” in benefits for working families due to the interaction of conflicting rules in different programs
- continue to facilitate child support enforcement efforts
- develop stronger collaboration among agencies (DSS, DOL, DCF, DOT and SDE) in order to develop policies and invest in services that sustain long-term employment (transportation, childcare, case management/job retention services, mentoring)
- support the development of innovative strategies (that combine counseling, case management, basic skills and occupational skills training with supportive living arrangements) for families with multiple barriers
- identify early and refer to intensive services that portion of the caseload with significant challenges to entering the labor market.

In ***Out of Poverty: What Do Education and Training or a Labor Force Attachment Model Offer Low-Income Women in Connecticut*** (1998), Bok, Churchill and Simmons conclude that work alone was not enough to move recipients to economic self-sufficiency. They recommend a major policy shift to a “human capital development” model, to better address the structural changes in the workplace and labor market, that focus on enhancing the self-sufficiency and the earning capacity of individuals transitioning from welfare to work.

In ***Employment Services System Evaluation*** (1999), Pritchard offered the following recommendations:

- educate RWDB and vendor staff on rules and regulations to improve consistency in interpretation and implementation;
- clarify roles and responsibilities for all agencies involved;
- fully utilize federal flexibility in the definition of “work activities” to provide a mix of service for clients to enable them to reach employability;
- expand the types of occupational training available, particularly for higher wage, higher skill and nontraditional occupations;

- increase the time allotted for training for those who need more time to promote real skills building;
- document that clients are given a continuum of services that promote their transition from assistance to independence, and triage clients to allow for a mix of services while meeting participation rates;
- ensure dollars are being funneled to client services and that duplication of services is avoided by examining allocations to DSS, DOL, RWDBs and vendors;
- investigate/identify other training funding sources to expand available dollars to serve clients before and after employment;
- implement a statewide case management system to provide improved client services and case tracking (*note: scheduled for early 2000*); and
- re-examine the usefulness of existing orientation sessions for providing client assessment and appropriate referrals.

In ***Welfare Time Limits on the Ground***, Bazelon & Watts recommend that Connecticut: a) increase the assistance available to help recipients comply with Jobs First rules; b) improve the fairness and consistency of the sanctioning process; and c) augment the support available to former recipients who, despite work effort, cannot pull themselves and their families out of poverty. Specifically, their recommendations include the following.

- Increase access to Case Management services, such as the ESP program currently offered through IPCs.
- De-link IPCs from sanctions. As IPCs help most women to comply with the *Jobs First* rules, they argue, those in need should not have to wait until they are near the end of their benefits clock, or are sanctioned, to get this help. Rather, caseworkers should use intake sessions or six month work test meetings to determine the need for extra assistance and to make referrals to those services.
- Absent this change, insure that all those who are eligible for IPCs are referred, in accordance with existing rules. This would entail closer monitoring and greater use of sanctions during recipients' first 21 months of assistance.
- Replace "one strike" sanctioning during extensions (a single sanction results in benefits termination) with IPC referrals triggered by a rule violation.

- Issue specific guidelines for workers to ensure that sanctions are implemented consistently, with attention paid to guidelines regarding conflicts between work and child care (federal law requires that states take a lenient approach toward child care problems).
- Allow sanctioned recipients to restore eligibility for benefits (rather than disqualifying recipients for life because they failed once to meet the good faith effort standard). Restoration of eligibility should be allowed if a recipient establishes a subsequent record of work effort.
- Make fair hearings a meaningful right, by allowing ESP case managers to encourage clients to appeal and serve as advocates at the fair hearings and extending the 60-day deadline for filing applications to 6 months.
- Increase the payment standard, as it is the best way to help recipients combat the structural deficiencies of the low wage labor market. Self-sufficiency measures should fully account for monthly income needed to cover a family's basic needs.
- Extend eligibility for Medicaid, child care and transportation subsidies beyond two years, to as long as needed to keep a family out of poverty, and expand eligibility for food stamps to all qualifying families with dependent children (not just those with children under age six). To avoid gaps in coverage when leaving *Jobs First*, automatically extend supplementary in-kind benefits until evidence indicates that income exceeds the self-sufficiency measure. (The authors note that additional funding sources exist to pay for these expansions, and advise the state to investigate these further.)

Canny, in ***Barriers to Employment in the Connecticut Safety Net Population***, recommends that comprehensive assessments of barriers to employment should occur at initial intake into the TFA system. Those with multiple barriers, identified early, should be offered specialized services and become subject to different program rules.

3. Family Well-being

Recommendations in this area emphasized the need for greater assistance in order to improve family well-being.

In ***Ensuring HUSKY Coverage for Children***, the Children's Health Council had several specific recommendations to ensure that families transitioning off cash assistance do not experience interruptions in their health care coverage. These include: (1) when cash benefits end, DSS should continue HUSKY Part A coverage and conduct a separate redetermination of eligibility; (2) in partnership with the Children's Health Council and the Connecticut Children's Health Project,

DSS should develop materials that specifically focus on the “de-linking” of Medicaid from cash assistance; (3) DSS should revise its notices to make it clear that HUSKY Part A eligibility does not depend on eligibility for TFA, and that a redetermination of HUSKY Part A eligibility does not require a face-to-face interview.

DSS reports that it agrees with most of the Council’s recommendations, and is working with the Council to make the necessary changes to ensure that those who are eligible do not experience interruptions in coverage.¹⁶

In *The 1999 Census of the Homeless in Hartford*, Glasser does not offer specific recommendations; however, her concluding comments are instructive. She contrasts the level of family homelessness in Hartford with that in Quebec, a city she also surveyed. In her discussion of her findings from Quebec, she notes “The absence of family homelessness is especially striking, as families are able to enter social housing... and receive a greater amount of financial assistance which enables them to keep their housing.”¹⁷

In *Welfare Reform Impact Study*, Salzman recommended:

- increases in food stamp allotments to reflect need based on family size and the cost of food in the area;
- increases in Section 8 housing to reflect varying costs of living in higher expense areas;
- increased funding for child support investigation and collection activities, including out of state activities;
- revisions in income guidelines to reflect cost of living by region;
- increased child care slots to meet anticipated as well as current demand, including the development of child care slots offered during non-traditional hours and for multiple aged children; enforcement of Maximus performance standards that include timely provider reimbursements;
- increased funding to train in-home child care providers;
- increased child care monitoring activities and training for TFA recipients on child care provider selection;
- the addition of bus routes to outlying areas that have job centers; increased bus service to accommodate second and third work shifts; and facilitation of private transportation efforts to meet needs; and
- increased training of DSS workers to improve their understanding and universal application of TFA laws across workers, offices and regions.

¹⁶ Memorandum from Kevin Loveland, January 31, 2000.

¹⁷ *The 1999 Census of the Homeless in Hartford* (Irene Glasser: Homeless Continuum of Care Collaborative May 1999), p. 64.

Section III: National Context

While a review of the national literature on welfare reform is beyond the scope of this report, several studies that include Connecticut in their database are of interest in providing a national perspective on the work done within the state. In addition, several studies are included because they report on areas investigated within the state and as such provide a context for the state findings. They are presented here in the context of the three major areas of impacts as organized in previous sections. Descriptive information regarding how states are implementing welfare reform activities is available from, among other sources, the State Policy Documentation Project (a joint project of the Center on Budget and Policy Priorities and the Center for Legal And Social Policy), and is not included here. A total of twenty national studies meeting the criteria for inclusion in this report were reviewed.

One of these provided a broad overview of national and state-based research on welfare reform: ***Welfare to What? Early Findings on Family Hardship and Well-Being (Children's Defense Fund & National Coalition for the Homeless, December 1998)***. This report compiles more than 30 state and local studies and presents new national and local findings based on surveys administered in 1998 through the National Welfare Monitoring Project. It concludes that, although more families are moving from welfare to work, many of them are faring worse than before.

Among recipients who found jobs, 71 percent earned less than the federal poverty threshold for a three-person household. As they left welfare, families were losing income or not finding steady jobs at all, and extreme poverty was growing more common for children, especially those in female-headed and working families. Many families leaving welfare reported that they were struggling to get food, shelter, or needed medical care. Many were not getting basic help (such as child care, medical coverage, food or transportation assistance) that might enable them to sustain work and care for their children on very low wages. At the same time, many families were being denied cash assistance through little or no fault of their own, and states often penalized families without assessing their ability to complete required activities.

Work alone is not enough, concluded the report. Families moving to unstable and inadequately paid jobs need far more support if they are to succeed. It asserts that states and communities have not yet "replaced the old welfare law with a reasonable alternative that enables families to obtain above-poverty employment, and to sustain themselves when work is not available or possible. The real work

of welfare reform is to take steps that will realize the goals of increased work and improved child and family well-being.”¹⁸

1. Program implementation

In Section II, this area covered the DSS-sponsored research studies in Connecticut. Here, studies are included that specifically reviewed implementation issues associated with welfare reform. Of the three studies included here, one reviewed the structural approaches states are using to provide employment and training services to TANF clients, and the other two reported on the Welfare to Work grants first awarded in federal fiscal year 1998.

In *Welfare Reform: States' Experiences in Providing Employment Assistance to TANF Clients (GAO-HEHS-99-22, February 1999)*, the GAO reported on how states were providing employment and training assistance under welfare reform, covering the period December 1997 through November 1998. Only four states implemented welfare reform initiatives earlier than Connecticut (Massachusetts, Michigan, Vermont and Wisconsin), and six states implemented their reforms at the same time (Arizona, Florida, Indiana, Ohio, Oklahoma and Utah).

The report concludes that comparable outcome and impact studies are needed to determine whether any one approach to providing employment services (separate, integrated or a combination) works better than the others. Changes attributable to the recent passage of the Workforce Investment Act are likely to further affect the relationship between the two systems. Finally, factors such as institutional rigidity, reticence to change and uncertainty about the future make the process of change a difficult one. Four areas of implementation were addressed.

System reorganization. Implementation efforts across the states were complicated by the fact that both the workforce and the welfare systems were undergoing major reorganizations simultaneously. In the workforce system, the Workforce Investment Act of 1998 required that states use the one-stop career center approach to deliver most of its employment and training services (except TANF-related services) by July 2000. The one-stop initiative was designed to bring together all workforce development programs into a single system that serves all individuals regardless of their eligibility for any specific program. Earliest implementation grants to further this consolidation effort were awarded in 1994. In addition, the Department of Labor relies on regional Workforce Investment Boards, whose members are appointed locally, to carry out local policymaking and administrative responsibilities. In contrast, TANF policymaking and administrative responsibilities are performed at the state level, though some states further devolve these responsibilities to counties.

¹⁸ Sherman, A., *et al*, *Welfare to What: Early Findings on Family Hardship and Well-Being*. (Children's Defense Fund and National Coalition for the Homeless, December 1998), p. 4.

Shift to work-first model. The welfare system's shift to a work-first model from a model that focused on education and training further complicated collaborative efforts. Past collaborative efforts between the two systems had focused on job training, not employment. For the most part, the two systems have remained independent. The exception was in Wisconsin, where the workforce development and welfare systems are integrated at both the state (located in the same state department) and local levels (services provided in the same location, by different division).

Range of services offered. Across the nation, the services provided to TANF clients through the workforce development system were primarily job placement rather than skills training. Job readiness training, lasting from one to six weeks, is the primary focus. Because of the work-first focus, vocational and basic skills training (including English as a Second Language and GED training) is generally reserved for those who need it to get or keep a job or to advance in a career path. English language training focused on the vocabulary needed in the work environment. Shorter-term skills training has replaced longer-term vocational training. These classes, usually no more than a month in duration, are geared toward acquiring specific new skills or upgrading current skills and are driven by local employer needs.

Employment services funding. Employment and training services provided to TANF clients across the country were largely funded through the TANF block grant rather than through workforce development programs, primarily because states have more flexibility with TANF funds, whereas workforce development funds (in particular, JTPA Title IIA funds) are limited and must serve a broader population. The exception to this is the welfare-to-work grant program, initiated in 1998.

In *Welfare Reform: Status of Awards and Selected States Use of Welfare to Work Grants for February 1999 (GAO-HEHS-99-40, February 1999)*, the Welfare-To-Work (WTW) program is described and state plans for implementing the program are analyzed.¹⁹ As the study was conducted in late 1998, no states had yet implemented their program, though many had begun comprehensive planning processes inclusive of state departments, local officials and local human service agencies. The report concludes that, based on the experience of six states reviewed, the potential exists for the program to strengthen partnerships between workforce development agencies and other human service agencies that assist welfare recipients. However, State level partnerships must focus on

¹⁹ In FY 98, Connecticut was awarded \$12 million, or 1.17% of total federal funds awarded; the state match was \$6 million. DOL awarded one competitive grant in May 1998, to The Workplace in Bridgeport. In November of 1998, two additional competitive grants were awarded, to the Community Action Agency of New Haven, Inc. (\$2.9 million) and to The Access Agency, Inc., in Willimantic (\$1 million).

ways to promote integration between the workforce development and human service agencies for welfare recipients at the local level. Further, planning efforts need to be coordinated with state and local officials.

In ***Welfare to Work Block Grants: Are They Working? (Paul Leonard, Discussion Paper Prepared for the Brookings Institution Center on Urban and Metropolitan Policy, September 1999)***, prepared in response to the program's scheduled reauthorization, the author reviewed early implementation of the Welfare to Work program in four cities. Program success, it concluded, is dependent on "unprecedented levels" of cooperation between two large systems – welfare and workforce – to carry out one small program, while each of these systems is independently undergoing systemic change.²⁰

The most consistent innovation in the cities reviewed was the inclusion of post-employment services for the purposes of job retention, second and third job placement and supplemental post-employment education and training services. Administrative challenges were best met by allocating considerable planning time to develop effective coordination mechanisms. The report noted that in some areas, WTW participation does not count towards meeting the state's TANF work participation requirements, resulting in low program enrollment. Finally, narrow eligibility rules and burdensome reporting requirements that frequently changed hampered implementation.

2. Employment and Employment Barriers

The eight studies in this section assessed the status of families that have left welfare, compared current with former welfare recipients, discussed employment and earnings of welfare recipients who find jobs, and reported on how working families are faring.

Using the 1997 National Survey of America's Families (administered in 13 states, not including Connecticut), characteristics of former welfare recipients are compared with those of current recipients in ***Current and Former Welfare Recipients: How Do They Differ? (Pamela J. Loprest and Sheila R. Zedlewski, Urban Institute 99-17, November 1999)***. Current recipients were more likely to be Hispanic and living in the northeastern and western parts of the country. They had significantly lower education attainment than former recipients. No significant differences in health status (incorporating both mental and physical measures of health) were found.

The presence of multiple obstacles has been found to be the strongest predictor of not participating in work activity, and this is where the groups differed most markedly. Current recipients were far more likely to have reported multiple (three

²⁰ *Welfare to Work Block Grants: Are They Working? Paul Leonard: Brookings Institution Center on Urban and Metropolitan Policy, September 1999, p. 4.*

or more) obstacles than were former recipients (17% vs. 7%). Of current recipients who reported three or more obstacles, 71% were not in any work activity status, and only 2% were working, as compared to 52% of those with no reported obstacles.

The two groups did not differ in terms of their reported economic struggles, including food insecurity and difficulty in paying bills. About one-third of both groups reported difficulties in paying for food and housing during the past year. The author concludes that this finding indicates the need for supports that can alleviate economic hardship and subsequent spells of welfare.

In ***How Families That Left Welfare Are Doing: A National Picture (Pamela Loprest, Urban Institute, Assessing the New Federalism, Series B, No.B-1, August 1999)***, the authors use the same database, the 1997 National Survey of America's Families, to compare former welfare recipients and their non-welfare, low-income counterparts with regard to hourly wages and monthly earnings. They find that former welfare recipients are working in much the same circumstances as other near-poor and low-income mothers, at about the same rate, and earning wages at the low end of the labor market. Thirty percent of those who left welfare returned within the study period, and twenty percent were not working. Almost half struggled to provide food for their families. Implications for public policy include directing services to near-poor and low-income families, as well as continuing policies to help with the transition from welfare to work.

Published findings from seventeen states (not including Connecticut) on families who left welfare are reviewed in ***Welfare Reform: Information on Former Recipients' Status (GAO-HEH-99-48, April 1999)***. Studies in seven of the states could be generalized to most families who had left welfare in the state. All seven found that significant number of families returned to the rolls (ranging from 19% to 30%). Five reported that many families who had left welfare subsequently received non-cash public assistance such as Medicaid and food stamps, indicating that their incomes were low enough to keep them eligible for these programs. Measures of well-being were restricted to data on homelessness or separation of children from parents, and the studies found no indication of increased incidence of these outcomes at the time of follow-up.

Summarizing research and evaluations of welfare-to-work programs in twelve states with respect to families that have left welfare, ***Welfare Recipients Who Find Jobs: What Do We Know About Their Employment and Earnings? (Sharon Parrott, Center on Budget and Policy Priorities, November 1998)*** reports that, in all of the studies, recipients who found jobs typically worked a substantial number of hours per week (typically more than 30 hours) but were paid low wages. Wages were typically less than \$8 per hour, with a substantial portion earning less than \$6 per hour. Education was found to play a significant role in earnings: recipients with a high school diploma or GED had earnings that were 19 - 29% higher than those who lacked diplomas. Further, the jobs held by

those who left welfare, and by those who were combining work and assistance, often failed to provide basic benefits such as paid sick days, vacation leave, and health benefits.

Key results of a nationwide survey conducted by the Economic and Social Research Institute (ESRI) to determine employers' attitudes about hiring welfare recipients are presented in ***Job Prospects for Welfare Recipients: Employers Speak Out (Marsha Regenstein, Jack A. Meyer, and Jennifer Dickemper Hicks, Urban Institute, Series A, No. A-25, August 1998)***. The survey included 500 businesses, mostly small employers with fewer than 50 workers (with an oversampling of those with 100 or more employees), in industries likely to have higher-than-average numbers of entry-level workers. Results indicated that positive attitudes, reliability and motivation might compensate for limited education: two-thirds selected these attributes among their top three, ranking them above prior work experience and technical training. The authors caution that, while some aspects of reliability are within the recipient's control (such as motivation), others involve systems (including social services, child care and transportation, among others) that are primarily outside their control. For example, significant transportation barriers result when 39% of employers state that their entry-level jobs are not accessible by public transportation.

Most employers were unaware of government initiatives to improve the job prospects of welfare recipients and, of those who were aware, programs that screened job applicants were considered more helpful than programs that offered economic incentives for hiring. In its analysis of the entry level job market, the study found that 74% of employers offer benefits. However, 94% of these employers have a waiting time from between 1 to 3 months to 1 year or more. While half offered health insurance to entry-level workers, only 17% offered paid sick leave.

Since entry level employees remain at their jobs for an average of one year or less, these findings suggest that states must provide adequate transitional benefits, such as Medicaid, child care and transportation subsidies for a sufficient period of time to support work efforts. Further, the authors note that states must actively market the availability of these benefits to eligible recipients.

Reviewing the child support collection rates of states, ***Welfare Reform: Child Support an Uncertain Income Supplement for Families Leaving Welfare (GAO-HEHS-98-168, August 1998)***, this report found that, in the first three states to enforce welfare benefit time limits,²¹ only 20 - 40% of families had any

²¹ Before the passage of federal welfare reform legislation, 14 states had adopted time limits under state waivers. These limits ranged from 21 months to five years. Families first faced benefit termination under approved state waivers in the following three states: Connecticut – 21 months, Florida – 2 or 3 years depending on status, and Virginia – 2 years. *Welfare Reform: Child Support an Uncertain Income Supplement for Families Leaving Welfare (GAO-HEHS-98-168, August 1998)*, p. 22.

child support collected for them in the twelve months before their benefits were terminated. It concluded that most families would not be able to count on child support as a steady source of income when their time-limited welfare benefits expire. Further, the study found that it was harder for states to obtain child support collections for cases that had been open in the child support system prior to the beginning of benefits than for new cases.

The authors reviewed a random sample of 90 welfare cases in Connecticut that were terminated before November 1, 1997 and analyzed 123 associated child support cases (one welfare case may have had more than one child support case). Almost half (49%) of these Connecticut cases had child support orders.

Of the families with court orders in place, only 13% received the full child support amount ordered by the court. Fifteen percent (15%) received some portion of the amount ordered, and 21% of those with a court order did not receive any of the ordered amount. In a majority of those cases where an order was established but no collections were reported, the noncustodial parent was not located before the benefit recipient's time limit was reached.

Of the 51% of Connecticut cases without an established child support order, the vast majority (75%) did not have an order established before reaching the time limit.

Florida and Virginia, the other two states implementing time limits early, had varying rates but the same overall success rate. While a state's success in obtaining child support can provide an important supplement to a family's earnings, states continue to be challenged by rising caseloads and resource limitations in their child support agency.

Based on previous studies of the child care experiences of JOBS program clients, ***Welfare Reform: Implications of Increased Work Participation for Child Care (GAO/HEHS-97-75, May 1997)*** anticipates four major child care issues that recipients will face and advises states to develop responses. These issues include: inadequate resources for child care provide during nonstandard hours; difficulties faced by clients in transporting children to care providers and themselves to work; concerns about quality of childcare available; and the proportion of poor families' income consumed by childcare expenses. The authors conclude that the availability of child care will be a key factor in the degree to which states and the federal government succeed in helping welfare families become more financially self-sufficient, and presumes that increases in the supply of child care will be needed to meet the increase in demand for care. Whether or not states can effectively help increase the supply where it is most needed is dependent on the proportion of demand currently being met, the ability of states to affect supply, the ages of children needing care (especially the very youngest), and the price of care (including states' ability to subsidize quality care).

3. Family Well-being

The nine studies that looked at effects of welfare reform on a family's well-being addressed this from a number of perspectives, and are discussed here in three areas: health, effects of assistance on well-being, and child outcomes.

A. Health

In *Missed Opportunities: Declining Medicaid Enrollment Undermines the Nation's Progress in Insuring Low-Income Children* (J. Guyer, M. Broaddus and M. Cochran, Center on Budget and Policy Priorities, October 1999) the authors' analysis of U.S. Census Bureau data indicated that the percentage of children in families with income below the federal poverty level who are participating in the Medicaid program had declined from 62.6% in 1996 to 57.8% in 1998, even as states have worked on expanding eligibility and increasing the availability of coverage for children in low-income working families.

Their conclusion is further discussed in *Medicaid Enrollment: Amid Declines, State Efforts to Ensure Coverage After Welfare Reform Vary* (GAO-HEHS-99-163, September 1999). Despite federal protections to ensure that low-income families retain health insurance regardless of whether they are receiving cash assistance, welfare reform made it more complicated for eligible low income families to establish and keep Medicaid coverage. This report analyzed Medicaid enrollment changes for families and children following welfare reform, as well as associated key federal protections established for Medicaid, and assessed states' welfare-related policies and practices that influence Medicaid enrollment.

Enrollment and federal protections. Between 1995 and 1997, Medicaid enrollment declined nationwide by 7%, while welfare participation declined by 23%. (In Connecticut during this period, Medicaid enrollment dropped by 1%, while annual welfare participation declined by 11.5%.) While smaller declines in Medicaid enrollment may be due to strong state economies and low unemployment rates, the authors note that employment in lower wage positions, many of which do not offer health insurance coverage, is not likely to cause families losing cash assistance to become ineligible for Medicaid. The federal eligibility protections built into welfare reform, and ongoing expansions of Medicaid coverage for low-income children that predate welfare reform (such as transitional Medicaid assistance) can be credited for limiting these reductions. Even so, the authors' analysis found that 15% of the decline in Medicaid enrollment can be attributed to the changes brought about by welfare reform. As such, they caution that the ways in which states choose to carry out Medicaid eligibility determinations and fulfill reporting requirements can directly affect

whether eligible families continue to be covered by health insurance regardless of their status in the state's TANF program.

Coverage and enrollment barriers. The extent to which eligible families obtain and keep coverage under transitional Medicaid is unknown at the national level, as states are not required to separately identify families receiving transitional Medicaid when reporting enrollment data to HCFA. Prior to welfare reform, states were required to use a single state agency to administer both AFDC and Medicaid, as well as a single application for use in determining eligibility for both programs. Now states have the option of using separate state agencies, applications, eligibility criteria and application procedures for TANF and Medicaid. At the same time, the time limits for processing Medicaid applications were not changed: states are required to provide Medicaid applications upon request and to determine eligibility for coverage within 45 days of the date of applications.

Barriers to continued Medicaid enrollment identified by the authors include TANF diversion policies, procedures for applying for continued coverage, and transitional Medicaid reporting requirements. Imposition of TANF requirements that applicants search for employment before obtaining welfare assistance, and related diversion policies such as offering welfare-eligible applicants one-time payments in lieu of ongoing cash assistance, though not applicable to Medicaid eligibility, may confuse Medicaid applicants as to eligibility requirements or dissuade them from completing a separate Medicaid application when they first appear to request assistance. In the states contacted, up-front job search requirements appeared to cause more confusion than other tactics.

Failure to notify eligibility workers of employment, or even failure to attend an exit interview, can prevent families from being enrolled in transitional Medicaid, despite their eligibility. State reporting requirements for transitional Medicaid (two sequential 6 month periods of coverage to those families losing Medicaid eligibility as a result of employment or other financial circumstances) also pose barriers for families leaving cash assistance. Maintaining this entitlement for the full period of eligibility requires that families meet statutory reporting requirements established under section 1925 of the Social Security Act, required for each 6 month period of enrollment (essentially, quarterly income reporting).

Connecticut waiver. In Connecticut, 94% of families leaving cash assistance and scheduled for exit interviews in January 1998 received transitional Medicaid coverage. However, as the authors point out, Connecticut obtained welfare and Medicaid waivers to eliminate the requirement for quarterly income reporting, thus ensuring an uninterrupted period of transitional Medicaid coverage. This waiver will expire in October 2001 and the authors note that, unless the state is granted an extension of the waiver, it will have to comply with what Connecticut officials term a "burdensome requirement."²²

²² *Medicaid After Welfare Reform* (GAO/HEHS-99-163), p.26.

In view of concerns that beneficiary reporting requirements are limiting the use of the transitional Medicaid benefit, HCFA has proposed legislation aimed at simplifying transitional Medicaid. In particular, it would eliminate beneficiary reporting requirements for the full period of required eligibility. Essentially, the failure to report income on a quarterly basis would no longer result in disenrollment. No action has been taken to date on this proposal, submitted as part of the president's fiscal year 2000 budget.

In ***The Impact of Welfare Reform on Parents' Ability to Care for Their Children's Health*** (S. Jody Heymann and Alison Earle, *American Journal of Public Health*, April 1999), conditions faced by mothers leaving welfare for work were examined, using data from the National Longitudinal Survey of Youth. The authors conclude that mothers who had been on AFDC, in comparison with mothers who had never received welfare, were more likely to be caring for at least one child with a chronic condition. At the same time, they were more likely to lack sick leave for the entire time they worked and less likely to receive other paid leave or flexibility. As such, many current welfare recipients will face working conditions that make it difficult to succeed in the labor force while meeting their children's health and developmental needs.

In ***How the New Welfare Reform Law Affects Medicaid*** (Leighton Ku and Teresa A. Coughlin, *Urban Institute*, No. A- 5, February 1997) the authors discuss the principal changes made to Medicaid eligibility by welfare reform legislation, arguing that the separation of TANF and Medicaid eligibility made eligibility determination more complicated. They conclude that passing a welfare reform bill without a Medicaid bill effectively reduced states' flexibility and federal funding in Medicaid.

B. Effects of Cash and Noncash Assistance

In analyzing the ability of post-welfare reform government benefits to lift children from poverty, ***Recent Changes in the Impact of the Safety Net on Child Poverty*** (Kathryn Porter and Wendell Primus, *Center on Budget and Policy Priorities*, December 1999) examined the changes in child poverty over two time periods, 1993-1995 and 1995-1998, concluding that the number of children in poverty declined in 1995-1998 at a rate that was one-third *slower* than during 1993-1995, despite a better economy.

Child poverty gap increases. In 1998, the national child poverty gap, which measures the depth of child poverty by calculating the total amount by which the incomes of all children who are poor fall below the poverty line, was the largest recorded since the Census first began collecting this data in 1979. Overall, it declined 17% between 1993 and 1995, but only 2% between 1995 and

1998. The authors attribute this decline to the fact that the children who remained poor became, on average, poorer. Census data indicate that the primary reason poor children become poorer between 1995 and 1998 is that the safety net became less effective in reducing the depth of child poverty.

In 1995, government benefits and taxes reduced the child poverty gap by 63%, while in 1998 they reduced the gap by 57%. This primarily reflects a lessening of the impact of cash assistance and food stamp benefits on child poverty. In 1995, cash assistance benefits based on income (AFDC) shrank the child poverty gap by 24%, while in 1998 they reduced the gap by only 16% (or two-thirds as much). In 1995, food stamps reduced the child poverty gap slightly less than 13 percent; in 1998, they reduced the gap by 10.5%. Together, cash assistance and food stamps reduced the child poverty gap by nearly 37% in 1995, but by less than 27% in 1998. While the impact declined markedly among all families, regardless of marital status of parents or race, it was greatest among Hispanic children.

Declines in benefit receipt. The lessened effect of cash and food stamp assistance in reducing the depth of child poverty reflects the sharp declines in the numbers of children who receive these benefits. Between 1993 and 1995, number of children receiving AFDC dropped about 5%, while the number who were poor before counting income-dependent government benefits declined at a similar rate of nearly 6%. The ratio of number of children receiving cash assistance to the number of poor children was substantially lower in 1998 than in any year since 1970. Between 1995 and 1998 the number of children receiving AFDC or TANF fell by approximately 36%. During this same period, there was only a 10% decline in the number of children who were poor before counting government benefits based on income.

Child participation in food stamp program showed a similar trend, with the number receiving food stamps between 1993 and 1995 falling by 2% (about the rate of decline in the number of poor children in those years), and, between 1995 and 1998, falling 26.8%, while number of poor children fell 10%. In 1995, the combination of food stamps and cash assistance benefits based on income lifted 12% of children from poverty. In 1998, they lifted 9% of such children out of poverty. The safety net lifted the same proportion of children from poverty in 1998 as in 1995, because the decline in the impact of cash and food assistance programs was offset by an increase in the impact of the EITC, which goes only to families with earnings.

Most former welfare recipients move into jobs that pay too little to bring their families above 130 percent of the federal poverty level (the food stamp eligibility cut-off), yet, according to the authors of *Are the Steep Declines in Food Stamp Participation Linked to Falling Welfare Caseloads?* (Sheila R. Zedlewski and Sarah Brauner, Urban Institute, November 1999), about two-thirds of the families that left the food stamp program 1995-1997 were still eligible. They found that former welfare recipient families left the program at a much higher rate

than their nonwelfare counterparts at all levels of income, with the differences being greatest at the low end of the income distribution. Based on the 1997 National Survey of America's Families, the authors calculate that 62% of former welfare recipient families left the program, compared with 46% of nonwelfare families.

Of those families with incomes below 50% of the federal poverty level (FPL), former welfare families stopped using food stamps at twice the rate of nonwelfare families (45% vs. 23%). While the most common reason given for leaving the program was increased earnings or a new job, the fact that a higher proportion of former welfare families (72%) left for this reason leads the authors to conclude that these families were not well informed about the income cutoff for food stamp eligibility. "Administrative hassles" were cited as the second most common reason for leaving, with nonwelfare families more likely to give this reason. While this suggests that new program requirements implemented as part of federal welfare reform were *not* a major reason for families leaving the program, the poorest families in both groups were more likely to report leaving because of "hassles," suggesting that room for improvement in streamlining eligibility exists.

The average disposable income of a significant percentage of the poorest single-mother families was lower in 1997 than in 1995, conclude the authors of ***The Initial Impacts of Welfare Reform on the Incomes of Single-Mother Families (Wendell Primus, Lynette Rawlings, Kathy Larin and Kathryn Porter, Center on Budget and Policy Priorities, August 1999)***. Using data through 1997 obtained from the Census Bureau's Current Population Survey, authors found that progress in reducing the depth and severity of child poverty, as reflected in the child poverty gap, halted between 1995 and 1997, despite continued improvement in the economy.

The number of poor children declined only slightly during this period, and children who remained poor became poorer, on average. Among many low-income single-mother families with significant earnings gains, the authors found that earnings gains were offset entirely by losses in means-tested benefits, leaving the families no better off economically. These findings were consistent with a review of state "leaver" studies, which found that many families leaving welfare for work have below-poverty earnings, that many others have stopped receiving cash welfare assistance although they are not working and that, in some states, the financial well-being of a significant proportion of children in these families has deteriorated.

Finally, the authors found that participation in food stamps substantially declined during this period while participation in Medicaid failed to increase despite significant expansions in eligibility. Research evidence indicates that the decline in TANF caseloads may be driving down participation in these other means-tested programs. When families no longer receive cash assistance or are

deterred from applying for cash aid, they may be unaware of, or not informed of, their continued eligibility for noncash benefits.

C. Child Outcomes

As noted earlier, ***Remember the Children: Mothers Balance Work and Child Care under Welfare Reform (Sharon Lynn Kagan and Bruce Fuller, Yale University, University of California, Berkeley and MDRC, forthcoming)*** will describe the results of a three year longitudinal study conducted in Connecticut, California and Florida, investigating the effects of welfare reform on children's early development and school readiness. This report will be released in February 2000.

.Enhancing the Well-Being of Young Children and Families in the Context of Welfare Reform: Lessons from Early Childhood, TANF and Family Support Programs (Jane Knitzer and Nancy Cauthen, National Center for Children in Poverty, Columbia School of Public Health, in collaboration with Ellen Kisker, Mathematica Policy Research, Inc: August 1999) looks at 11 initiatives across the nation that seek to integrate child development and family support strategies with welfare reform implementation.²³

The authors list five key strategies for successful integration:

- developing accessible tools that respond to confusion about new welfare rules and regulations experienced by families and staff;
- adapting early childhood programs to better meet the needs of families affected by welfare reform, such as expanding hours to non-standard shifts;
- promoting access to high-quality child care;
- linking early childhood programs explicitly with welfare implementation;
- and
- creating forums for policymakers to hear firsthand how welfare implementation is affecting families with young children.

The report offers further recommendations about what early childhood programs and TFA agencies can do individually and jointly to improve outcomes for both parents and young children.

²³ Connecticut has made great gains in developing programs that are designed to improve outcomes for children in TFA families. While it was not one of the states included in this review, it has opportunities to further integrate activities designed to improve outcomes for children in TFA families. Such efforts could occur through its School Readiness initiative, Healthy Families Connecticut and the expansion of Head Start programs to serve younger children and to operate year round.

Section IV: Towards a Research and Action Agenda

According to *Welfare Research Perspectives: Past, Present and Future* (Barbara B. Blum and Ellen C. Berrey, National Center for Children in Poverty, August 1999), a working paper that outlines past and current research activities related to the federal welfare reform legislation, emerging research issues include:

- *Promoting well-designed, rigorous research* – The validity of findings are affected by issues related to design, scale, and sample size, participation and response rates, attrition and implementation. As such it is important to support research that will produce the most reliable findings.

Studies such as those conducted by MDRC for DSS should continue past the current three year time frame, allowing for valid findings on the impact of welfare reform beyond the short term.

- *Disseminating information presented at conferences and meetings* - For research to be useful, it has to be available to those able to act on it.

It is important to provide opportunities for research findings to be presented to wider audiences than other researchers, whether through government or non-government organizations. These presentations need to systematically summarize these findings in a manner accessible to larger audiences. This report is a first step toward collecting Connecticut research in a single location, and the effort should continue.

- *Synthesizing findings* - Studies are being concurrently conducted across the country, whether measuring the effects of particular program components, or analyzing the impacts of programs on specific populations. Synthesizing findings from these various sets of studies should be a research priority.

As this report illustrates, summarizing and synthesizing state and national findings in the context of local efforts is an important step in furthering general knowledge of what is happening in welfare reform. This knowledge empowers policymakers and others to advocate for needed reforms and revisions in social policy.

- *Enhancing current research activities* – Efforts to improve the quality and use of administrative data must be expanded.

Reliable and comprehensive data on those enrolled in cash assistance and other benefit programs is needed in order to examine effects of policy changes. This data should also be available to researchers who seek to better understand impacts of reform efforts.

This paper has attempted to summarize research conducted in the state of Connecticut on the effects of its welfare reform initiative, as well as research on how low-income families are faring since reform efforts were initiated. By placing this research in the context of national findings, it further contextualized the picture of what is occurring in Connecticut.

It is hoped that further research efforts will build on what has been done, improving and broadening both in terms of rigor and impacts studied. Support for such research needs to be a priority for policymakers and others interested in investing in sound social policy. Efforts to disseminate results of such research to a wide audience, such as was attempted in this report, are crucial to the development of informed public opinion and action.

Appendix 1: Tables

Table 1: Connecticut Studies by Impacts 1997-2000

Table 2: Findings by Impact Area – Connecticut Studies
1997-2000

Table 3: Recommendations by Impact Area - Connecticut Studies
1997-2000

Table 1: Connecticut Studies by Impacts 1997-2000

Year	Study	Research method	N =	Impacts studied		
				Program Implementation	Employment & Barriers	Family Well-being
1997	<i>Early Data on the Implementation of Connecticut's Jobs First Program</i> Mary Andes and Dan Bloom: MDRC, January 1997	Interviews, administrative records	4,803*	✓		
1997	<i>CBIA/DSS Welfare-To-Work Small Business Research Project</i> Connecticut Business & Industry Association, July 1997	Surveys, focus groups, 10 projects	N/A		✓	
1998	<i>Out of Poverty: What Do Education and Training or a Labor Force Attachment Model Offer Low-Income Women in Connecticut?</i> Marcia Bok, Nancy Churchill & Louise Simmons: Institute for Women's Policy Research, 1998 Conference Proceedings – Poverty & Income; also <i>The Goals of Education, Training and Employment in Welfare Reform: What Are We Trying to Achieve?</i> Louise Simmons & Marcia Bok: Welfare Research Group, March 1998	Surveys/ interviews	418/ 101		✓	
1998	<i>Individual Perspectives on Jobs First: A Report on the Current Issues Confronting Welfare Recipients Transitioning from Public Assistance to the Labor Market</i> Alice Pritchard: CWEALF, March 1998	Telephone interviews	90		✓	
1998	<i>Jobs First: Early Implementation of Connecticut's Welfare Reform Initiative Evaluation</i> Dan Bloom, Mary Andes, Claudia Nicholson: MDRC, July 1998 *full research sample	Interviews, baseline data, admin. records, surveys	4,803*	✓		
1998	<i>Connecticut Post-Time Limit Tracking Study: Three-Month Survey Results</i> Jo Anna Hunter-Manns, Dan Bloom, Richard Hendra and Johanna Walter: MDRC Working Paper, September 1998	Surveys	373		✓	
1998	<i>Welfare Reform Impact Study</i> Beverly Salzman: Not for Profit Partnership Council of Fairfield County, October 1998	Surveys of agencies and clients	47/ 515			✓
1999	<i>Connecticut Post-Time Limit Tracking Study: Six-Month Survey Results</i> Jo Anna Hunter-Manns, Dan Bloom, Richard Hendra and Johanna Walter: MDRC Working Paper: January 1999	Surveys	373		✓	
1999	<i>The 1999 Census of the Homeless in Hartford</i> Irene Glasser: Homeless Continuum of Care Collaborative, May 1999	Interviews – 918 total; N = those with children	98			✓
1999	<i>Survey of Emergency Food Sites 1999</i> Amy Sampson: Connecticut Association for Human Services, May 1999	Surveys	128/ 400			✓
1999	<i>WorkSteps Progress Report November 1997-December 1998</i> Connecticut Council of Family Service Agencies & United Way of CT/Infoline, June 1999	Program case record data analysis	869			✓
1999	<i>Welfare Time Limits on the Ground: An Empirical Study of Connecticut's Jobs First Program</i> Emily Bazelon & Tamara Watts: Social Welfare Policy Research Seminar, Yale University, June 1999 (also forthcoming, <i>Connecticut Law Review</i> : January 2000)	Interviews and literature review	25			✓
1999	<i>Employment Services System Evaluation</i> Alice Pritchard: CWEALF, June 1999 * staff of 15 agencies and 4 systems, and clients from 4 agencies were interviewed	Administrative records, interviews, field research	15*	✓		
1999	<i>CT Welfare Monitoring & Advocacy Partnership Project</i> – Connecticut Coalition to End Homelessness & Connecticut Voices for Children, July 1999	Surveys	82			✓
1999	<i>Ensuring HUSKY Coverage for Children</i> Children's Health Council, November 1999	Administrative records	N/A			✓

Table 2 – Findings by Impact Area: Connecticut Studies 1997-2000

Impact Area	Findings
<p><i>1. Program Implementation and Waiver Evaluation</i></p>	<ol style="list-style-type: none"> 1. Policies implemented as intended, start up problems exacerbated by statewideness. 2. Large numbers may reach time limits w/o adequate labor force attachment due to large caseloads. 3. Program rules were inconsistently interpreted and communicated to clients. 4. Staff difficulty in monitoring client compliance due to large caseloads. 5. 25% of initial JF clients received benefits continuously and reached time limit; of these, 50% received 6 month extensions and 50% had earned income above the payment standard. 6. At three months post-time limit, 80% were employed. 7. Of the 20% who were unemployed at three months post-time limit, 25% reported health problems that precluded work. 8. Three months post-time limit, almost half had less income than they did in their last benefit month, due to effect of earned income disregard on total earnings. 9. Three months post-time limit, over half thought they were no longer eligible to receive further cash assistance 10. At 6 months post-time limit, 83% were employed; two-thirds had incomes higher than that received by a nonworking family receiving TFA/FS. 11. JF focus on rapid labor force attachment to meet federal work participation rates results in lack of consideration of job’s potential to lead to long-term self-sufficiency 12. Orientation process precluded thorough assessments and vocational counseling. 13. Client barriers to employment were not adequately addressed in the employment services program. 14. Clients were confused about program rules.
<p><i>2. Employment & Barriers to Employment</i></p>	<ol style="list-style-type: none"> 15. Businesses eager to hire motivated workers with basic skills and want screening/assessment services and post-employment case management. 16. Major barriers to employment are education, work history, childcare, and transportation. 17. Education correlated with employment, type of work secured, and wages earned: the less education, the less likely a client is to find a job and, if finds a job, more likely to find a low-paying job. 18. More clients in job search activities under Jobs First and fewer in vocational training, even though vocational training correlated with economic mobility and job search is not. 19. Limited availability of occupational skills training programs. 20. Quality and accessible child care difficult to find and afford. 21. No childcare or transportation assistance provided to those participating in education and job training unless authorized by DSS; not authorizing these services despite clients’ needing them to secure good paying jobs. 22. Transportation barriers included limited routes and schedules for public transportation, multiple transport needs (child to care setting then parent to workplace). 23. Problems establishing and enforcing child support orders reduce potential income. 24. 75% of families referred for safety net services had multiple and severe barriers to employment 25. Many clients referred to Safety Net program lost benefits due to judgement of lack of good faith effort, at a time when no guidelines existed on this rule. 26. Only 14% of clients enrolled in safety net program whose cases were closed became employed with earnings over the payment standard.
<p><i>3. Family Well-being</i></p>	<ol style="list-style-type: none"> 27. Food, rent and utilities assistance needed by many following loss of cash assistance. Many families who lost eligibility for TFA benefits lost or experienced gaps in health care coverage and Food Stamps eligibility, despite continued eligibility for these noncash programs. 28. Families with young children represented 11% of homeless in point-in-time census. 29. Numbers using emergency food sites has increased; increasing proportions are former TFA clients, both working and not. 30. Human services agencies in Fairfield County reported increasing services and caseloads since onset of welfare reform.

Year	Study	Research method	N =	Impacts studied		
				Program Implementation	Employment & Barriers	Family Well-being
2000	<i>Barriers to employment in the Connecticut Safety Net Population: Preliminary analysis</i> Priscilla Canny: Connecticut Voices for Children, January 2000	Case record analysis	226		✓	
2000	<i>Jobs First: Implementation and Early Impacts of Connecticut's Welfare Reform Initiative</i> Dan Bloom, Laura Melton, Charles Michalopoulos, Susan Scrivener, Johanna Walter: MDRC, February, 2000	Administrative records, surveys, field research	2,140	✓		
2000	<i>Initial Results of the Interim Survey for Women and Children aged 37 months to 10 years</i> Sarah Horwitz and Bonnie D. Kerker: MDRC, February, 2000	Surveys	288			✓
2000	<i>Remember the Children: Mothers Balance Work and Child Care Under Welfare Reform: The Connecticut Perspective, A Report of the Growing Up in Poverty Project, Wave 1 Findings</i> , Sharon Lynn Kagan and Bruce Fuller: MDRC, February, 2000	Surveys	248			✓

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Table 3 – Recommendations by Impact Area: Connecticut Studies 1997-2000

Impact Area	Recommendations
<p><i>1. Program Implementation and Waiver Evaluation</i></p>	<ol style="list-style-type: none"> 1. Develop procedures, communicated in policy manuals, to assure consistent policy interpretation and decision-making across regions, particularly for those with a potentially subjective component, such as “good-faith” effort 2. Clarify roles and responsibilities for all involved agencies. 3. Implement a comprehensive, streamlined case review process to ensure accurate data collection for those nearing time limits . 4. Increase staff training efforts, for local administrators as well as direct services workers, focused both on the substance of the new policies, rules and regulations and on how to effectively communicate these to clients. 5. Implement a statewide case management system to improve client services and case tracking. 6. Fully utilize federal flexibility in defining work activities to improve the mix of services available. 7. Maximize direct services funds and eliminate duplication of administrative services. 8. Monitor outcomes and apply continuous improvement strategies, particularly with regard to “cliff” effect on post-time limit income.
<p><i>2. Employment & Barriers to Employment</i></p>	<ol style="list-style-type: none"> 9. Shift from a labor force attachment model to human resource development model of employment service delivery. 10. Require basic skills education for those with < eighth grade education who are unsuccessful at job search. 11. Develop occupational skills training based on Connecticut business needs. 12. Invest in services and develop policies that sustain long-term employment (transportation, childcare, case management/job retention services, mentoring) through interagency planning and collaboration (DSS, DCF, DOT, DOL and SDE). 13. Promote early identification of clients with multiple employment barriers. 14. Develop and implement strategies for families with multiple barriers to increase their employability: focus on counseling, case management, basic skills and occupational skills training, and supportive living arrangements. 15. Facilitate child support enforcement system efforts. 16. Promote use and accessibility of high quality child care. 17. Support development of child care slots offered during non-traditional hours and for multiple aged children (infant – school age). 18. Increase child care monitoring activities and offer training on selecting child care providers. 19. Enforce accountability standards for Maximus. 20. De-link IPCs from sanctions. Replace one strike sanctioning during extensions with IPC referrals triggered by rule violation. 21. Increase the payment standard. 22. Allow sanctioned recipients to restore eligibility for benefits.
<p><i>3. Family Well-being</i></p>	<ol style="list-style-type: none"> 23. Adjust food stamp allotments to reflect need based on family size and the cost of food in the region. 24. Adjust housing assistance to reflect costs of living in higher expense areas. 25. Extend eligibility for Medicaid, child care and transportation subsidies to as long as needed to keep out of poverty. 26. Revise eligibility notices to clarify that Medicaid eligibility is determined independent of TFA eligibility & clarify determination process.

Appendix 2: References

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Related References
Web-ography

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1. *Welfare Reform and Women's Behavioral Health: Strategies to Improve Access to Care and Strengthen Employment Policy Brief #1* Donna Campbell: The Connecticut Consortium For Women & Their Children with Behavioral Health Needs, July 1999

"Work first" strategies that exclude psychosocial assessments from consideration for exemptions punish rather than help women with mental health and addictive disorders who fail to meet work requirements, argues the author. Given the prevalence of these disorders in the population of low-income women, the author recommends strategies for identifying, assessing and assisting these women to reach desirable outcomes. Contact the Consortium at www.womensconsortium.org, or 203-498-4184.

2. *Urban Economic Development: What's Welfare to Work Got To Do With It?* Louise Simmons, Marcia Bok, Nancy Churchill and Alice Pritchard: Urban Affairs Association Annual Meeting, April 15, 1999

This Working Paper discusses the lack of linkages between welfare reform and state/urban economic development in Connecticut, in the context of economic and social policy analysis. Contact Louise Simmons at Lsimmons@uconnvm.uconn.edu.

3. *The Disconnect Between Welfare Reform and Economic Development in Connecticut* Louise Simmons: Association of Collegiate Schools of Planning 41st Annual Conference, October 1999.

Further the author's earlier work as noted above, addressing the lack of a planful connection between Connecticut's welfare policy and its economic development initiatives. Author sets forth recommendations for collaborative efforts that can better serve those transitioning off welfare. Direct inquiries to the author at Lsimmons@uconnvm.uconn.edu.

4. *Connecticut Families: Poverty Despite Work* Shelley Geballe, Priscilla Canny, Janice Gruendel, Connecticut Voices for Children: The CT Fiscal Analysis and Family Investment Series, Volume I No. 2, March 1999

This report analyzes United States Census Bureau data to identify changes in the numbers and proportion of working poor families in Connecticut over the past two decades, as well as to describe the basic demographic characteristics of the state's working poor. It also includes analysis of Labor Department data to help

explain the dramatic increase in the number of Connecticut's working poor families, placing this increase in the context of Connecticut's transition to the "New Economy." It discusses state policy choices that have affected working poor families, and offers strategies to reduce the number of working poor families in the state. Related publications include:

- a. *Helping Families to Complete the Journey Out of Poverty: Investment Strategies and Policy Options for Connecticut* (November 1999)
- b. *Investing in Connecticut's Families: Reducing Child Poverty Through Post-Secondary Education for Low-Income Parents* (November 1999)
- c. *Expanding the Property Tax Circuit Breaker Program to Low-Income Families with Children* (January 2000)
- d. *Making Children Visible in Connecticut's Tax Code* (November, 1999)
- e. *Investing in Connecticut's Families: Individual Development Accounts At-A-Glance* (November, 1999)
- f. *A State Earned Income Tax Credit: Key Background* (March, 1999).

All publications are available from Connecticut Voices for Children at www.ctkidslink.org.

5. *Susan's Welfare Odyssey: A Parable of One Family's Trip Through Connecticut's Welfare System* The Welfare Working Group: Legal Assistance Resource Center of Connecticut and CT Voices for Children, 1999.

Offers a pictorial vignette of what it takes for a client of Connecticut's welfare system to meet the requirements for receiving cash assistance and non-cash benefits. While a fictional family is depicted, the experiences are based on those of real families. For copies, contact LARCC at 860-278-5688, ext.11 or CT Voices at 203-498-4240.

6. *Who Works and What Works: A Study of Low-Income Families in Connecticut*

Sponsored by the Welfare Research Group of NASW/CT, this statewide research project will explore the influence of welfare changes on the lives of low-income families, building on earlier research. Survey questions cover the areas of employment, education and training, welfare history, non-cash benefits, sources of non-governmental assistance and quality of life. Focus groups and interviews are currently being conducted, with results expected in late 2000. Contact Marcia Bok at NASW/CT, 860-257-8066.

Web-ography

The following sources for information on welfare reform were consulted in the course of preparing this report, and offer contemporary analysis, research and official administrative data on poverty. These include federal and state government, national policy and research centers, and national organization web pages.

http://www.acf.dhhs.gov/news/welfare	Administration for Children and Families
http://www.census.gov	US Census Bureau
http://www.access.gpo.gov	Government Accounting Office (GAO) Publications listed and downloadable
http://www.dss.state.ct.us/welfare.htm	Connecticut's welfare reform state website
http://www.mdrc.org	Manpower Development Research Corporation
http://cpmcnet.columbia.edu/dept/nccp	National Center for Children in Poverty (NCCP)
http://www.researchforum.org	NCCP's database on current research on welfare reform and child well-being
http://www.childtrends.org	Child Trends
http://www.cbpp.org	Center on Budget and Policy Priorities
http://www.clasp.org	Center for Law & Social Policy
http://www.spdp.org	The State Policy Documentation Project, a joint effort of the Center for Law and Social Policy and the Center on Budget and Policy Priorities. Tracks policy choices on TANF programs and Medicaid in the 50 states and the District of Columbia
http://www.welfareinfo.org	Welfare Information Network, a clearinghouse for information, policy analysis and technical assistance on welfare reform

http://www.urban.org	The Urban Institute, a nonpartisan economic and social policy research organization
http://www.nga.org	National Governors' Association
http://www.iwpr.org	Institute for Women's Policy Research
http://www.nwmap.org	National Welfare Monitoring and Advocacy Partnership
http://www.epn.org/ideacentral/welfare/index.html	"Idea Central," the virtual magazine of the Electronic Policy Network, welfare and families section