CALIFORNIA WORK PAY:
DEMONSTRATION
PROJECT

PROCESS EVALUATION

PHASE IV: 1996

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CWPDP PROCESS EVALUATION PHASE FOUR: 1995-1996

The following comprises the fourth process study conducted as part of the Assistance Payments Demonstration Project (APDP)/California Work Pays Demonstration Project (CWPDP). Broadly speaking, the process evaluation is a description of how the demonstration project is implemented and operated. It is a requirement of the Terms and Conditions of the federal APDP/CWPDP waivers. An overview of the process study component of CWPDP is contained in Appendix A, and a summary of the entire demonstration project is contained in Appendix F. Each year, process study research is conducted at the state level and within the four demonstration project counties: Alameda, Los Angeles, San Bernardino, and San Joaquin.

The process study conducted in 1996 covered a wide variety of topics and many events in the history of the California Work Pays Demonstration Project (CWPDP). Interviews with California Department of Social Services (CDSS) staff were conducted in January 1996, and monitoring of counties' activities occurred through the first half of 1996. However, most of the field work was completed in July, August and September of 1996 and explored county activities from approximately September 1995 through late 1996. Several days were spent in each of the four counties, visiting welfare district offices and administrative offices, observing client interviews, and interviewing staff at all levels from receptionists to agency heads. A complete chart of interviews follows the text of this report, and a description of the process evaluation methodology and history is appended.

This fourth entry into the field supported a continuation of earlier projects and the launching of new areas of inquiry. As in previous years the team visited the sites of client service, observed worker-client interactions, and interviewed workers about their jobs and
their involvement with the CWPDP. In addition, the team continued a study of higher level managers to gain their perspectives on the CWPDP, especially in the context of federal welfare reform. In order to pursue themes that emerged from the research of earlier years, the team also interviewed staff from county Greater Avenues to Independence (GAIN) programs, as well as from county Staff Development and Appeals units, areas of county welfare agencies not previously examined. Important information about the "Work Pays" message was learned from each of these units.

This report has five sections, each with different types of conclusions about the CWPDP, Work Pays policies, and working on welfare. The first section presents an overview of county welfare office operations and client services in 1996 with special attention to recent changes, particularly new procedures and systems. It provides background information about AFDC processing in the four research counties necessary for understanding the context of program operations. It also discusses the management of CWPDP research cases directly, with attention to the implications of county changes for the CWPDP data collection and evaluation efforts.

The second section, "Communication of Work Incentives," shifts focus from the organizational context of AFDC and the treatment of research cases to the actual information provided to clients about working on welfare. This section is a continuation of the policy implementation study conducted in earlier years and describes statewide as well as county level activities. Section three, "The Role of Work Pays and Earned Income in Other Areas of County Welfare Operations," describes interviews conducted with Staff Development, GAIN,
and Appeals staff about their experience with working clients and communicating the "Work Pays" message and policies. This section extends the study of communicating work incentives by examining the activities and perspectives of staff in areas other than income maintenance.

The fourth section, "Update on CWPDP-related Policy Changes," reviews the implementation of new policies related to CWPDP, as well as the status of existing CWPDP programs, with special attention to implementation of the Beno Decision and utilization of Supplemental Child Care. The final section, “Management Perspectives on CWPDP 1995-1996,” summarizes interviews conducted with upper and mid-level managers in the four county welfare agencies about their experiences with CWPDP and “Work Pays” generally.

I. County Welfare Operations and the Management of Research Cases in 1996

The CWPDP process study at the county level has two major goals: to document the administrative history of the research and to learn about the role of CWPDP work incentives and the "Work Pays" message in county operations. There have been a number of developments in the way cases are processed and client services are delivered in the research counties which have implications for worker-client communication and also for the treatment of cases in the CWPDP sample. This section describes those changes in each county and then describes the management of research cases specifically.

Automation

Considerable effort is going into changing and improving computer systems and the degree of automated eligibility processing in the research counties. As discussed in earlier reports, San Joaquin county implemented ISAWS in 1994-1995 and continued in 1996 to
improve the system's functioning. Two other research counties are now pursuing adoption of "automated welfare systems," that is SAWS-type systems which automate intake for most public assistance programs. Los Angeles county will be introducing its LEADER system soon, with piloting in 1997 and 1998 and full implementation scheduled for 1999. This switch could increase the number of generic workers as the current eight programs (Food Stamps, Medi-Cal, etc.) will be on the same system (subsuming all of the approximately 10 computer systems used now). In the imagined intake process, a client would be interviewed by a worker who inputs data into a computer, determines eligibility and (if approved) gives the client a check, all in one sitting.

Planning for Alameda county's implementation of a new SAWS system (as part of the 18 county CDS consortium) has intensified with bidding to begin early in 1997 and the county planning to go on line in October of 1999. Workers will have e-mail to facilitate inter-office communication and all casework will be entered on-line when workers meet with their clients.

All counties will eventually implement a SAWS-type system, either their own, like LEADER in Los Angeles, or with one of several county consortiums (ISAWS, CDS, Consortium IV). San Bernardino county will be joining Consortium IV, but has not yet started to implement data system changes.

Management of Research Cases and Data Collection

During the Summer of 1996, the process evaluation team continued to examine and document the ongoing operation of CWPDP research activities in the counties. A component of the process study in 1996 involved exploring welfare office operations, particularly how
cases are processed and client services delivered in the AFDC program. In conducting this research, the process team paid special attention to case processing and client services affecting the research cases and to the management of staff who handle research cases. Researchers interviewed not only the CWPDP Coordinators in each of the four research counties, but also district managers, supervisors, and workers involved directly or peripherally with the project. Questions about components of the research were asked of all respondents to determine if changes had occurred to research cases or in data collection tasks, to the processes that research cases undergo, or in the extent of knowledge and understanding about the project. This section describes what we found and the implications of these findings for the functioning of the project in terms of staff time and potential problems.

In the fourth year of CWPDP implementation, as in the third year, very few changes were made directly to management of the research cases. In all four counties there are some staff members, particularly workers and supervisors, who have been with the project since the beginning, ensuring some continuity, at least for the control cases, which are now centralized in all counties. This year, and over the past four years, administration and staff turnover has been highest in Alameda and lowest in San Bernardino county.

Management of the tasks associated with the project, such as transferring and converting research cases, collecting files for case coding data that is only available in case files, and finding phone numbers for the telephone survey continue to be routine and are conducted by those who have been assigned to those tasks for some time. Despite established routines, problems and concerns still arise. Finding all the CA7s and historical files needed for case coding still presents a challenge, but primarily workers are concerned with the length of
time that case files pulled for case coding are gone. Workers report that occasionally they experience a lag in receiving the files of research cases selected for the replacement samples or those of the research cases that have reapplied to AFDC. When this occurs, memos to the appropriate offices are required to ensure receipt of the files. For the cases that are not centralized, such as the experimental cases in three counties, each county must rely on tracking mechanisms to ensure the proper treatment of research cases. In San Joaquin County, problems with tracking experimental cases going off and on AFDC created a very large management problem for the project, discussed in more detail below.

Despite the occasional problems in all counties and the problem in San Joaquin, there is evidence that these tracking processes have improved in recent years. Clear identifiers on computer printouts and improved knowledge of the project has helped this process, resulting in a more rapid transfer of control cases in at least one county. In San Joaquin County, the ISAWS system has made locating phone numbers much easier, because they are routinely recorded in ISAWS.

Los Angeles County

Managed AFDC Caseload System (MACS)

The Los Angeles County Department of Public Social Services (DPSS) has implemented a new case "banking" system called the Managed AFDC Caseload System (MACS) as a way of coping with increasing caseload pressures. The program commenced in September 1995 and began using the WISE computer system in October 1995. In each DPSS district office, all AFDC single parent (FG) cases with no income were consolidated
("banked") into MACS units. This type of case was chosen because it tends to include cases with the least activity. However, when a single parent starts earning income, her case is transferred from the MACS unit to a specialized earned income worker; when she stops working, it is sent back to the MACS unit. Each office tends to have a few MACS units, based on the number of AFDC single parent (FG) cases without income. For example, one office visited by the process team has two MACS units, each staffed by six workers and handling 1900 cases.

The MACS units operate like an assembly line, and heavily depend on the WISE computer system. In these units workers are responsible for tasks rather than cases. When clients call in with a change or a need, a clerk enters the information on WISE, which generates a work order. Work orders are also generated from changes reported on CA7s and from overpayments, returned mail, and cases that don't come up on the computer system. When they arrive, the monthly CA7 forms are scanned by a separate unit and those that display changes are sent to the MACS units. As work orders are generated, the computer also assigns them to workers, distributing them so as to maintain similar workloads. Workers have 48 hours to complete them, which usually requires changing information for a computer case file and may include contacting the client for an appointment.

After completing a work order, the worker completes a form requesting a computer change, because workers do not have access to computer case files themselves. The worker then gives the form to the lead worker who looks it over and sends it on to the computer staff and records that the worker has completed that particular task. After the computer form is returned, the lead worker determines whether it has gone through or not. If not, she gives it
back to the worker who completed it in the first place to be corrected. Workers are evaluated by the number of tasks they are able to perform monthly and how their performance compares with that of other workers. Although MACS workers are not specialized by task, one or two are designated every month on a rotating basis to handle each month's redeterminations (during which time their normal work duties are reduced). In addition, a MACS worker may be stationed in the lobby with a computer to see people who drop in. If she can help the client on the spot, e.g. to get a Food stamps or Medi-Cal card, she does; if the client needs an appointment, the worker has a work order issued.

MACS was seen as a necessary change in operations, given the inability to increase staff as caseloads increase. The idea was developed in 1995 when the DPSS was planning to layoff 20 percent of their eligibility staff to meet county budget restrictions. Although layoffs were avoided, the case banking plan went forward as a solution to unmanageable worker caseloads. A manager of the MACS unit said that the structure was easier for workers, because having work orders rather than cases made it easier to plan the day's work as the tasks were more predictable. Although there is a loss in personal contact and "ownership" of files, it is believed that focusing on tasks rather than cases assures that the work for each case is done. This arrangement no longer relies on the independent judgment of workers to determine what needs to be done for each file; rather it is the agency that dictates the content and prioritization of work.

Agency staff believe that MACS has created greater accountability because if one worker misses something in a case, the next one will find it. They also believe that the key to the success of the MACS units is the computer support provided by the WISE system.
Computerization has made it much easier to keep track of whether work orders are completed. DPSS managers contrast this success to a banking system piloted earlier in Los Angeles county, which didn't have computer support and was considered a failure. The agency is currently looking at creating MACS units for other kinds of cases (e.g. AFDC-U cases and Medi-Cal), though they are making sure there are no problems with the current system before they proceed. (One problem with the MACS system in one office was that there was only one public (stacked) phone line to the clerk who handles all calls. The agency attempted to alleviate the backup by training the clerk to speed up processing time.)

It was hoped that MACS would be a solution to persistent staffing problems because of the gains in efficiency (requiring 20 percent fewer staff than what was considered the minimum staffing level previously needed). Staff that are freed up could be shifted to earned income cases. However, a manager in one district office reported that their loss of workers to extended leave (for medical reasons and un-related to MACS) has offset any gains in efficiency made by the MACS system. In the case of extended leave, the office cannot hire to fill the job slots. In this district office, the caseload size for workers with earned income continues to rise.

Because cases in the new MACS system are no longer assigned to specific workers, clients no longer have personal case workers; instead they have a computer and unit of workers to ensure their case processing needs are met.

**Child Care and Work Pays Coordinators in Los Angeles County**

Los Angeles county DPSS has also created two new specialized types of workers for
district offices to provide information to both clients and staff, a child care coordinator and a Work Pays coordinator. The child care coordinator concept was developed in response to statistics showing under-utilization of child care programs. The coordinator position was designated to assist in all child care programs, and training was provided by county and state staff on these programs. Each district office had a child care coordinator by the end of 1995. The duties of this position are to present information at staff meetings about child care programs and to be a resource for staff and clients who have questions about child care. At present some child care coordinators carry cases and others do not, although the Department is in the process of changing this so that no child care coordinators have cases. In addition, clients can leave messages asking about child care programs on the county’s "Info-Line," and a staff person in DPSS is responsible for answering those messages. This staff person, located in the AFDC program section, acts as a Department-wide "child care coordinator," specifically as a liaison to the district office child care coordinators.

The CWPDP Los Angeles County Coordinator spent considerable time in 1995 and 1996 developing policies for communicating the "Work Pays" message to all AFDC recipients, as well as spearheading the Work Pays Task Force, which began meeting in June 1996. Before the task force was established, the CWPDP Coordinator was responsible for initiating and overseeing the development of child care coordinators in each office. These efforts also included providing input to the state on the client and EW training videos developed as part of the Work Pays II Campaign, and successfully encouraging the DPSS Staff Development to contract with UC Davis Extension for their Work Pays Workshop. In late 1996, this Coordinator was promoted to the county-wide planning committee for welfare reform, and
another AFDC Program Specialist assumed the role of CWPDP Coordinator.

The "Work Pays Task Force," whose members include managers (both directors and some deputies), eligibility workers and supervisors, was created with the goal of motivating eligibility workers to promote working on welfare. This has been challenging because there has been little incentive for eligibility workers to encourage work among their clients. The case of a client who goes to work is transferred to an earned income worker and replaced by a new, unfamiliar case, which generally requires more work. Eligibility workers have a great amount of work to do in a fixed period of time each month; therefore, cases that require relatively more work are not desired.

One of the recommendations of the task force was that a Work Pays coordinator position be created in every district office, a plan which was approved for implementation. Some districts may use their child care coordinator for the position and while others redirect staff. Responsibilities of the Work Pays coordinator would include talking with clients about work disregards in group or individual redeterminations, answering staff questions, contacting clients who need more information, and attending monthly meetings coordinated by the community relations section. Although this coordinator would still have a caseload, it would be prorated to correspond to new responsibilities.

**CWPDP Research Cases in Los Angeles County**

From the perspective of management in the Los Angeles Department of Public Social Services (DPSS), there were no changes to existing arrangements of CWPDP cases. Centralized research cases remained in the same district offices. During the implementation
phase of the project, the CWPDP Coordinator in Los Angeles county held meetings to address operational issues with all workers handling control cases, but no such meetings have been held in the last two years. As noted above, the original CWPDP coordinator was promoted and a new program specialist assumed her position in 1996.

The process evaluation team visited two of the five district offices in Los Angeles which have control cases, and found both the experience of staff and the caseloads to vary. The workers were more likely to have been involved in CWPDP longer than their supervisors. In one office two workers have about 235 control cases each, and in the other two workers have 100-150 control cases each as well as regular earned income cases. These are lower than average caseloads for the county because handling control cases requires facility with all types of cases, and in Los Angeles most caseloads are specialized.\(^1\) Although control case workers do not travel to their clients, in both offices they try to process paperwork by mail as much as possible for clients that live very far away.

Experimental cases in Los Angeles are dispersed throughout the county, and therefore their treatment reflects the treatment of all cases across the Department’s 24 district offices. In 1995, the county experienced dramatic increases in AFDC worker caseloads at the same time it was faced with severe budget problems, and DPSS was planning to lay off 20 percent of the eligibility staff. Although layoffs were avoided, increasing caseloads and the fear of layoffs may have affected the treatment of AFDC cases in general, including experimental cases. During that time when caseloads were rising, cases may have been processed less accurately

\(^1\) Specialized workers are typically at 150-200 percent of their targeted caseload standards which varies by specialty.
than in earlier periods, because workers had to do more work in the same period of time. Caseloads were reportedly two or three times the amount that is considered feasible for a worker to handle. During the period when workers thought that they might be laid off, county staff reported that the work morale was very low and therefore the accuracy and activity of case processing may have suffered. Therefore, those working with the CWPDP sample should be aware that there is a potential that data from Los Angeles experimental cases during 1995, particularly during the summer months, may be relatively less accurate than during other time periods.

In late 1995, the Department instituted the "MACS" banking system, described earlier, which provides a different treatment for AFDC-FG cases with no income. Essentially, the emphasis in this system is on the completion of work for all cases as that work is generated rather than managing all aspects of individual cases. For this reason, since the end of 1995, AFDC-FG experimental cases with no income have been receiving a different treatment than other experimental cases. The implication is that these cases tend to be more technically "correct" but the clients have less human contact with the welfare office, which may affect what they can learn about working on welfare. Therefore, experimental cases in MACS may differ from experimental cases not in MACS in two ways. First, the data collected from the experimental cases in MACS may be more accurate than from the experimental cases not in MACS, because of the improved processing achieved through MACS. Second, the cases in MACS were less likely, than those not in MACS, to be exposed to messages about working on welfare from eligibility workers, because MACS cases are not assigned to individual workers.
Alameda County

Transfer Desk

In the Alameda County Social Services Agency (SSA) several operational changes occurred in an attempt to make more efficient use of dwindling staff and resources to process a rapidly increasing caseload. Since 1993, the Alameda County SSA has operated three AFDC "Transfer Desks," one in each district office; however, all three are collectively referred to as "the Transfer Desk." Originally, the Transfer Desk was intended as a site to which cases without workers (due to transfers, promotions, sickness, etc.) would be temporarily transferred and minimally maintained (to the extent of handling urgent issues) until the cases could be reassigned. Transfer Desks have always been staffed by workers called "ETIII's" who are not subject to Alameda's strict union-established caseload limit. Transfer Desk workers were responsible only for the work they did on cases but not for keeping the cases up-to-date.

However, as the county caseload continued to increase, the Transfer Desk system was overwhelmed, with few cases leaving and staff increasingly unable to keep client records accurate and current. Unfiled client mail piled up; many CA7s were not processed leading to large numbers of overpayments; an automated telephone system meant to handle client calls created enormous backlogs as voice mailboxes filled up as fast as they could be emptied. Client complaints also increased dramatically. In the last two years, over one-half of all AFDC cases have been on the Transfer Desks, for an average of 450-500 cases per worker. Typically workers are assigned to portions of the alphabet or to certain tasks for all cases as needed.

In early 1996 a Transfer Desk committee proposed redesigning the Transfer Desk to
bring it more in line with the reality that it had become: a permanent structure for processing a very substantial part of the county welfare caseload. It was to be renamed the "Benefits Center" (BC), an admission that cases were assigned there, rather than in an unassigned transitional status. It was to represent a new commitment to providing the same range and quality of services as the district cases get. The renaming was also part of a general effort to improve the image of the Transfer Desk. It is unclear whether this renaming ever happened, as in September 1996, staff still referred to it as "the Transfer Desk."

Simultaneous with moving to the Benefit Center system, the county planned on promoting more workers with ETII status to ETIII status, eliminating the caseload restrictions on these workers (ETIIIs have no such limits). ETIIIs were to be assigned to the Benefit Center. Occurring concurrently with this revamping of the Transfer Desk/Benefit Center and strengthening its central role in the AFDC caseload, many continuing case workers were to be shifted from processing AFDC to processing Medi-Cal-only cases. This was expected to be a cost-saving measure for Alameda county because categorical funding reimburses the county for 100 percent of administrative expenses incurred by Medi-Cal, while AFDC and Food Stamp cases are reimbursed to 75 percent and 85 percent respectively. It therefore made financial sense that the workers carrying limited caseloads because of union restrictions would handle Medi-Cal cases only, because the county can hire more Medi-Cal workers at a lower cost than AFDC workers.

One effort to improve the image and functioning of the Transfer Desks was implemented in May and June of 1996. A new level of clerical staff, Eligibility Support Clerks, was added to assist eligibility workers (eligibility technicians or "ET's" in Alameda) in
their processing of clients by performing routine functions. Their most significant task was fielding incoming telephone calls from clients. These special clerks had sufficient training to answer very general questions and had limited access to client accounts on the computer, allowing them to make address changes or assess whether a check had been issued. Questions or changes outside the clerks’ knowledge or access could be transferred to workers. This arrangement has apparently been rather successful, allowing client contact and work/case processing to be largely separated between two sets of staff (eligibility workers and clerks), leaving eligibility workers to do more efficiently the case management they have been trained to do.

**Bar Coding CA7s**

Bar coding of CA7s, as done in Los Angeles and San Bernardino counties, was implemented in Alameda county during May 1996 in an attempt to process the monthly reports more efficiently and to discontinue clients who failed to turn in completed forms. Under this new procedure, every check that goes out includes a CA-7 with a bar code. When the check is sent, the case goes into a hold status until the next CA-7 is received and scanned. Scanning is done by unit clerks. By the 11th of the month, the workers know whose CA-7s have come in.

The agency believed that though many Transfer Desk clients had not been turning in CA-7s, they were still receiving their checks, because their missing CA-7s had been overlooked by Transfer Desk workers. Bar coding provides a way to monitor whether clients turn in CA-7s, and may therefore increase reporting activity. However, it does not address the workload problems associated with processing any changes reported on CA7s. A late CA-
7 means an automatic discontinuance unless the worker intervenes.

**Outreach**

A resource center was set up in the waiting room of one of the offices (Enterprise) with plans to establish similar centers in the other offices. The room contains pamphlets and posters from various organizations with information on health and welfare issues including prenatal care, child support, drug treatment programs, etc. It is staffed by volunteers from the county and some of the organizations involved. Alameda county has also developed a "speaker's bureau" which has been around for about 1 ½ years. In this program, agency-trained individuals go out into the community and give presentations and current information to community organizations about county programs, including Work Pays information. Both of these projects could provide clients with expanded access to social services through information and direct contact with organization volunteers.

**CWPDP Research Cases in Alameda County**

In Alameda County Social Services Agency, continued reorganization brought about the most changes for the research cases. The CWPDP control case unit was placed in the Agency's "Outreach Division" under a new program manager and then the whole division was moved to the Enterprise district office. This move to a more spacious setting was perceived positively by control case workers, but it removed the control case unit from its proximity to the CWPDP Coordinator. In the summer of 1996, caseloads were low for these workers,
around 120 cases per worker; the supervisor reported that monthly replacements had not kept up with discontinuances so the total number of control cases had decreased over time. (Regular workers have caseloads of 157 in Alameda county.) Since the move to Enterprise, the travel arrangements of these workers has not changed, except those assigned to the recipients in the Enterprise district need not travel; the others continue to see their clients in either North Oakland or Hayward.

Individual staff associated with the project also continue to change in Alameda county. In late 1995 a new CWPDP Coordinator took over as the third Coordinator since the project started, and as there was no overlap, the new Coordinator had to spend time learning about the new program. The supervisor of the control case unit, as of summer 1996, had been with the unit since the beginning and provided continuity in handling control cases, but her staff of workers had changed rapidly over the years as many of them were promoted. In October 1996, this supervisor was also promoted and became the AFDC Program Specialist for the county. In November 1996, a new supervisor, who had been working in Staff Development, took over the control case unit. In terms of data collection, the CWPDP case reviewer in Alameda County also changed, possibly affecting the arrangements implemented with the previous reviewer.

Finally, some CWPDP experimental cases continued to be on the Agency's "Transfer Desks," a problem reported last year as well. (The Transfer Desk situation in 1996 is discussed more fully in a previous section.) This remains a concern because it results in experimental cases having one of two different "treatments," either a worker or the Transfer Desk. One issue is the difficulty of collecting and filing CA7s for cases on the Transfer
Desks, but this has been resolved somewhat by the implementation of CA7 bar coding. Currently, all cases on the Transfer Desk will be discontinued for failure to submit CA7 forms, as is the case with regularly assigned cases. The number of experimental cases on the three Transfer Desks had been low (less than 30) for some time, but in September 1996 it jumped again to over 90. This was attributed to restructuring of the General Assistance (GA) program, which took workers away from the AFDC program, requiring that their AFDC caseloads be sent to the Transfer Desks.

San Joaquin County

ISAWS

At the San Joaquin County Human Services Agency (HSA), conversion of all (non-control) AFDC cases into the Interim Statewide Automated Welfare System (ISAWS) had been completed. The fully implemented ISAWS system affected case processing in the Agency in 1996 in the following ways. During 1996, redeterminations were still coming up for the first time since the conversion process, at which time errors made in conversion were often found and corrected. In 1996 eligibility workers were still receiving multi-program training, which was scheduled to be completed for all workers by October. This training is critical because although ISAWS automates many functions, program knowledge is required to be able to evaluate computer results. One impact of ISAWS seen in the first year after full implementation is that workers are able to handle larger caseloads, helping to address some of the recent caseload growth in the county.

Until the fall of 1996, all newly trained eligibility workers were sent to intake units.
Operating ISAWS is easier at intake because the computer screens are queued for this process and the eligibility workers don’t have to do much more than follow the prompts on the screens. Workers with continuing cases, on the other hand, have to know what screens they need for particular issues and what sequence of other screens they need to go through in order to access them. In mid 1996, Program Managers requested a change in the mix of experience among workers handling intake and continuing caseloads. Intake units needed more experienced workers, and continuing units needed new workers to help with increasing caseloads. In response, several experienced continuing workers were transferred to intake, and a new trainee class assigned to continuing positions. This practice results in more workers with continuing cases knowing only the ISAWS system.

CWPDP Research Cases in San Joaquin County

In the San Joaquin County Human Services Agency control cases were not centralized until 1994, over two years into the project. However, the same four workers have handled the control cases since that time. They are among the few workers in the agency who have not yet learned ISAWS, the agency’s new computer system, because ISAWS cannot be used for control cases. A major change to this unit did occur in mid-1996, when the supervisor of the unit with the control case workers was on leave for two months and then retired. Her unit was disbanded and the four control case workers were assigned to the Program Manager for direct supervision; this Program Manager then had to learn in detail about operating the CWPDP project. The four control case workers were only handling about 185 cases each in August 1996, as the total number of control cases had been decreasing. If the caseloads remain low,
these workers may be trained in ISAWS after all, so that they can take on regular cases.

Regular (ISAWS) workers have caseloads of over 200.

Since the implementation of ISAWS, one worker who is proficient in both ISAWS and manual processing, called the "swing worker," has been responsible for taking control cases out of ISAWS after reapplication or selection for replacement. (Replacement control cases and control cases that reapply go through the regular ISAWS intake, so they must be taken out of ISAWS later; ISAWS cannot handle different benefit levels or program features). Belonging to the same unit as the control case workers, she and the supervisor made a very knowledgeable team to handle CWPDP issues. After retirement of the supervisor, she was assigned to another unit, but continued to be responsible for removing control cases from ISAWS. During 1996, management became concerned that the lag time for this process was too great, up to several months, so that control cases were receiving experimental treatment for too long. They lightened the workload of the swing worker and began examining ways to eliminate the need to take control cases out of ISAWS.

Finally, there was a deviation from the CWPDP data collection routine in San Joaquin county in 1996, when the CWPDP Coordinator and UC DATA had to spend considerable time and effort recreating case histories of many experimental cases which had inadvertently been lost from the sample for a period of time. As early as 1994, UC DATA noticed that the CWPDP experimental cases in San Joaquin were decreasing faster than in other counties, and in 1996, UCLA evaluators notified UC DATA that the 1995 experimental caseload in San Joaquin had declined to 20 percent of its original size. It was discovered that, rather than these families going off aid all together, they only had breaks in aid, and simply had not been
restored to the sample when they came back on AFDC. The manual process put in place to track these cases when the study began was not working adequately; it was surmised that eligibility workers had neglected to identify and code experimental cases when they reapplied for aid. This problem commenced prior to the implementation of ISAWS, when the county used manual eligibility processing, and continued to a lesser extent after the ISAWS conversion.

Fortunately, once the loss of experimental cases was discovered, ensuring proper future tracking of experimental cases in ISAWS was not difficult to accomplish. Re-creating the data from the restored cases was more difficult and time consuming. This process was important not only for the evaluation, but also for repairing the cost neutrality calculations for San Joaquin, which had been skewed by the attrition of experimental cases. The experiment appeared to be working better and saving more money than it actually had been. San Joaquin County sent revised files with the data they had on the restored cases, but data from the early months of the project was unavailable because it had been retired. In June 1996 the county, UC DATA, and DSS met to develop a strategy for imputing the lost data and calculating cost neutrality, and spent the last half of 1996 working on this process.

The implementation of ISAWS also had an impact on the processing of experimental cases in general, because these cases were converted to ISAWS at different times over a sixteen month conversion process, August 1994 through December 1995. During the year after conversion was completed, errors made during the conversion process were often discovered in case redeterminations and corrected. This error correction occurred throughout the year, because redeterminations occur at different times of the year for different cases. So
experimental cases in the original sample have experienced manual processing, conversion to ISAWS - and more recently - correction of errors in ISAWS, all at different times in the past two and one half years. Though this experience parallels that of cases not included in the experiment, it has affected data availability, quality, and has provided an additional treatment condition to those being evaluated in the CWPDP experiment.

San Bernardino County

Semi-generic Workers

In contrast to the other research counties, there were few changes in office operations in the San Bernardino County Department of Public Social Services (DPSS) during the last year. One significant change in 1996 was that all district offices in San Bernardino county began to combine Food Stamps-only and AFDC cases into individual worker caseloads. This required cross-training of Foods Stamps-only workers and AFDC workers, thus making them more generic workers. Office managers requested this change to make more efficient use of workers, and upper management approved this change because generic workers will be necessary in the future with the SAWS-type welfare computer systems which all counties will eventually have. The former Food Stamps-only workers we interviewed reported that this was a difficult transition, because they were used to much simpler regulations and were held to the same quality standards after only a month.

CWPDP Research Cases in San Bernardino County

San Bernardino county DPSS, as usual, had no staffing changes directly related to
CWPDP, and centralized research cases remain in the same three district offices. Of these three offices, the Colton office continues to have all control cases, many experimental cases, and all Cal-Learn research cases, handled by basically the same group of workers and supervisors. A few workers in Colton have 155-160 experimental cases plus Cal-Learn cases; control case workers have 145-155 cases plus 40-50 Food Stamp only cases. These workers continue to travel to clients, although traveling is rotated among workers so that each worker travels once every two to three months to see all CWPDP clients that need to be seen near where they live. In the San Bernardino City District Office, experimental workers carry 160-170 cases each, also traveling as needed. Regular AFDC workers in San Bernardino county carry 167-185 cases, so research caseloads are comparable in size and include travel. The supervisor for these workers has changed frequently, but several of the workers have been with the project long term. This was similar to the Los Angeles offices visited where the workers tended to have been with the research cases longer than their supervisors. In past years, the CWPDP Coordinator in San Bernardino county scheduled meetings with all workers handling research cases to address problems and share research presented at RAC meetings. Since 1995, no meetings had been held, presumably because issues related specifically to the project had not arisen.

Because San Bernardino County is the only one of the four to centralize both experimental and control cases, the question has been raised about whether experimental cases in San Bernardino are treated differently than regular cases and therefore are not representative of other cases. Based on interview responses, this seems to be true only with respect to the accuracy of the case processing for these cases. By centralizing all research cases, the
Department's intention was to ensure that all case processing was correct, for both control and experimental cases. An explicit direction was given to workers assigned to research cases to clean the case files and to process cases correctly on an ongoing basis. For experimental cases, they were not given any other directions which might lead them to treat the research cases differently. Specifically, workers reported that the communication during client interviews is the same with experimental and regular cases; for example, they read the rights and responsibilities for all cases. In no instance did the experimental workers indicate that the Work Pays message might be emphasized more to experimental cases than regular cases, nor did they seem very aware that Work Pays rule changes to encourage employment were being tested with experimental cases. Receipt of information in earlier meetings with the CWPDP Coordinator did not appear to give them a reason to treat these cases differently.
II. Communication of Work Incentives

This section describes continuing process study research on the provision of information about the Work Pays policies to AFDC clients. It begins with a discussion of the state's efforts to disseminate outreach materials and motivate EW’s to discuss work with clients, and ends with observations of actual worker-client interviews in 1996. For a historical overview of process study research on this topic, please refer to "Appendix A: Overview of the CWPDP Process Evaluation," specifically the section entitled, "History of the CWPDP Implementation Study."

Communication of the Work Pays Message

The California Department of Social Services (CDSS) staff efforts to communicate work incentives through a multi-media campaign, rather than only through written notices to clients, started in 1993 with a systematic effort to deliver the "work pays" message. This effort targeted both clients and eligibility workers, and its centerpiece was a brochure developed to explain the financial benefits of working on welfare. However, indications from a CDSS study by the Review and Evaluation Branch were that most clients who received this brochure in the mail were not learning from it. In addition, the process team determined that the brochure and other materials such as posters and buttons, were not being used in the four CWPDP research counties by AFDC eligibility workers. A complete summary of this effort is contained in an earlier process study report entitled, "Communication of Work Incentives 1993-1994."

The CDSS redirected $200,000 for outreach during the 1995-1996 fiscal year. A Work
Pays Committee was formed in 1995, comprised of staff from counties, CDSS Media Relations, AFDC Policy Implementation Branch, and a CDSS Policy Consultant. During 1995, the media effort was primarily in the planning stage. Its components were decided by late summer 1995, and materials were developed over the rest of the year. California State University, Sacramento (CSUS) continued to develop outreach materials, as they had done so for the earlier effort. The Committee decided that the new media effort would produce videos, a medium which had not been used in the first media effort, as well as Public Service Announcements. A video for clients had been proposed by the process team and by others in the previous year.

**Content of the Work Pays Media Effort**

Again, the focus of the media effort, from the point of view of CDSS, was on videos, one for clients and a training video for eligibility workers. By January 1996, the client video had been completed, and the plan was to send it to the counties by the end of March.

California State University, Sacramento (CSUS), the media contractor, had subcontracted development of the client video to Townsend, Bessler, Remundo and Usher, a public relations firm in Sacramento. CSUS was not able to take on the task of producing the video at the time, as it was felt that a public relations firm could provide more professional expertise than the University staff had available.

In addition to the videos, the media effort involved revising the Work Pays brochure and posters, revising the UC Davis Extension curriculum for eligibility workers and GAIN staff, and revising various AFDC forms and publications with Work Pays information and
logos. For Work Pays I, buttons had been created for eligibility workers to wear in interviews with clients, but were discontinued in Work Pays II. However, small pins were made available as part of Work Pays II, which read "A Job, A Better Job, A Career," a theme used in the client motivational video. These pins were given to selected people such as Work Pays Coordinators in the counties and staff at CDSS.

Information about Work Pays was disseminated at two conferences for GAIN workers and one Eligibility Worker conference. These conferences took place in November 1995, January 1996, and November 1996. At these conferences staff prepared a booth where they presented Work Pays media materials and were available to answer questions and discuss the use of materials with conference attendees.

In the Spring of 1996, the UC Davis Extension 1996-1997 catalog was published advertising the new Work Pays courses for EWs and GAIN staff (See Appendix B). Counties were in the process of ordering these courses, but none had yet been conducted. The next section discusses the utilization of these materials in the four CWPDP research counties, as observed by the process team in the Summer of 1996. A timeline for county receipt of Work Pays materials is contained in the appendix.

Utilization of Work Pays Outreach Materials

As described above, the CDSS developed a new set of Work Pays outreach materials in 1995 and 1996. The state's purpose was to try to ensure that clients would have access to multiple channels of information about Work Pays, even if their eligibility workers did not mention anything about it. The following describes each component of the outreach effort that
was disseminated in the counties, and the findings of the process team regarding utilization of those materials.

Client Video

The motivational 'client video' addresses many of the benefits of working on welfare and outlines the incentives provided to AFDC recipients under Work Pays. It was designed with input of county staff and filmed in San Joaquin county. During the Spring of 1996, the video in both English and Spanish was distributed to all counties in California. The county welfare departments were asked to play the video in their waiting room areas. A state DSS survey of the county welfare offices had determined that almost all had the capability to comply with the request as most offices had video players in their waiting rooms.

When the process team visited individual offices in the research counties during the Spring of 1996, shortly after the video had arrived in the counties, the team was told that numerous obstacles had to be overcome before the video could be shown to clients. In one office, staff could not agree on who should be in charge of turning on the video and rewinding it. In another office, management was trying to decide whether the video should be added to an already existing video that dealt with the Rights and Responsibilities portion of the intake and re-determination process, or if it should be shown separately.

The team returned to the counties during July and August of 1996. At that time managers interviewed were under the impression that the videos were being shown in the district offices. However, the team became aware that the agency was not monitoring the use of the videos too closely. Upon visiting various offices, the process team found that only one office out of seven was using the video, and there it was played on a TV enclosed by shatter
proof glass with the volume turned too low to understand what was said. Many EWs and reception desk staff that were asked about the video remembered hearing something about a video for clients, but few had seen it. In each of the county welfare offices visited, aside from the office in which the video was playing behind glass, the process team learned that the video was not being played.

**Brochure**

In 1996, the state DSS changed the Work Pays brochure to incorporate some of the suggestions that had been made by county staff and GAIN personnel about how it could be more easily understood. The English version of the brochure was distributed to county welfare departments in March of 1996; the Spanish version followed in April of 1996. GAIN and WIC offices and other distributors of outreach materials to welfare recipients, such as certain Community Based Organizations, were also supplied with the new brochures.

In 1996, the process team found that the brochures were included in the intake and re-determination packages in three of the four research counties. One county prefers to use its own information flyer called "WOW," an acronym for Working On Welfare. This flyer was also displayed in two offices, and is heavily used by GAIN staff.

**Posters**

New outreach posters were also developed. Now the slogan "Work Pays in So Many Ways," is utilized, rather than simply "Work Pays" or the formally used "It Pays to Work." The process team found that posters were displayed in waiting room areas of each county welfare office visited during the summer research period of 1996. This presents a sharp contrast to the findings of the research conducted in previous years, when none of the offices
visited had displayed posters in any area where clients would be able to see them. Now, the posters appeared to be an integral part of the office decor.

**Work Pays Logo and Information in Eligibility Documents**

In addition to the new outreach materials, the CDSS re-designed the intake and redetermination forms, as well as the Rights and Responsibilities form to include Work Pays logos on each form. The Rights and Responsibilities form now also includes a full page of information about working on welfare. The latter has been observed to spark many questions and conversations about working on welfare, especially when EW's go over the entire form or show that particular page to clients. The AFDC Handbook was also revised to include information about Work Pays, and the new version was made available in the research counties.

**Observations of Eligibility Worker - Client Interviews**

The process team has observed EW - client interviews during every year of CWPDP research. The methodology of observing interviews in county welfare departments is constrained by various factors that cannot be controlled by the researcher. The most important one is the inability to sample at random. Researchers have to announce their visit to the individual office in advance. Upon arrival, management has generally already selected particular EWs that have agreed to be observed. The EWs then ask the incoming clients for permission to be observed; consequently, the sample was not randomly drawn. EWs are also informed about the work of the process team, and about the topics that the team focuses on, because reports from previous years have been read by county staff. Clients who decline to be
observed may have different characteristics than those who agree to be part of the research. Finally, the sample of observations is fairly small and may not be representative of all eligibility worker-client interviews.

During the summer research period of 1996, the process team observed 36 intake, redetermination and screening interviews. In addition to those interviews, the team observed many that fell into neither category, such as additions to cases by clients that did not have scheduled appointments or questions about grants at the drop-in window at one of Alameda’s "Transfer Desks."

In 1995, observations had been coded by noting which ‘components’ of Work Pays were mentioned, because in no instances were EWs observed to communicate the spirit of the welfare reforms, or describe Work Pays as a package of work incentives. Rather, some EWs had received introductory training in the application of the work incentives, and were observed to communicate bits and pieces of the whole.

In 1996, the team found that a substantial change had taken place in many of the offices visited. The clients that were observed in intake and redetermination interviews during the summer of 1996 were already working. It became obvious during the interviews that the clients were already using child care, being reimbursed for some of it by the welfare department, and were sending in pay stubs for grant adjustments, etc. In observations like the one mentioned, a conversation about child care deductions is of no relevance because a system of deductions and reimbursements may already be in place. In fact, this type of case would suggest that Work Pays has finally been implemented.

The most notable observation from the field work in 1996 is that, across all four
research counties, some EWs are discussing or addressing the overall message that “it pays to work.” When there is communication about work, it consists of either the passing on of outreach materials, or a reference to the whole concept of working on welfare and its benefits. This is in sharp contrast to the observations of the previous three years that showed at best a communication of details or fragments of information about Work Pays.

As in the previous years, we found wide variation in the communication patterns of individual EWs. Most were either very detailed about the message or did not mention Work Pays or the possibilities of working on welfare at all. Some workers merely passed on information materials such as the brochure, or a flyer, but did not explain anything about the material to the client. In contrast, one worker in Alameda county had developed her own outreach materials. She had compiled lists with dozens of job hotlines, and toll-free numbers of governmental agencies that hire frequently. She had also compiled lists of local child care providers, physicians that treat Medi-Cal patients, food banks and homeless shelters. Every one of her clients received a talk on the importance of going to work before the new welfare rules would go into effect, so as to prevent becoming homeless. Although this counseling was outside of her regular job, she reported that she made this extra effort because she had been homeless herself and knew that she was still only two paychecks away from being on welfare. She felt that relating her own experience of poverty reached many of her clients.

There are still county differences in how the information is treated and whether it is passed on. In San Bernardino county, where EWs are mandated to read the Rights and Responsibilities form to their clients, researchers observed a routinized recital of the Work Pays information material included in the form. In San Joaquin county, intake workers
reported that they have little time, because of steadily increasing caseloads, for anything but the basic eligibility determination. However, the team observed workers drawing clients' attention to the Work Pays brochure during screenings that come before the formal intake interview. In Alameda county, the process team observed (for the first time in the four years of research) a utilization of outreach materials, as well as the first signs of a routinized implementation of mentioning work incentives to clients by EWs. In Los Angeles county, all district offices are creating specialized workers, "Child Care Coordinators" and "Work Pays Coordinators," to provide child care information and Work Pays information to staff and clients, signaling a shift in local office focus.

In addition to differences in EW's communication patterns, and county differences in implementing the reform package, the process team also observed implementation differences based on office culture. An example is provided by one welfare office in Los Angeles county, where a general attitude of "Let's help clients become self sufficient; otherwise, they won't be well off soon," seems to pervade the environment. Staff in this welfare office had taken the initiative to draft and publish materials about child care assistance and other benefits available to working clients. This office is actively using their specialized "child care worker" to help clients access governmental programs that assist with child care. The atmosphere is friendly and supportive, and most of the clients observed were employed.

Differences in organizational climate can be seen in how LA district offices have embraced the emphasis on Work Pays, some not as completely as others, but all beginning in different ways. In a second district office, staff members maintain job boards, and in another effort is placed in creating useful displays of information about child care and other benefits.
In still another, the child care coordinator was not even mentioned, and only a small portion of the clients were working.

How much emphasis was placed on informing clients about work incentives also seemed to depend on the job opportunities available in the particular county. In San Bernardino county, for example, work opportunities became available to clients because of a new shopping mall opening in Ontario. Through a collaboration of the county welfare department with the Private Industry Council, the welfare office is hosting job fairs for employers and welfare recipients. Everyone in the Ontario office is informed about this and it has made the environment more ‘job and work oriented.”

The process team’s findings and conclusions with respect to the communication of work incentives from EWs to clients can be summarized as follows: In general, Work Pays has been added to the routine script of EWs in all counties researched. The communication of work incentives has been implemented in that, in general, workers know about Work Pays and pass on information materials. Some EWs review written Work Pays sections of the Rights and Responsibility form, or read Work Pays flyers to clients that are part of the intake and re-determination packages. Informational materials are included in clients’ packages of forms, and in some cases workers point out these materials to their clients. There are differences in how the communication takes place, depending upon the individual worker and on the time constraints under which the EWs work. There are also differences by county and office culture. Finally, there is still great variation in how well work incentive policies, their intent and application, are understood by workers, which also leads to differences in patterns of communication.
III. Work Pays and Earned Income in Other Areas of County Welfare Agencies

Staff Development

In 1996, the process team, for the first time, interviewed personnel from county welfare department staff development units in the four research counties. The plan for these interviews was derived from the observation in previous years that many EWs did not seem to be trained in the application of the new rules regarding work incentive policies. There had also been no consistent operating routine that included telling clients that they would be better off working on welfare.

The process team found that many EWs are reluctant to approach clients about work. Some EWs told the team that they were absolutely not allowed to talk to clients about going to work. In one county, the handout used to train EWs in interviewing techniques has a section entitled: "objective/non-judgmental attitude" which reads "avoid loaded questions [such as]’Don’t you think you should put more effort into looking for a job?’" In one observation, a client asked the EW whether she should try to find a job, and the EW did not respond. Even if EWs think that they are allowed to bring up the topic of working in an interview, they are insecure about how to do it. The process team believes that some clarification of this subject and training on it may lead to increased conversations about work.

The team decided to interview upper level management in staff development units, as well as individual trainers, to understand training procedures and how decisions are made about what will be included in the training schedules.

Only one of our four research counties, Los Angeles county, relies heavily on the UC...
Davis Extension school for training of AFDC eligibility staff. Every year, Los Angeles county contracts with UC Davis for different courses that are selected from a curriculum of hundreds of selections. Courses range from training for new workers, to stress management and how to interact with difficult clients. In 1996, for the first time, UC Davis offered a Work Pays course that addressed the application of work incentive rules, as well as how EWs can approach clients about going to work, or looking for employment. This course was developed with encouragement and input from CDSS staff. Los Angeles county has plans to subscribe to the Work Pays course in 1997.

Alameda, San Bernardino and San Joaquin counties have no plans to subscribe to the Work Pays training for staff through UC Davis. These counties are developing their own training courses. When the process team began to research the training of EWs, it became clear that not only the curriculum had to be taken into consideration, but also which workers were required to attend the training, and which ones were given an opportunity to attend training sessions. The team found that, in general, it is not a priority for the counties to train EWs on Work Pays. All workers in one county were required to attend “service excellence” training, because of increasing complaints from clients and co-workers about the rude behavior of eligibility workers. In another county, the mandatory training was on awareness concerning sexual harassment. Training that was offered on Work Pays was generally offered for EWs that were already processing the cases of working clients, not for EWs that work with the client population that is not working. EWs were trained in, for example, the correct processing of Supplemental Child Care (SCC) forms, but not in how to approach a client about working. In none of the counties were intake workers trained regarding Work Pays.
Appeals

In 1996, the process team, for the first time, interviewed staff in the appeals units in the four research counties. The process team chose to conduct these interviews because they wanted to investigate how often earned income budgets are incorrectly calculated and if there were systematic reasons that this might occur. This question arose out of a concern that clients who go to work and report income and then receive the wrong grant amount or get discontinued will be discouraged from working; and as the word gets around, so will other clients. Many welfare agency managers had reported that earned income budgets are "more error prone" than other types of budgets, and that doing them accurately is difficult and time consuming for workers. Staff in community-based organizations, interviewed in 1995, had reported that often clients' grants are discontinued or smaller than expected when they start working and this is an additional problem for clients. It was thought that the appeals staff might have some knowledge of the frequency of incorrect earned income budget calculations since they are the recipients of client complaints. In addition, appeals staff could provide some contextual information about the situations in which working clients dispute their grant amount and provide further information on what clients actually believe about the impact of earnings on their grant. Several other interesting findings about Work Pays and communication with clients emerged out of these interviews with appeals staff.

For background purposes, the appeals process has been documented by the team in all four research counties. The process as well as the reported findings were very similar in all of them. Appeals personnel communicate with clients and may advise them in their legal dispute up until the actual hearing date. At this point, many appeals are settled and never go to
hearing. Appeals workers or “specialists,” have the time to explain policies to clients and many misunderstandings, for example about grant computations, may be resolved. Should the appeals worker decide that the mistake was made by the client's eligibility worker, that appeals worker will propose a resolution. At the hearing itself, the appeals worker switches roles from the client's advisor to the county's representative. This role change reportedly causes confusion for the clients.

The process team found that appeals workers seem to be in a unique position to be able to spend time with clients to explain policies. Part of the appeals process includes interviews with clients to determine the details of their cases. Appeals specialists have far lower caseloads than EWs, in some instances as low as 27 cases per month. Therefore, they have the time to counsel welfare recipients about finding work, or improving their education. The team found that in every county there seemed to be a group of clients who appealed whenever possible. A commonly held theory concerning this phenomenon reported by appeals workers is that these clients want someone to pay attention to them and talk to them.

The most frequent reason for filing an appeal involves discontinuations, especially those due to late monthly reports, called "CA7s." In some counties, clients are given the benefit of the doubt when a late CA7 caused the discontinuance. In other counties, CA7s are scanned as soon as they are dropped off or mailed by the client. Even though changes may not be processed immediately, the computer does show that the CA7 was in on time or is missing. In these counties, clients have to give more specific reasons for what may have happened to the CA7 in order to claim that the welfare agency is responsible for it being lost. Claiming that they dropped it off and it was not filed is not considered a valid explanation anymore.
Other appeals concern regulation changes, although according to appeals workers, increasingly clients file fewer appeals when grant cuts are implemented. One workers explanation for this decrease in appeals over grant reductions was simply “They [the clients] have given up,” because clients never win these particular appeals.

A third type of appeal concerns miscalculated benefits for clients with earned income. In some cases, EW’s incorrectly applied the Work Pays rules; in other cases, clients filled the forms out incorrectly. The process team was unable to establish the overall percentage of cases in which EWs miscalculated benefits, or how widespread this problem is, because appeals statistics do not provide breakdowns of reasons for appeals.

In one research county, appeals workers stated that they use discretion by granting exceptions to people who do not turn in their child care expenses or other documentation needed to get disregards on time. The team found that working clients often are given the benefit of a doubt, especially during the first month of employment, as appeals workers realize that these clients are often working with a minimum of information about the applicable regulations.

Appeals workers from two different counties reported that there is still confusion among clients about what benefits are available to clients under the Work Pays policies. In one county, an appeals worker quoted a comment she has heard from more than one client: "I thought if I work I still get the full grant because Work Pays." In another county, an appeals worker quoted a different claim of her clients: "My worker told me I could make $300 and wouldn’t have to report it."
The GAIN Program

GAIN is California's JOBS program for welfare recipients. Those who are enrolled receive a variety of supportive services, training, and job search responsibilities designed to increase their chances of finding employment.

GAIN Field Work in 1996

Our focus in field work during the past four years has primarily been on AFDC eligibility workers, how they communicated Work Pays rules to clients and what barriers seemed to be preventing more effective communication. This decision was guided by the reasoning that eligibility workers are the only agency officials who see every AFDC recipient. Their interaction with recipients determines the kind of information the majority of the AFDC population could consistently receive about working on welfare.

During 1996, we looked at GAIN offices for the first time. We became interested in this program both because of our previous observations of relatively sporadic communication of Work Pays rules in the welfare offices, and because of frequent comments in past interviews with eligibility workers and administrators that all aspects of working on welfare were more heavily emphasized in the GAIN program. Although such comments about GAIN were noted since the summer of 1994, the team was also aware that the GAIN program had been chronically under-funded and actually served only a small percentage of the GAIN-eligible AFDC population (see below). This year our interest was sparked by impending federal welfare reform with its new emphasis on work requirements, as well as by a recommendation from CDSS staff that we look into GAIN as a good model for the future.
treatment of all welfare recipients.

Our purpose in 1996 has been to investigate how this alternative model for the treatment of welfare recipients is structured and to identify programmatic elements that might make it more effective at conveying work incentives. By understanding the strengths and limitations of the current GAIN program, counties can make more informed decisions about how to modify and expand the program to effectively serve more of the current client population. Our study of GAIN included observations of orientation sessions and interviews with GAIN workers, unit supervisors, orientation instructors and office managers in the four research counties. Typical of this kind of field work, the officials we interviewed were not randomly selected, but rather were chosen for us by more senior administrators. Hence, they did not comprise a representative sample of GAIN staff. Our report on GAIN includes general findings about program components and the communication of Work Pays that apply to all four research counties. Individual counties are highlighted only when notable program variations that affect communication of Work Pays rules have been observed.

**GAIN's Limited Reach**

Although AFDC staff often commented that communicating work incentives was the responsibility of the GAIN program, it is important to keep in mind how few clients typically receive GAIN services. Only a relatively small percentage of eligible AFDC clients actually participate in the program. In Alameda county, 2,266 participants were enrolled in GAIN as
of 7/8/96, out of 24,470 non-exempt adults and teenagers (9.3 percent). In L.A. county, GAIN had 33,720 participants out of an AFDC adult population of 256,766 (which includes exempt adults) for July 1996 (13 percent). In San Bernardino, GAIN served 12,000 people last year out of 60,000 cases (20 percent for the year). San Joaquin is apparently an exception, with approximately 6,500 participants in GAIN out of 10,860 non-exempt AFDC cases. Many clients fall into one of numerous exemption categories and others are exempted by a GAIN worker on the first day. Even if one of GAIN's programmatic tasks is the communication of work incentives, its limited reach has severely hindered its ability to deliver the work pays message to welfare recipients generally. The typical client still receives her information on Work Pays and the benefits of work in general from her eligibility worker, her AFDC application and the AFDC office.

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2 An AFDC recipient is required to participate in the GAIN program (when space becomes available) unless she fits into one of twelve exemption categories. Recipients are exempted who: 1) are children under 16; 2) are full-time students who are 16, 17, or 18; 3) suffer an injury which will last less than 30 days; 4) are 60 years or older; 5) live in an area that is remote from a GAIN program site; 6) suffer a physical or mental incapacity lasting more than 30 days; 7) are needed in the home to take care of a disabled family member; 8) have a child under age 3 (this became a one-time exception in February 1996); 9) are pregnant and in their 2nd or 3rd trimester; 10) work 30+ hours in unsubsidized employment; 11) are full-time Vista volunteers; 12) are pregnant but have already received their one-time exception for having a child under 3. This is a short-term exemption for women close to giving birth.

3 Los Angeles and San Bernardino counties did not have statistics on the number of AFDC recipients who were non-exempt from GAIN. The state did not have this information either. As a result, the percentage of clients served by GAIN in these two counties as calculated from the given data understate the percentage of clients served that the program could actually reach.

It should also be noted, however, that the percentages in all the counties also reflect recent program expansion and increased funding since 1995.
The Referral Process

When a client applies for AFDC, the eligibility worker makes an initial evaluation of whether the client should be exempted from GAIN. If she is required to participate in GAIN, the worker must then determine whether the client fits into one of the federal or county target groups and whether she volunteers to participate in the program. This information is either sent to the GAIN office in paper form to be entered into the GAIN computer (San Bernardino; San Joaquin) or is downloaded directly from the AFDC mainframe (Los Angeles; Alameda).

In San Bernardino and Los Angeles counties, a program specialist determines on a monthly basis the number of new clients each GAIN office can absorb. This number depends on the existing staffing levels and the number of clients that have been "decertified" during the previous month. Decertified means that they were eliminated from the program because they were sanctioned for non-compliance, their AFDC case was terminated, or they got a job for 30 or more hours in a week. Cases are usually selected from the existing client pool based on a hierarchy of target group priorities and whether clients within the groups are volunteers. Volunteers usually get first priority. The GAIN computer then schedules appointments and sends out notices to clients. (For Spanish-speaking clients in Los Angeles county, these letters have to be sent out manually.)

Alameda County has been selecting clients for intake to the program from a list of target group volunteers that they have amassed from clients calling the GAIN office. The agency has only just recently begun to exhaust this list because of sporadic and very limited intake during the past two years. Child care costs of existing clients (many of whom were in long-term educational programs) have frequently drained the budget, and rather than reduce...
supportive services to these clients, the agency severely limited intake to GAIN for months at a
time. Only Cal-Learn clients who turned 19 have been consistently enrolled. For a time,
clients whose youngest child was 16, 17 or 18 and who therefore wouldn't require child care
were also selected.

San Joaquin does not have a waiting list or general pool. It appears that currently the
county has been able to serve every non-exempt client who falls into one of the federal target
groups, plus those who volunteered who were not in a target group. Since the beginning of
1997, the county now asks non-target group mandatory clients whether they want to
participate. All referrals are scheduled for an orientation session within a month and are
assigned to a GAIN worker. Caseloads average about 200 per worker, the highest of the four
counties, and are comparable to AFDC worker caseloads. There is apparently no
administrative decision regarding the number of new cases to be accepted and caseloads are
liable to start rising with the anticipated expansion of GAIN referral criteria.

Work Pays in GAIN

Explaining the Work Pays rules using the CDSS produced Work Pays brochure and, in
some cases, the Work Pays video, play a central role in the GAIN programs’ initial attempts to
communicate the advantages of becoming employed. The importance of Work Pays to the
GAIN program, however, is not based only on the communication of these rules to clients in
particular program activities, such as orientation or job club. Other programmatic elements
are also important in facilitating clients' understanding of the Work Pays message by making
employment an expectation with some hope of being realized. This includes GAIN's training
of clients in job search skills, its requirements that clients actively seek employment, its payment of a client's child care and transportation expenses while she is looking for a job, and, in some cases, its development of job opportunities. The rules governing earned income are presented as just one of the many tools clients have available to them for becoming self-sufficient.

Many GAIN workers perceive "Work Pays" as the organizing principle for the GAIN program. One explained that until these policy changes occurred, there were substantial disincentives to employment; that, in fact, work really didn't pay. All staff were aware of these disincentives under the old rules, and that made it difficult for them to get excited about their work. 4

The Challenge of CWPDP Control Cases in GAIN

GAIN staff, who knew about the old rules for control cases, were generally very negative about cases with research status as controls. They felt that the sheer economics of the rules prevent many control case clients who want to work from being able to do so. This is especially true for two-parent families ("U" cases), for whom a rule limiting employment to 100 hours/month still applies. One-parent ("F/G") control cases have never been subject to the 100-hour rule, but they (like the control U cases) only receive the $30 and 1/3 income disregard for four months. For an Unemployed Parent control case, if the client takes a job

4 This perception of the importance of Work Pays rules in facilitating client employment, however, does not indicate whether workers use the Work Pays flyer or even discuss Work Pays rules in their own interaction with individual clients. See section on the communication of Work Pays rules in GAIN worker-client interactions.
requiring more than 100 hours/month, he or she will no longer be eligible for AFDC (although Transitional Medi-Cal and Child Care may be available). One worker explained that this means the client has to find an initial job with a wage high enough to match her grant level. For clients with large families this may require compensation of $9-$10 per hour. Workers observed that usually the client doesn’t have the skills to obtain employment at this hourly rate immediately, nor will she have the time to gain experience and get promoted from a lower paying job while still retaining some grant and medical support. However, if a job would make her worse off than being on aid (i.e. she would end up with less money) she is not required to take it.

The Work Pays Brochure

It appears that the GAIN program distributes brochures to clients in at least three of the counties. These are utilized in certain program components (in particular, the initial orientation and in job club - see below) and to varying degrees by Gain case managers in their interactions with individual clients. One GAIN worker in Alameda, however, said her office had stopped distributing the brochure to clients because the most recent version had become outdated by grant reductions. Instead they inserted a page in their GAIN brochure all clients receive that contains similar information, but with current grant levels.

The Work Pays brochure was considered by GAIN workers who had seen it to be a useful tool for explaining how earned income affects a grant, though the familiarity of case managers with Work Pays rules varied dramatically (see Gain worker section below). One criticism of it, though, was that it could include more substantial and explicit information on
what kinds of documentation a completed CA7 requires. GAIN workers reported that many clients seem to get their CA7s in on time and yet don't get their income disregards, largely because they don't include their pay stubs. More explicit information about this would not only provide clients with a more complete pamphlet, but would remind job club instructors and case workers to talk about proper documentation with clients. There was also a suggestion that bureaucratic language like "disregards" should be eliminated because clients don't understand those kinds of technical terms. (The non-obviousness of the term was corroborated to some extent in an orientation session, where we observed that a client thought disregards were only for emergencies.) Suggested alternatives included: "ignore this amount of money" and "credits."

The First Day Group Orientation - Work Pays Rules

During the first day group orientation, where the structure and expectations of the program are explained, the instructor has the time and mandate, in at least two of the counties (Los Angeles, San Joaquin), to carefully go over the rules for calculating the grant of a client who is employed. Through a step-by-step budgeting exercise, clients are shown how the impact of earned income on an AFDC grant is mitigated by deductions for employment and child care, and how employed clients will, in the end, have more disposable income. This is in contrast to AFDC intake eligibility workers who have neither the time for an in-depth discussion of Work Pays, nor do they generally see their role as one of encouraging clients towards employment. Presenting grant calculations in detail is important for overcoming pervasive misconceptions and fears about working on welfare, e.g., that earned income is
deducted from a grant dollar-for-dollar; or that clients will be cut off welfare, especially Medi-
Cal, after getting any kind of job. The videos and presentations to which the clients are
exposed throughout the GAIN orientation also emphasize other non-financial benefits to
employment, such as enhanced self-esteem and greater independence. In two counties (San
Bernardino, San Joaquin), one of the videos shown was the Work Pays client motivational
video.

In San Joaquin County, until January 1997, group orientations were six hours long and
were done by four specialized workers. The orientation included a display on an overhead of
the Work Pays budget. Clients would follow along in the Work Pays brochure they had
received while the presenter explained each step of the calculation. However, in January
1997, the GAIN program moved into the building that houses the welfare office in a space
which could no longer accommodate group orientations for forty clients. As a result of this
limited space, plus an increased intake volume, and an agency decision to move to generic
GAIN workers, the orientation component was significantly altered. Orientation is now the
responsibility of all GAIN workers who conduct it on a rotating basis. In addition, the group
size has been reduced to twenty and the orientation has been condensed to two hours.
Apparently, Work Pays rules will no longer be covered during orientation, although clients
will still receive copies of the brochure.

Job Clubs

As of January 1996 with the passage of AB1371, almost all clients are assigned to a job
club as their first activity. This lasts 3-8 weeks depending on the county and whether the
client has participated in job club previously. The first week in job club is spent doing job readiness training. Activities include: learning how to fill out a job application; learning how to interview; participating in motivational and self-esteem exercises; identifying the hidden job market; and building a resume. Clients may also utilize Work Pays rules through exercises meant to develop budgeting and money management skills.

In Alameda county, GAIN "trainers" use the "Dean Curtis" model in their job readiness training. The Dean Curtis model does not contain any segments on the Work Pays rules. However, in one of the Alameda offices a trainer, who had been an AFDC eligibility worker and was knowledgeable of Work Pays rules, created her own Work Pays presentation which is used by all trainers in her office. It is unclear whether the other job club sites in Alameda have also incorporated Work Pays segments into their job readiness training.

After the first week, time in job club is spent tracking down job openings (usually through cold calls or job leads provided by other clients or job developers), setting up interviews and applying for jobs. Some job clubs also do some follow-up discussion of job search experiences and review important skills, as well as conduct other group meetings to

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5 In some counties, individual case management is done by a certain category of workers while the orientation and job club segments are either contracted to groups outside of the agency (Los Angeles; San Joaquin - job club) or assigned as an additional worker task (San Joaquin - orientation; San Bernardino - orientation and job club). In Alameda, though, work is divided between trainer and non-trainer GAIN staff. Trainers are responsible for doing orientation and job club for a group of 10-12 clients at a time. The non-trainers are assigned clients that have finished job club without finding a 30+ hour/week job or who are out of program compliance.

6 The "Dean Curtis" model is a program designed by the private company, Curtis and Associates, for organizing the orientation and job club components of GAIN, which stresses getting a job. Numerous California counties have adopted this approach including San Mateo, and Santa Barbara. Alameda county adopted this model in April 1996.
boost morale and provide job leads.

**Orientation and Job Club Resources for Non-English Speaking Clients**

Many GAIN offices have limited activities for non-English speaking clients, which can significantly affect the communication of Work Pays rules. In at least one GAIN office in Los Angeles the orientation for Spanish-speaking clients only lasts two hours (rather than six hours). Workers commented that this meant a less thorough treatment of work incentives and child care and consequently more questions about program and benefit requirements from clients. In San Bernardino county there are insufficient Spanish-speaking staff to provide Spanish-speaking clients with the full range of GAIN services. As a result, orientation and job club for Spanish-speaking clients, which are conducted in-house by GAIN staff, is condensed into a one-day job training workshop followed by three weeks of unsupervised job search. In Alameda county, there is no orientation or job club for non-English speaking clients. Instead, a bilingual worker holds a one-on-one interview and the client is generally referred to ESL classes. San Joaquin county, on the other hand, offers orientation in Spanish, Mong, Vietnamese, Laotian and Cambodian.

**The Communication of Work Pays Rules in GAIN Worker-Client Interactions**

Although the GAIN program is organized to describe the Work Pays rules up front in orientation, it is unclear how well this emphasis is maintained throughout GAIN worker-client interactions. GAIN staff work in an organizational culture whose primary goal is to move clients into employment. However, heavy workload, the perceptions of some workers as to
their proper roles, and varying levels of knowledge about Work Pays casts some doubt (corroborated by worker interviews) on the consistency with which GAIN workers may initiate discussion with clients about the details and importance of Work Pays.

**Workload**

Workers are responsible for ensuring that clients move smoothly through the GAIN activity sequence. This can be a substantial undertaking given caseloads that range from 80-220. A lot of time is spent in appointments with clients, especially at intake. At intake, workers explain the expectations of the program and the client's rights and responsibilities, identify necessary supportive services, such as transportation and child care, and have the client sign a "contract" indicating he or she understands his or her obligations. This initial meeting, which often involves what workers perceived as a relatively substantial block of time (½ hour), is the time workers identified as the best and usually the only time for them to discuss Work Pays rules with their clients.

A worker also meets with a client when she completes one activity and moves to a new one, at which time supportive service needs are re-evaluated; or she is out of compliance for an activity (usually for unsatisfactory attendance) and liable to be sanctioned. These meetings do not lend themselves as easily to discussions about Work Pays as intake does because the worker has a limited amount of time and other more, immediate tasks to accomplish. Client contacts are generally limited to these situations, although clients may also call their workers

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7 The exception to this is in Alameda and San Joaquin where the intake process is done separately from regular ongoing casework.
with programmatic questions or when problems arise.

One GAIN worker observed that in addition to time constraints, the low education levels and comprehension skills of many clients limits the communication of information. Many clients become easily overwhelmed by too much information at one time. Often the explicit purpose of a meeting (such as commencement of a new activity or the possibility of sanctions) involves so much new material that it would be useless for a worker to try to initiate discussion on a topic not directly relevant, like Work Pays rules.

Workers also spend a good deal of their time monitoring cases - processing activity attendance records, calculating supportive service budgets, keeping track of deferred and sanctioned cases, etc. Automatic computer alerts keep workers aware of important case deadlines, for example, when an activity or a deferral is ending. A common complaint by workers was that this tracking involved a lot of unnecessary process and paperwork, which made it difficult to keep one's caseload current. Non-compliance cases are especially time consuming because a worker has to take the client out of her current activity, cancel services and schedule a non-compliance appointment. If a client subsequently complies, the worker must then re-enroll her and arrange for new supportive services. Some workers in Los Angeles and Alameda counties observed that this has been a particularly burdensome part of their job because non-compliance rates have increased in recent months. Case management is further complicated for those workers who have additional responsibilities, e.g. group facilitating, orientation presentations, and job development (in San Bernardino and Los Angeles counties).

The burdens of the GAIN workers' job, involving as it does relatively high caseloads
and large quantities of paperwork, as well as the infrequent client contact, suggest a routinization of task more akin to that of an AFDC eligibility worker than that suggested by the GAIN orientation. Interviews with workers suggest it is unlikely that consistent personalized case management occurs (including discussions of Work Pays) in the GAIN program. Detailed attention to Work Pays specifically occurs, if at all, during particular group GAIN activities, such as the orientation and the job club.

Los Angeles county GAIN workers were concerned with a recent change (since the beginning of 1996) that has increased intake (which normally involves interviewing four to five clients in a day) from two to four days a week. This has increased caseloads and put more pressure on workers to finish their intakes as quickly as possible. Many felt that this has significantly affected their ability to counsel clients, including their ability to explain Work Pays budgeting. Two workers expressed concerns that GAIN was starting to become like the AFDC office in caseload size and in the consequent superficial treatment of cases. It is unclear whether the increased rate of intake was due to a high rate of case turnover recently, or whether there was also an administrative decision to accommodate more clients. The Spanish-speaking GAIN workers have been particularly affected, with their caseloads going up to 200. The disparity between English-speaking caseloads (at 140) and Spanish-speaking caseloads can be attributed, at least in part, to the fact English-speaking cases have a much higher no-show rate.

Role Perceptions of GAIN Workers

There were also differing perceptions among the staff of the GAIN worker's
appropriate role. The worker's perspective may affect how the worker will use his or her available time and discretion to initiate discussions with clients on subjects that fall outside of the immediate objectives of typical client-worker meetings. Someone who views his or her job as one of motivating changes in client behavior or guiding clients in their decision making processes, is more likely to discuss the Work Pays rules as one of the advantages of working.

Many GAIN staff thought that motivating people to strive for employment and self-sufficiency was the most important function of the worker. When a worker was familiar with the specific circumstances of a client's life and had established trust with the client, the worker could effectively counsel and perhaps motivate changes in behavior. Workers indicated that an adequate rapport and level of knowledge could be established during the limited contact they had with clients. Because workers were generally prepared to address a variety of typical concerns, effective counseling only required identifying a client's psychological barriers to work. Typical client fears and misconceptions include: fear of leaving one's children to a caretaker, fear of having no skills that an employer will want, fear of insurmountable language barriers, confusion about child care funding or requirements, the perception they are unemployable now and need training before they can look for a job, a lack of awareness about welfare reform, an unrealistic view about their first job (i.e. clients are resistant to taking minimum wage jobs because they assume there are $10/hour unskilled entry level jobs still out there), and a belief that it is better not to report income because their grant will be miscalculated for months. Workers try to create reasonable expectations about employment and an awareness of the value of independence and getting out of poverty.

Another view expressed by some workers envisions the worker's role as simply a
provider of organizational information, guiding a client through their activities, explaining the expectations of the different activities and supplying clients with the supportive services that will facilitate their compliance. Clients can talk to workers about how a job will affect their grant level, but GAIN workers are not social workers. In this perspective, if a client needs psychological services, she can be referred to the proper agency.

A hybrid view of these two envisions the worker taking a more proactive approach to guiding clients—calling to remind them of activity dates and assisting them in the decision-making processes of how to get to places and do things, recognizing that for many clients simple things, e.g., finding the right bus to a job, choosing what to wear, showing up with clean hands are often major obstacles to employment when a client hasn’t thought through these tasks.

Thus, the view a worker has of her purpose will likely affect how she chooses to use her time in interacting with clients, especially given the very limited amount of time involved. However, it must also be remembered that a worker’s perception of her role and its realization are two separate issues. Even a worker who views her job as motivational may not be doing this in practice because her workload is too cumbersome. Unfortunately we did not have time or opportunity to observe client-worker interviews in the GAIN setting.

**GAIN Worker Knowledge of Work Pays Rules**

Another often decisive factor affecting communication of Work Pays rules is the variation in GAIN workers’ knowledge of them. Only some workers have a sufficient understanding of Work Pays to explain it to clients. One supervisor commented that her
workers don't know enough about the deductions to go through a budgeting exercise, but would be able to show a client that it is advantageous to work. Previous experience as an eligibility worker largely determined whether a GAIN worker would go through Work Pays budgeting with their clients. Thus, worker-client discussions of working on welfare, when they do occur, vary dramatically among workers, especially with respect to the extent and quality of information on Work Pays. However, understanding of Work Pays rules among GAIN workers may improve in the future if counties subscribe to the new Work Pays course for GAIN staff provided by UC Davis Extension.

**Changing Agency Objectives: From Education to Work**

The GAIN program has been undergoing a transformation in agency objectives from investing long-term in education and training to encouraging immediate employment and work experience. The change in values and program options this represents reinforces the significance of Work Pays by making work even more central to the GAIN program. Clients come to understand this, both in terms of programmatic expectations and in terms of the new constraints it places on the type of activities in which clients may participate. In Los Angeles county, a greater emphasis on employment has been evolving since the county took over the GAIN program from a private contractor in 1993. In San Bernardino county, this change has been occurring since 1992. The agency began to re-educate workers following legislation that

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8 The fact that counties often do budget exercises in orientation or job club doesn't indicate how well clients understand Work Pays rules or if clients consider Work Pays relevant to their own lives. A worker who can discuss these rules provides another important opportunity, and typically the only one-on-one interaction, for making Work Pays a part of a client's way of thinking.
gave GAIN programs some control over the education process, allowing them to pull clients out of what amounted to lifetime education programs if they weren't meeting the standard of "Making Satisfactory Progress."

A large part of this shift also occurred statewide at the beginning of 1996 with the implementation of AB1371. County agencies are now directing almost all clients into job search activities first (rather than automatically steering people who scored low on education tests into basic education programs) and increasing the use of an unpaid work experience component (Pre-employment Preparation - PREP - and Alternative Work Experience - AWEX) in city agencies and community based organizations (CBOs), even for many concurrently enrolled in education activities. Workers have also been instructed in many counties to use their discretionary power to encourage clients to choose job search and work experience activities and to minimize the time spent on educational activities. In one county (San Joaquin) the assessment component of GAIN (where clients skills and interest are evaluated and an employment plan is created, often with a significant education component), which had been contracted out, was taken back in-house in order to better control (i.e. reduce) the assignment of clients to educational activities.

In Alameda county the GAIN program reorganized dramatically in April 1996, taking the orientation and job club components in-house from the Employment Development Department (EDD), using GAIN workers trained in the Dean Curtis model⁹. The EDD job club was not considered aggressive enough in its job search techniques, with many people

⁹ See footnote 6.
simply biding their time until they could get assessed and sent to training.

The new focus on jobs was seen to reflect a shift in agency philosophy: from maintaining a clear boundary between welfare and employment towards a sliding continuum of mixed employment and aid. When GAIN had previously emphasized development of human capital, the goal was for clients to acquire adequate education/skills to find employment that would get them off AFDC completely. Program specialists and supervisors reported that this turned out to be neither realistic nor sufficient. For many clients this approach led to years in vocational classes with no real expectations set by the agency for employment. Many people also simply didn't go to training. These long-term students also consumed disproportionate amounts of child care funds, in one county contributing to a virtual shutdown of new intake cases for months at a time during the past two years (Alameda). It was also discovered that many of the people who acquired marketable skills were unable to find employment because they lacked work experience, while many clients without even a GED were able to find employment if they had a job history. One supervisor cited a study showing that the average starting salary was the same for people with and without GEDs (Alameda). Work experience, rather than a certain level of education, was perceived as the stronger determinant of employment success.

The newer emphasis is on getting any job now, while tolerating continued reliance on AFDC awhile longer. AFDC then acts as a wage subsidy while a client gets the experience to move to increasingly better paying jobs, until she achieves self-sufficiency. Even for those who fail to retain a job, the view is to send them back out into the market to find another job while they still have the "momentum" of having just been employed. The impact of this new
emphasis is illustrated by a San Bernardino GAIN study that found a dramatic increase in grant reductions while actual terminations had fallen off. Alameda county found similar trends in ongoing reliance on welfare by those who found and retained jobs.

The Role of the Job Developer in Facilitating Employment

Facilitating employment has occurred not only through policy changes and worker practices that have channeled more clients more quickly into job search and job experience activities. In two counties, the GAIN program has created job listings compiled from the efforts of clients in job clubs, as well as some specialized staff positions (job developers in Los Angeles and San Bernardino). It is the task of these job developers to recruit members of the business community to hire welfare recipients. They try to sell companies on the availability of welfare clients who are eager to work and have child care arranged and paid for, on the up-front screening and training the GAIN office does, and sometimes on GAIN’s willingness to purchase uniforms and necessary tools (as well as offering tax credits starting in 1997). In one county (San Bernardino), the local GAIN office was involved in a massive hiring effort for a nearby mall that was about to open, screening clients to identify those who met employer requirements. Though the notice of job openings was distributed to the entire welfare population as a flyer with their monthly checks, the GAIN staff said that GAIN clients were being accepted at much higher rates in “pre-screening,” a process in which GAIN staff review the applications of all potential applicants and only allow those who meet an employer’s minimum job requirements to actually apply. This difference in pre-screening rates was attributed to the GAIN training their clients had received.
Because of the growing part that job development will play in welfare reform, San Bernardino's GAIN agency is currently reorganizing its job development staff into a single unit that reports to a central administrator, with workers out-stationed in each office (rather than one or two workers reporting to the head of the GAIN office in which they work). This is intended to facilitate more effective job development on a county-wide basis. They are also looking at a new individualized approach to job development to help less readily employable clients find jobs. This requires finding employers who are more committed to taking unusual cases and is therefore expected to involve an entirely different employer network.

One problem job developers face is that often clients hired by businesses turn out to be unemployable, making the employer unwilling to work any further with the agency. As a result, staff have to continually broaden their search and employment resources to reach new employers. In one county (San Bernardino) at least one GAIN office created a Business Advisory Committee with employers who have hired clients in the past in order to try to address this problem. Committee members focus on how to get people employed and how to better prepare GAIN participants for the job market. One of the committee's biggest concerns has been the GAIN program's lack of marketing - not enough businesses know about the program.

In at least one Los Angeles county GAIN office, in contrast, one job developer observed that their office had permeated the area, getting the word out through the Chamber of Commerce and by direct contacts with local small employers. They had been so successful

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10 Another unrelated reason employers sometimes refuse to help is that they don't want to show preferential treatment for welfare recipients and discriminate against other people.
that they were now having to shift their focus to larger corporations. Los Angeles county offices have quarterly job fairs.

**Job Retention Among GAIN Participants**

One of the most important and elusive ongoing problems that GAIN staff identified consistently was lack of job retention by clients who successfully found employment. Some workers identified complications related to poverty and clients' lack of life skills, itself often the result of poverty, as primary causes. Many clients have not been taught the discipline or expectations of what being an employee requires, failing to show up to work on time regularly or behaving insubordinately to their bosses. Some also don't have the mental or physical resources to manage holding down a job for long when any minor problem (e.g. car breaks down, bill paid late, domestic conflict caused by a spouse's jealousy of client's new employment and independence) can easily spiral into a major life crisis. Staff noted that retention has never been a focus of the GAIN program, only initial employment, and no one has yet figured out how to build it in as an integral part of the program. Attempts to track clients in order to better understand the causes of job loss haven't worked very well. Workers expressed varying degrees of skepticism that the GAIN program could adequately address apparently systemic problems and personal deficiencies built up over lifetimes. One job club worker, though, said she tried to address this issue in a workshop on "conflict management." In addition, a number of GAIN staff in Los Angeles and San Bernardino counties have also reported that studies they had seen or that they themselves had done informally showed high one year retention rates (70-80 percent).
Barriers to Working on Welfare from the County GAIN Perspective

Income maintenance is even more critical in the transition to employment. GAIN pays for a participant’s child care until she finds a job. At that time child care payments by GAIN stop. This can leave the client in a budget crunch, especially if she is not in a subsidized child care program (with a sliding scale) and has relatively expensive care (the cost of which she may not have considered while GAIN was paying for it). This child care crunch can even occur for a GAIN participant who has a job, but for under thirty hours. She will still be required to participate in another GAIN activity - e.g. PREP, but GAIN stops child care payments entirely. Supplemental Child Care (SCC) can be difficult to obtain, especially in a timely manner that can alleviate these sudden child care expenses (SCC is funded only on a cost reimbursement basis). Most eligibility workers had until recently never heard of SCC and it is unclear how many are currently able to do the processing and calculations correctly. In addition, even if a worker does have the time and knowledge to process an SCC claim, SCC payments often take a long time to issue.

A further obstacle to the transition to work is sometimes created by improper budgeting of earned income by eligibility workers, which can dramatically affect monthly grant levels (causing an unexpected loss of funds or overpayments). When a client is earning enough to be ineligible for AFDC, eligibility workers may fail to terminate the case with the proper code that allows a client to be eligible for transitional child care; or an eligibility worker may fail to terminate the case on time, resulting in overpayments that have to be repaid later on. This is particularly true in Alameda county where over one-half of all cases, including earned income cases, are in a case banking system known as the "Transfer Desk." A contact worker has been
established in each office but, according to the workers interviewed, this has not been nearly
effective enough, considering the complicated and time-sensitive nature of earned income case
processing. Moreover, if a client has a problem with her case, she has a difficult time getting her
worker on the phone. Transfer desk appointments are generally scheduled only Monday through
Friday, 1:00-3:00, making it difficult for her to see her worker and still maintain a job during
regular business hours.

Expanding GAIN

Many counties are attempting to expand GAIN services to reach a greater portion of the
AFDC client base. In July 1996, one office in San Bernardino developed a three-hour pilot
training program (which has since expanded to three offices) called GAINQuest (GQ) for AFDC
clients who are identified as likely to find jobs quickly, usually those who have just lost their jobs
and anyone who expresses an interest in work. It is a condensed version of the "job readiness"
training in which regular GAIN clients participate during the first week of their three week job
club activity - including job search, interview skills and some job leads. The program is meant to
get people excited about finding a job, but without any subsequent obligations to GAIN. GQ
avoids the lag time for getting enrolled in GAIN that clients face, while allowing those who don't
fit into any target groups immediate access to GAIN resources. There has also been some talk of
setting up job boards (as is done in GAIN offices) and the county is in the process of opening
three new GAIN offices.

San Bernardino GAIN has also recently developed another pilot program in an AFDC
office in which everyone who applies must attend an hour long GAIN presentation that
explains how it pays to work, how welfare reform time limits will affect them and what will happen to them in GAIN. Those who do not fit into one of the existing exemption categories are enrolled in GAIN and sorted into three groups: those exceptional clients who appear able to go to work right away are sent to GAINQuest; those who have no special job readiness are sent to job club 4-5 days later; those who need intensive services are sent to the regular GAIN orientation where they may likely fit into a category that can go directly to assessment (and subsequent education and work experience). This program hasn't increased the numbers of GAIN clients significantly because of high no-show rates and because the exemption categories knock out a good many of the applicants from the GAIN program (though it is unclear how large these categories will be with welfare reform, given that all clients will still count as part of the AFDC population for the calculation of work requirement percentages).

Los Angeles county is in the process of setting up a GAIN presence in 11 AFDC offices under the name GAP. This pilot is meant to target volunteer applicants with job skills, particularly U cases. GAIN will hold orientations and job clubs for participants and will give them job leads while they are still in the application process.

In Alameda county, discussion is under way for bringing employment services into the welfare office and process, including out stationing eligibility intake at "one stop shops", a setting in which eligible clients would have access to all available social service programs, thereby facilitating the cost effective and coordinated delivery of services.

Coordination between AFDC and GAIN

Attempts to better coordinate the GAIN program with the AFDC program at the county
level will likely meet with difficulties stemming from differences in organizational structure, worker perceptions and job conditions. GAIN staff often perceive a large divide between themselves and eligibility workers. They see themselves as more competent and motivated and better able to help clients. Some attribute this difference to having a better general education or possessing special skills necessary for motivating people, as well as special knowledge about the resources available to clients. Others attribute this difference to office culture - eligibility workers are seen to have a status quo, bureaucratic mind set; they simply apply rules, process clients and seem incapable of individual initiative or appreciation of the big picture, either for the individual client or for welfare services more generally. Still others emphasize the vast disparity in workload and work conditions between GAIN workers and eligibility workers, believing that eligibility workers are overworked and that GAIN problems are small in comparison. Some workers also thought that until the recent federal welfare reforms, AFDC workers considered GAIN to be a relatively unimportant program and a nuisance, and that this perception contributed to the difficulty in eliciting cooperation from AFDC offices. (It also appears that many eligibility workers see GAIN staff positions as plum jobs. With the hiring freeze in Los Angeles county and GAIN expanding, GAIN has been recruiting from AFDC by placing people in "acting positions", effectively hiring staff out of the welfare office without replacements.)

Communication between GAIN workers and eligibility workers is not generally well established, 'even for situations where coordination is necessary, e.g., when clients are GAIN sanctioned. GAIN workers in all four counties expressed frustration at the ongoing difficulties that resulted from inaccessible eligibility workers. In one county a unit supervisor said there
had been an unwritten rule for years that there should be no communication between AFDC and GAIN, except among program specialists, and that this barrier was only just beginning to come down. In another county a GAIN worker said that after she had tried to obtain some information on a client, she had been told by an AFDC supervisor not to get involved in a client’s case. As a result of this lack of communication, clients often receive contradictory messages from their GAIN workers and their eligibility workers and may experience delays in getting GAIN sanctions lifted. Delays occur because only eligibility workers can lift the GAIN sanctions, and a GAIN worker often has to track down the eligibility worker to inform her of program compliance. One worker said that eligibility workers don’t know enough about GAIN requirements. They sometimes tell clients they don’t have to be in GAIN and the client ends up getting sanctioned; or, the eligibility worker exempts a client when she is not working thirty hours. In contrast, a GAIN supervisor said that contacting eligibility workers wasn’t such a difficult task and that the better GAIN workers knew they simply had to make follow up phone calls.

The problems stemming from lack of communication between workers in the two programs are compounded by the fact that clients often call their GAIN workers with AFDC issues not related to GAIN. Clients are often unable to contact their eligibility workers or have received contradictory messages from different AFDC staff (e.g. on Supplemental Child Care) and have serious questions about their accounts. The GAIN worker is seen as simply another, perhaps more reliable, access point into the welfare office. It is at the discretion of the GAIN workers to follow up for such clients, a task which could take considerable time and meet with resistance by eligibility workers and their unit supervisors.
In San Joaquin county, communication is even more crucial for GAIN workers because the GAIN database is not part of the county's ISAWS computer system and therefore lacks a significant amount of current client information. GAIN workers often need to contact income maintenance workers about current address information or income verification. Moreover, GAIN workers have had limited training on accessing ISAWS information. Despite the importance of making AFDC workers more responsive to GAIN requests, and the fact that both programs now operate from the same building, communication continues to be a major issue. For example, GAIN workers have often kept cases open on clients long after their AFDC cases were closed, processing clients through the conciliation process without responses, because the eligibility workers forgot to inform GAIN by notice.

At least one county (Alameda) has set up an interdepartmental planning team and initiated focus groups to improve cooperation. Following their recommendations, the section managers of the two offices (GAIN and Economic Services) were designated as liaisons. Another recommendation that is in the process of being implemented is to transfer all GAIN cases on each welfare offices' "transfer desk" (see office operations) to one worker. GAIN workers who have any questions about their cases will then only have to talk to one identified person who will presumably be more responsive to their inquiries.

Conclusion

The GAIN program, with its emphasis on moving clients towards employment and self-sufficiency, is a useful model for serving welfare clients. The "jobs now" approach is a relatively recent change in the agency's objectives from an earlier focus on education and
training. Work Pays rules are an important tool for motivating clients to seek employment, and GAIN’s orientation and job club activities appear to be relatively effective ways to explain these rules to clients. However, the availability of these activities is more limited for non-English speaking clients. Though GAIN workers considered Work Pays to be central to the GAIN program, infrequent client contact, increasing caseload size, the paperwork of case monitoring, intake appointment pressures, and noncompliance processing activities all limit the time workers have with clients to discuss Work Pays. GAIN workers’ knowledge of Work Pays rules also varies significantly. Workers’ perceptions of their role with respect to clients varies as well, which is likely to affect how they use their time with clients.

With welfare reform’s work requirements, the GAIN program will likely become more important, as will the demands made on it to move clients into work. Though in most research counties the program reaches a small percentage of the AFDC population, GAIN offices are adapting and expanding current programs and experimenting with new ways of better integrating GAIN into the AFDC process to expand its services. In addition, some counties have made tremendous efforts to recruit members of the business community to hire welfare recipients. However, organizational differences between the AFDC and GAIN offices appear to be a hindrance to the improved coordination that seems necessary for meeting the new welfare requirements, although efforts are being made to improve communications.
IV. Update on CWPDP-Related Policy Changes

New Policies/Programs

There were a number of new programs affecting the work of eligibility staff in AFDC during the period of this study. Implementation of the Beno decision, which took place on June 1, 1996, was very complicated, because it involved reducing grants for most clients and identifying cases and increasing grants for certain exempt categories of clients.

Once-in-a-Lifetime Homeless Assistance became effective on January 1, 1996. This represented a significant policy change because previously AFDC clients could apply for Homeless Assistance every two years. As with Beno, the implementation of this program was complicated and required many instructions for AFDC staff. However, the change in Homeless Assistance resulted in a dramatic decrease in claims, and drastically reduced the workload of AFDC eligibility workers who had spent many hours processing homeless assistance payments.

The Trustline program, which became effective in September 1995, requires that certain license exempt child care providers be fingerprinted in order to have their backgrounds checked before they can be reimbursed through certain child care funding streams, including Supplemental Child Care. In earlier years, managers had expressed concern about the impact of Trustline on a client's ability to obtain child care and go to work. Six months after implementation, that concern remained strong, although there was little concrete evidence on the impact of the Trustline requirement on child care claims. Administrators remained uncertain how well eligibility workers had implemented the Trustline requirements. There
was some indication, however, that the staff still did not have a working familiarity with the Trustline fingerprinting and registry process, in part because so few cases were affected.

The yearly Maximum Basic Standard of Adequate Care (MBSAC) cost-of-living increase was implemented July 1, 1996, and was routine except for the complication of being implemented one month after the implementation of the complex grant changes required by the resolution of the *Beno v. Shalala* case described above. Computer systems and paper charts had to be altered and integrated rapidly into processing after a rather large change had just been made.

In July 1996, notification about the Maximum Family Grant rule, to be effective July 31, 1997, was just beginning, and was on the minds of county staff in terms of its potential impact on clients. The Maximum Family Grant limits the size of AFDC grants regardless of an increase in the number of children. Notification of this rule was conducted one year ahead to warn clients before additional children were conceived. The state mailed the notice to clients, including information on family planning, on July 31, 1996. The counties provided copies of this notice to clients at intake and redetermination and followed up with a mailing a few months later.

**Utilization of Supplemental Child Care (SCC)**

Supplemental Child Care (SCC) was one of the SB35 changes passed and implemented in 1993. Child care expenses were believed to be a continuing obstacle to employment for many clients because the actual cost of child care was often greater than the disregards used to calculate a client's monthly grant. SCC was seen as a way of providing working AFDC
recipients supplemental payments for child care expenses beyond the dependent care limit set by the child care disregards. As in past years, SCC continues to be largely underutilized. For example, in San Bernardino county in Fall 1996, of 63,000 total AFDC cases, approximately 16,000 worked (25 percent), 2637 received child care disregards (4 percent) and only 58 received SCC (0.1 percent).

SCC is widely perceived by staff as administratively difficult, both for eligibility workers and for clients. SCC involves a complicated additional process for the eligibility worker including a separate form, a budget computation using a complicated formula, a separate payment process and new Trustline requirements. Eligibility workers are discouraged from voluntarily informing clients about SCC by their own lack of familiarity with the program, as well as by the additional work SCC clients create for already overburdened staff.

SCC was also perceived by county staff as being difficult for clients because of the new "Trustline" requirement implemented in September 1995. Non-licensed child care providers (except grandparents and aunts or uncles) must now be fingerprinted and their social security numbers and driver's licenses reported to a Resource and Referral agency that sends this information to the FBI for a background check. This process was seen by workers, supervisors and program specialists as a constraint on clients' child care options, deterring many of them from using SCC because their providers were relatives or neighbors who may be illegal or who may distrust the process.

One way at least some county agencies have tried to get around the problem of eligibility workers not telling clients about SCC is by mailing the SCC form to all clients with earned income every month, along with their checks, so that they would have access to the
child care benefits without asking for it. Limiting the mailing of SCC forms to working clients, however, excludes other clients for whom child care expenses may be an obstacle to employment.

Another change that should make it easier for clients to get SCC is that a client no longer has to be eligible for the child care disregard in order to get SCC. A late CA7, which prevents working clients from receiving child care and employment disregards in that month's grant calculations (for next month's grant), no longer keeps a client from getting reimbursed for child care costs through SCC.

All four counties provided initial training in 1993 when the SCC program was first implemented. In early 1996, Los Angeles county trained all its staff on child care programs (including disregards, SCC, Transitional Child Care (TCC), Non-GAIN Education Training (NET), etc.).

Los Angeles county was particularly active in responding to the underutilization of child care resources with administrative innovations. The county created a new child care coordinator position in each district office whose purpose is to act as a child care information resource for staff, clients and local community organizations. The county also created an easy-to-read chart describing all the child care programs and their different rules and requirements.

In at least two district offices in Los Angeles county, the staff addressed the SCC work disincentive by making some workers who currently had earned income caseloads into SCC workers. Earned income clients who also received SCC were transferred to the SCC workers as they became available in the district office, while some of the SCC workers non-SCC cases
were then sent to other workers. Through this process the SCC workers' caseloads would gradually be replaced with all SCC-using clients. Through this arrangement, earned income workers could encourage clients to get SCC without being burdened with the extra paperwork themselves.

Also in at least one Los Angeles office, when supervisors do "transactional sampling" - monthly reviews of at least 10 percent of each eligibility worker's caseload (particularly for earned income cases), they take the opportunity to see whether the clients are eligible for SCC and/or have been given information on it.

The low rates of SCC utilization were often explained by county AFDC program staff as resulting from certain characteristics of the AFDC population. They believe most clients were not eligible or at least not in need of SCC because they had someone at home taking care of the children (e.g., a relative or in U cases, the other parent), worked when the children were at school, utilized community-based free child care for low income workers (Alameda), or simply didn't work. San Bernardino County welfare staff discovered that, in general, the cost of child care does not exceed the child care disregard, and therefore most clients are likely ineligible to receive SCC.

There was also some suspicion by workers that for many clients who do or may use SCC, the extra funding wouldn't really facilitate employment by making necessary child care more affordable. Many clients use and would continue to use relatives for child care. Telling these clients that "if you pay more for child care we'll give you more money" doesn't make administrative sense because it is implicit that they will simply write down more money on their receipts, rather than switch to an alternative, more expensive (licensed) provider.
One administrator thought SCC was a "silly" program because the obstacles it creates for clients and eligibility workers prevent utilization and stated that if paying for child care is the goal, the entire child care cost should be allowed as a disregard up-front.

**Utilization of Restricted Accounts and CAAP**

These programs remain underutilized in the research counties. Alameda had one CAAP case for a period of time, when a client needed support services but could not receive cash aid as a condition of her future inheritance. None of the other three counties had any CAAP cases and none of the research counties had clients using restricted accounts.
V. The Management Perspective on CWPDP 1995-1996

In 1995 and 1996, the process study included a component focusing on welfare agency management. Members of upper and middle-management were interviewed extensively about their experience with and perspective on the California Work Pays Demonstration Project (CWPDP). Researchers were interested in the impact of the CWPDP policy changes and research activities from the point of view of management. In addition, welfare administrators were asked for their opinion, from their vantage point in the county agency, about the Work Pays policies and the future of welfare programs provided by the agency. The following describes these findings, focusing first on the impact of demonstration project status on the county and second on welfare policy changes. Findings from 1995 and 1996 are combined, except in the last section on management perceptions of the "future of the agency and welfare reform," where each year's responses are discussed in sequence.

The Impact of Demonstration Project Status

Conducting a demonstration project with an experimental evaluation design created very specific issues for management common to all four research counties. In the planning and early implementation stage the central concern was handling cases with two sets of rules. County welfare administrators are aware of the difficulties faced by their line staff in complying with the complex and numerous AFDC regulations. The additional complication of adding a separate set of rules for control cases had to be handled with special organizational arrangements in order not to disrupt the ongoing processing of most cases. In all four counties
this involved centralizing control cases. An administrator from the one county that did not centralize control cases until the second year of the project, clearly identified the need to specialize staff on control case rules as a major concern for operating the demonstration project. In another county, a district office manager said "we keep those [control case] workers separate so as not to contaminate the rest of the workers."

After initial implementation, ongoing issues for research county managers included staffing, computer systems, case file transfer and storage, and case tracking. The primary reason these tasks have been difficult for managers is because the tasks affect so few cases, a small portion of the total operation that administrators must maintain. Because the control cases require placement in specialized caseloads, managers must assist supervisors in locating qualified and knowledgeable staff to assign to those caseloads, initially and as staff turnover Transferring staff impacts other units and requires coordination with the managers of those units. Special attention to covering these caseloads demands time and raises logistical issues as well as equity concerns. If control caseloads are lower, managers must explain why to other workers; unions concerned with workload issues must also be appeased. In one county the presence of specialized positions for control cases have high turnover, because the individuals chosen for those positions are very likely to excel and be promoted. These promotions occur because the individual workers are some of the best workers and because the supervisor of that unit actively "develops" her workers.

Computer system issues relate either to the necessity of specialized budgets for control cases, or to the tracking of both control and experimental cases. In San Joaquin county, implementing ISAWS made the demonstration project more difficult, because ISAWS could
not handle two benefit payment systems so control cases had to be kept off or taken out of the system for special handling. The need to take control cases out of ISAWS created unique management issues. In all counties, tracking research cases through computer codes and through the manual labeling of cases was not straightforward and required special communication efforts with all staff. Extra communication is required because most staff come across research cases infrequently and tend to forget the procedures.

Managers have also been involved in case retrieval; that is, in ensuring that cases are transferred to specialized units and offices, and in locating cases that are lost or incomplete. Because computer coding and manual labeling do not always work, special backup procedures were developed in several counties to reconcile lists of cases in the sample. Difficulty in finding closed and historical files needed for data collection has required efforts to allocate and maintain space for specialized storage. The frequency with which case files are taken from line staff for case coding has also come to the attention of managers and is seen as an impact of the project on operations because it makes work on those cases more difficult. In sum, the project has required many special procedures for a small number of cases, at times frustrating those in charge of complex programs and many staff.

Clearly, being a research county had distinct challenges for management, but at the time of our interviews tasks which had been challenging at first had become "maintenance" issues, and had very little immediacy. The attitude of the managers to the project was harder to glean. When asked about the advantages of being involved in the demonstration project, two managers from different counties were positive about "being part of the process" in which the impact of policy changes was being evaluated. Other administrators were more negative,
citing no advantages and emphasizing the disruption on the agency caused by the project.

Some interest in the results of the research was expressed when interviewers specifically asked the managers what interested them, but in general the managers appeared unimpressed with the experiment.

Perspective on CWPDP Policies

During interviews with welfare administrators a variety of views about welfare problems and solutions came across. Although these individuals have more first-hand knowledge than the general public about welfare recipients (most started as eligibility workers), their range of views is surprisingly similar to that found in the general public. Specifically, they range from concern with reducing welfare dependency and caseloads to concern with reducing poverty and assisting those in need. However, most expressed a belief that some work among welfare recipients is positive and embraced the idea behind Work Pays that recipients could start working while on welfare. In general, they believed Work Pays would help people work on welfare, but would not help them actually become self-sufficient and go off aid. One went as far as to say that Work Pays, "artificially enlarged the welfare caseload," because clients work and stay on aid.

Some managers felt that more policy change was needed, that Work Pays "didn't have enough teeth," and expressed disappointment that proposed policies were not legislated and that legislated policies were reversed by court order. Others talked about the importance of other factors involved in gaining employment and self-sufficiency, such as education, skills, and job availability. Several volunteered that unemployment levels work against any impact
that work incentives might have. All respondents in San Bernardino county were certain that cases with earned income had increased, and most believed that one or more CWPDP policies were the causes of this increase. In 1995, and more so in 1996, an increase in income cases was also reported by several managers in Los Angeles county and they attributed the increase to Work Pays.

Implementation and Impact of Specific CWPDP Policies

In general, managers did not shift the focus of the AFDC program towards employment as a result of Work Pays. Instead, they added Work Pays to regular procedures in the form of additional rules, programs, and outreach materials. In some cases, manager reported that there was more attention to employment issues in AFDC offices and increased comfort on the part of workers to discuss work and self-sufficiency, and they attributed that change to change in the GAIN program and federal welfare reform but never to Work Pays.

In Los Angeles District Offices in 1996, managers were proactive about informing clients about child care benefits and became interested in posting job advertisements. These efforts were generally attributed to the change of focus in GAIN several years prior or to impending welfare reform. They were initiated by individual district directors. In addition, the Los Angeles County CWPDP Coordinator had started a county-wide Work Pays awareness program and the development of Work Pays coordinators in some of the offices. The county-initiated Work Pays awareness program also influenced district office managers, but it did not motivate special efforts in the same way as the anticipation of welfare reform had.

Managers were also asked about the impact of implementing the individual CWPDP
policy changes on agency operations. Two important findings emerged from their responses. First, a priority in county AFDC administration is getting the right benefits to clients who are eligible. This is confirmed over and over by staff at all levels. For this reason, the key concern in implementing rule changes is getting the correct grants to recipients on time with minimal hassle. Changes to the computerized budget and payment tables that must be implemented close together in time or are reversed by court order are the most disruptive to operations.

For the MAP reduction, the implementation concern amounted to whether or not the computer programmers had enough time to make sure that checks were generated correctly. "Informing" about additional benefits is not critical to the process of getting out the right checks; therefore, managers were not concerned about informing issues in the same way.\textsuperscript{11} Optional programs like Restricted Accounts and CAAP were of little interest to managers because they simply involved informing at intake and renewal, and lack of interest among clients meant that no operational issues had arisen.

Supplemental Child Care (SCC) was similar in that, despite recognized problems with implementation, underutilization of an optional program was not an immediate problem for managers, relative to the many others problems they face each day. Counties were not under pressure to ensure that all eligible clients receive SCC. Managers were concerned that when clients applied for SCC, there were problems processing claims, but again there was little sense of immediacy in solving those problems. Second, the various changes making up Work

\footnote{Informing is the term used by CDSS and the counties to refer to the activity of providing information to clients.}
Pays were implemented as additional rules and programs and were perceived that way by managers. In fact, Work Pays outreach, that is, dissemination of materials supplied by the CDSS, was discussed as a separate issue, as though the policies and the outreach were not related.

**Impact of Work Pays: Earned Income Cases**

Another concern of managers was the impact of earned income cases on their line staff. Managers were reluctant to encourage Work Pays informing, not only because of the time involved in informing, but also the work involved if clients started reporting income. Earned income cases are more complicated than other cases to process, yet the time allowed for processing cases does not change. In San Bernardino county, for example, managers saw the number of earned income cases per caseload climb from 10 out of 167 to 30 out of 167. When this occurred, workers became concerned with the additional pressure and managers became concerned with both worker morale and the propensity for errors. In another county, a member of upper management clearly stated that a dilemma created by the Work Pays Demonstration Project was that, while they wanted to increase employment, doing so would work against the goal of keeping errors down, because earned income cases are the most error prone. In addition, managers are in a constant struggle to keep the number of earned income cases equal among workers, especially when the total number of such cases is rising. They must balance this number among worker units and among workers in units. In sum, the increase and potential increase in working welfare clients creates very significant challenges for county welfare administrators trying to ensure that line staff process and generate benefits.
in a smooth, timely, and accurate way.

Implementation of Work Pays: Client Informing

Informing about Work Pays, rather than individual programs, was a more defined concern for managers, although still lacking immediacy. Managers were aware that clients may not be learning about work incentives from their eligibility workers, but they were reluctant to require that workers review work incentives with clients for several different reasons. First, managers were concerned about the work involved in interviewing clients and providing all the information that the CDSS requires. They were very clear that workers do not have time to cover everything in interviews. They complained that the state requires more and more in terms of regulations to follow, information to collect, and programs about which to inform clients and does not allow lower caseload targets. For this reason, managers reported that they must allow workers to do the minimum necessary in order to meet their existing targets. A central goal of managers is to streamline eligibility processing, and informing during interviews works against that goal. Managers are also aware that workers had a "disincentive" to encourage employment because that would make their cases more complicated to process, and managers felt they had no method to reverse this disincentive.

Most managers interviewed said that workers are supposed to inform clients about Work Pays, but indicated that this was not strictly required by the county agency. They recognized that worker interest in Work Pays would drive the decision to emphasize it in many cases.

Second, some managers expressed concern for clients who are overwhelmed with information at intake, especially when they have immediate needs and are in desperate
circumstances. It may be inappropriate to discuss work at this time, and it is unlikely that clients would be very receptive. Managers were inclined to relegate Work Pays informing to redetermination interviews or to some other special forum.

Opinions about the efficacy of outreach materials versus one-on-one discussion varied. At least one manager thought the video which shows Work Pays being explained to former clients was an effective way to communicate. Many thought that the waiting room environment was not conducive to absorbing information. One administrator pointed out that clients need to hear information directly from county agency staff in order to believe it; that is, reading it in a brochure is not sufficient.

Summary of Management Views

AFDC administrators in the four research counties view the California Work Pays Demonstration Project with mixed and generally mild feelings. After initial implementation the project created problems only because special attention was required for a few cases, taking managers' attention from issues concerning the entire caseload. Interest in the experiment and the research was mild to non-existent. However, upper and middle-level managers had comments on the Work Pays policies and outreach. Work incentives aimed at encouraging employment while on welfare were perceived positively, but the consequences for management were clear. Overworked eligibility staff could not be required to discuss Work Pays, and earned income cases created additional workload burdens. Work Pays has not brought about a refocusing of the AFDC staff on employment; however, this refocusing began to some extent in anticipation of federal welfare reform and because of changes in the GAIN
program.
Appendix A: Overview of the CWPDP Process Evaluation

In addition to data collection activities, UC DATA is responsible for a process evaluation of the demonstration project, as required by the Terms and Conditions of the federal APDP/CWPDP waivers. Broadly speaking the process evaluation is a description of how the demonstration project was implemented and operated, and comprises the qualitative research component of the CDSS project. For the Work Pays process study, research is conducted by three or more graduate student researchers, who do the bulk of research in the summer months. Each "phase" of study covers events since the last set of field work, approximately September through the following August.

There are very few formal requirements for the content of the process study, other than the four items that the Terms and Conditions specifies to be examined in the demonstration:

- The organizational aspects, such as the planning process, staffing structure, funding committed, and procedures for verification;
- The contextual factors, such as, the social, economic, and political forces that may have a bearing on the replicability of the intervention or influence the implementation of the demonstration;
- The contextual factors which may have affected the observed impacts of APDP and what those factors say about extrapolating the experience in California to the rest of the nation; and
- The differences between the demonstrations and the comparable services, activities, staffing, etc. available to those not participating in the demonstration.

As the process study has developed over the last four years, it has served many purposes: as a case study of policy implementation, a history of the demonstration project, a
description of the context in which data on welfare recipients is collected, and a study of the impact of demonstration project research on service organizations. In early years, these multiple functions made the project overwhelming, as the research staff felt obligated to collect any information related to the demonstration project and to know everything about both the content and the history of the project. As the Work Pays demonstration progressed, the team learned to focus on the critical process events. Study content emerged as critical contextual issues arose for investigation by the process team; issues which could not have been foreseen earlier.

The process study involves collecting information from at least four distinct sources: in-person interviews with program staff; observations of program staff interacting with clients; program documents; and minutes from regular meetings with state and county staff. Conducting in-depth interviews using semi-structured interview guides is the primary data collection activity of the team, providing information about implementation events, working relationships, the experience of staff involved, client flow, communication of information within the agencies and to clients, and standard organizational and programmatic processes potentially affecting program outcomes. Careful analysis of official program documentation allows the reconstruction of historical events, as well as depiction of the formal aspects of program implementation and operation. Using these sources, detailed time-lines have been developed to track the historical development of the project. These were subsequently chronicled in reports summarizing major events, challenges, problems, resolutions, and successes characterizing the project.
Context and Process

In order to open the "black box" of policy implementation, attention must be paid to both context and process. Although context is often ignored in evaluation research, many scholars agree that a description of the context in which programs or policies are implemented is a useful and often critical part of evaluation research. Often "contextual analysis" refers to quantitatively linking attributes of human subjects environments, such as groups to which they belong, to individual outcomes under study. (Coleman, pp.120-121) This type of analysis may be facilitated by field studies, but much more is gained from a comprehensive description of the organizational environment in which programs take place. Site-visits and in-person interviews with a variety of staff allow researchers to draw a profile of program context, including formal and informal organizational structure, management styles, waiting room decor and atmosphere, line worker activities, and client processing. Descriptive studies in and of themselves are important to give meaning and texture to outcome studies, but they are also a prerequisite to further analysis of possible mechanisms that can lead to outcomes of interest.

A slightly more specific area of inquiry is the examination of "process," which differs from context in that it follows a specific activity over time rather than the entire organizational and political environment of the project. As with context, when information is needed about the reasons for observed outcomes, a description of the process that underlies the program or policy being tested is essential. Process descriptions provide information about action, and context descriptions provide information about incentives. The term "process evaluation" has been defined in different ways, but most agree it is either synonymous with or very closely tied to a policy "implementation study," for which there is a vast literature. David Nachmias,
one of the earliest to define the term, wrote that "process evaluation `is concerned with the extent to which a particular policy or program is implemented according to stated guidelines'." (Palumbo and Sharp, 1980) In 1967, Suchman described process evaluations as providing qualitative information about the successes and difficulties of different program components. The CWPDP process study has attempted both a detailed history of project implementation, as well as a systematic study of implementation of the policies under study. Researchers not only have asked: "what happened when, and did it proceed as planned?" but also "how was the policy implemented?" A review of the early CWPDP process study research illustrates how such an implementation study has been conducted, has evolved over time, and has contributed to program improvement.

**History of the CWPDP Implementation Study**

The California Work Pays Demonstration Project, as it was implemented between 1992 and 1994, contains several separable policies which provide a package of work incentives for welfare recipients. In the first year of process study research, the critical implementation question was, "Were these work incentives implemented?" Beyond determining if the rules were changed operationally by the counties under study, the process team was concerned with communication. The assumption was made that welfare clients could not act in response to work incentives if they did not know about them, especially when the incentives are in the form of incremental rule changes. Thus, implementation was defined as communication about the new work incentive features to clients by their eligibility workers or through other means. Two sets of data were collected to establish whether verbal communication took place between
workers and clients: observations of worker-client interactions and in-person interviews with workers. The formal interviews of clients by EWs, at either the initial intake or the yearly renewal, became a key unit of analysis, and these were supplemented by interviews with workers and others responsible for distributing information about Work Pays. EWs were questioned about what they felt was important to communicate to clients, their understanding of the purpose of the rule changes, as well as contextual information about the nature and scope of their jobs.

An important finding from early observations and interviews with these EWs was that in general, with few exceptions, workers were not communicating the policy changes to clients, or even talking to them about the possibility of working while on welfare. In fact, most workers did not know that these changes were part of a concerted effort by policy makers to make "Work Pay" for welfare recipients. These findings served two major functions for the demonstration project, to provide early feedback, a "formative evaluation," and to help evaluators interpret project findings. (The qualitative contextual and process data helped to make sense of the findings from a parallel impact study.)

A formative evaluation is one that explicitly sets out to aid implementation or program management through the monitoring of program operations and providing feedback to implementors. Though the CWPDP process study was not designed explicitly for this purpose, it has served in this role because study conditions and the findings made it possible. The California Department Social Services (CDSS) created a "Research Advisory Committee" (RAC) for the purpose of guiding CWPDP research over the entire period of the demonstration project, primarily through yearly meetings at which findings and research
instruments are reviewed. At these meetings state policy-makers were present, including the Director of CDSS and staff of the California Legislature. The finding that EWs were not communicating work incentives to AFDC clients in the four research counties was presented to these policy makers at three successive RAC meetings. Each time a more explicit explanation of the constraints and incentives facing eligibility workers was provided. After each presentation, policy makers at CDSS initiated action to inform clients about the ways it pays to work on welfare.

In the first year, CDSS developed and sent outreach materials to county welfare directors, eligibility workers and clients. Upon discovering that these materials were neither reaching their target nor increasing client “informing” about Work Pays by line workers, CDSS considered other options which were discussed in legislative budget hearings. In the words of one observer within CDSS, the process study told "high level administrative staff that [the outreach campaign] did not work," and this "caused a major change in how the department tries to transmit information to recipients." CDSS revised the messages in its outreach materials to focus on the benefits of working in general, rather than on a specific package of incremental rule changes. Understanding that communicating policy intentions was generally not a part of EW training, CDSS asked University of California at Davis Extension (UC Davis Extension) to modify their EW training curriculum. A new workshop was designed to reflect the new emphasis in client services that "Work Pays in So Many Ways."

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12 The Center for Human Services and Training Development at UC Davis Extension offers workshops in EW training that range from basic benefit calculations to management workshops. Many California counties take advantage of UC Davis’ training, rather than providing in-house training for their EWs on these topics.
Videos were developed to show clients in welfare office waiting rooms, thereby taking the burden off of welfare workers of being the sole verbal source of information for clients. The results of these latest efforts comprise one subject of the 1996 process study. The flexible form of the process study has allowed researchers to track the progress of new approaches as they are planned and implemented.

In addition to the challenges of communicating work incentives, process evaluators learned an important lesson about the difficulty of implementing changes in welfare rules. In the first year of study the researchers assumed that workers were trained in the technical application of the rules, and were only missing training in the purpose of the rule changes and instruction in communicating them to clients. However, subsequently it was discovered that the ability of workers to effectively process budgets according to new rules was itself uneven across welfare offices. For example, there were reports from managers that workers do incorrectly discontinue two-parent families when the primary wage earner goes back to work, no matter what the wages or hours, because some workers have not learned that the hundred hour rule for U-parent families was waived. The result of this variation in the application of rules by eligibility workers is that the implicit (non-verbal) communication received by clients about working on welfare is not consistent and can actually reverse the incentives embedded in the rules. Therefore, the implementation of what seem to be straightforward rule changes may not proceed smoothly until workers actions consistently support them. For evaluators looking at survey and administrative data, this problem may result in not only negative findings in terms of work effort, but also in confusing numbers in terms of actual grants, earnings, and welfare spell lengths.
Emergent Nature of Process Study Research

Qualitative research is often used for "exploratory" research; that is, to generate hypotheses which are then tested in further qualitative or quantitative research with different and larger samples. In some ways field studies are by nature exploratory, even when researchers start out with specific questions. The immersion into the context of the subject of research usually uncovers additional issues and directs researchers to important variables or areas of inquiry that had not been anticipated. The CWPDP process study illustrates how this, sometimes unintended, exploratory process operates. In the first year, researchers entered the field with a standardized and structured interview schedule and a list of items to check off if mentioned during observations. The intention was to answer specific questions about what is communicated to welfare clients about work incentives. However, contextual information gathered about welfare offices and the jobs of workers, through interviews with managers, analysts and workers themselves, as well as supplemental information gathered through observations, led the researchers to other important areas of inquiry.

The lack of communication of work incentives witnessed in the first year raised questions about the temporal aspect of actual implementation: how long does it take for a message to get through the welfare bureaucracy to clients? The implementation of specific policy changes in the field is complicated by the fact that new policy changes occur frequently. Moreover, the state was developing new methods of outreach and new outreach materials which were disseminated at different times. The observations of worker-client transactions could not be timed to assess the impact of each piece of outreach, nor was it clear how their
impact could be assessed effectively. For example, the effect of outreach materials may be immediate and short-lived, in which case an impact would be found only immediately after exposure to the materials. In interviews with local welfare administrators, the shortness of their memory about the use of outreach materials was apparent. However, a general shift in program emphasis toward encouraging work on welfare through a set of incremental changes like Work Pays rule changes could potentially take several years to gestate in a bureaucracy.

According to welfare managers in some counties, a shift in the GAIN program from an emphasis on long-term career building to an emphasis on quickly entering the work force has taken place over several years. The only way for researchers to identify changes in the messages provided to welfare recipients, especially since we have restricted data collection to the summer months, is to repeat observations each year. In each research period more is learned about what is required to achieve a "cultural shift" in the welfare office to encourage and support work, which may be important for developing an effective message about work possibilities for clients. J. Riccio and A. Orenstein in Volume 20, #1 of Evaluation Review described the critical importance of the employment message in the success of Riverside county's GAIN program, noting that, "except for Riverside, there is no evidence that a stronger emphasis on quick job entry generally produces larger earnings gains and welfare savings (page 19)." They attribute the success of the Riverside program, among other factors, to its, "attempt to communicate a strong message to all registrants, even those in education and training activities that employment is central, should be sought expeditiously, and that opportunities to obtain low-paying jobs should not be turned down (page 17)." They cite a qualitative study by E. Bardach, in a 1993 Manpower Demonstration Research Corporation
report, that found that high expectations of program managers might contribute to the effectiveness of welfare-to-work programs.

Consequently, the CWPDP process evaluation researchers have developed questions about these new ideas and have also commenced interviewing a wider range of welfare managers. The flexibility of the qualitative research design has allowed researchers to both repeat observations and to pursue new themes.
Appendix B: State Implementation Timeline
Work Pays Outreach Materials

Dec '95:
revised AFDC Handbook (PUB 62), Important Information (CA 1030), and a Work Pays Poster (TEMP 2109) sent to counties

Jan '96:
letter to counties with new Rights, Responsibilities and Other Important Information (SAWS 2A), including Work Pays page and "Work Incentives" Section, and Statement of Facts (SAWS 2), both with Work Pays logo

Feb. '96:
new Work Pays brochures (PUB 232) sent to counties

March '96:
letter about Work Pays brochures (hand out yearly, control cases not subject to informing)

letter about Work Pays “client motivational” video (expose clients within 6 months, up to county how to use)

Publication of UC Davis Extension 1996-1997 Catalog "Custom Training for Human Services Agencies listed new Work Pays courses for EW’s and GAIN staff

April '96
shipped client video to “county AFDC contacts”

June '96:
letter that shipped Spanish client video and that large "Work Pays in So Many Ways" informing poster (PUB 274) will be shipped in July, Spanish available later

Sept '96:
first month that counties can have UCD Extension Work Pays courses given to EW’s and GAIN staff

March '97:
The "Open Door" brochure (PUB 283), with the "Work Opens Doors" section as well as family planning information, sent to counties

July '97:(projected)
counties should receive EW training video
Appendix C: UC Davis Extension 1996-1997 Catalog: "Custom Training for Human Services Agencies"

**Work Pays**

**From Subsidy to Self-Sufficiency**

*Half day*

This workshop focuses on the behaviors, attitudes, and needs of welfare recipients as they participate in employment-focused programs.

Topics include:
- historical and current perspectives on work and welfare
- understanding and redirecting a client's motivation
- dealing with unrealistic expectations
- empowering clients

As a result of this workshop participants better understand how clients move from dependency to self-sufficiency, ways staff can encourage this process, and the potential for success in employment-focused programs.

**Work Pays: The Welfare-to-Work Incentive Program**

*Half or full day*

This workshop presents information about Work Pays incentives and discusses strategies for implementing a Work Pays program.

Topics include:
- outreach role of the eligibility worker
- methods of promoting incentives
- earned income credits and special savings account allowances
- supplemental child care and medical coverage
- increased property and automobile value limits

As a result of this workshop participants better understand Work Pays incentives and learn new ways to share this resource with clients.

**Encouraging Self-Sufficiency: The Role of Eligibility Staff**

*Full day*

Aid applicants and recipients who are able to work are expected to. Although eligibility staff are primarily concerned with providing public assistance, they play an important role in encouraging clients to work. This workshop provides simple tools to help eligibility workers evaluate and guide clients in preparing themselves for work.

Topics include:
- client self-assessment: job readiness and employment barriers
- socialization - making the transition from welfare to work
- ways to build clients' confidence by facing fears and taking action
- creating a client-worker relationship based on celebrations of self-responsibility

As a result of this workshop eligibility staff can provide clients simple tools for preparing for work. By using these tools clients will have increased resources for making the transition to the labor force.
- the case manager’s role in arranging child care and transportation

Participants practice applying program rules concerning activity agreements and supportive services to individual cases. As a result of this workshop, new case managers will be able to negotiate agreements for GAIN participation.

**Participation Barriers and Conciliation Skills**

*Full day*

GAIN participation can be interrupted by client life or family crisis. This workshop focuses on anticipating and preventing participation problems and how to use the conciliation process most effectively.

**Topics include**

- identifying typical client problems and their causes
- helping GAIN clients accept increasing responsibility for resolving participation barriers
- understanding cause determination, the conciliation process, notices, financial sanctions and timeframes

Participants practice applying program rules to individual cases. As a result of this workshop new case managers understand the conciliation process, legal requirements and timeframes.

**GAIN Staff Workshops**

**From Dependency to Self-Sufficiency: Work Pays**

*Full day*

GAIN participation is increasingly focused on early employment. In this workshop case managers explore techniques to focus GAIN clients on employment goals that can be accomplished in the short term.

**Topics include**

- understanding Work Pays incentives
- building relationships with GAIN clients that are based on self-responsibility
- gauging the eligibility impact of employment
- helping clients change habits and address barriers

As a result of this workshop participants develop and practice methods to assist GAIN clients in becoming self-supporting.

**GAIN Changes and Their Impact on Case Managers**

*Full day*

GAIN laws and rules change constantly, particularly as greater emphasis is placed on incentives to work. This workshop addresses recent changes in the GAIN program and their impact on the GAIN case manager.
**Appendix D: Phase IV Process Study - Field Work Conducted 1996-1997**

<table>
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<th>San Joaquin</th>
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**Appendix E: Single Month Participation Rates in GAIN**

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<td>24,470&lt;sup&gt;1&lt;/sup&gt;</td>
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<tr>
<td>Los Angeles</td>
<td>33,720</td>
<td>256,766&lt;sup&gt;2&lt;/sup&gt;</td>
<td>13.1%</td>
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<tr>
<td>San Bernardino</td>
<td>12,000</td>
<td>60,000&lt;sup&gt;3&lt;/sup&gt;</td>
<td>20%</td>
</tr>
<tr>
<td>San Joaquin</td>
<td>6,500</td>
<td>10,860&lt;sup&gt;1&lt;/sup&gt;</td>
<td>60%</td>
</tr>
</tbody>
</table>

<sup>1</sup> Mandatory Adults  
<sup>2</sup> AFDC adult population  
<sup>3</sup> AFDC cases
Appendix F

CALIFORNIA WORK PAYS DEMONSTRATION PROJECT

The California Work Pays Demonstration Project—a collaboration between the Research Branch of the State Department of Social Services (CDSS), University of California Data Archive and Technical Assistance (UC DATA), and the Survey Research Center (SRC) at the University of California, Berkeley—collects and integrates data on the individual, household, welfare and employment characteristics of Aid to Families with Dependent Children (AFDC) recipient households, during and after their participation in the welfare system. The project integrates individual-level data from four separate sources:

1. State-level administrative records for AFDC, Medicaid, Unemployment Insurance, and other state and Federal assistance programs;
2. County-level administrative records for the AFDC and Food Stamp programs;
3. Nonautomated client records maintained at county welfare offices; and,
4. Telephone interviews with AFDC recipients.

By combining these various databases and documenting them for public use, it has been possible for researchers to obtain unusually detailed information about the characteristics and economic behaviors of low-income families and children in California. Researchers are also able to examine other family outcomes, such as income and family stability, and their relation to household characteristics and involvement in state and Federal assistance programs. Transfer payment and earnings data have been made available for researchers interested in cost comparison and cost-benefit analyses of AFDC programs.

Legislation State legislation under the Assistance Payment Demonstration Program, renamed the Work Pays Demonstration Program, mandated specific statewide reforms in California's welfare program. The legislation provided authority to the Department of Social Services to make programmatic changes in AFDC. The following changes became effective December 1, 1992:

1. the maximum aid payment was reduced by a total of 5.8 percent; and
2. the 100 hour work rule was waived for unemployed parent cases. (It was not in effect for family group (FG) cases). This means that for both family group (FG) and
unemployed parent (U) cases, individuals with earned income can work over a hundred hours in any given month and not automatically be disqualified for aid.

More changes were made to California's welfare laws in July of 1993 when Senate Bill 35 passed. These included additional work incentives:

(3) rescinding the four month limitation on the $30 and 1/3 income disregard, meaning that people can work on welfare and not have their grants reduced dollar-for-dollar; rather, they can keep the first $30 and a third of their income before aid reductions ensue;

(4) increasing the need standard—the Minimum Basic Standard of Adequate Care (MBSAC) to allow income produced from employment; and,

(5) further reducing the maximum aid payment, to a total of 12.9% (including the cuts made previously).

Other SB 35 changes provided:

(6) a child care supplement to AFDC recipients who work, applicable to everyone;

(7) expansion of the Greater Avenues for Independence (GAIN) program by 71 percent to allow 36.6 percent more AFDC recipients to be served. A "one time through," provision was also added to the program, and a one-time only exemption for having a child under the age of three years;

(8) changes in resource limits: The equity value limit for an automobile increased from $1,500 to $4,500; allowable resources increased from $1,000 to $2,000; and savings accounts for specialized purposes became possible: up to $5,000 for children's college educations, for a down payment on a home, or for starting a business. (Resource limit changes do not apply at eligibility determination, for which the old rules still apply);

(9) an alternative assistance feature, whereby people who qualify for welfare do not have to receive a grant check if they don't want one, but rather can receive only the Medi-Cal insurance coverage, child care assistance, and other help instead;

(10) a program for pregnant and parenting teens called Cal-Learn, featuring incentives to return to or stay in school, disincentives to bad grades or dropping out, and the
provision of child care, transportation, and ancillary assistance necessary to support schooling; and case management services through a specialized agency known as the Adolescent Family Life Program (AFLP).

Research Design When the first two welfare changes were made, UC DATA was asked to design and implement a series of different data collection strategies to provide information for an evaluation study with an experimental research design. Accordingly, 15,000 cases on AFDC in four counties (Alameda, Los Angeles, San Bernardino, and San Joaquin) were randomly selected for the study. Ten thousand were placed in an experimental group which, like the rest of the welfare population, was subject to the rule changes, and five thousand were kept on the rules that were fixed as of September of 1992. For them it was as if the welfare law never changed. In September of 1991, prior to randomization, all AFDC recipients had sustained an initial 4.4% cut.

Because of case turnover, though an initial sample is drawn with a certain number of people in it, many leave welfare as time goes by, so an original sample resembles the actual welfare population less and less over time. Therefore, in addition to the base samples, UC DATA adds new sets monthly of freshly drawn replacement cases from the Medi-Cal records file. Though the U—or unemployed parent—cases (which are two parent families) constitute only about 5-7% of the welfare caseload, they were oversampled for the experiment because, as a group, they were expected to be more responsive to the work incentive features of the program. One third of the CWPDP sample was drawn with this aid code. People in this type of case tend to be employed more and to leave welfare at a faster rate.

Four research counties were selected based on geography and population type, with one urban county from the northern and southern parts of the state and one essentially rural county from the northern and southern parts of the state. A formula was created to project what happens in these counties to the state population as a whole.

After SB 35 passed, data collection for the additional changes were folded into the existing research study. With the exception of Cal-Learn, most of the reforms were of a similar type, involving two major changes in the law. One was a liberalization of the work rules, so that it became easier for recipients to stay on welfare, work at the same time, and keep much of their welfare benefits. The other was that benefit levels were lowered by an additional 4.5 percent. These changes happened statewide, and included the 10,000 experimental cases. The 5,000 control cases, which remained on the September 1992 level of benefits that were 8.5% higher, have much more rigid work rules. At the end of the waiver period policy makers would like to have a database that can answer the question: Is there some kind of behavioral change that differs between these two groups?

Cost Neutrality The Federal government pays half of all AFDC benefits incurred by California and the state pays the other half. Since the Federal government refuses to pay more
money than it did under the old rules, the outcomes of all the waiver changes in welfare must be cost neutral. If the new policies are costlier, the states must make up the difference. A controlled experiment is required in order to be able to determine if the changes are cost neutral overall. People are eligible for higher food stamp benefits under the new rules, because food stamp amounts are based on the total of earned and unearned income for a family. Discerning whether the Federal share has increased is a complicated matter, since food stamps are entirely paid by the Federal government, and the cost neutrality computation includes Medi-Cal payments, and payments for homeless assistance and child care as well.

**County Data** Complete data from three county welfare administrative data systems is sent to UC DATA for three thousand original experimental and control cases in each of Alameda, San Bernardino, and San Joaquin counties. Los Angeles county prepares an extract file to send to UC DATA which summarizes the information on six thousand original research cases. Similar information is sent to UC DATA on approximately 100 additional cases per month that are sampled on an ongoing basis from the universe of cases new to aid from Medi-Cal records files for the research counties. UC DATA identifies, cleans, and documents similar variables coded differently on county information systems and combines them into a County Welfare Administrative Database, known as the CWAD. For CWPDP, UC DATA acquires monthly tapes from the research counties, which vary in size from 6 to 150 megabytes.

UC DATA also collects county data for youth in the Cal-Learn program. In addition to the AFDC data system, nine other systems report Cal-Learn information quarterly. In order to obtain key evaluation data, this must be placed into uniform language and format, cleaned, and read across counties.

**CWPDP Surveys** The survey program, which is being conducted by the Survey Research Center at UC Berkeley, employs a prospective longitudinal research design, with subjects interviewed eighteen months apart. Two waves of in-depth telephone interviews with a 15% subsample of the 15,000 original cases, or about 2,250 female heads of assistance units who speak English or Spanish, have been conducted. Out of the 15,000, all adult female heads of assistance units from language groups that make up more than one percent of the original sample comprise an additional Foreign Language survey group. Foreign language surveys ask basically the same questions, but include some additional items about refugee status, including ESL classes and camp experiences. Interviewees include 1350 people who speak Vietnamese, Lao, Cambodian, or Armenian. Together, these languages are spoken by 12% of California's AFDC population.

Domains of inquiry include respondent and household information, AFDC, education and work history, housing quality and stability, economic hardship, hunger, respondent and child's health and disabilities, labor market activities of partner/spouse, income, child support, child care knowledge and use of child care, and knowledge of work incentives. The rate of interview refusal is extraordinarily low, and the greatest problem with conducting the interviews is locating the respondents. Each interviewee is paid ten dollars for their participation.
Replacement cases were drawn using the same sampling intervals as the original cases, in order to replace families in the original research groups who leave aid. Two groups representing a 15% subsample of replacement cases were given the Wave I and Wave II interviews in the English and Spanish languages only. (Eighty-five percent of the AFDC population in California speaks either one or both of these languages.) In order to increase the number of newer to aid cases in the interview sample, approximately 1500 additional replacement cases have been scheduled for an interview which will combine items from Wave I and Wave II. UC DATA is producing and distributing all in-depth telephone surveys for public use.

**Data Validation - Case Coding.** The Review and Evaluation Branch (REB) of the Department of Social Services checks the validity of the information in case files around the state on a random basis. REB staff have been trained to pull case folders, examine case files and extract information. Using a process known as data triangulation, researchers at UC DATA reconcile information acquired from several different sources by checking whether the data collected through other means corresponds to the information REB finds in case files. For the English/Spanish interview sample group, case coding is being done to validate survey and case information from administrative data files, as well as to collect certain kinds of information found nowhere else--such as the presence of restricted bank accounts, the number of hours worked for cases with earned income, and the equity value of automobiles. UC DATA designed a series of data entry programs that run on laptop computers to facilitate this data collection effort.

In addition to the interview sample, REB staff case-coded all unemployed parent (U) cases that showed income from earnings on the administrative databases sent from the research counties between January of 1993 and December of 1995. Family group (FG) cases with earnings between January 1993 and June of 1994 were also case-coded to get a better understanding of the work behavior of this group, which constitutes approximately 83% of the California AFDC population (Health and Welfare Agency California Department of Social Services Information Services Bureau, Characteristics Survey, October 1994: 6). Since one of the welfare reforms being evaluated involves the elimination of a 100 hour rule, which applied only to two parent families, and since the number of hours worked is only found (when it can be found) in case files and does not appear on any automated data system, the case coding of the U group has been a priority.

**Process Evaluation.** Under the Terms and Conditions of California's Federal waivers, impact evaluation findings and cost benefit reports must be interpreted using information collected through a process evaluation.

In order to understand the nature and developmental history of these waiver changes, UC DATA has implemented a series of qualitative field studies designed to explore the organizational, situational, and personal contingencies which promote changes in program operations and which may be successful in implementing the new welfare rules in the field. The process evaluation methodology encompasses a variety of techniques with well-established usefulness in evaluation.
research, including:

(1) in-depth, open-ended interviews with staff, administrators, and others involved;

(2) participant observation, which permits events to be recorded as they occur;

(3) process evaluation inventories, which identify in detail items of information to be collected in the field; and,

(4) regular on-going communication with agency staff and directors in which questions may be clarified and anecdotal data can be reported to provide a more complete picture of the implementation process.

Research Sample Longitudinal Database For the original 15,000 cases, and for the approximately 7,000 “replacement cases” newer to aid, CDSS provided welfare histories from the Medi-Cal persons file. Variables from this file include date of birth, race or ethnicity, sex, aid type, and social security number (which allows matching). Currently, data is available from 1987 through 1996 and includes spells of other types of aid as well as AFDC, such as General Relief (GR) and Social Security Income (SSI) for a limited subset of counties. UC DATA has attached this longitudinal database to variables from the county administrative databases that were defined as comparable from county to county, and produced public use datasets with the combined information. All identifiers are removed in the Public Use CD-ROMs.

Longitudinal Database (LDB) UC DATA and DSS are collaborating in an effort to document the dynamics of family poverty and welfare use in California. The LDB research component collects, cleans, organizes and documents detailed longitudinal data for representative samples (1% and 10%) of low-income families who received welfare in California between 1988 and 1996 and makes these data available to scholars and analysts with an interest in welfare, poverty, employment and family research. Currently, both the statewide LDB and the CWPDP samples are being tracked from the Medi-Cal file through other databases, such as those of the Employment Development Department (EDD).

Cal-Learn Evaluation Since 1993 UC DATA and the California Department of Social Services (CDSS) have undertaken a major demonstration project to evaluate an innovative welfare program for teenaged parents. Previous research has demonstrated that teens who get pregnant before completing high school have the highest dropout rate, and without a high school diploma, teen mothers are twice as likely to receive AFDC. Under the welfare reforms of SB-35, Cal-Learn was designed to end long term welfare dependency for minor parents on public assistance. Cal-Learn obligates eligible teens -- those on welfare aged 18 or under without a high
school diploma -- to return to or complete high school, and provides them with case management, financial incentives and sanctions, and supportive services.

In collaboration with the CDSS and other experts on teenaged pregnancy and parenting, UC DATA designed a research strategy for evaluating Cal-Learn, and is coordinating the ongoing data collection. The Cal-Learn evaluation employs a two-way factorial research design with randomly assigned groups of teens in four research counties (Alameda, Los Angeles, San Bernardino, San Joaquin).

UC DATA is collecting information from administrative data bases and will follow the teens over a five-year period. To supplement the administrative information, UC DATA and the Survey Services Facility are fielding the Retrospective Survey, a telephone interview of teens in the Cal-Learn evaluation. Teens are asked directly to describe their experiences with the Cal-Learn program, and to describe various aspects of their life experience prior to becoming pregnant (or a parent). Two to three waves of this panel survey are planned.

In addition to collecting and cleaning administrative data and conducting surveys, UC DATA is responsible for studying the implementation of the Cal-Learn program and research design. This "process evaluation" attempts to assess the overall degree of collaboration required and achieved by the local and state agencies involved with Cal-Learn; to summarize pre-existing services for pregnant and parenting teens with which to compare Cal-Learn; and to describe the factors involved in achieving the mandates of Cal-Learn. A team of researchers conducts interviews and analyzes archival information to summarize the contextual issues involved in implementing Cal-Learn. The Cal-Learn process evaluators are documenting the planning, early implementation, and established phases of Cal-Learn in the four research counties.

Similar to the CWPDP, Cal-Learn has its own panel of experts with specialized knowledge in the area of teen pregnancy and parenting. These advisors include academics, legislative analysts, county employees and DSS officials that serve on a Cal-Learn Advisory Committee (CLAC) to guide the Cal-Learn Demonstration Project in matters of research and policy relevance.