RECOMMENDATIONS FOR RESEARCH PRIORITIES AND DATA SOURCES FOR MONITORING AND EVALUATING WELFARE REFORM

Henry E. Brady and Barbara West Snow
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Results of Two Surveys and a Discussion on March 7, 1997
Convened by the California Policy Seminar and UC DATA

Henry E. Brady and Barbara West Snow

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About the California Policy Seminar
The California Policy Seminar (CPS) is a University of California program that applies the extensive research expertise of the UC system to the analysis, development, and implementation of state policy. CPS provides technical assistance to policy makers, commissions policy-relevant research on statewide issues, and disseminates UC research findings and recommendations through publications and special briefings.

The recommendations contained in this report are those of the authors and do not necessarily represent the California Policy Seminar or the Regents of the University of California.

About UC DATA
UC DATA (University of California Data Archive and Technical Assistance) is the University of California’s principal archive of computerized social science information, and a producer of large-scale databases for the research community. Since 1992 UC DATA has worked with the California Department of Social Services and with researchers throughout the state to monitor and evaluate changes in California’s welfare system. UC DATA has pioneered in combining administrative and survey data to study changes in welfare programs and has gained national recognition for these efforts.

About the Authors
Henry E. Brady is director of UC DATA and professor of political science and public policy. Barbara West Snow is research director of UC DATA and director of the California Work Pays Demonstration Project.
CONTENTS

Recommendations for Research Priorities and Data Sources for Monitoring and Evaluating Welfare Reform .................. 1

First Goal: Identifying Priorities for Research and Evaluation ............. 1
  Priorities from the California Welfare Directors’ Survey ............... 2
  Priorities from the Legislative, Executive, and Research Staff Survey .................................................. 2
  Comments from County Welfare Directors .................................... 2

Second Goal: Reviewing Federal Reporting Requirements and State and Local Information Systems ...................... 3

Third and Fourth Goals: Data for Implementing, Monitoring, and Evaluating TANF ............................................. 3
  The March 7 Meeting .......................................................... 3
  Organization of Recommendations ........................................ 4

I. Data Needs by Priority Research and Evaluation Areas ............... 5
II. State and County Data Systems ......................................... 8
III. Data Collection Procedures .............................................. 10
IV. Procedures for Creating Better Data and Data Systems ............. 12

Appendixes

A. Agenda, “Research Priorities and Data Sources for TANF Monitoring and Evaluation,” Sacramento, California, March 7, 1997 ................................................................. A1

B. Participants, “Research Priorities and Data Sources for TANF Monitoring and Evaluation,” Sacramento, California, March 7, 1997 ......................................................... B1

C. Ranking Research and Evaluation Issues for TANF: Survey of County Welfare Directors, March 19, 1997 .......... C1

D. Comparative Ranking of Research and Evaluation Issues for TANF: County Welfare Directors and Legislative, Executive, and Research Staff (State Group) Invited to the Discussion on March 7, 1997 ........................................... D1


F. Briefing Paper, Sacramento, California, March 7, 1997 ................ F1
RECOMMENDATIONS FOR RESEARCH PRIORITIES AND DATA SOURCES FOR MONITORING AND EVALUATING WELFARE REFORM

At the request of Dion Aroner, Chair of the Assembly Human Services Committee, the California Policy Seminar (CPS) and University of California Data Archive and Technical Assistance (UC DATA) co-sponsored a forum on March 7, 1997, in Sacramento on research priorities and data sources for monitoring and evaluating the new welfare reform legislation. (The agenda for the meeting is given in Appendix A, the participant list in Appendix B.) The purpose of the forum was to discuss priority information needs and to make recommendations to state representatives who are drafting welfare reform legislation for the Transitional Assistance for Needy Families (TANF) program in California. Participants included legislative staff, academic researchers, county welfare department managers, and branch directors of agencies involved with the development of data collection strategies for welfare reform in California.

The meeting had four goals: (1) to identify and prioritize specific research and evaluation issues; (2) to quickly review the federal reporting requirements and the existing state and local information systems; (3) to develop, in broad outline, a list of the kinds of data elements that will be needed by the counties and the state to implement the new programs; and (4) to make concrete recommendations about what data must be collected to meet priority research needs and federal reporting requirements.

To facilitate progress toward these goals in one brief meeting, CPS and UC DATA developed and completed a short survey of research and evaluation issues before March 7 (see Appendixes C and D), circulated a paper on “Data Systems and Statistical Requirements for the Personal Responsibility and Work Opportunity Act of 1996” (Appendix E), and produced a detailed set of handouts and a briefing paper for the meeting. (The briefing paper is provided in Appendix F.) The survey provided an excellent start on the first goal of identifying and prioritizing specific research and evaluation issues. The paper and the handouts provided a head-start toward achieving the second goal, a review of the federal reporting requirements and the existing state and local information systems. The 26-page briefing paper was keyed to items in the survey, and it provided the basis for most of the discussion during the meeting and for developing recommendations on the third and fourth goals.

**First Goal: Identifying Priorities for Research and Evaluation**

Before March 7 CPS and UC DATA sent a letter to all county welfare directors requesting their participation in a short survey to prioritize research and evaluation issues for TANF. (The county welfare directors’ rankings of the items from the survey are provided in Appendix C.) Thirty-seven questionnaires were returned in time to be tallied for the meeting, and altogether 42 were returned, representing 39 counties. Several of the county welfare directors were invited to the meeting, and representatives from Orange, Los Angeles, San Francisco, and Sacramento counties
attended. Other invitees, whom we shall call the “state group,” included legislative and executive staff and researchers knowledgeable about the issues. Those in this state group were also asked to prioritize the same list of issues, and they returned 23 surveys.

**Priorities from the California Welfare Directors’ Survey**

For managers of California county welfare systems, most of the issues listed on the survey seemed to be quite important (Appendix C). For instance, half or more of the respondents in the county welfare directors’ survey indicated that 23 out of 25 items they were asked to rank were important or very important to them. Two-thirds or more of the respondents rated 13 of the 25 items as important or very important to them. These key items fall into the following categories:

- **Child Welfare and Child Well-Being** — Three of the most highly ranked items reflect concerns about children: the impact of TANF on child abuse and neglect, on the child welfare and foster care system, and on child well-being.

- **General Assistance and Special Populations** — The fifth most highly ranked item was the impact of TANF on General Assistance, and the tenth was the impact of TANF on legal and illegal immigrants — issues that are especially worrisome to many counties.

- **Welfare to Work** — Work transition issues faced by adults were also highly ranked: job availability and transitions to employment; the impact of time limits on parent employment; TANF and participation in employment-related activities, training, and education; the impact of TANF on parent employment; and the impact of TANF on family income.

- **Child Care and Child Support** — The impact of TANF on child care quality and supply was ranked ninth, and the impact of TANF on child support thirteenth.

- **Successful County Models** — Identifying county models that successfully achieve the TANF goals was ranked twelfth.

**Priorities from the Legislative, Executive, and Research Staff Survey**

Members of the state group tended to rank items as less important generally than the counties, but the same 12 of 25 issues were ranked at the top by both groups. (See Appendix D, which compares the county welfare directors’ survey with that of the state group.) Only “Data System Changes Under TANF” was ranked in the top half by the state group but not by the counties. This issue was seen as important or very important by over 61% of the state group, and 57% of the county managers. Overall, there was an enormous amount of agreement between the county welfare managers and the state group.

**Comments from County Welfare Directors**

Several county welfare directors commented in letters that it was very difficult to prioritize the issues because they were all so important. Some added additional comments and other items. For example, two directors suggested that changes introduced by the Personal Responsibility and Work Opportunity Act of 1996 other than those introduced by TANF should be studied, and three...
mentioned that important ethnic groups in California besides Latinos must be considered. Other items suggested by directors were the impact of TANF on bureaucracy (rules and regulations); drug and alcohol programs; the employment of seniors, teenagers, and persons with disabilities; and the effects of child care on children.

**Second Goal: Reviewing Federal Reporting Requirements and State and Local Information Systems**

Those invited to the meeting were all familiar with federal reporting requirements and state and local information systems, but the complexity of the requirements and the systems suggested that efforts should be made to provide a common baseline for all participants. This goal was met in two major ways.

- **Paper Circulated before the Meeting:** The extensive reporting requirements in the Personal Responsibility and Work Opportunity Act of 1996 and the capabilities of existing state and local information systems were discussed in a paper, first presented to the Committee on National Statistics of the National Academy of Sciences in October 1996 by UC DATA, and this paper was circulated before the March 7 meeting (Appendix E).

- **Briefing Book for the Meeting:** At the meeting itself, each participant was supplied with a book that provided additional information, including an overview of the federal welfare legislation; initial state responses in the area of federal welfare reform reporting issues; case flow and current data systems for AFDC/TANF; data that might be captured by current county Greater Avenues for Independence (GAIN) information systems on participation in training, work, and other activities; and information on different levels of analysis, types of data methods, and generic models of monitoring and evaluation. This book also included a briefing paper (Appendix F) that provided a synopsis of data needs and possible data solutions for the priority areas of welfare research and monitoring identified in the survey of county welfare directors and the state group.

**Third and Fourth Goals: Data for Implementing, Monitoring, and Evaluating TANF**

**The March 7 Meeting**

Because the first two goals of the meeting were largely achieved before March 7 through the survey of priority research needs and the briefing materials, the meeting itself could focus on the third and fourth goals. The third goal was to develop, in broad outline, a list of the data elements needed by the counties and the state to implement the new welfare programs, and the fourth, closely related, goal was to determine the data that must be collected to meet priority research needs and federal reporting requirements. The morning and afternoon sessions of the meeting addressed these goals through focused discussions of the data needs and possibilities, in each priority research area, for implementing, monitoring, and evaluating the new welfare programs created by TANF.
Meeting Participants. An important aspect of the meeting was the diversity of the people who attended. Key directors from the counties, the California Health and Welfare Agency data systems, the Department of Health Services, the Department of Social Services (including the Estimates, Information Services, Review and Evaluation, and Research branches), the Employment Development Department, the Department of Education, UCLA, Stanford, and UC Berkeley research institutions, and legislative staff met to listen and discuss issues of concern to them all.

Discussion Summary. Overall, there seemed to be substantial consensus underlying the discussion—there was general agreement that the survey done before the meeting captured the most important issues, and because the briefing book was organized around these issues, discussion was lively and to the point. Those at the meeting thought that whatever plan California develops, the overall research priorities would not change much, as they are inherent in the welfare changes brought about by the Personal Responsibility and Work Opportunity Act of 1996, and they are critical questions for both policy makers and researchers in the welfare area.

The group explored what could be done to obtain the data necessary to answer the questions in each domain. Participants identified gaps in knowledge, in systems and surveys available, and in methodology and technology. This led to a substantial number of recommendations.

Organization of Recommendations

The recommendations on data for implementing, monitoring, and evaluating TANF that emerged from the March 7 meeting have been organized into four major categories:

- Data Needs by Priority Research and Evaluation Areas — These recommendations identify needs and suggest areas in which more data are needed, often with a greater emphasis on the difficulties of obtaining the data than on ways the need might be met.

- State and County Data Systems — These recommendations suggest what can be done to make existing data systems or those currently under development more useful for research, evaluation, and monitoring. Because these recommendations start from what now exists, they tend to be more concrete and practical, although not always fully responsive to the data needs described above.

- Data Collection Procedures — These recommendations go beyond existing state and county systems by recommending the linking of files or systems, the development or continuation of surveys, or other more expansive data collection procedures. In some important cases, there are already prototypes or even ongoing efforts that demonstrate the feasibility of these recommendations.

- Procedures for Creating Better Data and Data Systems — These recommendations consider the ongoing process that the state and counties must undertake to develop a useful data collection infrastructure.

In addition to the recommendations that emerged from the meeting, there are also a large number of suggestions in the briefing paper (Appendix F).
I. Data Needs by Priority Research and Evaluation Areas

A. Overall

1. Information is needed for tracking individuals and families (an explicit requirement of the federal legislation), for case management (an implicit requirement for the provision of services and the movement of parents from welfare to work), for performance reporting requirements, and for evaluation (to assure that the programs implemented are having the desired effects). In all these areas, data will be more reliable and useful if they are available on a timely basis to a wide range of decision makers and researchers.

2. With the far-reaching changes expected from the new legislation, information is needed to identify successes in order to reproduce them and to identify undesirable outcomes in time to take effective remedial action.

3. Common data definitions are needed in order to assure uniform data across counties. This may conflict with the needs for a flexible program structure, but common data definitions are the only way that we can compare programs, identify successes and failures, and aggregate data in a meaningful way across counties. Uniform data collection across counties is more important than adding new data elements.

4. Information on individuals and cases must be linkable across time, location, and data source in order to maximize its utility. Existing data systems are often not good at providing information on all members of a family because if some family members are unaided, data are not collected on them. Efforts must be made to get better information on all members of a family.

5. Typologies and descriptions of service delivery organizations and programs must be developed to make it possible to collect information on the variety of programs (including those provided by community-based organizations) affecting welfare recipients. Information on these programs must be collected in a systematic way across counties and for individual welfare recipients.

6. In order to minimize the reporting burden, only data that are necessary to track this transition should be targeted for collection — rather than merely desirable data.

7. Data quality must be insured by data audits, by using multiple data sources, by making data available to a wide range of users, and, in the case of program evaluations, by arm’s-length data collection procedures that separate program managers from evaluation staff.

B. Child Welfare and Child Well-Being

1. We must find additional ways to measure child well-being. The California Children’s Services Archive developed by Richard Barth at UC Berkeley has shown how to analyze child abuse and child welfare dynamics using available administrative data. Child welfare data may not be enough for many purposes, however, because it only covers children who are reported for child abuse and neglect and does not cover children who are maltreated but not reported. Surveys can also provide useful information with questions about child rearing, child development, child health, child
nutrition, or child well-being, but care must be taken to insure that the questions validly and reliably measure what they are intended to measure.

2. Child care delivery under Title VI of the act is outside the other TANF provisions. The state is required to report all children under the Child Care and Development Fund, not only TANF children. This makes the universe for statutory reporting to the federal government much larger than either TANF or Child Welfare, potentially providing an expanded sampling frame from which to explore issues of child well-being.

3. Data are needed on the health status of children. With a Medi-Cal Eligibility Data System (MEDS) link, health care utilization could be used as a proxy for health status. However, this is complicated by the limitations of the data and because different children receive different amounts of health care for the same health conditions. This is further complicated by the Medi-Cal managed care capitation of payments, which may not document payment for specific procedures. Currently, managed care providers do not provide utilization data. There are requirements for this information from managed care providers, but it may not be available for a long time.

4. When children leave the child welfare system, we need to know where they go. This requires linkages to other databases such as juvenile justice, criminal justice, records of mental health, and incarceration. (Links between child welfare, youth authority, special education, and vital statistics are already in place.) Such linkages are possible with cooperation of agencies and an understanding of the need for common identifiers like Social Security or Medi-Cal numbers.

5. Links between child welfare data and public assistance data (e.g., MEDS, the State Automated Welfare System [SAWS], and SSI) are also needed to understand the effects of changes in public assistance on child welfare. (SAWS is a state project that is intended to provide statewide information and support for welfare programs and welfare reform.)

C. General Assistance and Special Populations

1. Baseline data are needed on the groups we want to study as welfare reform unfolds. General Assistance (GA) is an important case in point. It will be impossible to tell what the impact of TANF is if there are inadequate baseline data on GA.

2. It would be very useful to quickly put together a model of the GA caseload to determine the impact of a state buy-out proposal (in which the state would assume the responsibility for GA). Unfortunately, we know very little about the factors that affect the GA caseload, and there is no statewide database on GA recipients.

3. We need to find ways to track those who go on and off GA. It would be useful to follow welfare recipients from TANF and other programs to GA — especially as TANF is implemented. At the moment, obtaining information on GA requires working with 58 different counties that have very different programs, and this makes it very hard to track people on and off GA.

4. We need data on immigrant individuals and families, as they are being affected by many changes in the welfare laws. We need to look at low-income people who are not part of the aided population, and especially to explore job displacement among men and the impact of TANF on the
low-income population in general. Some counties obtain very useful data on the immigration status of household members, but not all counties do, so that it is hard to get an overall picture of how the new laws will affect immigrants.

5. We need better data on disabled parents and children and what happens to them with changes in SSI, Food Stamps, and AFDC. We may know least about the disabled population because of the difficulty of assessing disability, the very limited number of systems that collect this information, and restrictions on the research use of data from the Social Security Administration.

D. Welfare to Work

1. We need data on the propensity to employment of different groups and recipients with different background characteristics. In addition, data are needed on the contextual problems recipients face as they try to get jobs. Employment conditions, access to transportation, and job propinquity all affect whether or not AFDC recipients get off welfare.

2. The ongoing educational status of each adult and child is needed to meet part of the Section 411 data requirements of the TANF legislation. Educational status is not now systematically collected by MEDS or by county AFDC data systems. This information is also an important background characteristic that affects parenting, getting jobs, and other behaviors. Efforts should be made to improve the collection of this information.

E. Child Care and Child Support

1. Data are needed on the existing supply of different types of child care (licensed vs. unlicensed; relative vs. non-relative), the supply elasticity of each child care type, and the availability of child care for workers who are expected to take jobs outside traditional hours.

2. Information is needed on evaluating the quality of child care and its impact on children.

3. Better data are needed on how mothers make child care decisions. For example, why do some mothers seem to pay out of pocket for child care, even though they qualify for reimbursement from AFDC? How do they learn what is available to them, and how do they make educated decisions about meeting their families’ needs for quality care? (There is a federal requirement for consumer education in the child care area.)

F. Successful County Models

1. We need to be able to identify top-performing counties in terms of basic TANF goals such as reducing the welfare rolls or facilitating the transition from welfare to work. The top performers might then be studied to document what they are doing.

2. We need to know, county by county, what happens to the working poor as TANF is implemented to understand if job displacement is occurring. This is a significant challenge because many of the working poor do not come into contact with county administrative systems.
3. We need information on the neighborhood impacts of TANF and other Personal Responsibility and Work Opportunity Act changes; for instance, the impact on communities of the loss of significant amounts funding for Food Stamps, SSI, and AFDC; or the impact on public housing as some groups become ineligible and others face decreases in their monthly ability to pay rent. As with the study of the working poor, this suggests that data collection should be expanded to include neighborhood or community studies.

II. State and County Data Systems

A. General Recommendations

1. As changes in data systems are undertaken to meet the needs of the Personal Responsibility and Work Opportunity Act, there is an opportunity to rethink our data needs. This should be done not merely to meet federal reporting requirements, but also to develop better systems for case management and for program performance monitoring and evaluation. This means that managers, policy makers, and researchers should be consulted in the design of these systems.

2. At a minimum, data files from different systems should be periodically linked to provide information on TANF recipients. For example, information from child welfare files must be linked with TANF information to monitor child welfare. A commitment to supporting these linkages is needed. It may also be possible to link data systems directly so that case managers and others can have access to data that more closely approximates real-time information on GAIN participation, child welfare, or work status of TANF recipients.

B. State

1. The Department of Health Services Medi-Cal eligibility file (MEDS) provides a starting point for a statewide file on social welfare program participation. Expanding MEDS to include all recipients of General Assistance and Food Stamps in California is a first step in that direction. Extending MEDS to do tracking beyond 18 months is another useful step. With these extensions, MEDS could serve as the vehicle for tracking welfare recipients as required by Section 408 of TANF (time limits) by providing counties with a list alert every month concerning adult recipients whose cases appear to be approaching the time limits. It could also serve to provide uniform information on social welfare program participation. Five hundred million dollars of federal money has been set aside to assist states that are making changes in Medicaid information systems.

2. Surveys are probably the only way to collect the detailed information on welfare recipients required by Section 411 of TANF. Alternatives such as amending the required monthly form for receipt of public assistance (the CA-7) or other forms should also be explored, but the information collected on them is often unreliable and is sometimes not entered into data systems in a timely fashion.

3. Producing monthly surveys of the scope envisioned in the TANF legislation is very challenging and will require substantial resources. At the same time it provides a unique opportunity to think through the data needs and data definitions, not only for federal reporting, but also for program managers, policy makers, and researchers. This opportunity should not be lost.
4. Federally mandated child care data will include not only information on TANF recipients, but in addition, all families who are receiving services under the Child Care and Development Fund (Title IV). Because existing welfare data systems do not include this broader population, no data systems that are currently in place collect the necessary information in this area. Although the funding necessary to build information systems to collect child care data is not earmarked in the federal legislation, an unlimited amount of block grant funding may be used for this purpose, as it is not subject to the 15% administrative cap. It is especially important to develop this information capacity in the early phase-in years of the program, when the full amount of funding for Title VI is unlikely to be used for child care. Links with other systems are also essential.

5. In 1996 the California Department of Social Services (CDSS) Research Branch received a planning grant from the Administration on Children and Families (Department of Health and Human Services) to support the development and implementation of demonstrations of the potential impacts of welfare reform on the well-being of children. This grant provides a basis for a partnership in which states (and their evaluators), researchers, private-sector organizations, and federal government agencies can work together to address critical questions about welfare reform and to jointly conceptualize their visions of how child development can be fostered by their combined efforts. Specifically, the planning phase will identify ways to build state data system capacity to track trends in child outcomes by establishing linkages between existing state databases, and by developing new data sources where appropriate. It will also collaboratively reach agreement on a core set of child outcome measures. CDSS should be encouraged in these efforts and prepare an application for the operational phase.

C. Counties

1. The new legislation requires flexible case management systems. This presents a challenge to existing county information systems, which were designed with the AFDC system in mind, with its primary goals of calculating benefits and writing checks. The ongoing Statewide Automated Welfare Systems (SAWS) provides the basis for developing new information systems.

2. SAWS consists of four consortia (LEADER in Los Angeles, ISAWS in 35 counties, Case Data Systems in 18 counties, and Consortium IV in four counties), and the Health and Welfare Agency is the umbrella organization for all of them. These four systems have different capabilities. Some of them are more flexible in their ability to handle different program parameters or multiple programs; some are better than others at incorporating information from GAIN or other related programs. As a general goal, all systems should be made as flexible as possible to cope with the many different programs (including General Assistance and other county programs) and program parameters that may be created by the counties under TANF. These systems should also be designed so that they can incorporate data from GAIN or other programs.

3. In the development of these systems, special attention should be paid to uniform data definitions across counties, linking households across places and times, and the possibility of collecting data to respond to federal reporting requirements and program management needs.
4. Special problems are created by the need to obtain school attendance and/or performance data for federal reporting and for programs such as Cal-Learn (a state program that provides case management and sanctions and incentives for pregnant and parenting teens on public assistance in California so that they can finish high school). There may be many school districts in a county, and school districts vary in the way they collect and report this information.

III. Data Collection Procedures

A. Linking Data

1. Linking data files, although it presents difficulties of matching and reconciling different data definitions, is one of the least expensive ways to obtain extensive information on welfare populations. MEDS data over time, for example, provide information on welfare program participation on numerous people, but not much information beyond that. As shown in the Work Pays Demonstration Project, by linking MEDS with Employment Development Department (EDD) base wage data and other data sources, these data become much more useful. Every effort should be made, therefore, to link different administrative datasets so that they can strengthen one another.

2. Many corporations and public agencies are now exploring data warehousing as a method of keeping data and providing links among data files. It is especially important that baseline data from the last few years be kept to serve as a benchmark against which TANF progress can be measured. Data warehousing should be explored by all agencies collecting welfare data.

3. CalServ (in the Health and Welfare Data Center) is an ambitious centralized information system designed with links to several important welfare databases. Conceptualized as an information broker, central clearinghouse, and technical resource, CalServ appears to have the right architecture for a very useful linking of datasets and data systems. It would be very helpful at this point to get researchers and decision makers who are familiar with the possibilities of linked data files to work with CDSS and SAWS to make sure that CalServ is as useful as possible for monitoring and evaluating TANF.

4. Linking census data with Section 411 survey data and other data from case files could help determine family structure by enumerating members of a household, including those who are not aided (such as SSI recipients).

B. Surveys

1. Administrative data provide excellent information about program participation and some participant and program characteristics but often lack important information about participants (their education, job history, disabilities, immigration history, etc.) and about outcomes (e.g., health, nutrition, quality of life, jobs). Surveys are often the only way to get this kind of information. Furthermore, administrative data are often limited to those in a program, so that they miss the working poor or those who have left welfare. Surveys may be the only ways to get information on these people, and are a very important tool for monitoring and evaluating TANF.
2. Decisions must be made about what groups will be studied through surveys and whether surveys will provide information for the whole state or for individual counties. There are good reasons to develop surveys for some special populations such as immigrants, teen-age mothers, low income youth at risk for welfare, or low-income people in general. There are also good reasons to have both statewide and county level surveys.

3. Use should be made of existing surveys. The Census Bureau’s Survey of Income and Program Participation (SIPP) is representative of the state of California and provides an invaluable resource for studying the impacts of TANF. Additional questions or interviews could be requested from the Census Bureau for reasonable prices. The new California Health Interview Survey, which is in the planning stage, is being designed to provide county level information. This provides an excellent opportunity for adding questions on TANF and other programs. The surveys from the California Work Pays Demonstration Project provide baseline information on AFDC recipients, teenage mothers, and foreign language and immigrant populations. The surveys being developed by CDSS to provide data for federal reporting can provide a rich source of information on welfare recipients. Efforts should be initiated immediately to convene a group of state researchers and academics to explore the right mix of these surveys. The legislature should provide ongoing funds for these important surveys.

4. Efforts should be undertaken to explore linking these surveys with administrative data.

C. Develop Data Archives and Models of Welfare Impact

1. The California Children’s Services Archive at the UC Berkeley School of Social Welfare and the UC DATA Welfare Research Archive at UC Berkeley demonstrate the feasibility of linking administrative and survey data into useful archives for policy analysis and research. They also provide models for insuring confidentiality of data while allowing researchers access to data. These data have already been used for many evaluation and research projects on children and families and for the development of ongoing indicators of child welfare in California. With additional funding and facilitated access to state-level data, these archives could produce more useful data sets on a more timely basis.

2. A number of researchers have developed models of welfare impact such as a statewide case forecasting model (Professor Michael Wiseman, University of Wisconsin, Madison) and a county-level model of employment conditions and welfare receipt (Professor Hillary Hoynes, University of California, Berkeley). These and other models could be updated on a regular basis to explore the impacts of TANF. For example, the Hoynes model would provide a way of comparing county outcomes in reducing welfare rolls while controlling for different economic conditions.

D. Process and Implementation Studies

1. Qualitative studies of implementation, such as those done for the California Work Pays Demonstration Project (CWPDP, a statewide welfare demonstration program undertaken under federal waiver since 1992), can help provide early warnings about potentially bad outcomes, as well as document program successes. These studies should be continued.
IV. Procedures for Creating Better Data and Data Systems

A. Overall

1. Although the need to respond to federal reporting requirements requires quick and concerted action, these needs should not completely drive the data collection process. There should be an ongoing consultation between program managers, policy makers, and researchers on the one hand and those designing the new data collection procedures on the other. Otherwise there is a great risk of developing systems that are only useful for federal reporting and nothing else.

B. State

1. The state should not do what the federal government did: provide block grants to counties and then include three times the data requirements “just in case.” This creates burdensome bureaucracy, and it does not necessarily increase the effectiveness of the programs. Instead, the state should work with the counties to create systems that facilitate case management while providing useful data to decision makers and evaluators.

2. The state should take the lead in working with the counties to develop standard data definitions, standard identifiers, and methods for linking data across time and jurisdiction.

3. The state should develop models for making data available across agencies and to researchers. Several models are already available, such as those developed in the work with the California Children’s Services Archive and the UC DATA Welfare Research Archive. These include the Health Services and Employment Development departments’ agreements with CDSS to use Medi-Cal and earnings data for research, and the California Policy Seminar’s efforts to promote the use of labor market data. Predictable procedures for providing researchers working on welfare reform with access to these data for public services research need to be developed so that analyses can be conducted in an expeditious manner that is sensitive to confidentiality concerns.

C. Counties

1. Counties need some methods for real-time monitoring of their performance as well as longer-term evaluations of programs. The state should work with the counties to develop indicators of county performance that are available with current systems and diagnostic of problems and successes. Some of the archives and models described above can provide this kind of information.

2. At least some county programs should be evaluated using the best available evaluation methodology, such as randomized experiments with control and treatment groups. The state should provide the resources for this kind of evaluation as long as it separates the evaluation from the program managers. Controlled experiments can tell a lot; however, there have been problems with many studies because they have been evaluated by their own staff (objectivity vs. advocacy). It should also be recognized that programs work differently across different groups and program success in one county is not necessarily transferable to others.

3. Counties should be encouraged and funded to develop the capacity to evaluate their own programs, perhaps with the assistance of local university researchers.
D. Other Organizations

1. A number of research organizations throughout the state — including several of the major universities — have developed a strong welfare research capability, including an intimate knowledge of state data systems. This capability is very unusual and should be enhanced and utilized by policy makers.

2. The U.S. Census is developing sites around the country that would allow linking their data to state administrative or survey data, providing a powerful tool for examining the impacts of TANF. California is an obvious candidate for such a site. Tom MaCurdy (Stanford University) recommended that UC DATA should be encouraged to apply to become a census site and should be provided with the funds required to develop and maintain a site. (UC DATA serves as the regional center for distributing U.S. Census data to academic institutions in California as part of the Census Bureau’s State Data Center program.) The Census estimates that it costs $250,000 per year to staff and maintain a census data site.

3. The California Work Pays Demonstration Project has benefited from having a Research Advisory Committee composed of members from the counties, state agencies, legislative staff, and academics who meet regularly to discuss the evaluation. This model was the basis for the March 7 meeting in Sacramento, and it might be very useful in the development of a statewide capability for TANF monitoring and evaluation. The Department of Social Services might consider creating a Research and Monitoring Advisory Committee that would continue the work begun at the March 7 meeting.
Appendix A

AGENDA

“Research Priorities and Data Sources for TANF Monitoring and Evaluation”

Sacramento, California — March 7, 1997

10:00–10:45 — Goals of the Meeting; Federal Legislation and State Responses; Review of Existing Data Systems and Data Archives. Moderators: Andrés Jiménez, Director of the California Policy Seminar and Henry Brady, Director of UC DATA, Professor of Political Science and Public Policy, UC Berkeley

10:45–11:15 — Survey Summary and Ranking of Research and Evaluation Issues for TANF

   A. County Priorities for Research: What are they? — Barbara Snow (10 minutes)
   B. Discussion: What was left out? Do we have the right priorities? — Henry Brady and Barbara Snow (20 minutes)


   A. Receipt of Public Assistance
   B. Parent Employment and Family Income
   C. Immigrants and Refugees
   D. Low-Income People Not Entering or Diverted from Programs

12:15 — Break and Lunch

1:00–2:00 — Information and Data Needs: Children, Parenting Teens, and the Disabled and the Identification of Successful County TANF Programs (12 minutes apiece). Moderator: Henry Brady

   A. Impact of TANF on Child Welfare and Child Well-Being
   B. Child Care and Child Support
   C. Pregnant and Parenting Teens; Fertility Studies of Recipients
   D. Impact of TANF on Families with Disabilities
   E. Successful County Models and Implementation Studies

2:00–2:30 — Case Management and Case Tracking. Moderator: Henry Brady

   A. Current Information Systems and Case Management Needs
   B. Current Information Systems and the Needs of Program Management, Monitoring, and Evaluation

2:30–3:30 — Recommendations. Moderators: Henry Brady and Barbara Snow
Appendix B

PARTICIPANTS

“Research Priorities and Data Sources for TANF Monitoring and Evaluation”

Sacramento, California — March 7, 1997

Legislature

Todd Bland, Analyst
Legislative Analyst’s Office

Patricia Clark, Consultant
Senate Republican Caucus

Ellen Dektar, Consultant
Senate Health & Human Services Committee

Bob Dell’Agostino, Analyst
Legislative Analyst’s Office

Jack Hailey, Policy Analyst
Senate Office of Research

Pat Leary, Consultant
Senate Budget & Fiscal Review Committee

Agnes Lee, Consultant
Assembly Budget Committee

David Maxwell-Jolly, Consultant
Senate Appropriations Committee

Sara McCarthy, Consultant
Senate Health & Human Services Committee

Jesse McGuinn, Consultant
Assembly Appropriations Committee

Sherry Novick, Chief of Staff
Office of Assembly Member Dion Aroner

Sarah Olsen, Staff Director
Assembly Republican Fiscal Consultants

Diane Shelton, Consultant
Office of Assembly Member Roderick Wright

Tamara Yates, Consultant
Senate Minority Fiscal Consultants

Executive Branch

Jan Bezore
Estimates Branch
Department of Social Services

Ed Briles, Chief
Systems Development Section
Department of Health Services

Ken Budman, Research Manager
Labor Market Information Division
Employment Development Department

Chris Dunham, Consortium Manager
Statewide Automated Welfare Systems (SAWS)
Health and Welfare Data Center

Philip Hardiman, Research Manager
Labor Market Information Division
Employment Development Department

Richard Holden, Chief
Labor Market Information Division
Employment Development Department

Curtis Howard, Chief
Review and Integrity Branch
Department of Social Services

Kären Kohler, Program Analyst
Estimates Branch
Department of Social Services

Joseph Perrin, Center for Health Statistics
Office of Health Information and Research
Department of Health Services
M. Anne Powell, Director
California Family Impact Seminar
California Research Bureau

Werner Schink, Chief
Research Branch
Department of Social Services

Michael Silver, Administrator
Child Development Division
Department of Education

Fran Styron, Administrative Coordinator
Labor Market Information Division
Employment Development Department

Gary Swanson, Staff Services Manager
Review and Evaluation Branch
Department of Social Services

Helen Vaughn
Medi-Cal Policy Division
Department of Health Services

Jo Weber, Chief
Information Services Bureau
Department of Social Services

**Academic Institutions**

Professor Richard Barth
School of Social Welfare
University of California, Berkeley

Professor Rosina Becerra
Department of Social Welfare
School of Public Policy and Social Research
University of California, Los Angeles

Professor Henry Brady, Director
UC DATA
University of California, Berkeley

Holly Brown-Williams, Associate Director
California Policy Seminar
University of California

Sandy Fried, Analyst
Office of State Governmental Relations
University of California

Andrés Jiménez, Director
California Policy Seminar
University of California

Professor Tom McCurdy
Department of Economics
Stanford University

Professor Jane Mauldon
Graduate School of Public Policy
University of California, Berkeley

Professor Paul Ong, Chair
Department of Urban Planning
School of Public Policy and Social Research
University of California, Los Angeles

Professor Emeritus Leonard Schneiderman
Department of Social Welfare
School of Public Policy and Social Research
University of California, Los Angeles

Professor Eugene Smolensky, Dean
Graduate School of Public Policy
University of California, Berkeley

Barbara Snow, Research Director
UC DATA
University of California, Berkeley

**California County Welfare Departments**

Lynn Bayer, Director
Department of Public Social Services
Los Angeles County

Judy Bley, Director of Budget & Planning
Human Services Department
San Francisco County

Angelo Dodi, Welfare Strategist
Social Services Agency
Orange County

Paul Fast, Human Services Administrator
Department of Public Social Services
Los Angeles County

Charles Kidwell, Senior Planner
Department of Human Assistance
Sacramento County
Appendix C

Ranking Research and Evaluation Issues for TANF:
Survey of County Welfare Directors

March 19, 1997

On February 14, 1997, UC DATA sent a letter to all county welfare directors requesting their participation in a short survey to prioritize research and evaluation issues for TANF. Thirty-seven questionnaires were returned in time to be tallied for the March 7 data meeting, which provided a forum to discuss priority information needs and make recommendations to state representatives who are drafting welfare reform legislation for the Transitional Assistance for Needy Families (TANF) program in California. Participating county welfare representatives, staff from the legislative and executive branches of state government, and researchers from Stanford, UC Berkeley, and UCLA reviewed these items. Drs. Brady and Snow of UC DATA developed recommendations based on survey results and on the discussion. Notes of the discussion were recorded in great detail by UC Berkeley graduate students Christopher Jewell (Law) and Bonnie Glaser (Political Science).

As of March 19, 42 surveys had been returned, representing 39 counties, for a response rate of 67%. Even with the addition of five surveys received after the meeting, the same 12 issues remained at the top of the list, although the exact ranking of some of the items changed slightly.

<table>
<thead>
<tr>
<th>Order of Priority — County Welfare Directors</th>
<th>Percent Ranking Item Important (2) or Very Important (1) (n = 42)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Impact of TANF on Child Abuse and Neglect</td>
<td>92.9%</td>
</tr>
<tr>
<td>2. Impact of TANF on Child Well-Being</td>
<td>90.5%</td>
</tr>
<tr>
<td>3. Job Availability and Transitions to Employment</td>
<td>88.1%</td>
</tr>
<tr>
<td>4. Impact of TANF on the Child Welfare and Foster Care System</td>
<td>88.1%</td>
</tr>
<tr>
<td>5. Impact of TANF on General Assistance</td>
<td>85.7%</td>
</tr>
<tr>
<td>6. Impact of Time Limits on Parent Employment</td>
<td>78.6%</td>
</tr>
<tr>
<td>7. TANF and Participation in Employment-related Activities, Training, and Education</td>
<td>78.6%</td>
</tr>
<tr>
<td>8. Impact of TANF on Parent Employment</td>
<td>76.2%</td>
</tr>
<tr>
<td>9. Impact of TANF on Child Care</td>
<td>73.8%</td>
</tr>
<tr>
<td>10. Impact of TANF on Legal and Illegal Immigrants</td>
<td>71.4%</td>
</tr>
</tbody>
</table>
11. Impact of TANF on Family Income  69.0%
12. Successful County Models vis-à-vis TANF Goals  66.7%
13. Impact of TANF on Child Support Receipt  66.7%
14. Impact of TANF on Federal Public Assistance (TANF, Food Stamps, Medicaid, Child Care, and Homeless Assistance)  64.3%
15. Impact of TANF on Family Structure  61.9%
16. Impact of TANF on Community Service Participation  59.5%
17. Impact of TANF on Pregnant and Parenting Teens: Cal-Learn and the Teen Parent Disincentive  59.5%
18. Impact of TANF on Community-based Organizations  57.1%
19. Data System Changes under TANF  57.1%
20. Impact of TANF on Families with Disabled Members  52.4%
21. Impact of TANF on Transitions to SSI  50.0%
22. Impact of TANF on English- and Spanish-speaking Latino Families  50.0%
23. Implementation Studies on the Process of Welfare Change  50.0%
24. Fertility Trends among Adult and Teenage Welfare Recipients: A Pre-/Post-TANF Comparison  40.5%
25. Impact of TANF on Refugees on Public Assistance  31.0%

**Scoring:** Percentages were computed for items ranked priority 1 (very important) and priority 2 (important) combined. When ties occurred, the number of respondents listing the subject as very important was used to decide the ranking.
## Appendix D

### Comparative Ranking of Research and Evaluation Issues for TANF:
County Welfare Directors and Legislative, Executive, and Research Staff (State Group) Invited to the Discussion on March 7, 1997

<table>
<thead>
<tr>
<th>Order of Priority — County Welfare Directors</th>
<th>Order of Priority — State Group</th>
<th>Percent Ranking Item Important (2) or Very Important (1) — State Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Impact of TANF on Child Abuse and Neglect</td>
<td>4</td>
<td>73.9%</td>
</tr>
<tr>
<td>2. Impact of TANF on Child Well-Being</td>
<td>2</td>
<td>73.9%</td>
</tr>
<tr>
<td>3. Job Availability and Transitions to Employment</td>
<td>3</td>
<td>73.9%</td>
</tr>
<tr>
<td>4. Impact of TANF on the Child Welfare and Foster Care System</td>
<td>9</td>
<td>65.2%</td>
</tr>
<tr>
<td>5. Impact of TANF on General Assistance</td>
<td>10</td>
<td>65.2%</td>
</tr>
<tr>
<td>6. Impact of Time Limits on Parent Employment</td>
<td>12</td>
<td>60.9%</td>
</tr>
<tr>
<td>7. TANF and Participation in Employment-related Activities, Training, and Education</td>
<td>7</td>
<td>65.2%</td>
</tr>
<tr>
<td>8. Impact of TANF on Parent Employment</td>
<td>6</td>
<td>69.6%</td>
</tr>
<tr>
<td>9. Impact of TANF on Child Care</td>
<td>1</td>
<td>91.3%</td>
</tr>
<tr>
<td>10. Impact of TANF on Legal and Illegal Immigrants</td>
<td>13</td>
<td>60.9%</td>
</tr>
<tr>
<td>11. Impact of TANF on Family Income</td>
<td>5</td>
<td>69.6%</td>
</tr>
<tr>
<td>12. Successful County Models vis-à-vis TANF Goals</td>
<td>8</td>
<td>65.2%</td>
</tr>
<tr>
<td>13. Impact of TANF on Child Support Receipt</td>
<td>15</td>
<td>52.2%</td>
</tr>
<tr>
<td>14. Impact of TANF on Federal Public Assistance (TANF, Food Stamps, Medicaid, Child Care, and Homeless Assistance)</td>
<td>16</td>
<td>52.2%</td>
</tr>
<tr>
<td>15. Impact of TANF on Family Structure</td>
<td>20</td>
<td>43.5%</td>
</tr>
</tbody>
</table>
16. Impact of TANF on Community Service Participation  18  52.2%
17. Impact of TANF on Pregnant and Parenting Teens: Cal-Learn and the Teen Parent Disincentive  14  56.5%
18. Impact of TANF on Community-based Organizations  24  34.8%
19. Data System Changes under TANF  11  60.9%
20. Impact of TANF on Families with Disabled Members  17  52.2%
21. Impact of TANF on Transitions to SSI  25  30.4%
22. Impact of TANF on English- and Spanish-speaking Latino Families  23  34.8%
23. Implementation Studies on the Process of Welfare Change  22  34.8%
24. Fertility Trends among Adult and Teenage Welfare Recipients: A Pre-/Post-TANF Comparison  19  47.8%
25. Impact of TANF on Refugees on Public Assistance  21  39.1%

**Scoring:** Percentages were computed for items ranked priority 1 (very important) and priority 2 (important) combined. When ties occurred, the number of respondents listing the subject as very important was used to decide the ranking. Forty-two questionnaires were returned from 39 counties and 23 from other discussion invitees. This group of “other” legislative, executive, and research staff is knowledgeable about the issues, but not representative of any known universe.

**Overview of Survey Results:** The top 12 priority issues were the same for both the county welfare directors and the legislative, executive, and research staff. Only “Data System Changes under TANF” was ranked in the first half by the state group but not by the county welfare directors. Legislative, executive, and research staff tended to rank items as less important in general than the county welfare directors did. Several county welfare directors commented that it was very difficult to prioritize the issues because they were all so important. Some added additional comments and other items, such as making sure the changes introduced by the Personal Responsibility and Work Opportunity Act of 1996 other than TANF were studied (two), as well as other important ethnic groups in California besides Latinos (three). Other items suggested by the welfare directors were the impact of TANF on bureaucracy (rules, regulations); drug and alcohol programs; the employment of seniors, teenagers, and persons with disabilities; and the effects of child care on children.
Appendix E

Data Systems and Statistical Requirements for the Personal Responsibility and Work Opportunity Act of 1996

Summary

Henry E. Brady and Barbara West Snow
University of California Data Archive and Technical Assistance
University of California, Berkeley

February 21, 1997

The full text of this paper was prepared for the Committee on National Statistics of the National Research Council, National Academy of Sciences, and presented in Washington, D.C., on October 14, 1996.

We would like to thank the staffs of UC DATA and of the Research Branch of the California Department of Social Services with whom we have worked on many of the projects described in this paper. We have learned a lot from them. Two people have made especially important contributions to our thinking about datasets for monitoring social programs. Dr. Fred Gey of UC DATA has instructed us on the technical aspects of database design, construction, and management. Werner Schink, Chief of the Research Branch of the California Department of Social Services, has provided the vision and leadership that is necessary to bring new data systems to fruition.

Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of the Regents of the University of California or the California Department of Social Services.
# Table of Contents

## Overview

## I. The Personal Responsibility and Work Opportunity Act of 1996
- Landmark Legislation in the Use of Statistical Data
- What the Act Does: Goals and Programs

## II. Program Implementation and Statistical Needs
- Program Performance Standards for TANF
- How Program Performance Will Be Measured for TANF
- Other Personal Responsibility and Work Opportunity Act of 1996 Program Performance Standards
- Case Management Data for TANF and Food Stamps
- Case Management Data for Child Support
- Block Grants and Reporting Requirements

## III. Data System Requirements
- How Will Automated Case Management Systems Be Constructed?
- Existing Systems

## IV. Generic Problems of Monitoring and Evaluation and Some Solutions
- Choosing the Units and Universe for Analysis
- Describing the Treatment
- Linking over Time, Programs, and Space
- Gathering Outcome Data and “Control” Variables
- Data Quality and Missing Data
- Surveys versus Administrative Data
- Linking Datasets

## V. Challenges to Getting Data Collection Strategies On-Line
- Advanced Case Management Systems
- Information Sharing
- Survey Support
- Resources
- Political Will
- Interagency Agreement
- Confidentiality

## VI. Summary
Overview

In this paper, we explore the statistical needs for planning, monitoring, research, and evaluation that grow out of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. In the first section we provide a quick overview of the goals and the programs of the act with an eye towards their implications for data collection and statistical reporting. This tells us what the Congress and the President intend to happen, but it does not tell us what will happen. We turn, therefore, in the second section to a discussion of how we think the act’s program performance standards and case management requirements, the features most closely related to data collection and statistical reporting, will be implemented. The third section provides us with a picture of the statistical data collection systems that will likely be in place after the implementation of the act. This is where we must begin if we are to develop a useful data collection and analysis system. In the fourth section, we go beyond the act to discuss a number of recurring problems facing those who create statistical data systems for monitoring the effects of social programs. We also discuss some solutions to these problems. In the fifth section we touch on some of the problems of resources, interagency coordination, and confidentiality that must be faced to achieve a better nationwide system for monitoring and evaluating social program participation and the status of the least fortunate Americans.


Landmark Legislation in the Use of Statistical Data

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 is not only a landmark in the development of American social policy, it is also a landmark in the governmental uses of statistical data and information. Major innovations in data collection and in database construction will be required to meet the goals of the act. For example, to avoid substantial reductions in funding, states must meet strict outcome standards for the employment of welfare recipients. This will require measuring and recording in extraordinary detail the work experience of those receiving aid. States must also set five-year (or stricter) cumulative time limits on the receipt of welfare, and they must get recipients back to work by the time they have accumulated two years of aid. Meeting these goals will require, for the first time, tracking recipients over long periods of time. Longitudinal databases of unprecedented scope will have to be constructed for this purpose. States must strictly enforce child support laws, and several databases, including state and national registries of new hires, must be created that can be updated quickly and made available to many governmental social service agencies. Any one of these tasks alone would pose a substantial challenge. Together they are formidable indeed.

In fact, as we read the bill, we were charmed to find that the legislative staff members who drafted it and the legislators who approved it had such faith in the ability of public administrators, survey researchers, database managers, and statisticians to track people over time, update databases regularly and accurately, measure work effort in enough detail to develop weekly logs of the number of hours and kinds of work undertaken by someone on assistance, and keep track of the complicated
living arrangements of modern American households in this era of single-parent families. The truth is that the two major ways that we obtain reliable information, the sample survey and administrative databases, will be stretched to their current limits — and perhaps beyond them — as they are called upon to do these things. The implementation of the Personal Responsibility and Work Opportunity Act of 1996 will require a new level of sophistication in the provision of social statistics.

What the Act Does: Goals and Programs

The goals of the act are to (1) provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives; (2) end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage; (3) prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and (4) encourage the formation and maintenance of two-parent families. Many of the major titles contribute in some way to these goals by requiring work, facilitating the establishment of paternity, enforcing child support payments, providing child care, and penalizing teenage pregnancy.

By its goals, the act suggests that we should monitor needy families to see if children are being cared for in their own homes and to see if they have adequate living arrangements, especially satisfactory child care, while their parents are working. We should see if poor parents do get jobs and stay married. We should see if out-of-wedlock pregnancies are reduced, and we should keep a close watch on child abuse, neglect, and abandonment. In addition, the various titles of the act suggest that we should monitor the circumstances of disabled children who might be affected by changes in SSI, the situation of aliens who will receive reduced benefits or be denied benefits altogether, and the circumstances of those on food stamps who face a modified program with work requirements and reduced benefits. These are substantial tasks. Where should we begin?

II. Program Implementation and Statistical Needs

One way to think about the planning, monitoring, research, and evaluation needs created by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 is to focus, as we just did, on its goals, the programmatic changes it makes, and the resulting impacts on poor families. Certainly the purposes of the act must be addressed in any satisfactory monitoring system, but we know that political agendas, resource constraints, and the weight of history will largely shape the statistical systems that grow out of this legislation. It seems reasonable, therefore, to consider how the implementation of the program will structure the kinds of data that are collected.

The implementation perspective looks at a program and tries to understand how the incentives offered to those asked to implement it will affect the final shape of the program. This approach assumes, for example, that goals with money attached are more likely to be implemented than those without resources, no matter what the intent of the legislation. It assumes that tasks that are explicitly demanded will drive out those that are not, even if this detracts from achieving the goals of the program. And it assumes that powerful actors will bend programs to their agendas.
From a statistical standpoint, the legislation operates at two major levels. At the programmatic level, it sets a number of program performance standards with substantial penalties for failures to meet them. These include work participation and enforcing child support. At the case management level, the legislation requires five-year limits on the receipt of federal welfare, involvement in work preparation programs and work readiness, tracking and locating those who do not pay child support, extensive redeterminations of eligibility for Supplemental Security Income, and changes in eligibility for food stamps. These programmatic and case management imperatives will determine the shape of the information systems. In addition, the existing data systems for those programs that have not been changed such as Medicaid and Unemployment Insurance will provide the background against which new data systems will be developed. Indeed, linkages with these and other existing systems will be required to implement certain provisions in the act. Many social services data systems must be changed in some way, although special funding for such changes is provided only in the Medicaid and child support areas.

**Program Performance Standards for TANF**

The most conspicuous and important feature of the Title I of the act is the mandatory work requirements. They have three components: (1) a requirement that a certain fraction (which increases over time) of the total heads of households on Temporary Assistance be engaged in work activities as defined by the act, (2) a definition of the allowable work activities, and (3) a set of standards for the minimum number of hours that the head of the household must be engaged in “work activities” and for the minimum number of hours that the head must be engaged in a specific subset of these activities. A little reflection suggests that it will be a daunting task to devise a system for keeping track of all this information. Yet, the act requires quarterly reports which include the information necessary to calculate participation rates, and it penalizes those states which do not meet the work performance standards. The quarterly reports require not only this information, but also additional information on demographics, background, participation in multiple social programs, and — from a sample of closed cases — whether the family left the program because of employment, marriage, time limits, sanctions, or state policy. One of the requirements of the law is a sample of closed as well as open cases. As well as requiring a lot of information in these reports, they must be submitted quickly. To avoid a penalty of 4% of the block grant, reports must be submitted no later than the end of the quarter following the one for which the data are collected.

**How Program Performance Will Be Measured for TANF**

How will the states provide this information? Our best guess is that a quarterly survey will be used by many states for collecting much of this information because existing administrative systems will not be able to provide it, and the act authorizes “the use of scientifically acceptable sampling methods” to collect it. In effect, such a survey would be a state-wide “mini-Survey of Income and Program Participation” of a sample of current or recent recipients of TANF that will be similar to the nationwide survey of a sample of the entire population undertaken by the Census Bureau in its Survey of Income and Program Participation (SIPP).
Although surveys designed to supply information for the quarterly reports can provide part of the foundation of a statistical system for monitoring the impact of TANF, their usefulness will depend crucially upon their content, their design, and their quality. It is possible to envision a bare-bones cross-sectional (or one point in time) survey that would allow the states to calculate their participation rates but which would be of limited usefulness for assessing the impact of TANF. With a bit of effort, however, it might be possible to develop a strategy for rolling panels (repeated interviews with the same people for a period of time), expanded content, and linkage to administrative data. The rolling panels would allow those monitoring the program to follow families over time and to observe what happens to them when they leave the program. They would also provide the statistical power of a longitudinal design. Expanded content could include issues such as adequacy of parenting, housing, health-care, and nutrition; the sexual and fertility behavior of recipients; the school plans and performance of minors and young adults; and the establishment of paternity and the collection of child support; and other subjects. Linkage to administrative data may be essential to monitor TANF payments and food stamp amounts, homeless and child care assistance, and time on aid. These panels could also provide a historical picture of the family’s experience with welfare before and after the survey. The tracking of those who leave TANF could provide information about the likely impacts of time-limited welfare on General Assistance and on Foster Care — two programs that could balloon as families time-out of TANF.

The importance of the work participation standards, the substantial penalties for failure to submit quarterly reports on time, and the penalties for failure to meet the performance standards suggest that states will develop some method for reporting the required data. States that had a centralized statewide AFDC program and data system to begin with, as well as states with smaller populations, may find it possible to base their reports upon administrative data systems alone, although the breadth and depth of the required information for the quarterly reports suggest that surveys might be needed even in these situations. Surveys might be the only way to collect information on adults in child-only cases. These cases might become and increasingly large fraction of the total caseload as adults time-off aid. Presumably the mention of specific data elements in the act and their importance for comparing one state versus another will create some incentives for the Federal government to get the states to agree upon a common set of definitions to avoid the reporting of incomparable data. There is good reason, then, to suppose that there will be eventually be a core survey effort with some common definitions to study the impacts of TANF. Those who want to expand this enterprise must convince the states that the marginal costs of more sophisticated designs and more extensive content is relatively small.

*Other Personal Responsibility and Work Opportunity Act of 1996*  
*Program Performance Standards*

The act also includes some other program performance standards regarding decreasing out-of-wedlock births, improving the enforcement of child support, and more generally measuring state performance so as to achieve the goals of the act. Bonuses are provided to states which reduce out-of-wedlock births and penalties for failure to improve the rates of paternity establishment, but there is nothing comparable to the quarterly reports required of the agencies administering TANF in the states. Bonuses are only offered for about five years, but penalties will continue, and while it is not
clear that bonuses are so large that they will foster a substantial effort by the states to collect data on these issues, the surveys for the quarterly reports might provide some of this information.

Case Management Data for TANF and Food Stamps

The act also requires information about each case to check on eligibility for the new program and, most importantly, to keep track of time on welfare and work effort. From a statistics and data management perspective, the introduction of time-linked limitations on receipt of aid is probably the most significant innovation in this legislation. The three major limitations are the following:

(1) No TANF is to be provided to families which include an adult member1 who has received assistance in any State program for sixty months, whether consecutive or cumulative.2

(2) A parent or caretaker receiving assistance under TANF must engage in work after no more than 24 months of aid, whether or not consecutive.

(3) Food stamps can be provided for no more than three months of the last 36 months to individuals between the ages of 18 and 50 who do not have responsibility for a minor child, who are not disabled, and who have not worked for 20 hours or more per week.

Of these three time-limitations on benefits, the most novel and complex is the five-year limitation on the receipt of TANF because it involves keeping historical records of benefits, work-history, and other information over a lifetime; taking into account individual relationships to families over that lifetime; and creating an absolute limitation on program participation without a chance to restart program eligibility. Other social programs have kept earnings and benefit histories over long periods of time (e.g., Social Security), provided time-limited benefits — but with a chance to restart program eligibility after some time (e.g., Workers’ Compensation, Unemployment Insurance), and considered current and past family structure in the determination of eligibility or benefits (e.g., Social Security), but none to our knowledge has combined as many of these features as does the five-year lifetime limitation on the receipt of TANF. All others provide opportunities to restart eligibility. Taken together, the special features of time-limited welfare pose some substantial problems for those designing database systems for case management in the TANF program.

Most states or counties currently have computerized data systems which collect case-level information on the structure of the family, income from work, child support status and payments, and other data needed to calculate AFDC (or food stamp) grant amounts. In California this information is only available at the county level, but it is collected in statewide systems in some states. States or counties also have information about participation in JOBS programs, but this is

1 Thus the limitation applies when any adult member of a family reaches the five-year limit, even if the adult accumulated most of his or her time on TANF in another family.

2 There is a 20% exception by reason of hardship or if the family includes an individual who has been battered or subjected to extreme cruelty.
often kept in separate data systems. For example, in California, most large counties have completely different information systems for keeping track of AFDC benefit calculations and GAIN (the California JOBS program) participation. Furthermore, these systems vary in structure and data elements by county.

TANF envisions a situation in which these systems are combined or at least communicate with one another. To enforce the five-year limit in TANF and the other time-limits in the act, at first a statewide system must be created, and eventually a national registry must be constructed as well. At the moment, however, we are far from having such systems. Even within a single California county, it is a great challenge to get computer systems working together so that a case manager will know at any given moment whether a head of household is in GAIN or receiving welfare, but it is an even bigger challenge to add the new data elements required to implement TANF, to develop a common format across systems separated by geography and by bureaucratic task, and to link them over long periods of time as case composition and individual names change. Most systems currently only keep information for a few months, or at most three years, and even those states or counties that do keep historical information have almost never developed an ongoing process of linking it over time and across political jurisdictions. Yet TANF and the changes to the food stamp program require careful record-keeping of months of receiving aid across spells of aid and periods of sanctions with varying lengths and application to different family members. There are penalties for states which fail to comply.

Indeed, the complexity of the TANF provisions — for example, months on aid by unmarried persons under 18 years of age do not count towards the 60-month time limit, and certain kinds of educational experiences count as “work activities,” although sometimes for only limited periods of time — means that it will be necessary to keep current and historical information available for all people in a case, including their ages, educations, workfare program participation dates and hours, school attendance, etc., in addition to case-specific data such as payments, child support, food stamp amounts, and Medicaid eligibility. Accurate and up-to-date information will be necessary on who is or is not attending school, or participating in an approved employment or community service activity, and for how long. And since a maximum of four concurrent weeks of job search is permitted, and only 12 months of vocational education, these must be recoded separately from other work activities. Data systems must track all this, and do so accurately.

**Case Management Data for Child Support**

The act also requires the creation of two other detailed databases to aid in child support enforcement. The automated State Case Registry will contain records on support orders established or modified in the state after October 1, 1998, and records on each case in which services are provided under the State plan for child support enforcement. Child support enforcement actions are required for those receiving benefits from TANF, Food Stamps, Medicaid, foster care maintenance payments, and any child of an individual who applies for services. The registry must have standardized data elements for identification of parents (such as names, social security numbers, dates of birth, and case identification numbers) and detailed information on case status, on the amounts of support owed and support paid, and on administrative and judicial actions and
proceedings. Information from the State Case Registry will be made available to a Federal Case Registry.

The State Directory of New Hires must be in operation by October 1, 1997, and employers and labor organizations in the state must furnish reports for each newly hired employee. Through a W-4 form employers must furnish to the State Directory of New Hires the name, address, and identification number of the employee within 20 days of the date of hire. This directory will be used to locate individuals for the purposes of establishing paternity and enforcing child support obligations. The State Directory of New Hires must also report quarterly to the National Directory of New Hires information on wages and unemployment compensation, and new-hire information can also be disclosed to the state agencies administering TANF, Medicaid, Unemployment Compensation, Food Stamps, and SSI.

These two data systems, the State Case Registry and the Directory of New Hires, cover quite different universes, and they will be useful for answering quite different questions. The Directory of New Hires is designed to cover all employment so that it will be somewhat broader than the existing data from the Unemployment Insurance program. This may help to fill in some gaps that currently exist in Unemployment Insurance data. The State Case Registry might be useful for producing statistics on the establishment of paternity and child support agreements for those receiving social welfare, but it will not cover the universe or even a well-defined demographic (as opposed to programmatic) group.

**Block Grants and Reporting Requirements**

To summarize: Though the concept of block grants to states carries a connotation of reduced paperwork, reporting, bureaucracy, and red tape, in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 there is a large and increasingly important federal role in compiling information from the states for specially mandated studies, and for assuring that the programs defined and implemented differently in the states remain accountable to the intent of the federal legislation. Because of the quantity and specificity of the act’s reporting requirements and because states will suffer serious financial penalties for not complying with them, the many changes under block grants may well increase the need for data collection.

**III. Data System Requirements**

**How Will Automated Case Management Systems Be Constructed?**

Modern database technology makes it possible to construct the massive databases contemplated in the act. Networking makes it possible for field units to be in direct contact with centralized computers so that information can be input or queried on an ongoing basis. Individual computer tapes now hold up to 40 gigabytes of data, which is enough room for hundreds of millions of records. Fast computers make it possible to sort and link these millions of records. And relational databases have created a powerful tool for organizing and accessing data.
Relational databases are essentially linked tables of information, so that there can be a table of individual characteristics such as age, sex, race, and marital status which lists everyone in the database, a table of family relationships which shows how these people are related to one another, a table listing all instances of one kind of event along with the characteristics of the event such as receiving a TANF check of some amount during a specific month, a table of another kind of event along with its characteristics such as being enrolled in a work program of some sort, and perhaps still a third table of events such as receiving wages for an average of 20 hours or more per week in the last month. The structured query languages used in these databases make it possible to ask for information on, for example, all cases in which the head of household was 18 years or older, which had already accumulated 24 months of welfare assistance, in which the head of household was not enrolled in a work program, and in which the head of household had not worked an average of 20 hours or more in the last month. Once the database is constructed, it is very simple to construct these inquiries, and this makes it possible to "cut" the data in many different ways without an excessive amount of programming each time a different slice of the data is needed.

Relational databases also have another feature that makes them useful for organizing data. They enforce a kind of discipline called "normalization" on how tables are constructed that reduces ambiguity and simplifies the process of updating the files. This could prove to be especially useful in the construction of social program databases where considerable confusion results from having cases composed of persons who can move in and out of cases and who can form new cases. Many social program databases utilize cases as their basic unit of analysis and computer systems store information by these cases. Because the case is the basic unit of concern, information on the persons within the cases is sometimes not collected in a very useful form or at all. This can bedevil anyone who wants to follow individuals over time because they are sometimes not identifiable within the case, or even if they are identifiable, their relationship to other members of the case is not always clear. In California, for example, it has been very hard to identify teenage mothers "nested" within cases with their own mothers or other relatives because it is impossible to distinguish a case where a baby is the biological offspring of the teenager's mother from a case where a baby is the biological offspring of the teenager. A well-designed and maintained relational database would make it harder for these kinds of problems to arise. Another kind of problem arises when a child within a case gets SSI because of a disability. In that circumstance, the child disappears from the AFDC case and forms a new SSI case. Finally, cases may dissolve or form in new ways as adults get married or divorced.

These anomalies often make it very hard to follow people, especially children, in these files. Indeed, there is a basic paradox embedded in many of these databases. Although there is a great deal of concern with the welfare of children, the bulk of the attention is placed on the adults, and the databases are often designed to track adults much more readily than to track children. If we are really going to be concerned with outcomes for children, we must make sure that we design data systems that allow us to follow children and to measure the outcomes of our programs for them.

These comments suggest that much could be gained from integrating and redesigning our current data systems. But this is easier said than done. In our work with the State of California, UC DATA constructed separate longitudinal persons and cases files for four research counties, Los Angeles and San Bernardino in Southern California and San Joaquin and Alameda in Northern
California, from information supplied by them since December 1992. We have also used data supplied by the state from the Medi-Cal eligibility file to construct welfare history files for these same persons and cases back to 1987. To put together the persons and cases files for the counties we have had to process between four and eight files from each county every month. In doing this, we have encountered different database management systems (none of them modern relational databases) for each county, some of them dating back 20 years, and all of them requiring substantial translation and reformatting before we could construct our own four-county database. But it is not only the age of these systems that makes them unwieldy. They also have quite different data elements and different definitions of the same data elements, and some of the files are much richer than others. The creation of a uniform database requires both substantial computer talents to create datasets that are in a common computer format as well as significant social program knowledge and reprocessing of data to insure that ostensibly similar data really are measuring the same variable.

The difficulty here is that there are so many different databases that must be pieced together to create a useful longitudinal dataset. One solution to the problem would be to develop an entirely new system capable of keeping historical information for many years that uses more modern technology. The act provides the opportunity to do this for TANF because it places expenditures for "information technology and computerization needed for tracking or monitoring" outside the 15% cap on administrative expenditures. Whatever new case management systems are developed, efforts should be made to insure that common data elements and common definitions of data elements are used across the counties and states.

Existing Systems

From a statistical perspective, one of the advantages of this act is that it did not drastically change the eligibility for two major social welfare programs, Medicaid and Food Stamps. Consequently, the data systems and the universe of program participants for these programs will not be substantially changed, and they will be available as baselines for studying the impact of TANF. Thus, a sample of those eligible for Medicaid before and after the introduction of TANF could be studied to see how the program has affected their lives, or a sample of food stamp households could be studied in the same way.

Some other existing systems include Unemployment Insurance data, vital statistics, Foster Care data, and tax data. The Unemployment Insurance system provides quarterly wages for individuals and information about employers. Vital statistics includes dates of birth and death and other basic demographic information. Foster Care data in California include information on the children (birth date, sex, ethnicity, relation removed from) and the placement (removal reason, location of placement, start date, facility type, end date, reason for exit). Tax data provide detailed information on wages and other income, receipt of the Earned Income Tax Credit, and some information on family structure. These tax data are very rich sources of information, although they are not easily accessible because of confidentiality safeguards.

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3 These data have been archived in the California Children’s Services Archive created by the Child Welfare Research Center at the University of California, Berkeley.
Another way to think of these various databases is that they cover three broad areas. Vital statistics, Foster Care data, and the new State Registry for Child Support may provide information on basic family structure. Unemployment Insurance, tax data, and the new Directory of New Hires can provide information on employment and wages. Finally, Medicaid, food stamps, TANF, and SSI can provide information on means-tested social program participation.

Because these datasets often contain complementary information, much can be learned by linking them. At UC DATA, for example, we have worked with the California Department of Social Services and the State Franchise Tax Board to link tax records, Unemployment Insurance data, and AFDC data as part of a study of the take-up rate for the Earned Income Tax Credit. And UC DATA and the Child Welfare Research Center at UC Berkeley are now in the process of linking foster care data and AFDC information to study program transitions.

IV. Generic Problems of Monitoring and Evaluation and Some Solutions

Choosing the Units and Universe for Analysis

To answer any statistical question, the starting point is defining the unit of analysis. We have already discussed the complexities of monitoring individuals, especially children, in a system that operates in terms of cases. The problem is exacerbated by the fact that there are so many different definitions of a case. An AFDC case, food stamp household, or tax return might cover different subsets of people within the same “family.” Certainly, one of the ongoing challenges is to improve our ability to sort out these different definitions and to develop ways to track children and adults within these programs.

Once we have decided upon the basic units of interest, say, children or adults or families, then we must describe the universe that we wish to study. This is difficult for at least two reasons. First, it matters whether we sample the stock of people on welfare or the flow of people into it (or off it). It is well known that a cross-section of people on welfare has a longer average spell-length and is less likely to get off welfare in the next month than a sample of new entrants to welfare. Yet it is easy to sample a cross-section because administrative systems are usually designed as repeatedly updated cross-sections, but it is hard to sample by length of time on welfare because welfare databases have not typically kept track of this information. It can only be obtained by laboriously linking repeated cross-sections to create a longitudinal database.

Second, we often care about demographic groups such as all legal immigrants, all disabled children, or all people below the poverty line instead of programmatic groups such as all legal immigrants on welfare or all disabled children on SSI, or all people on welfare. We care about the demographic groups because we want to know the fraction of a population that is served by a program or what happens to those who are not served by it. This is often called the problem of obtaining “denominator data,” but it is also the problem of getting some variation in the treatment so that we can determine what happens to those who get the program (the “treatment”) and what happens to those who do not. Another closely related problem is comparing those in one program, say, AFDC, with those in another program such as TANF.
Describing the Treatment

A remarkable feature of the act is that it says a great deal about what it wants to achieve, but very little about how it wants to achieve it (except perhaps in the section on child support). There is virtually no specification of what programs should be implemented to move families from welfare to work, or what should be done to reduce teenage pregnancies beyond abstinence education. This provides the states with a tremendous opportunity to innovate, but it also presents those monitoring these programs with a tremendous problem of knowing what the treatment is.

There are two levels to this problem. On a state-by-state level, some effort must be put into keeping track of the programs that are devised. This in itself may be a substantial job, as indicated by those who have tried to document the details of the federal waiver process. Unfortunately, however, even if this can be done, it will not be enough because programs may differ substantially from person to person within a state. This may be because some people will get more services than others, because some counties offer different programs, or because eligibility for programs will be tailored to the individuals. In any case, this means that individual level data will be needed to assess the real impact of the new welfare programs. This poses a tremendous challenge to those monitoring the program because of the difficulties of linking data on community service or employment and other programmatic information with participation in welfare.

Linking over Time, Programs, and Space

Linking over time, programs, and space can greatly increase the power of a statistical system. Yet each kind of linkage presents particular problems and opportunities. Linking over time creates a longitudinal database which is especially useful for understanding the dynamics of program participation. This might seem straightforward, but it requires some rules for following cases and some understanding of the ways that files are updated. As for cases, what should be done when a case splits up or seems to disappear? At UC DATA we have followed the rule of searching for the youngest child in the original case and continuing with that person on the grounds that the youngest child is most likely to continue receiving assistance. But other, and possibly better, rules are possible. Understanding the way files are updated is important because cases may regularly disappear at some calendar date only because bureaucratic routines call for cleaning out discontinued cases at that time. Or updating may lead to some clerical errors in identifiers so that attempts must be made to search for cases that have continued but with a different identifier. Or cases may be assigned different case numbers from one spell of welfare to the next.

Linkage across programs sometimes provides multiple sources of information on the same data element. This makes it possible to get a better understanding of how the method of data collection affects the data element. Linking across programs or datasets can greatly increase the possibilities for analysis, but it usually requires linkage of identifiers, such as names, that might be recorded in quite different ways. The field of probabilistic matching has developed a great deal in the last decade, so there are now very useful algorithms for determining the likelihood that one case is the same as another based upon the degree to which a set of identifiers is the same in the two cases. This still requires that the designer of the system choose the set of identifiers and decide how to use information about the likelihood of a match. In one model, a match is considered to have been
made if the likelihood exceeds a threshold and from then on the records from the two files are treated as if they were about the same case. Alternatively, if a subset of the records can be matched accurately (which may be possible through intensive examination and investigation), then this information can be used to build a model for imputation and editing the rest of the data.

Linkage across datasets could be dramatically improved if efforts were made to develop common identifiers. We have already noted that the act provides for a substantial amount of matching by Social Security number, and it calls for a study of counterfeit-resistant Social Security Cards. The use of Social Security numbers, of course, is not foolproof because of mispunches and other problems that can arise. An alternative or complementary approach is to require records to have enough individual information such as name, sex, date of birth, mother’s maiden name, or other information to facilitate matching. The California Health Information Policy Project has championed this approach and gotten some support for it. All of these methods, of course, raise sensitive issues of confidentiality.

There are two ways that files can be linked across space. One is simply to look for the same individuals in different jurisdictions so that they can be followed if they move. This is essentially another version of the matching problem described above. A second way that data can be linked across space is to connect Census or other information that is available on a geographic basis with individual records. This can be done by geocoding addresses (which raises additional problems in matching), by using zip codes, or by using other information about geographic location. These kinds of information can help us understand how context affects individual behavior.

Gathering Outcome Data and “Control” Variables

Getting people off welfare is an explicit goal of TANF, and the act proposes to do this by preparing them for work. In the past, without time-limited welfare, a transition off welfare was clearly a good thing because it indicated that assistance was no longer needed, but with time-limited welfare, people may leave welfare without being prepared for work, without having any job available, or without having overcome the difficulties that led them to seek assistance in the first place. This means that data on outcomes other than simply leaving welfare must be collected. In fact, information on the reason for leaving welfare is required for the quarterly reports, but ideally we would like to have additional information on job prospects and current quality of life.

Quality-of-life information is especially important with respect to the children in the case. As we have already noted, welfare information systems have often neglected to collect much information on children. Yet, it is of utmost importance to know what happens to them. The act seems to recognize this and there is a provision for studies of the circumstances of children of families that timed-off welfare and of teenage parents and their children. The studies have to consider the incomes, educational attainment, employment, criminal behavior, fertility, and social program participation of these groups. Outcomes that are not mentioned, but which might be equally important, are nutrition, adequacy of housing, adequacy of health care, child abuse and neglect, and movement to foster care or adoption.
As well as getting outcome variables, it is very important to record the characteristics of recipients which might increase or decrease their ability to leave welfare or to be successful once they leave. Educational attainment, job training, disabilities, marital status, and number of children are some of the most important characteristics. Many of these are often very badly measured by administrative data systems so that it is hard to do analyses which take them into account. One of the advantages of surveys is that they can capture this information.

**Data Quality and Missing Data**

Missing data, in the form of either unit non-response or item non-response, has always been a major problem for survey researchers, but it may be an even bigger problem for those designing administrative data systems. Administrative data systems often have tremendous gaps in the reporting of some items — especially those that are unrelated to the business purpose of the data system, and individuals or cases sometimes get lost because of faulty matching. In addition, administrative data systems often suffer from severe problems of non-comparable data, poor documentation, and unreliable data. These problems are reduced in sample surveys through the use of a uniform instrument, careful documentation, and the thorough training of interviewers and coders. There are well-known ways to deal with missing data, but non-comparable data pose even greater challenges.

**Surveys versus Administrative Data**

There is no one-time fix-up to all of these problems, and no one means of data collection is unequivocally better than another. Administrative data, for example, may have its weaknesses, but it also has great strengths, such as large sample sizes and being an excellent record of certain kinds of events.

Administrative databases often have only a small amount of information on each case compared to surveys, but what is there for business purposes is often of superior quality. For example, the kinds of data that people often have trouble remembering in an interview, such as the exact amount of their benefits or the dates on which they received assistance, are carefully recorded in administrative databases which are designed to keep track of these facts. Unfortunately, those data which are collected in administrative databases but which are not essential for business purposes, for example, educational attainment or race, are often of inferior quality. Administrative databases are often richer in the description of services — receipt of benefits, leaving welfare, preparation for work, job training, child care — than in two other important types of information. They often contain little on the characteristics of people, situations, or events such as educational attainment, job history, or disability that might explain why the individual needs the service, and they seldom contain outcome data, such as quality-of-life measures concerning the adequacy of parenting, health care, nutrition, or housing, that might more fully characterize the situation of the individual. It is true that the receipt of some services, such as job training, might explain why some others, such as welfare assistance, are eventually no longer needed, but by and large, surveys must be used to collect background information and detailed outcome measures. Surveys are also useful if information needs
change over time because it is much easier and less costly to rewrite a survey instrument than to change an ongoing administrative data system.

Administrative databases are usually superior to surveys because they include information on an entire universe of cases, although this can present problems of confidentiality. Finally, administrative databases and surveys differ in the timing of data collection. Administrative systems collect data as part of the ongoing administrative process. This is an advantage insofar as it insures that these events are recorded in a timely manner before memory loss or other events obscure them. But it is a disadvantage insofar as it means that there is often no observation of the case during a "normal" period between important administrative events. This means that important changes in the case can remain invisible to these systems.

**Linking Datasets**

The combination of these challenges suggests a hybrid approach. Why not link surveys and administrative data to get the advantages of each method. In fact, why not link several surveys to one another and several administrative datasets to one another, and then link the surveys to the administrative data? Our experience in California (and the experience of others around the country) has demonstrated the possibility of linking administrative data files to construct research-quality longitudinal datasets, and the added benefits to be gained by conducting surveys that can be linked with the administrative data. We have found that administrative datafiles become more and more useful as they are extended in time to create longitudinal datasets, as they are linked together to provide more variables, and as they are cleaned and documented to make them readily accessible. Our datasets have been designed so that they can be linked, so that they complement one another, and so that they provide information on important policy issues such as teenage parenting, quality of life for welfare recipients, disabilities, job preparation, and employment. We have found that they provide the basis for monitoring many aspects of the welfare system and for answering very diverse research and evaluation questions.

**V. Challenges to Getting Data Collection Strategies On-Line**

We hope that the reader is convinced by this time that there are many opportunities for improving welfare data systems for monitoring, evaluation, planning and research. It should also be clear, however, that there are some real challenges to creating an improved system. In this section, we summarize some of those challenges. The first three are technical.

**Advanced Case Management Systems**

With time limits and other program mandates in TANF, it will be necessary to keep current disaggregated information available for all people in a case, including their ages, educations, workfare program participation dates and hours, school attendance, etc., in addition to case-specific data such as payments, child support, food stamp amounts, and Medi-Cal eligibility. Simply implementing the different mandates of the program will require a capability to make benefits contingent on a number of changes in the status of a case, or of the individuals in a case. Accurate
and up-to-date information will be necessary on who is or is not attending school, or participating in an approved employment or community service activity, and for how long. As we described earlier, there are hours per week minimum standards for all TANF recipients engaged in work, workfare, or community service. Data systems must track all this, and do so accurately.

Information Sharing

Extensive information sharing and/or data system interface will be necessary to meet the data reporting requirements of the Personal Responsibility and Work Reconciliation Act of 1996. The sharing of information is mandated at two levels: federal and state. Generally, all of the programs addressed in the act will be required to share information about individuals and families with other government agencies. Child support agencies will be the recipients of data from the INS, government licensing bureaus, a multiplicity of government agencies, businesses, credit bureaus, the Unemployment Insurance program, and banks. Social Security number matching, which has been relatively rare in a past that predominantly relied on agency case numbers for tracking, may become standard operating procedure in the near future. Increasingly, as the provisions of this legislation become implemented, data needed to operate single programs will be located in the files of different agencies.

Survey Support

If surveys are selected as a primary means of acquiring quarterly report information, one of the main challenges will be finding welfare recipients for interview within the required time frame. This task is frequently a time-consuming and labor-intensive process, and time is what states don’t have with respect to quarterly reports. Survey response rates among welfare recipients are frequently problematic even under conditions in which time is not a consideration because they move frequently and information on their current addressees and telephone numbers is not updated. So even if surveys are conducted, the only way reports could be finished in time is if a sampling frame with current information is continuously updated and submitted to a centralized data bank as soon as it becomes available. This suggests that a centralized source of welfare data will be necessary to support a survey effort, as well as to collect additional program data.4

Resources

Possibly the best approach to improving welfare data systems would be a dedicated TANF information system that would be designed specifically for the information needs of the TANF program. There are some real advantages to a new system. It is often easier to implement entirely new software designs than to update old programs that may have been written in the languages of long ago for different purposes entirely. A new system provides the opportunity to use the new technologies that we have mentioned in this paper. And a new system could be designed to maintain

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4 The process of survey support will require the development of a sampling frame containing continuously updated telephone numbers and other locator information. This might commence by obtaining such information as existing cases shift from AFDC to TANF.
good locator information on TANF recipients which could facilitate the collection of information on recipients through quarterly surveys. But a new system will be very costly. The resources to create a new system do not have to meet the limit of 15% on administrative costs, but they will have to be taken from resources that would otherwise go to the program itself. This suggests that TANF systems may be built upon existing systems or upon other systems that are better funded.

**Political Will**

Whether or not to use block grant funds for the development of surveys or new case management systems is partly a political choice. Liberals and conservatives might differ over the content of surveys and the utility of creating new case-tracking systems. But there are strong incentives in TANF for the development of some sort of surveys and some sort of case management system. Furthermore, there are excellent bipartisan reasons to want to know what happens to TANF recipients as they reach the end of their aid. Very few politicians want big surprises — especially those that break the bank. A good statistical monitoring system can ensure that there is an early warning system.

**Interagency Agreement**

The sharing of information between agencies is always a more or less challenging affair. Agencies differ in their confidentiality provisions, in their financial arrangements for data sharing, and in their responsiveness to one another concerning data requests. It helps a great deal to have personal contacts within the agency whose data are needed. It also helps to be prepared to pay for the requested data files, especially if programming time is required to create them. In California, the Medicaid eligibility system has provided extensive longitudinal files for research on welfare spell durations and for social program evaluation. Several studies based on the Medi-Cal records have included data shared from other organizations as well. One of the major challenges in the development of new statistical systems is the negotiation of interagency agreements. One way to facilitate this would be to develop standard interagency agreements with similar specifications, so that authorized users of information may be held to a single standard. The problems here are formidable. There are many different agencies with very different enabling legislation.

**Confidentiality**

One of the major impediments to interagency agreement will be legitimate concerns with confidentiality. As information is power, and the linkage of information systems is required under this legislation, much careful thought must go into developing, not only comprehensive, easy-to-understand, and uniform confidentiality requirements across agencies, but also ways to incorporate access to data for research and evaluation. Providing accurate information and good research on the many social groups and organizations affected by welfare reform will make important contributions to future public policies.
VI. Summary

In this paper we described the statistical needs created by the passage of the Personal Responsibility and Work Opportunity Act 1996, and we made some suggestions about what could be done to meet those needs. We began with a discussion of the legislation, but broadened our field of inquiry to consider statistical needs that are not explicit in the legislation. We also provided very concrete examples of the problems of collecting statistical data in this area and the possibilities for using administrative data, often in concert with sample surveys, to improve the information about the effects of the legislation. We conclude that by linking many different datasets, each with its own strengths and weaknesses, a more complete picture becomes available that can provide answers to more complex questions.
## Table of Contents

### I. A. Receipt of Public Assistance

1. Federal Public Assistance (TANF, Food Stamps, Medicaid, Child Care, and Homeless Assistance)  
2. Participation in Employment-related Activities, Training, and Education  
3. Community Service Participation  
4. General Assistance  
5. Community-based Organizations

### B. Parent Employment and Family Income

1. Parent Employment  
2. Family Income  
3. Job Availability and Transitions to Employment  
4. Impact of Time Limits on Parent Employment

### C. Immigrants and Refugees

1. English- and Spanish-speaking Latino Families  
2. Legal and Illegal Immigrants  
3. Refugees on Public Assistance

### D. Low-Income People Not Entering or Diverted from Programs

### II. A. Child Welfare and Child Well-Being

1. Child Well-Being  
2. Child Welfare and Foster Care System  
3. Child Abuse and Neglect  
4. Family Structure

### B. Child Care and Child Support

1. Impact of TANF on Child Care  
2. Impact of TANF on Child Support Receipt

### C. Pregnant and Parenting Teens; Fertility Studies

1. Fertility Trends among Adult and Teenage Welfare Recipients  
2. Pregnant and Parenting Teens; Cal-Learn
D. Families with Disabilities
   1. Families with Disabled Members
   2. Transitions to SSI

E. Successful County Models and Implementation Studies
   1. Successful County Models vis-à-vis TANF Goals
   2. Implementation Studies on the Process of Welfare Change
I. A. Receipt of Public Assistance

1. Federal Public Assistance (TANF, Food Stamps, Medicaid, Child Care, and Homeless Assistance)

Research and Monitoring Questions: How are caseloads and costs of the Transitional Assistance to Needy Families program (TANF), Food Stamps, Medi-Cal, and other programs affected by the Personal Responsibility and Work Opportunity Act of 1996? How do program parameters (eligibility standards, time limits, grant amounts, work incentives) affect the caseloads? Does the make-up of the caseload change? Does the length of time receiving aid or the amount of aid change over time?

Information Now Available: Under the current AFDC system in California, which includes about 15% of all recipients in the United States, payment information for individual cases is recorded on county, not on state information systems, and records of aggregated payment amounts are prepared for reimbursement by the state and federal governments. County case records hold most of the information necessary to operate the program, and they also have varying amounts of information on the characteristics of the caseload. The state Medi-Cal Eligibility Data System (MEDS) file has information on Medi-Cal eligibility and basic program participation information, but it does not have details of work effort, grant calculations, or payments. MEDS also has a small number of characteristics such as age, sex, and race/ethnicity. In the CA-237 series, entries and exits (accessions and terminations) for AFDC and total caseload are also regularly reported by the state for each county.

Information Needed for TANF: With time limits and other program mandates in TANF (for example, months on aid by unmarried persons under 18 years of age do not count towards the 60-month time limit), it will be necessary to keep current disaggregated information available for all people in a case, including their ages, educations, workfare program participation dates and hours, school attendance, etc., in addition to case-specific data such as payments, child support, food stamp amounts, and Medi-Cal eligibility to support the application of new laws.

Eligibility for Medicaid is linked to a state’s AFDC rules in effect on July 16, 1996, which was a specific provision to prevent loss of Medicaid coverage for families who lose assistance due to time limits or other restrictions imposed under the block grant. However, there are differences within the Medicaid program under TANF. For example, states are given the option to stop Medicaid for any adult (but not children on the case) whose cash aid under the TANF block grant is terminated because of a refusal to work; and in California, Medicaid eligibility may continue under a Medicaid waiver agreement for two years after families leave aid.

States must continue to use the existing maximum benefit level for food stamps that was in effect prior to TANF, but can otherwise make changes in the rules that define the level of benefits provided to families receiving TANF, including the requirement to work or engage in community service. For instance, refusal to work must result in termination of food stamp benefits for adults, but states can opt to eliminate benefits for the entire family, for the lesser of the duration of ineligibility, or 180 days. Waivers will be possible through the USDA to make any statewide
changes desired that will not cause more than 5% of a state’s food stamp households to lose more than 20% of their benefits, except for behavioral non-compliance.

**What Might Be Done:** Professor Michael Wiseman at the University of Wisconsin has used CA-237 and other data (some of it from the MEDS file) to develop a sophisticated econometric model of caseload dynamics at the state level. This model could be extended to the county level and regularly updated.

A linked MEDS file can provide information on program participation by geographic region and some basic characteristics. This could be very useful for overall monitoring of caseload dynamics.

Information on changes in individual grants over time and on the costs of programs by types of recipients can be obtained only from county data. A statewide monitoring effort could be based upon the experience gained with the cost-neutrality component of the Work Pays Demonstration Project, which obtains quarterly payments (AFDC, food stamp issuances, child care payments, and Medi-Cal payments) from four research counties for all assistance units participating in the project. (Currently the sample comprises approximately 20,000 cases.) These payment amounts are then aggregated into a master payment file for each assistance unit which accumulates each quarter for the life of the project. It is from this master accounting file that a weighted total of payments (weighted by county and assistance unit type [control/experimental, family group/unemployed parent]) is derived, which determines the difference between controls and experimentals for purposes of assessing the cost-neutrality requirement by the U.S. Department of Health and Human Services. The final deliverable to DHHS from DSS is a report each quarter of cumulative cost differences between controls (assistance units operating under the AFDC eligibility rules of December 1992) and experimentals (assistance units which represent current AFDC eligibility rules of the State of California).

A procedure similar to this which aggregates different types of payments over a sample of TANF cases from a sample of counties would describe the average levels of benefit receipt for different types of cases, or for different participating counties. These, in turn, could be compared with the baseline information already collected for the AFDC program. If a census of payment information is desired for all 58 counties, a new statewide information system would have to be developed.

The Urban Institute in Washington, D.C., has developed a model (the TRIM model) of how changes in basic program parameters for federal assistance affects caseloads, total income for poor families, and other outcomes. California could develop a similar model.

2. Participation in Employment-related Activities, Training, and Education
3. Community Service Participation

**Research and Monitoring Questions:** These two questions on participation in work programs, training, education, and community service will be discussed together because both are types of activities authorized by TANF Section 407: Mandatory Work Requirements. They both count towards the state’s work participation rate for adults on TANF cases. (Stiff penalties apply if
states do not satisfy minimum work participation rates: 5% of the state’s block grant in the first year, increasing by 2% annually for each year of consecutive failure, up to a cap of 21%.) Many specific questions can be asked that relate to these issues, such as: What kinds of employment programs and employment opportunities are available to TANF recipients? Who participates in these programs? How long do they participate? What happens to placement rates as Greater Avenues to Independence (GAIN) programs go from enrolling 10% of the TANF population to 80% or more?

**Information Now Available:** GAIN data systems currently have many of the fields required to report information on client training, employment, and employment-related activities. However, many of the available items of information are not required by regulations, and are therefore not kept in a systematic way. As reporting requirements change under TANF, which they must necessarily do, at least some of the counties already have data systems in place that can handle the new requirements. The biggest difference under TANF will be a huge increase in the caseload size for GAIN-type programs, as they are required to serve all adult clients receiving assistance, in addition to parents owing child support, etc., who are out of work.

**Information Required by TANF:** The implementation of the Personal Responsibility and Work Opportunity Act of 1996 will require a capability to fine tune the program quickly and to make benefits contingent on a number of changes in the status of a case, or of the individuals in a case. Accurate and up-to-date information will be necessary on who is or is not attending school, or participating in an approved employment or community service activity, and for how long. There are shorter time limits within TANF with respect to activities that can count toward a state’s work requirements. For instance, a maximum of four concurrent weeks of job search is permitted, and only 12 months of vocational education. There are hours per week minimum standards for all TANF recipients engaged in work, workforce, or community service. Data systems must track all this, and do so accurately. Since block grant amounts are contingent on whether or not certain production quotas are met, the data must be historical in nature, accurate, and immediately available for report production.

**What Might Be Done:** There are at least two major challenges in this area: First, some way must be found to provide a useful and easily recorded characterization of employment-related programs and types of community service participation. Second, the participation of TANF recipients in these programs must be recorded in a timely and complete manner. The first problem requires developing ways of describing different kinds of employment activities in more detail. Job clubs, to take just one example, differ substantially in their modes of operation, and this may affect their success rates. More generally, counties have different models for determining how clients are routed into assessments, training, job clubs, and other activities. This information should be collected to make it possible to characterize different programs so that successful models can be identified. Clear-cut definitions and characterizations of community service participation must also be developed. The second problem requires the development of routines for obtaining information from TANF recipients about their participation in these activities. At the very least, greater efforts might be made to insure that existing fields in GAIN databases on employment-related activities are filled in on a regular basis.
4. General Assistance

Research and Monitoring Questions: There is great apprehension that many elderly and disabled legal immigrants previously on SSI/SSP in California will end up on General Assistance (GA), a county-operated program with little means to find revenue to support such a shift. Moreover, as families of legal immigrants will no longer be able to qualify for the AFDC program, or for food stamps, they too may seek GA. Since California has 41% of all legal immigrants in the United States that will lose benefits, the negative fiscal impact of TANF will be the greatest in this state (Wendell Primus, “Immigration Provisions in the New Welfare Law,” in Focus, Volume 18, Number 2, 1997: Institute for Research on Poverty, University of Wisconsin). A third issue of concern is the impact of time limits and other TANF-specific rules on applications for GA.

Because it is a state option, California may decide to continue existing legal immigrant families on welfare, which would reduce the county burden somewhat. The Legislative Analyst’s Office (LAO) TANF plan incorporates a state takeover of the GA program. However, the recommended timing of this plan would not help the counties deal with the initial influx of destitute immigrants and their families — not until after the third program year.

Information Now Available: The counties are the only source of basic information about GA such as the details of the provisions of county GA programs, including qualifications for assistance (e.g., work-ready or disabled, circumstances under which vouchers are used other than cash, or three out of 12-month time-limited aid); special circumstances under which income is deducted (e.g., living with relatives or in shared housing); workfare employment, and grant amounts.

Moon and Schneiderman have observed that, “There are no federal or state reporting requirements to stimulate the collection of data, and no statewide database to allow analysis of program changes or the consequences of those changes” (Assessing the Growth of California’s General Assistance Program, California Policy Seminar, 1995, p. 2) and, “Data on applicant and recipient characteristics are not routinely collected in any California county” (ibid., p. 4).

What Might Be Done: Since there is no way to answer this priority question with existing data, new data must be developed. With additional types of data collected, it would be possible to separately assess the impact of TANF on the GA program, as well as the impact of the other changes introduced by the Personal Responsibility and Work Opportunity Act of 1996.

Two strategies might be used to develop these data. One would take a sample of counties, obtain extracts from their data systems on GA recipients, and create a statewide data file on GA that could be used for monitoring and evaluation. This approach would parallel what has been done in the California Work Pays Demonstration Project to develop a four-county data file for cost-neutrality. This could be done relatively quickly, but it would be only a sample (it would be difficult to immediately include all GA counties), and it would have to deal with very different data systems and data elements.

A second approach would be to develop a few common statewide data systems. Moon and Schneiderman recommend that the legislature consider a wider range of policy options for funding and administering the GA program, and consider monitoring it in relation to other welfare programs.
One approach might be modifying the Statewide Automated Welfare System (SAWS) to accept data from the GA and other programs. In order for this to be possible, SAWS and other automated welfare information systems would have to be modified to accept multiple criteria of program participation, and multiple benefit levels. This capacity may also determine whether or not counties are able to experiment with program characteristics; that is, to assign people to different treatment conditions or sets of program regulations. If experimentation is not allowed by the data system, counties (and others) will never know which features of their programs have beneficial effects, as determined by state and local policy makers.

Since SAWS and other data systems to be used for TANF must have the capacity to collect and update information on client characteristics to comply with federal TANF requirements, characteristics of GA recipients could be collected as well in order to be able to learn who uses the program, under what circumstances, and for how long. In order to determine chronicity and understand changes in program participation over time, historical files should be kept for three years, and not overwritten until copies of the administrative data have been made and archived.

5. Community-based Organizations

**Research and Monitoring Questions:** Will community-based organizations become involved in delivering services or providing jobs under the new welfare bill? How will this affect their operations? How successful will they be in these endeavors?

**Background:** The devolution of responsibility from federal to state and local governments, and from public bureaucracies to private entities, has important implications for implementing and managing public welfare programs.

As public organizations cut benefits and/or impose time limits on benefits that previously had none, a cost shifting to community-based organizations (CBOs) may be expected, whether or not the budgets of such organizations are augmented to provide increased food, goods, or services. The more restrictive the criteria for public benefits, the greater the likelihood that CBOs will be overwhelmed by needy populations. For instance, in the governor’s TANF proposal, families would spend a year off aid for each year on, yet they must survive whether or not they can find work. CBOs will be called on to help them.

**Information Now Available:** UC DATA has just completed a study of community-based organizations that serve immigrants and refugees in Alameda, Los Angeles, San Bernardino, and San Joaquin counties using qualitative methods and chain-referral (“snowball”) sampling. This study is titled, “Discretion, Devolution and Equity: Public Bureaucracies and Community Based Organizations in the Implementation of Welfare Reform” (UC DATA Working Paper, 1996), and it explores the role of CBOs serving ethnic communities in communicating information about welfare reform. The San Francisco Foundation is currently funding another CBO study in the Bay Area, although there is no ongoing effort to explore changes in CBOs resulting from shifts in welfare policies.

**What Might be Done:** While governmental organizations must address the concerns of all people in a target population, the mandates of most CBOs are designed to assist special subsets of
the broader population, such as individuals of a certain religion or ethnic group. Universality of operation has not been expected of them. In the new welfare legislation (the Personal Responsibility and Work Opportunity Act of 1996), constraints are placed on private organizations which receive funds to operate public programs. They will not be able to provide services based on criteria they may have used in the past. Hence, some organizations will change the way they operate to accommodate new governmental restrictions, while others not funded directly by the government may find their budgets stretched to meet the needs of those who have fallen through the safety net. In order to assess the impact of TANF on CBOs, both types of change will have to be documented, most likely through the use of surveys or in-person interviews with agency leaders.

I. B. Parent Employment and Family Income

1. Parent Employment
2. Family Income

Research and Monitoring Questions: What percentage of the caseload moves from TANF to work? How fast does this happen? What types of jobs do they get? What is their income from work? What is their total income from all sources including assistance programs? How do the answers to these questions differ by the characteristics of cases?

Information Now Available: The data needed to answer these questions are in different data systems. In addition, county AFDC systems only record information about recipients while they are part of the caseload, and they often keep data from previous months for only a short period. As noted above, GAIN systems do some short-term tracking of recipients past their welfare spells, but this information is not always collected. The EDD Base Wage files have rich longitudinal work histories (including total quarterly wages and industry of employment, but not occupation) that can be linked using the Social Security number. The EDD Base Wage files include all Unemployment Insurance/Disability Insurance-covered employment in the state of California, which means that the following types of employees are not in the Base Wage file: federal and state government employees, employees of churches or non-profit organizations, sole proprietors, and students working for a private or public institution, and others.

What Might Be Done: Ongoing matching of the EDD Base Wage data to the MEDS data would allow us to identify transitions from TANF/AFDC to employment. In addition, the matching of quarterly wage histories to the EDD Employer Address files would provide information on the type of industry and size of the employer. Unfortunately the files do not include type of occupation or the number of hours worked of the employee. These matches would be facilitated by having verified Social Security numbers for all TANF recipients.

EDD Base Wage Data could also be matched with county TANF data. This would provide additional information on grant payments and earnings while in TANF. Efforts could also be made to extend GAIN data systems to include detailed information on job histories while still receiving TANF and job placements after leaving TANF. Ideally this would include information on the TANF definition of the job (e.g., community service, workfare, etc.) but would at least contain information
on leaving TANF for any job. This information would also provide a way to respond to federal reporting requirements which require information on reason for exit.

Another model might be the development of a follow-up like that of the Job Training Partnership Act (JTPA). In the JTPA job training program, graduates of the program are surveyed 90 days after leaving to determine whether they are still working. This kind of follow-up might be considered for those in GAIN.

3. Job Availability and Transitions to Employment

Research and Monitoring Questions: What kinds of jobs are available to TANF recipients? How many jobs are available in their county or local labor market? What jobs do they get? How often do they move from one job to another after leaving TANF? Do recipients move into better jobs as time goes on? Does their attachment to the labor force increase?

Information Now Available: Unemployment data are available by counties, but they may only provide a very gross sense of labor market conditions for TANF recipients, most of whom have limited skills and weak attachments to the labor force. It would be more useful to have data on the kinds of jobs that TANF recipients are likely to get. The Employment Development Department’s files could provide some of this information by aggregating individual records to counties or other geographic areas based upon the address of the employer, although there are some problems with locating actual employment sites through the addresses of the reporting unit. As noted above, GAIN records might provide some information on initial jobs.

What Might Be Done: In an innovative effort to determine the impacts of local labor market conditions on exit from AFDC, Professor Hillary Hoynes of the University of California has used EDD data to characterize local labor market conditions. These data could be updated on a continuing basis for counties or smaller areas.

EDD data could also be used to follow TANF recipients after their exit from welfare to determine the industries in which they work and their quarterly earnings from one quarter to the next.

GAIN records on first jobs could also be useful if there is full reporting, and JTPA types of follow-ups could indicate whether recipients move into better jobs and develop a stronger attachment to the labor force.

All of these sources could improve our understanding of the welfare-to-work transition, but none of them may provide the detailed information that is needed to assess adequately the job experience of former TANF recipients. A detailed sample survey may be the only way to get this kind of information.

4. Impact of Time Limits on Parent Employment

Research and Monitoring Questions: How quickly will recipients learn about time limits and how will they understand them? Will the major impacts of time limits occur as individuals “time-out,” or will the primary effects be due to changed behavior before people reach their limits? What will happen to those who time-out? Will they find other sources of support? How will those
who do not time-out change their behavior? Will they forgo TANF when they are working — even if they might be eligible for benefits — in order to “save” months for future times of need?

Information Now Available: The issues here are very complex and hard to get a grip on. Some states have had welfare demonstrations with time-limits (e.g., Vermont, Florida, and Wisconsin), and these are providing some preliminary information on the impact of time limits. But there are many subtle ways that time limits may affect welfare recipients, and these require some sophisticated evaluation strategies.

What Might Be Done: The California Welfare Data Archive — especially the MEDS 10% samples of persons and cases — provides a starting place for examining the overall impacts of time-limits. This is a sample of those receiving Medi-Cal. In the past, this included those receiving AFDC and in the future it will includes those receiving TANF. Because the eligibility standards for Medi-Cal have been frozen as of July 16, 1996, the population receiving Medi-Cal may be relatively unchanged by the new legislation and because this is an at-risk population, it should be possible to see how this group’s experience with TANF differs from its experience with AFDC. If TANF causes changes in behavior, then we should see changes in the number of Medi-Cal recipients receiving welfare, changes in their spell lengths, and changes in their work behavior as TANF is implemented.

The existing four-county sample (Alameda, Los Angeles, San Bernardino, and San Joaquin) can also be used over time to study the impacts of TANF. This sample includes extensive surveys of over 3,000 cases which were on welfare in October 1992 and 2,000 cases which entered AFDC from 1995 to 1996. These samples can be followed for the next five years to determine the impact of TANF.

I. C. Immigrants and Refugees

1. English- and Spanish-speaking Latino Families
2. Legal and Illegal Immigrants
3. Refugees on Public Assistance

Research and Monitoring Questions: Reasons for Welfare Entry: To what extent do immigrants and immigrant households enter welfare through changes in household composition, changes in household income, or changes in eligibility resulting from policy barriers? How will this distribution of reasons for entry change under the welfare reform legislation?

Reasons for Welfare Exit: How do the reasons for immigrant welfare exits differ from those of natives on welfare? How will this distribution of reasons change under the welfare reform legislation? To what extent are legal and undocumented immigrants coincident with return migration to the country of origin?

Benefit Levels: To what extent do differential benefit levels resulting from immigrant exclusions affect outcomes such as child well-being and welfare exits? How do households respond to reduced grants? Undocumented household members are not counted as eligible for assistance.
This has the effect of reducing the grant available to the household. Under the welfare reform legislation, this exclusion will be extended to legal immigrants who arrive after August 1996.

Legal Consequences of Participation: Does the fear of deportation prevent undocumented individuals from seeking assistance for citizen children? Do legal immigrants fear repercussions to naturalization opportunities or the ability to bring relatives to the U.S.?

Employment in the Underground Economy: Do immigrants combine welfare receipt with work in the underground economy? By definition, employment of undocumented immigrants is work in the underground. Legal immigrants may also be highly likely to work in the underground economy.

Resource Pooling: Do immigrant recipients pool resources with extended family members? Does this pooling influence well-being and length of welfare receipt? Are pooled resources reported to welfare offices and are immigrant families penalized for cohabiting and pooling resources? Immigrant households are more likely than native households to contain extended family members. These individuals may provide additional resources which improve the well-being of the unit. At the same time, welfare recipients may face grant reductions because of the presence of these persons.

Immigrant Flows: Does the availability of welfare in the United States, and particularly in California, influence the size and composition of flows of immigrants to the United States? Will welfare reform reduce incentives to immigrate?

Information Now Available: Research on immigrant welfare experiences is hindered by incomplete data collection, recording problems, and Social Security number changes. The Statement of Facts (CA2) included in the application for assistance includes questions about the citizenship and mode-of-entry status of each individual in the household. The Monthly Eligibility/Status Report (CA7) includes a section for changes of citizenship and immigration status. These data elements are not consistently entered into data systems across counties. Currently, two of the four California Work Pays Demonstration counties include immigrant status in data entry. Place of birth, country of origin, and date of U.S. entry are not consistently recorded in county data. Nevertheless, when available, these data have proven to be rich sources of information on these populations.

The survey instruments currently used by UC DATA identify nativity, place of birth, age at the time of U.S. entry, and past residence in a refugee camp for caretakers. In addition, MEDS data allow identification of participation in one of the immigrant-specific service programs (e.g., Refugee Cash Assistance, Medi-Cal services for undocumented and non-immigrant aliens). Longitudinal research using the MEDS data is hampered by changes in Social Security numbers over time.

What Might Be Done: Ideally, research data would include accurate information about nativity, place of birth, date of U.S. entry, admission category, changes in residency/citizenship status and the timing of these changes, and residence in a refugee camp for each member of the household, including non-recipients. Accurate recording of non-immigrant-specific data elements is also needed.
Little is currently known about the paths to welfare taken by immigrants or the effects that these barriers have on long-term behavior and outcomes. The reason for welfare entry is not recorded on any intake forms, but this information could be very useful. Survey instruments could include questions about reasons for entry specific to immigrants.

Continued tracking of current cases in the California Work Pays Demonstration Project (CWPDP) would allow examination of impacts of welfare reforms on legal immigrant households. In addition, linking of administrative records with Immigration and Naturalization Service data would help examine these questions.

**A Note on Refugees:** Preliminary examination of data from CWPDP suggests that refugees enter welfare soon after arrival in the United States and are particularly unlikely to exit welfare. Further research is necessary to understand the causes and consequences of this behavior. Most of the questions raised above also apply to refugees. Two additional questions are: Does immediate access to welfare upon immigration disrupt the assimilation process? Will time limits (under welfare reform) have effects on child well-being and/or naturalization?

I. D. Low-Income People Not Entering or Diverted from Programs

**Research and Monitoring Questions:** Will low-income families in need be discouraged, diverted, or denied TANF because of changes in their perceptions or actual changes in the programs? What kinds of people will be affected in this way? Will they find employment or other sources of support? Will they be better or worse off than under AFDC?

**Information Now Available:** Probably the best source of information on low-income populations is a large-scale survey of the low-income population. The U.S. Census Bureau’s Survey of Income and Program Participation (SIPP) is an important national resource for this information. In a recent report for the Public Policy Institute of California, Tom MaCurdy of Stanford University has shown that this survey can be used to study low-income populations in California. Moreover, SIPP surveys are undertaken on a regular basis so that changes in the low-income population can be examined over time.

As discussed above, the MEDS file can also be used as a sample of at-risk, low-income families which (may) stay similar over time because of the frozen Medi-Cal eligibility standards. Still, unlike the SIPP, this is not a random sample of the entire population from which a researcher can extract all low-income families.

**What Might Be Done:** Efforts could be made to develop an archive of SIPP studies for California which would utilize Professor MaCurdy’s methodology. These studies could also be linked over time to produce “rolling panels” of respondents whose behavior can be studied over time.

These data would be greatly enriched if data on SIPP respondents in California could be linked with administrative data. This would provide a check on the survey results, and it would
provide additional historical information by linking MEDS, EDD, and other information. The Census Bureau has indicated that they would be willing to consider doing this.

Finally, the state might support an enlargement of the SIPP in California so that the sample size could be increased, additional content could be added to the questionnaire, and the sampling frame could be improved.

II. A. Child Welfare and Child Well Being

1. Child Well-Being
2. Child Welfare and Foster Care System
3. Child Abuse and Neglect

Background: One of the most fundamental issues in welfare policy and welfare reform is the protection of children in poor families. The AFDC program was established to provide minimum economic security to families with dependent children and no (male) earner; federal child welfare assistance was added to the AFDC program in 1961 to pay for the care of children from AFDC-eligible families who were placed in foster care or group care under state supervision. From both a social welfare and an administrative perspective, family assistance policies and reforms are linked to child welfare services.

Child welfare services (including child abuse investigations, foster care, and adoptions) are provided disproportionately to children from low-income families. About half of children in the child welfare system come from AFDC-eligible households (Pecora et al., 1992).

Research and Monitoring Questions: Will TANF increase or decrease child well-being in low-income populations? Will children be better off in some groups but worse off in others? Will TANF increase the foster care caseload? Will it increase child abuse and neglect?

Information Now Available: There are many different sources of data on child well-being which cover different populations and different aspects of their lives. The sources that are currently available in the California Children’s Services Archive include vital statistics — birth and mortality data. These are the most comprehensive but they only measure one, albeit the most basic, aspect of child well-being. Foster care, child abuse, and California Youth Authority data are available for those children who become involved in those systems. These systems do not have detailed information on child well-being.

What Might Be Done: Research on the impact of TANF will require linking TANF administrative data to other data sources. Ideally, all data sources would have a common identifier (e.g., Social Security number) at the individual person level, and would be longitudinal in nature. For the time being, probability matching software (e.g., AUTOMATCH) is used by programmers at the Child Welfare Research Center to link individuals among different sources, and administrative data files are reconfigured to follow individuals over time.
Linking maltreatment data (e.g., occurrence and type of child abuse report, action taken) to TANF data through MEDS will indicate how changes in TANF participation are associated with changes in the number of children reported for abuse and neglect, or in the numbers of reports per child. Currently, the California Children’s Services Archive contains child abuse reporting data from 10 California counties since at least 1991, drawn from their Social Services Reporting Systems (SSRS) databases. Archive researchers have a memorandum of understanding with Los Angeles County to acquire their child abuse reporting data, currently a part of their CIS system. As the statewide Child Welfare Services/Case Management System (CWS/CMS) is implemented, these data will be available for all counties in a uniform system.

Linking foster care data with TANF data will enable us to track the impact of changes in TANF participation on entry to foster care, reunification, re-entry to care, guardianship, and adoption. The archive currently contains data on all children who have been in foster care in California since 1988. These data will be improved with the advent of CWS/CMS.

Linking vital statistics data with TANF data would provide a number of child well-being indicators (e.g., birth rate, family size, low-birth-weight babies, births to teens, parental education, non-marital births, deaths by age group, and reason for death). The archive currently contains birth and death records through 1995. Subsequent years will be added as they become available.

Linking of TANF data with special education data from the Department of Education and with data collected by the Department of Mental Health Services would provide indicators of child emotional and mental health (e.g., SED status, DSM-IV classification). Hospital discharge data could provide information on physical health (e.g., broken bones). Links to kindergarten-college education data and Juvenile Justice data would provide additional well-being indicators. The archive currently has data on all children who are either severely emotionally disturbed or are in out-of-home care, and data from the California Youth Authority. Juvenile probation data from the Department of Justice will be added.

In order to monitor the impact of TANF on maltreatment, foster care, and child well-being in general, it will be useful to have an indicator of the reason for change in TANF status (e.g., not eligible due to employment vs. sanction). In addition, the inclusion of the relationship of a TANF head-of-household to each child on the case (e.g., mother, grandmother) would help to track the possible movement of children from parent to other relatives, both in and out of the formal foster care system.

Research methods other than administrative data analysis (surveys) would provide more complete data on the impact of TANF on family structure, along with enhanced qualitative indicators of family and child well being.

4. Family Structure

Research and Monitoring Questions: TANF eligibility is categorically determined by family structure, so questions about family and household formation have direct relevance to public assistance policy. Debates about welfare policy in political arenas and the media have focused heavily on family and fertility issues, including the contribution of demographic and household
changes to the growth of caseloads, and the impact of welfare on fertility and household formation decisions. Although these issues have been prominent in welfare reform debates, they have received less rigorous attention from welfare researchers: What is the impact of TANF on marriage, fertility, and household formation? How do poverty, unemployment, and TANF receipt affect the risk that children will enter formal and informal foster care? How does family structure relate to poverty and welfare receipt?

**Background:** The composition of U.S. families and households has undergone a dramatic change in recent years, with critical implications for family poverty and welfare receipt. The growth of welfare caseload during the 1970s was driven not by a decline in labor force attachment among parents, but by a large increase in the number of female-headed households. As Moffitt (1992, p. 14) explains, these trends suggest that “research on the types of welfare reform best suited to reducing poverty should concentrate less on labor supply models of female heads, where most of the research has been conducted to date, and more on the determinants of female-headedness.”

**Information Needed for TANF:** Family structure impact might be one of the most, if not the most, important issue in any legislation defining the TANF program. Depending on program design, giving up children to caretaker relatives or to formal foster care might be the only way to assure their support during lengthy periods of sanction or beyond the time limits. In other words, TANF may weaken family bonds between children and their only remaining parent, further degrading the socialization process among poor children. Determining the impact of TANF on family structure will therefore require linkage or matching between child welfare information systems and the TANF information systems.

**Information Now Available:** Cases are defined in many different ways by social programs. For example, Food Stamps cases are different from AFDC cases, which are different from Earned Income Tax Credit households. This means that information about households is collected very different ways from one system to the next. Moreover, there is often very little effort to establish the relationships among household members beyond the information required for program eligibility.

**What Might Be Done:** Better data should be collected on relationships among those in a household.

### II. B. Child Care and Child Support

#### 1. Impact of TANF on Child Care

Participants in the AFDC-Family Group and AFDC-Unemployed Parent programs face very different prospects for employment and earning; by far the most disadvantaged are the single mother AFDC-FG recipients who constitute the bulk of the caseload. The first difficulty they face is the constraint which full-time responsibility for children creates for their capacity to work outside the home. Although labor force participation has increased dramatically among mothers with children, most women with young children still do not work full-time, year-round. In 1987, about 64% of women with children under age six worked in paid employment during the year, but only one-quarter worked full-time all year (at least 35 hours per week, 50 weeks out of the year, or 1,750
hours). Single mothers worked 1,630 hours on average; married mothers averaged 1,310 hours (GAO, 1991).

Research and Monitoring Questions: What do TANF parents know about child care options? How do existing child care programs facilitate or impede the transition from welfare to work? How many parents choose sitters, center care, relative care, or no child care? How many parents obtain free or family subsidized child care, government subsidized child care, or pay fully for their child care? What is the quality of child care available to TANF parents? How does the quality of care affect child well being?

Information Now Available: Administrative Data. UC DATA receives information on child care subsidies provided by CWPDP research counties for an assessment of cost neutrality. Though project clients qualify for both Supplemental Child Care and Transitional Child Care, utilization of these programs is extremely rare based on information from the counties. QC workers with many years of experience report almost never finding indications in client files for receipt of Transitional Child Care. Supplemental Child Care occurs, but very rarely. For those instances in which funding for child care is provided to welfare recipients, subsidy information is collected and stored differently in each county.

Child Care warrants can be captured in the current welfare administrative data systems of Alameda and San Bernardino counties, and SAWS has a Child Care data field on the system (San Joaquin County). Los Angeles county supplies UC DATA with a hand-written list of approximately 30 to 40 clients per month who have received child care in GAIN. Small numbers of cases receiving GAIN Child Care are also reported from San Joaquin County. Though the county data systems for income maintenance have child care data fields available, the only evidence of child care utilization comes from the GAIN program.

Information Now Available: Surveys. Survey data are useful for exploring many key dimensions: child care arrangements, duration, subsidies, and child care quality through parent reports. Questions about child care are routinely asked on all California Work Pays Demonstration Project client surveys. These include Waves I and II of the English/Spanish and Foreign Language Surveys, and the survey of “Replacement Cases” currently in the field. These data have been analyzed by Professor Marcia Meyers (Columbia University School of Social Work). Her findings confirm the paucity of child care subsidies utilized by AFDC recipients in the Work Pays Demonstration counties. Clients who work are paying for child care out of their own pockets, even though they may qualify for child care funds through the AFDC program (sometimes 15% to 20% of their total incomes). Professor Meyers also finds low levels of knowledge about many child care subsidies. She also finds substantial variation in the reported quality and adequacy of child care arrangements. Dr. Meyers indicates that the Panel Study of Income Dynamics (PSID) has a good new child care battery, but this is a national study and may not provide much useful information on California.

What Might Be Done: Child care under TANF has been consolidated in the State Department of Education. How Title IVA Child Care data will be tracked is unknown at the present time. State data systems in the Department of Education should be explored; GAIN information
systems (at the county level) can be good sources of administrative data on child care; and child care availability may be assessed by surveying Child Care Resource and Referral agencies. As information is required from both TANF agencies and the Department of Education, the utilization of Social Security numbers in the data systems of each will be required for tracking. (Parents with children under the age of six must be exempted from the work requirements of the act if they cannot find child care that is appropriate and close enough to their homes or work places. If such child care is not available or cannot be found and benefits are cut or eliminated because of non-participation in the available work programs, states may be penalized. Unless such child care exemptions are possible, states may lose 5% of their yearly block grants.)

Survey data may be required to answer many important questions. Surveys of TANF recipients are probably the only way to obtain information on parents' knowledge about child care options and on parents' assessments of child care adequacy. Surveys may also be needed to obtain data on the characteristics of child care providers.

2. Impact of TANF on Child Support Receipt

Research and Monitoring Questions: Extremely high levels of poverty in single-parent households alert us to the importance of private transfers in family income. While all employed parents in two-parent households can be assumed to share their income with resident children, there is no such certainty in the case of non-custodial parents. Child support is a central issue in family poverty, and a central concern in welfare reform under the Personal Responsibility and Work Opportunity Act of 1996. Questions for state-level research include: How well does the child support system work? What are the barriers to child support collection? What is the potential for better child support enforcement to reduce poverty and welfare use?

Background: How well does the child support system work? Nationally, evidence suggests that the current system for awarding and collecting child support is highly ineffective. Census figures reveal the magnitude of the problem: in 1987 only 60% of eligible families had child support awards, and only about half of custodial parents with an award received the full amount they were due (U.S. Bureau of the Census, 1987). The problem is even more acute for never married custodial parents (primarily mothers), only about 10% of whom were found to have an award. Teen-aged mothers are also less likely to receive an award, and less likely to receive full payment when they do. Chin and Pitts (1989) reported that only 18% of teen mothers have child support awards, and of those with awards 18% of the white and none of the black teens received the full payment from the absent father.

In California, according to the Aid to Families with Dependent Children Characteristics Survey (Health and Welfare Agency, California Department of Social Services, Information Services Bureau, October 1994), an AFDC-FG or -U case with an absent parent and a child(ren) qualified to receive child support made up 82.7% of the total caseload. A current child support order was in place for 16.8% of the total cases. Of this 16.8% with orders, 41.5%, equating to 7% of the total cases, received payment (p. 22). QC case coders find that child support orders are most often pending action at the District Attorney's Office.
Because centralized statewide systems are more effective than county systems operating through local District Attorney's offices, the Personal Responsibility and Work Opportunity Act of 1996 mandates changes in the way child support orders are processed in the states. Changes include a statewide centralized authority, in hospital paternity establishment, etc. However, there is a phase-in period provided. If having a child support order in place is made a requirement of TANF, up to two-thirds of the AFDC caseload would no longer qualify for aid.

Information Now Available: Currently in California there is no capacity to track child support receipt on a case basis. Aggregate information is compiled for federal reporting requirements from aggregate information supplied by the counties. County District Attorney’s offices have a backlog of cases they do not have the resources to pursue. Data that might be used for research or evaluation does not exist.

Information Needed for TANF: Child support enforcement is heavily emphasized in TANF, as reflected by the family sanction required if caretakers refuse to assign child support to the state for the duration of assistance, not just a sanction for families with adults on the case. A reduction of at least 25% of the family grant, or termination of family assistance entirely is required for parents who do not cooperate with the state in establishing paternity or in establishing, modifying, or enforcing a child support order. This will require interface with the Child Support Agency data systems, which are responsible for reporting Title IVA paternity establishments and child support collections.

The act also requires the creation of two other detailed databases to aid in child support enforcement. The automated state case registry will contain records on support orders established or modified in the state after October 1, 1998, and records on each case in which services are provided under the state plan for child support enforcement. Child support enforcement actions are required for those receiving benefits from TANF, Food Stamps, Medicaid, foster care maintenance payments, and any child of an individual who applies for services. The registry must have standardized data elements for identification of parents (such as names, Social Security numbers, dates of birth, and case identification numbers) and detailed information on case status, on the amounts of support owed and support paid, and on administrative and judicial actions and proceedings. Information from the State Case Registry will be made available to a Federal Case Registry.

The state Directory of New Hires must be in operation by October 1, 1997, and employers and labor organizations in the state (the Employment Development Department in California) must furnish reports for each newly hired employee. Through a W-4 form employers must furnish to the state Directory of New Hires the name, address, and identification number of the employer within 20 days of the date of hire. This directory will be used to locate individuals for the purposes of establishing paternity and enforcing child support obligations. The state Directory of New Hires must also report quarterly to the National Directory of New Hires information on wages and unemployment compensation, and new hire information can also be disclosed to the state agencies administering TANF, Medicaid, Unemployment Compensation, Food Stamps, and SSI.
What Might Be Done: Determining the impact of TANF (and other elements of the Personal Responsibility and Work Opportunity Act of 1996) on Child Support Receipt will be greatly facilitated by the data and system changes described above. Unfortunately, there is not much data available to serve as a baseline. It is of great importance that files be accessible for authorized research purposes.

II. C. Pregnant and Parenting Teens: Fertility Studies

1. Fertility Trends among Adult and Teenage Welfare Recipients
2. Impact of TANF on Pregnant and Parenting Teens; Cal-Learn

Background: Although changes in marriage behavior have had the most dramatic impact on the growth of the AFDC population, at least two other decisions affect the creation and the well-being of families: the decision to have children, particularly to have children outside of marriage, and the decision by young parents to form an independent household.

Evidence of a welfare effect on the decision to have children is weak. Time series analyses suggest that the rate of out-of-wedlock birth increased most rapidly during the years that AFDC benefits declined, suggesting that reasons other than welfare incentives were responsible for decision by a growing number of unmarried women to have children. A number of econometric studies which have modeled the effect of welfare variations on the probability of that a woman would have an out-of-wedlock birth have found either no significant effects, or effects only for subgroups (reviewed by Moffitt, 1992; Wilson and Neckerman, 1986; Weinberg, 1989).

While adolescent pregnancy in general is an important focus of public policy, second and third births among teenagers are of particular concern. Women who have children in rapid succession at a young age have greater difficulty continuing their education or entering the labor market than do women who only have one child (Fursternberg, Brooks-Gunn and Morgan, 1987; Horwitz et al., 1991). Further, siblings who are born close together are disadvantaged because they must compete at a young age for their parents’ time and resources.

Repeat births to teenagers are quite common. In California, 24% of births to teens between the ages of 15 and 19 are second- or higher-order births. A similar fraction of births to teens nationwide are repeat births. Nationally, approximately one woman in five gives birth before she turns 20, and one-quarter of those women have two or more children before age 20. Reports from large-scale surveys have found that about 40% of teenage mothers become pregnant again within 24 months of delivering their first child (Koenig and Zelnick, 1982; Mott, 1986). In a study of teenage mothers on welfare in the Chicago area, Mosetta (1986) found that, among school dropouts, nearly 40% of the young women had a second birth within 24 months of their first birth.

Because of the serious problems associated with repeat teenage births, many programs for teen mothers have included a family planning component. Unfortunately, there is no evidence that any of these interventions with low-income young mothers have succeeded in reducing their subsequent likelihood of becoming pregnant. For example, in the Teenage Parent Demonstration
Project, about 68% of young welfare mothers in both the experimental and control groups had a subsequent pregnancy by 28 months after baseline (Maynard, Nicholson and Rangarajan, 1993). Similarly, among school dropouts in Project Redirection, more than half of both the experimental and comparison groups had a subsequent pregnancy within 24 months after baseline, while at the five-year follow-up, women in the experimental group had actually given birth to a significantly higher average number of children (Polit, Quint and Riccio, 1988). And the New Chance program, yet another intervention with low-income young mothers, reported more than half of women in both the experimental and comparison group were pregnant between baseline and the 18-month interview (although none of the women reported they were pregnant at baseline) and more than one-quarter gave birth (Quint, Polit, Bos and Cave, 1994).

**Research and Monitoring Questions:** What are the fertility trends among adult and teenage welfare recipients? Do they differ from those of similar low-income populations? Will TANF requirements for minor parents to reside with their parents reduce teenage parenting, increase teenage marriage, or lead to teenage parents choosing not to utilize TANF? Will TANF requirements for minor parents to attend school lead prevent drop-outs or lead to teenage parents choosing not to utilize TANF? Will programs such as Cal-Learn provide incentives for teenage welfare mothers to complete their high school education?

**Information Now Available:** Vital Statistics provides basic data on fertility. More detailed information on fertility trends is primarily available from surveys. There is very little information available on teenage parents, although the Cal-Learn Demonstration Project is developing information on this population. Cal-Learn is available for parents under 19 on welfare. Teen parents in the program receive case management services as well as financial incentives for educational progress and sanctions for dropping out of school or failing in school. While the primary goal of the Cal-Learn program is to increase high school completion among teenage mothers on public assistance, it is also hoped that the case management services (delivered according to the well-regarded Adolescent Family Life program model) and financial incentives to complete school will empower or motivate participants to delay subsequent births. UC DATA is interviewing Cal-Learn participants as part of the California Work Pays Demonstration Project, and it is obtaining county data on welfare receipt, case management, and services provided through the GAIN program.

**What Can Be Done:** The linkage of vital statistics data with MEDS files would provide information on fertility behavior of the MEDS population. Adding questions on fertility to an expanded California Survey of Income and Program Participation would provide better information on fertility trends. UC DATA surveys for the California Work Pays Demonstration Project have provided some baseline information on pregnancies and fertility in welfare families.

The County Welfare Administrative Database for four counties provides a baseline on teen parents co-residing with parent or guardian. The UC DATA Cal-Learn surveys provide additional information for these cases. If new samples of teen parents are studied as time goes on, it should be possible to see if there are changes in the characteristics of the teenage welfare population.
II. D. Families with Disabilities

1. Families with Disabled Members

2. Transitions to SSI

Background: Among adults and children, disabilities and health limitations are positively linked to poverty. Limitations of activity and poor health are much more common among the low-income adults than among those with higher incomes (Wolfe and Hill, 1993; Burkhauser et al., 1993; Haveman et al., 1995). In 1989, nearly one-quarter (23.2%) of individuals with family incomes under $14,000 reported some limitation of activities in comparison to 8.4% of those with incomes above $50,000. Similarly, poor health is reported by over 30% of individuals in the lowest-income decile in comparison to less than 5% of those in the top half of the income distribution. Wolfe and Hill (1993) report that disabilities and poor health are much more common among single mothers, and single mothers are at a much greater risk for poverty if they are disabled: 60% of poor single mothers report poor or fair health, in contrast to 25% of all single mothers. Children in low-income families are also more likely to suffer chronic illnesses and disabilities than their more affluent counterparts (Newacheck and McManus, 1988; McNeil, 1993). Newacheck (1988) estimates that children in low-income families face a 40% higher risk of being disabled.

The causes of the higher prevalence of disabilities and poor health among the poor are multiple and interacting. Living conditions and behaviors associated with poverty increase the risk that individuals will suffer health problems. Low-income individuals are more likely to live in poor neighborhoods where they are exposed to heightened environmental risks. Children are more likely to be of low birth weight and to suffer other complications associated with poor maternal nutrition, health behaviors, and health care. Adults are more likely to engage in high-risk behaviors and occupations. Poor adults and children are also less likely to receive the adequate nutrition, housing, and health care that might help prevent the development of serious disabilities and health conditions.

Although not targeted on the disabled, means-tested cash assistance (welfare) is an important source of support for many poor households with disabled and ill members. For families with children, the principal federal welfare program has been the recently repealed AFDC program. Disabilities and poor health are common among families in the AFDC program. Using data from the SIPP, Wolfe and Hill (1995) estimate that 13% of all single mothers in the AFDC program report disabilities or health problems that limit work. As is the case in the general population of adults, reports of disabilities and poor health among single mothers in AFDC increase with age; while only 5% of those between 18 and 24 years of age report limitations, 25% of those between 35 and 44, and half of those over 45, do so. Loprest and Acs (1995) estimate that 16.6% to 19.9% of mothers in AFDC recipient households have a work limitation and 10.1% are unable to work due to disabilities and poor health. AFDC recipient households are also more likely than others to have disabled children. Depending on the definition and data source used, Loprest and Acs estimate that between 11.1% and 15.9% of children receiving AFDC have some limitation and 1.8% to 3.8% are seriously disabled. When mothers’ and children’s limitations are considered simultaneously, they estimate that as many as 29.5% of AFDC recipient households are affected.
Research and Monitoring Questions: What are the disability levels of children and parents in TANF? Do these disabilities limit their ability to make the transition from welfare to work? Do disabled children pose especially vexing problems for a welfare-to-work program?

Information Now Available: In the past, there has been very little information available about disabled families on AFDC. One of the reasons for this has been the difficulty of reliably measuring disabilities. No single survey question can capture the many different ways that someone might be disabled, and even a set of questions may be suspect because of possible respondent biases or misunderstandings. Another reason so little is known about disability and AFDC has been the difficulty of identifying members of AFDC cases who are receiving SSI benefits.

The California Work Pays Demonstration Project has used survey data and information from the MEDS file to identify those with disabilities in AFDC families. This has provided a great deal of information about disabilities and AFDC families, but it has also indicated the difficulties of using survey data and the many obstacles to identifying SSI recipients in AFDC cases.

What Might Be Done: Despite their limitations, survey data do provide a way of answering some of the basic research and monitoring questions. Administrative data could also be useful if ways could be found to identify SSI recipients in TANF cases. This would surely be facilitated if information on SSI recipients was made available by the agencies running the program.

II. Successful County Models and Implementation Studies

1. Successful County Models vis-à-vis TANF Goals
2. Implementation Studies of Welfare Change

Successful county models and implementation studies will be addressed together, because of their overlapping methodology. For example, data from administrative databases, such as the longitudinal database of Medi-Cal eligibility records, may be linked with employment information from the Employment Development Department to estimate the percentage of TANF recipients that are engaged in private sector employment. Counties may be ranked by their percentage of “successful” exits from the TANF program, including exits to marriage or employment, or by their success in meeting the work participation requirements, including training, community service, workfare, etc. Counties with greater success could subsequently become subjects of qualitative studies which aim to document “best practices.”

Basic Research and Monitoring Questions: What are the organizational aspects of TANF, such as the planning processes, staffing structures, and funds committed to what activities? What are the contextual factors, such as the social, economic, and political forces that may have a bearing on the replicability of an intervention or influence the implementation of the program? What are the contextual factors which may affect the observed impacts of TANF and what do those factors say about extrapolating the experience of one county to the rest of California? What are the differences between TANF implementation in the counties?
Information Now Available: UC DATA has been conducting implementation studies on the process of welfare change since the beginning of the California Work Pays Demonstration Project in four research counties: Alameda, Los Angeles, San Bernardino, and San Joaquin. Certain elements have emerged as being of critical importance to the effectiveness of welfare reforms that aim to change the behavior of recipients: (1) those for whom the programs are designed must understand the changes that occur in welfare rules and programs and how these changes relate to them, their families, and the decisions that they can make to better their own lives; 2) rules should be uniformly applied, so that behavior that results in outcomes deemed desirable is reinforced by the welfare system.

Information Needed for TANF: The emphasis on transitional, employment-focused assistance has shifted welfare programs away from their traditional emphasis on cash assistance and toward more explicitly behavioral objectives — i.e., from “people-sustaining” to “people-transforming” activities. Cash assistance and related benefits are increasingly seen by policy makers as a package of incentives (and disincentives) that can modify clients’ behaviors in the areas of work, education, household formation, and even modify decisions about childbearing and contraception. Clients are the “raw materials” for the production of these behavioral outcomes, and their active cooperation is critical to policy success. As welfare programs shift toward active engagement of clients, they will need to develop new strategies for informing, educating, and engaging these clients in the joint production of welfare outcomes.

Prior to the enactment of the Personal Responsibility and Work Opportunity Act of 1996, many observers noted that the welfare system, itself, communicates implicit messages to actual and potential clients of the welfare. This argument was made forcefully by Bane and Ellwood (1994), who wrote that the “eligibility compliance culture” that dominated welfare operations under AFDC encouraged passivity, focusing the recipient’s attention solely on the problem of maintaining eligibility, and discouraged movements toward self-support. Mead (1986) made a similar argument when describing communications in “high-performing” welfare-to-work programs as conveying both practical and the moral imperatives for behavioral changes. The extent to which the new generation of welfare reforms produces the anticipated changes in the expectations of welfare clients will depend, in part, on the implicit and explicit messages about expectations and opportunities that are communicated to current and potential clients of the welfare system. The effectiveness of welfare agencies in moving recipients of public assistance from welfare to work will be contingent on, not only the development of high-quality programs which support these efforts, but also on communicating the message that it pays more to work.

What Might Be Done: In order to open the “black box” of policy implementation, attention must be paid to both context and process. A description of the context in which programs or policies are implemented is a useful and often critical part of evaluation research. Comprehensive descriptions of the organizational environments in which programs take place, based on site visits and in-person interviews with a variety of staff, allow profiles to be developed of formal and informal organizational structures, management styles, organizational climate, 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 causal mechanisms that lead to outcomes of interest. An examination of process, which follows a specific activity over time rather than the entire organizational and political environment of the program, provides information about action and incentives. Qualitative research is often used for exploratory research, as the immersion into program context usually raises additional questions and directs researchers to important areas of inquiry that had not been anticipated.

In-depth case studies of several counties to document the implementation of TANF is recommended. Continuing such studies as TANF components are phased in would provide similar contextual data for understanding county variations in TANF and for interpreting TANF outcomes. Abbreviated case studies should be undertaken with additional counties to provide descriptions of a wider variety of operational programs. Finally, administrative data may be used to identify counties that have exceptionally high rates of parent employment or work participation rates. The types of programs implemented in these counties could then be documented through qualitative studies. Results of such studies would be shared with other counties, TANF administrators, and policy makers.