Life after Welfare: Annual Update

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EXECUTIVE SUMMARY

The landmark, legislatively-mandated, longitudinal *Life after Welfare* research project, of which today's report is the 2010 annual update, was prompted by bi-partisan legislative concern about the effects of welfare reform circa 1996 on families. For more than a decade, the *Life* study has provided policymakers, program managers, and advocates with a wealth of real-world, empirically-grounded information about the characteristics of families whose welfare cases close in our state and, importantly, what happens to them afterwards. The purpose is to tell the story of welfare reform as it has unfolded in Maryland by examining the circumstances of real families not only at the time they leave welfare, but for an extended period of time thereafter.

Without question, the past few years have been sobering ones for all of us, the economic pain caused by the so-called Great Recession has been widespread, and middle-income and poor families have been especially hard hit. Income gaps widened, poverty rates jumped sharply, unemployment rates hit their highest levels in decades, and record numbers of American families took part in the Food Supplement (formerly Food Stamps) Program. Fortunately, Maryland's strong tradition of using empirical data to manage its public welfare programs, in particular its welfare-to-work program, positions it strongly to weather the current economic storms competently, by being able to timely identify emerging trends and to take any needed actions.

The *Life after Welfare* project has been and remains a critical component in monitoring Maryland's cash assistance program and today's report continues in that vein. This 2010 annual report covers the period October, 1996 through March, 2010 and describes the characteristics and post-exit circumstances of 14,838 families who left welfare during that time period and remained off the rolls for at least one full month. Using multiple administrative data sources, we profile families and cases at the time of the welfare exit and track their employment and earnings outcomes over time, as well as their use of work supports, receipt of child support income and returns to welfare after exiting. In addition to providing a snapshot of early outcomes, we provide more in-depth follow-up information as well to describe how families navigate the worlds of work and welfare and any changes in their income packaging over time.

This year we also take into account the more stringent work requirements mandated by the Deficit Reduction Act of 2005 (DRA). Specifically, we look at client outcomes by cohort in an attempt to describe how the most recent leavers' (April 2009 – March 2010) profiles and outcomes differ, if they do, from those of two other groups: those who left before adoption of the DRA work requirements (October 1996 – October 2006) and all others who left after the DRA rules went into effect (November 2006 – March 2009). Thus, in addition to providing our usual, comprehensive picture of 'life after welfare,' today's report also provides a look at how the difficult economic and employment situation, in the DRA era, may be affecting the welfare-to-work efforts and outcomes of low-income adults and the agencies which serve them. Key findings include the following:

- The typical exiting payee is a never-married, African-American woman in her early 30s with one or two children, who resides in Baltimore City, Prince George's County, or Baltimore County.

- The profile of the typical exiting adult has not changed much over the years but in the most recent year, we find significantly fewer African-American payees and significantly more of Hispanic, Asian, Native American and Pacific Islander or Alaska Native descent. This is likely due in part to more precise data collection/ coding and also to the fact that after DRA and particularly among the most recent leavers, Baltimore City cases made up a smaller percentage of total closures.

- In the most recent cohort, Baltimore City and Baltimore County accounted for smaller shares of total statewide exits while every other jurisdiction/region saw an increase over their pre-DRA proportions of leavers. Despite this, roughly two-thirds (64.4%) of all exits last year came from Baltimore City (41.0%), Prince George's County (14.0%) and Baltimore County (9.4%).

- Most families before and after DRA and in the most recent cohort are exiting from relatively short welfare spells (i.e., 12 months or less) and most had spent less than half of the previous five years on assistance. The data hint, however, that today's leavers may be finding it harder to exit. Their average months of continuous receipt before exiting increased by almost two months over other post-DRA exiters and, also compared to that group, the percentage of clients exiting after only 12 or fewer months of aid was 4.3% lower.

- For the sample as a whole, above limit income, work sanctioning, and failure to reapply are the three most common administrative reasons cases have closed since 1996, accounting for three of every five closures (61.3%).

- There are significant differences in closing code patterns between the pre-DRA leavers and the other two groups. Most notably, work sanctions were the top code among the most recent exiters (31.3%) and income above limit was second (23.3%). Among all other post-DRA exiters, the two were roughly equivalent (24.7% income, 24.2% sanctions). Increased sanctioning is not surprising given the tougher DRA rules, and it should continue to be closely monitored.

- Most families who leave welfare do not return, no matter when their cases closed. However, three and six month recidivism rates are significantly higher among the most recent leavers (16.6% and 28.3%, respectively), have been increasing since DRA and, all else equal, might be expected to remain at an elevated level, if not increase, in the short-run. Regardless of exit cohort, however, recidivism risk is greatest during the first year after the welfare case closure.

- Those who return to welfare during the first year are significantly different from those who do not. Compared to those who do not return, recidivists are more likely to be younger, to be African-American, to live in Baltimore City and to have never been married. Their welfare cases are more likely to include at least one child under the age of three, to be larger and to include more children. Not surprisingly, recidivists were more likely to have been work sanctioned and less likely to have worked in the quarter of case closure.

- Work effort remains high and persistent and average quarterly and annual earnings, while relatively low at the outset, increase steadily – more than doubling over time. However, the most recent leavers do have significantly lower employment rates than their peers who left welfare earlier. In the quarter after welfare exit, for example, a bit more than one in three adults (36.0%) worked, compared to one of every two (50.0%) in the pre-DRA era. Moreover, earnings in the first post-exit year are stagnant for the most recent leavers, compared to those who left earlier.

- As has been true throughout our *Life after Welfare* study, the use of post-welfare supports such as the Food Supplement Program (FSP) and Medical Assistance, including M-CHP, remains high among former TANF recipient families, regardless of when they left welfare. However, perhaps again indicative of the harsh economic climate, FSP participation in the early post-welfare months for early leavers is significantly higher than it was among clients who left in prior years. During the first three months post-exit, to illustrate, FSP participation rates were: 79.0%, 69.9% and 56.5% for the most recent leavers, other post-DRA leavers, and the early pre-DRA leavers, respectively.

- This is the third year we have included child support variables in our analysis and for the third year, the results are the same; child support is a very important, if often unrealized source of post-welfare income support for families. On the other hand, we also find once again that if a support order is not in place at the time the welfare case closes, it is unlikely that one will be established in the future.

When all is said and done, this 2010 annual update to the *Life after Welfare* study offers reasons for cautious optimism as well as some reasons to be concerned about the short-term future. Maryland has achieved much during the welfare reform era thus far because of the hard work done by low-income women, the welfare agencies and community partners who help them transition from welfare to work, and by policymakers who have remained steadfast and true to the bi-partisan vision of welfare reform that was hammered out in our state, for our state, in the mid-1990s. The positive results achieved continue to be reflected in our reported findings about work, earnings and returns to welfare.

What is also clearly apparent in this year's report – and was beginning to be clear in last year's – is that individual and aggregate success in welfare-to-work efforts are inextricably linked to and affected by the status of the larger economy. In general, our results for the most recent welfare leavers, those whose cases closed between April 2009 and March 2010, are less positive than for persons who left welfare in earlier time periods. This reflects the changing profile of today's leavers (i.e. more sanctioned leavers) and the realities of today's labor market and the well-documented difficulties which now face all but the most highly-educated, highly-skilled job seekers. Hopefully, today's still bleak employment reality will not last too much longer, although it does seem clear that the short-term future will remain challenging, perhaps especially for low-income families and the welfare-to-work programs which serve them. Despite these unprecedented challenges, history suggests that, with our continued best collective efforts going forward, Maryland will be able to celebrate further welfare reform achievements and successfully tackle the significant challenges that confront our state and its hard-working families.

Introduction

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), familiarly referred to as 'welfare reform,' changed our nation's major program of means-tested financial assistance for low-income children and their families in dramatic and controversial fashion, introducing such concepts as full family sanctions, close-ended federal funding and time limits. The 60 year old Aid to Families with Dependent Children (AFDC) program was replaced with a new Temporary Assistance to Needy Families Program (TANF) whose name and program features were meant to send the unequivocal message that aid was meant to be short-lived rather than long-term. Assisting and requiring clients to move from welfare to work became a key focus of TANF casework and, arguably, the single most important federal measure on which state performance was assessed and rewarded or penalized. TANF requirements included in the Deficit Reduction Act of 2005 solidified the 'welfare to work' orientation of TANF and increased the pressure on states to meet more stringent work participation requirements.

Precipitated by the radical and transformative PRWORA legislation and consistent with its long tradition of using empirical research to guide program development and monitor outcomes, Maryland has been examining the characteristics and outcomes of welfare leavers since the mid-1990s via the legislatively-mandated *Life after Welfare* study. Notably, during reform's first decade, the *Life* study documented that caseloads declined, caseload composition changed, large numbers of predominantly single-parent with children families left welfare for work and did not return and that, in Maryland at least, welfare reform had not led to increases in foster care placements. The overall results, in short, were positive due, most observers concur, to a combination of the reforms themselves and a robust economy with plentiful jobs.

But that was then and this is now. Our nation has experienced a recession of historic proportions. The litany of troubling statistics is well known and will not be repeated here. For low-income women attempting to leave welfare for work today, however, and for the agencies trying to assist them to do so, two grim realities must be acknowledged. First, more Americans were out of jobs and looking for work in 2009 than at any time since the Great Depression (Dahl, 2009). Second, these women are attempting to enter a labor market that is far tougher than at any time since the outset of welfare reform in the mid-1990s and, perhaps, at any time since World War II. Not coincidentally, applications for assistance have risen dramatically, such that a record number of Americans - nearly one in every nine - was enrolled in the Supplemental Nutrition Assistance Program (SNAP, formerly Food Stamps) in mid-2009. The official end to the so-called Great Recession has now been called, but it is clear from persistently high unemployment rates and SNAP caseloads, among other things, that these remain uncertain and very challenging times for welfare-to-work programs and their clientele.

It is against this backdrop of empirically-documented success and great economic uncertainty going forward, that today's annual *Life after Welfare* update is presented. As is customary, we present empirical data, including information on long-term outcomes, about Maryland's welfare leavers. Our purpose remains straightforward: to provide policymakers and program managers with empirical information that can be used to efficiently and effectively serve low-income families with children, even in these difficult times. The following questions are addressed:

1. What are the characteristics of Maryland's welfare leavers?
2. What are the administrative reasons why families' welfare cases close?
3. What are clients' short- and long-term employment patterns post-exit?
4. How many families return to welfare?

5. How many families use SNAP (Food Stamps) and Medical Assistance/M-CHP) after leaving welfare?

6. How many families receive child support after leaving TANF and how much do they receive?

There is no quick fix or easy solution to the enhanced challenges facing welfare-to-work programs and their clientele in these uncertain and difficult economic times. Particularly when times are tough, however, it is essential that program and policy decisions be grounded in empirical reality, that outcomes be continuously assessed and that, if need be, program features are tweaked based on the effects and outcomes observed.

Thanks to the foresight and ongoing bi-partisan efforts of state legislators, Maryland, unlike the vast majority of states, already has in place a large, reliable and longitudinal approach to outcome monitoring and reporting, the *Life after Welfare* study. Findings from the *Life* study, although it began in 1996, are quite relevant to today's policymakers and program managers because, like the welfare policy world and larger context within which it operates, the *Life after Welfare* study is dynamic, rather than static. Each month we add new cases to our research sample and have done so for more than 10 years. Moreover, we continue to track families after their welfare cases close so that mid-range and longer-time outcomes can be reported and assessed. In short, through its landmark research initiative, *Life after Welfare*, Maryland, unlike most states in these troubled times, is able to paint an accurate and reliable portrait of the characteristics of families who are leaving welfare and, at least as importantly, present an empirical picture of what happens to them when they do.

METHODS

This chapter presents the research methods used for our annual update on welfare leavers, including how our sample was drawn, our sources of administrative data, and the statistical techniques used to describe our sample cohorts.

Sample

For the *Life after Welfare* study, we draw a five percent random sample of welfare cases that closed each month, beginning in October 1996—the first month of welfare reform in Maryland. For this report, we include cases that closed in every month up to March 2010.

One overarching goal of this series of reports is to provide the most complete picture of families leaving welfare and how they fare after exit. In an effort to create such a picture, we include the full range of case situations: families who leave welfare for work, families who are sanctioned for noncompliance, and families who leave welfare and return sometime thereafter. In general, cases were eligible for inclusion in our sample as long as they did not close and reopen on the same day.

A significant minority of welfare leavers returns to welfare within one or two months of exiting and our previous research finds that the characteristics of cases that close and reopen quickly differ from those that exit welfare for longer periods (Born, Ovwigho, and Cordero, 2002). We still continue to include "churning" cases in our sampling design and monitor for changes in the proportion and characteristics of churning cases over time, but, as in other similar studies, we exclude them from the analyses presented. Specifically, we exclude cases that returned to welfare within one month of exit.

In total, our sample consists of 20,896 cases that exited welfare between October 1996 and March 2010. We excluded the 6,058 cases that returned to welfare within one month of exit. Thus, our analyses are based on a sample of 14,838 cases. Drawing five percent samples from the universe of closing welfare cases in each month yields a valid statewide sample with a 99% confidence level and a ±1% margin of error.

Data Sources

Study findings are based on analyses of administrative data retrieved from computerized management information systems maintained by the State of Maryland. Demographic and program participation data were extracted from the Client Automated Resources and Eligibility System (CARES) and its predecessor, the Automated Information Management System/Automated Master File (AIMS/AMF). Employment and earnings data were obtained from the Maryland Automated Benefits System (MABS).

CARES

CARES became the statewide automated data system for certain DHR programs in March 1998. Similar to its predecessor AIMS/AMF, CARES provides individual and case level program participation data for cash assistance (AFDC or TCA), Food Stamps, Medical Assistance and some social services. Demographic data are provided, as well as information about the type of program, application and disposition (denial or closure), date for each service episode, and codes indicating the relationship of each individual to the head of the assistance unit.

CSES

The Child Support Enforcement System (CSES) contains child support data for the state and has been in use statewide since March, 1998. The system includes identifying information and demographic data on children, noncustodial parents and custodial parents receiving services from the IV-D agency. Data on child support cases and court orders including paternity status and payment receipt are also available. CSES supports the intake, establishment, location, and enforcement functions of the Child Support Enforcement Administration.

MABS

Our data on quarterly employment and earnings come from the Maryland Automated Benefits System (MABS). MABS includes data from all employers covered by the state's Unemployment Insurance (UI) law (approximately 93% of Maryland jobs). Independent contractors, sales people on commission only, some farm workers, federal government employees (civilian and military), some student interns, most religious organization employees, and self-employed persons who do not employ any paid individuals are not covered. "Off the books" or "under the table" employment is not included, nor are jobs located in other states.

In Maryland, which shares borders with Delaware, Pennsylvania, Virginia, West Virginia and the District of Columbia, out-of-state employment is common. Overall, the rate of out-of-state employment by Maryland residents (17.4%) is roughly five times greater than the national average (3.6%)[1]. Out-of-state employment is particularly common among residents of two very populous jurisdictions (Montgomery, 31.3% and Prince George's Counties, 43.8%), which have the 5th and 2nd largest welfare caseloads in the state. One consideration, however, is that we cannot be sure the extent to which these high rates of out-of-state employment also describe welfare recipients or leavers accurately.

Finally, because UI earnings data are reported on an aggregated, quarterly basis, we do not know, for any given quarter, how much of that time period the individual was employed (i.e., how many months, weeks or hours). Thus, it is not possible to compute or infer hourly wages or weekly or monthly salary from these data. It is also important to remember that the earnings figures reported do not necessarily equal total household income; we have no information on earnings of other household members, if any, or data about any other income (e.g. Supplemental Security Income) available to the family.

Data Analysis

This profile of welfare leavers—15th in its series—uses univariate statistics to describe various characteristics of exiting welfare payees and cases, including demographics, their history of welfare and employment, post-exit employment, welfare recidivism, use of other public benefits programs, and child support status. When appropriate, we compare the characteristics of different cohorts (cases that closed in the last year, those that closed in the years immediately following implementation of TANF reauthorization provisions included in the Deficit Reduction Act of 2005 (DRA), and cases that closed between the implementation of welfare reform and DRA) using Chi-square and ANOVA tests.

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[1]Data obtained from U.S. Census Bureau website http://www.factfinder.census.gov using the Census 2000 Summary File 3 Sample Data Table QT-P25: Class of Worker by Sex, Place of Work and Veteran Status, 2000.

Findings: Baseline Characteristics

In our first findings chapter, we examine the characteristics of families as they exit welfare. First, we present the demographic profile of our sample of leavers, and whether and how the profile has changed over time. We then explore the welfare and employment histories of exiting payees, and the administrative codes used to close their cases.

What are the Characteristics of Exiting Payees and Cases?

Following this discussion, Table 1 presents the demographic characteristics of exiting TCA payees and their welfare cases. Specifically, we examined the gender, age, race, and marital status of payees, as well as the jurisdiction of residence, size, number and age of children on cases. Table 1, and all those that follow, has four columns. The first presents information for the entire sample of closed TCA cases (n=14,838), the second presents information for those cases that closed in the most recent year of our study (April 2009 through March 2010, n=871), the third includes information for cases closed between November 2006 (after the TANF reauthorization provisions included in the DRA took effect) and March 2009 (n=2,007), and the fourth presents the information for the rest of the sample of cases closed between welfare reform in October 1996 and DRA implementation in October 2006 (n=11,960). Following a discussion of the characteristics of the entire sample, we investigate whether and how recent leavers differ from earlier cohorts, possibly as a result of policy changes or national and statewide economic conditions.

Characteristics of the entire sample

Considering our entire sample of welfare leavers, the typical payee is an African-American (74.2%) woman (95.3%) in her early 30s (mean age 32.79 years) who has never been married (74.9%). She has one or two children (mean number of children 1.73), the youngest of whom is between five and six years old (mean age 5.59 years), although nearly half of cases (44.3%) include a child under the age of three.

Cases in which there are no recipient adults—where only children are included in the assistance grant—constitute a small minority of exiting cases. Whereas in the universe of active TCA cases in 2010, child-only cases comprise approximately one-third of all cases, this percentage is much lower among exiting cases[2]. Less than one in five exiting TCA cases in our sample (16.5%) is child-only cases.

As in previous years, most exiting cases are located in Baltimore City (45.5%), followed by Prince George's County (12.6%) and Baltimore County (11.3%). Together, then, more than two-thirds of our sample of exiting cases (69.4%) are located in one of these three jurisdictions. This finding makes intuitive sense, considering these three jurisdictions also have the largest active TCA caseloads. In effect, caseload exits are proportionate to caseload size.

Do recent leavers differ from pre-DRA leavers?

Directly following welfare reform in 1996, Maryland's approach was to encourage the most work-ready clients to leave welfare first, and then apply those savings as additional assistance toward those who needed more time or help transitioning to the workforce. As a result, policymakers anticipated that initial welfare leavers could potentially be quite different from

[2] Information on the percent of child-only cases among all active TCA cases was drawn from the 2010 Monthly Statistical Reports issued by the Family Investment Administration and available online: http://www.dhr.maryland.gov/fia/pdf/statisticalreportsfy10.pdf

those who left welfare after reform. In 2006, with the implementation of changes within the Deficit Reduction Act (DRA), stakeholders again expected that the profile of welfare leavers would change. Today, a faltering economy and a recession that peaked in late 2009 raise new questions about whether some groups are able to exit welfare rolls as easily as they may have in the past.

The unique design of our study sample allows us to compare the various exit cohorts over time, as shown in Table 1. Following the first column, which details the characteristics of the entire sample, the remaining columns investigate the characteristics of the most recent year's welfare leavers, leavers that exited after the implementation of TANF provisions included in the DRA, and leavers who exited before the DRA was enacted. Some factors remained largely the same over time: most exiting payees were women just shy of 33 years old with one or two children.

On other demographic measures, the profile of welfare leavers has changed. While the proportion of Caucasian leavers has remained largely static, there were significantly fewer African-American caseheads exiting TANF, and more Hispanic, Asian, Native American, and Pacific Islander or Alaska Native (these races compose our "other" category) in the cohort of most recent exiting cases. The proportion of exiting payees of these races has nearly doubled since the DRA was implemented in 2006—from 2.5% to 5.8% among leavers in the last year, while the percentage of African-American payees leaving welfare has dropped almost four percentage points (74.3% pre-DRA to 70.9% in the last year). While at least some of the increase in "other" races is due to more frequent and intentional coding of these categories in recent years than in previous years, as opposed to leaving the information blank in the administrative data, further analyses (not shown) revealed that coding changes had a negligible effect. More likely, then, is that the profile of the active and exiting cases is changing as the demographic profile of our state becomes more diverse, and as exiting cases are more likely to come from the more diverse regions within our state.

Indeed, the location of exiting payees appears to be decentralizing—before DRA, nearly half of exiting cases (46.4%) were Baltimore City cases; after DRA and especially in the last year, closures in Baltimore City made up a smaller percentage of total closures (42.7% post-DRA and 41.0% in the last year). In the most recent cohort, both Baltimore City and Baltimore County saw percentage drops while every other region saw an increase over their pre-DRA proportions of leavers.

Additionally, we found that among post-DRA leavers and the leavers in the last year, there is a higher proportion of closing cases that were child-only. Pre-DRA, child-only cases comprised 15.9% of exiting cases; in the last year, this percentage was 19.4%. Since we know from our work on the *Life On Welfare* series[3] that the number of active child-only cases has remained stable over time, we believe the increase in percent of exiting cases that are child-only is more a reflection of the fact that is it harder today for parents who are payees to find work, make ends meet, and close their welfare cases. One important point to remember, however, is that child-only cases are still underrepresented in the population of welfare leavers, compared to their representation in the active caseload: in October 2009, for example, child-only cases comprised nearly a third (32.6%) of the active TANF caseload in Maryland (Williamson, Saunders, & Born, 2010).

In terms of marital status, the data indicate that marriage rates have declined over time among TANF leavers. For instance, we have separated the population of those who were unmarried at

[3] See, for example, our most recent issue in the *Life On Welfare* series, *Life On Welfare: Characteristics of Maryland's TCA Caseload Since DRA*, available on our website: www.familywelfare.umaryland.edu

the time of their welfare exit into those who reportedly were never married and those who were previously married but were divorced, separated or widowed at the time of their exit. While the total percent of unmarried caseheads has remained approximately 92% since the earliest years of welfare reform, the proportion of never-married caseheads has increased and the proportion of previously married caseheads has decreased.

One statistically significant difference among cohorts that could have important programmatic consequences is the increasing presence of very young children among leavers. The average age of the youngest child among pre-DRA leavers was 5.67 years; that average dropped after DRA to 5.24 years. In the most recent cohort of leavers, it increased slightly to 5.32 years, but the standard deviation also increased, which is an indication that children's ages are spread over a wider range of values. This finding is borne out by the increased percentage of children under the age of three. Before DRA was instituted, two in five exiting cases (40.2%) included a child under three. After, almost half of exiting cases (48.7%) did. In the last year, 52.0% of cases had a child less than three years of age, a rate that is even higher than what is found among active TCA cases (Williamson, Saunders, & Born, 2010). As families with young children typically have substantial child care needs, this finding is particularly important for program planning and the coordination of transitional benefits that provide assistance with child care.

Overall, we see there are some shifts in the characteristics of exiting payees and cases over time, and particularly before and after the implementation of the DRA. The TANF-related provisions of the DRA refocused the work-first priorities of TCA but, in contrast to the implementation of TANF in 1996, the changes occurred in a very difficult economic climate. Our findings that today's exiting cases are less likely to be those targeted for work activities (i.e., they are less likely to be traditional, non-child-only cases, more likely to have very young children, and more likely to be from urban centers) all point to the conclusion that the TANF program and its clientele have indeed been affected by these environmental challenges. They also hint that the ramped up work-first approach may not yield positive results as quickly as it did in the late 1990's, largely for reasons beyond the control of the welfare agency. The remaining sections of this chapter help to fill out that picture.

Table 1. Demographic Characteristics of Exiting Payees and Cases

	Entire Sample (n=14,838)	Most Recent Exiting Cases 4/09 - 3/10 (n=871)	Post-DRA Exiting Cases 11/06 - 3/09 (n=2,007)	Pre-DRA Exiting Cases 10/96 - 10/06 (n=11,960)
Payee's Gender (% female)	95.3% (13,904)	94.4% (822)	95.3% (1,913)	95.3% (11,169)
Payee's Mean Age (standard deviation)	32.79 (11.07)	32.93 (11.85)	32.85 (11.77)	32.78 (10.89)
Payee's Race***				
African American	74.2% (10,469)	70.9% (598)	75.5% (1,476)	74.3% (8,395)
Caucasian	23.0% (3,237)	23.3% (196)	21.5% (421)	23.2% (2,620)
Other	2.8% (395)	5.8% (49)	3.0% (58)	2.5% (288)
Region***				
Baltimore City	45.5% (6,749)	41.0% (357)	42.7% (856)	46.4% (5,536)
Prince George's	12.6% (1,865)	14.0% (122)	11.7% (235)	12.6% (1,508)
Baltimore County	11.3% (1,681)	9.4% (82)	11.2% (225)	11.5% (1,374)
Montgomery	4.4% (658)	5.1% (44)	4.2% (85)	4.4% (529)
Anne Arundel	5.4% (793)	6.5% (57)	7.0% (140)	5.0% (596)
Metro region	6.4% (953)	7.1% (62)	8.1% (163)	6.1% (728)
Southern region	3.2% (474)	3.8% (33)	3.7% (75)	3.1% (366)
Western region	3.5% (517)	4.0% (35)	3.7% (74)	3.4% (408)
Upper Shore region	4.2% (625)	4.4% (38)	4.3% (87)	4.2% (500)
Lower Shore region	3.4% (503)	4.7% (41)	3.3% (67)	3.3% (395)
Assistance Unit Size				
Mean (standard deviation)	2.60 (1.19)	2.55 (1.22)	2.57 (1.22)	2.61 (1.19)
Percent child-only cases*	16.5% (2,444)	19.4% (169)	19.1% (383)	15.9% (1,892)
Marital Status***				
Married	7.7% (1,018)	7.5% (63)	7.0% (137)	7.9% (818)
Never married	74.9% (9,875)	78.1% (655)	79.2% (1,545)	73.8% (7,675)
Divorced, separated, or widowed	17.4% (2,293)	14.4% (121)	13.7% (268)	18.3% (1,904)
Mean Number of Children (standard deviation)	1.73 (1.07)	1.70 (1.08)	1.72 (1.08)	1.73 (1.06)
Age of Youngest Child				
Mean (standard deviation)***	5.59 (4.86)	5.32 (5.33)	5.24 (5.06)	5.67 (4.78)
Percent with a child under the age of 3***	42.0% (5,936)	52.0% (437)	48.7% (927)	40.2% (4,572)

Note: Due to missing data for some variables, counts may not sum to the total number of cases. Age of youngest child considers all children within the assistance unit, regardless of whether they were included in the calculation of the TCA grant amount. Valid percentages are reported. *p<.05 **p<.01 ***p<.001

Core caseload subgroups

Following the passage of PRWORA in 1996, Maryland's approach to reducing its welfare caseload was two-fold. First, the state focused on transitioning its most work-ready clients off welfare and into the workforce. Second, the program was also designed to identify and ameliorate various barriers to work that less work-ready clients faced. A key way of achieving this second goal was to identify subgroups of people who were "harder to serve" and direct them into targeted Separate State Programs (SSPs) that could better meet their needs and provide services. Originally, these SSP cases were exempt from the state's work participation rates; DRA changed many of the federal rules regarding SSPs in 2006, and many of these groups are now included in the calculation.

Since 2004, Maryland has tracked the distribution of the TANF caseload across "core" and "non-core" groups. "Non-core" cases are divided into these subgroups: child-only; earnings; caretakers for a child under one year; long-term disabled caseheads; needy caretaker relatives; short-term disabled caseheads; domestic violence victims; and caretakers of other disabled household members.[4] "Core" cases include all remaining work-eligible cases. In Table 2, following this discussion, we present the core caseload categories for leavers in each of our cohorts from 2004 and later. For the sample as a whole, leavers in the "non-core" caseload were most likely child-only cases (18.7%) or earnings cases (11.5%). Fewer than one in ten exiting cases (8.1%) had a "child under one" work exemption, and 4.4% of cases were classified as long-term disabled caseheads. The remaining categories each accounted for one percent or fewer of non-core caseload closures.

Over time, the distribution of leavers across "core" and "non-core" categories shifted so that more closing cases fell into one of the "non-core" groups, and fewer in the "core" group. Post-DRA, for example, the percentage of leavers who were child-only cases increased, first from 18.1% to 19.1% and then again to 19.4% in the most recent cohort of leavers. Similarly, the percentage of leavers exempt from work because they were caring for an eligible child under the age of one more than doubled, from 5.4% to 10.1% between the Pre-DRA cohort and the most recent cohort of leavers. Fewer closing cases were earnings cases (a decline from 13.8% to 8.6%), and the remaining groups each increased slightly.

This is consistent with what we know about the active TANF caseload in Maryland, which has also come to reflect a more even distribution of "core" and "non-core" cases over time (Williamson, Saunders, & Born, 2010). However, as expected, the "core" cases still make up a greater percentage of leavers than active cases at any given point in time.

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[4] In October 2007, two additional categories were added for legal immigrants and two-parent cases, but we have continued to include these cases in the "core" group (as they were prior to October 2007) to allow for consistent comparisons across our cohorts. In the most recent cohort, these groups accounted for 0.7% and 3.2% of exiting cases, respectively.

Table 2. Core Caseload Groups

	Entire Sample (n=14,838)	Most Recent Exiting Cases 4/09 - 3/10 (n=871)	Post-DRA Exiting Cases 11/06 - 3/09 (n=2,007)	Pre-DRA Exiting Cases 4/04 - 10/06 (n=2,428)
Core Caseload Categories* **				
Child only	18.7% (992)	19.4% (169)	19.2% (383)	18.1% (440)
Earnings cases	11.5% (607)	8.6% (75)	9.9% (198)	13.8% (334)
Child under one year	8.1% (429)	10.1% (88)	10.5% (210)	5.4% (131)
DEAP disabled	4.4% (231)	4.6% (40)	5.1% (101)	3.7% (90)
Needy caretaker relative	1.0% (54)	1.4% (12)	0.7% (14)	1.2% (28)
Temporary/TANF disabled	0.9% (50)	1.0% (9)	0.9% (17)	1.0% (24)
Domestic violence	0.8% (42)	1.3% (11)	0.8% (16)	0.6% (15)
Caring for disabled household member	0.7% (36)	1.6% (14)	0.9% (17)	0.2% (5)
Remainder	53.9% (2,853)	52.0% (453)	52.1% (1,039)	56.1% (1,361)

Note: Due to missing data for some variables, counts may not sum to the total number of cases. Valid percentages are reported. *p<.05 **p<.01 ***p<.001

What are Payees' Experiences with the Welfare System and Employment?

Two important indicators of whether adults are fully prepared to make the transition from welfare to work are: 1) how long they have been on welfare, and 2) how extensive their work histories are. In this section, we investigate payees' short- and long-term welfare histories as well as their attachment to the Maryland UI-covered workforce.

Welfare History

Table 3, following this discussion, presents two pieces of information for the entire sample and each cohort separately: the length of the welfare spell immediately preceding the recent exit from welfare; and the total number of months of welfare receipt in the last five years. Much like we have found in previous years, most caseheads are exiting after relatively short spells of receipt—73.4% of exiting cases had received assistance for 12 consecutive months or fewer just prior to exit and the median tells us that 50% of exiting cases exited after only 6.71 consecutive months. Overall, the average number of consecutive months of assistance was just over one year (mean 14.22 months), indicating that despite there being so many cases with short exiting spells, a few cases with a very high number of months of receipt pulled the mean upward.

Again, having multiple cohorts of leavers allows us to investigate whether the profile of exiting cases has changed over time. Indeed, data presented in Table 3 hints that it has. Before the implementation of TANF reauthorization provisions in the DRA, the average leaver had almost 16 months (15.57 months) of consecutive welfare receipt prior to exiting welfare, and the standard deviation was very high—25.74 months—which indicated that there was an extremely wide range of receipt; indeed, a handful of people (5.0%) who left had received assistance for more than 60 continuous months. After reauthorization (Post-DRA), the average exiting spell lasted about half as long (mean 8.08 months), and the median was much lower, at 3.95 months. This means that half of leavers had only been on welfare for four consecutive months before exiting. The percentage of leavers who had received assistance for more than 60 consecutive months also dropped to 1.2%. Most recently, we find that continuous spells may be growing again, possibly because of shifts in the economy. Specifically, among the most recent cases, the average leaver had almost 10 months of consecutive receipt (mean 9.78 months) leading up to their recent exit, and the percentage of leavers who had fewer than 12 months of receipt fell slightly.

One important caveat to these findings regarding spells of continuous receipt, however, is that many families return to assistance and have multiple spells over time. Their exiting spell, then, may underestimate their true history of welfare receipt. In the second and third sections of Table 3, we present the total number of months of receipt in the last five and ten years, respectively. For the entire sample, we see that, on average, families spent just over two of the last five years on welfare (mean 26.32 months) and approximately one in three cases (34.1%) received one year or less of cumulative assistance in the last five years. This overall profile is more reflective of pre-DRA leavers, however, due to the large number of overall sample cases exiting in this period. Post-DRA leavers had shorter cumulative welfare histories, as nearly one-half (48.9%) had 12 or fewer months of cumulative welfare benefits in the past five years and, among the most recent cohort of leavers, the respective figure is more than half (55.9%). Accordingly, the average number of months of receipt in the five years before exiting is also substantially lower among the post-DRA cohorts. Before DRA, leavers averaged 28.33 months of receipt, compared to 18.63 months after DRA and 16.43 months among the most recent cohort of leavers.

The final section of Table 3 considers receipt in the last ten years (information available only for cases that exited in April 2008 or later). Overall, even across this longer span of time, most families had received assistance for less than half the time. For instance, among the most recent leavers, 86.9% had 48 months or fewer of cumulative assistance in the past ten years; among other post-DRA leavers, the respective figure was 85.6%. This could indicate that cumulative welfare history (at least among leavers) is becoming shorter over time, despite longer consecutive exiting spells. This hopefully indicates that today's welfare leavers have in some ways been less dependent on welfare before exiting and that they are possibly better equipped for reaching self-sufficiency, though more research is certainly needed in this area.

Table 3. Welfare History

	Entire Sample (n=14,838)		Most Recent Exiting Cases 4/09 - 3/10 (n=871)		Post-DRA Exiting Cases 11/06 - 3/09 (n=2,007)		Pre-DRA Exiting Cases 10/96 - 10/06 (n=11,960)	
Length of Exiting Spell* **								
12 months or fewer	73.4%	(10,891)	82.3%	(717)	86.6%	(1,738)	70.5%	(8,436)
13 to 24 months	13.2%	(1,965)	10.7%	(93)	7.8%	(156)	14.3%	(1,716)
25 to 36 months	4.9%	(730)	3.0%	(26)	2.6%	(52)	5.5%	(652)
37 to 48 months	2.5%	(378)	1.4%	(12)	1.2%	(24)	2.9%	(342)
49 to 60 months	1.6%	(232)	0.9%	(8)	0.6%	(12)	1.8%	(212)
More than 60 months	4.3%	(642)	1.7%	(15)	1.2%	(25)	5.0%	(602)
Mean***	14.22		9.78		8.08		15.57	
Median	6.71		5.76		3.95		7.50	
Standard deviation	24.26		15.05		15.79		25.74	
TCA Receipt in the 5 Years Before Exit* **								
12 months or fewer	34.1%	(5,055)	55.9%	(487)	48.9%	(981)	30.0%	(3,587)
13 to 24 months	20.0%	(2,969)	23.4%	(204)	23.6%	(474)	19.2%	(2,291)
25 to 36 months	14.7%	(2,175)	8.7%	(76)	12.3%	(246)	15.5%	(1,853)
37 to 48 months	11.8%	(1,746)	5.1%	(44)	7.3%	(146)	13.0%	(1,556)
49 to 60 months	19.5%	(2,888)	6.9%	(60)	8.0%	(160)	22.3%	(2,668)
Mean***	26.32		16.43		18.63		28.33	
Median	22.00		11.00		13.00		25.00	
Standard deviation	19.07		15.38		15.99		19.24	
TCA Receipt in the 10 Years Before Exit								
24 months or less			70.8%	(617)	68.0%	(606)		
25 to 48 months			16.1%	(140)	17.6%	(157)		
49 to 72 months			5.6%	(49)	8.2%	(73)		
73 to 96 months			3.6%	(31)	3.7%	(33)		
97 to 120 months			3.9%	(34)	2.5%	(22)		
Mean			23.25		23.88			
Median			13.00		15.00			
Standard deviation			26.61		24.84			

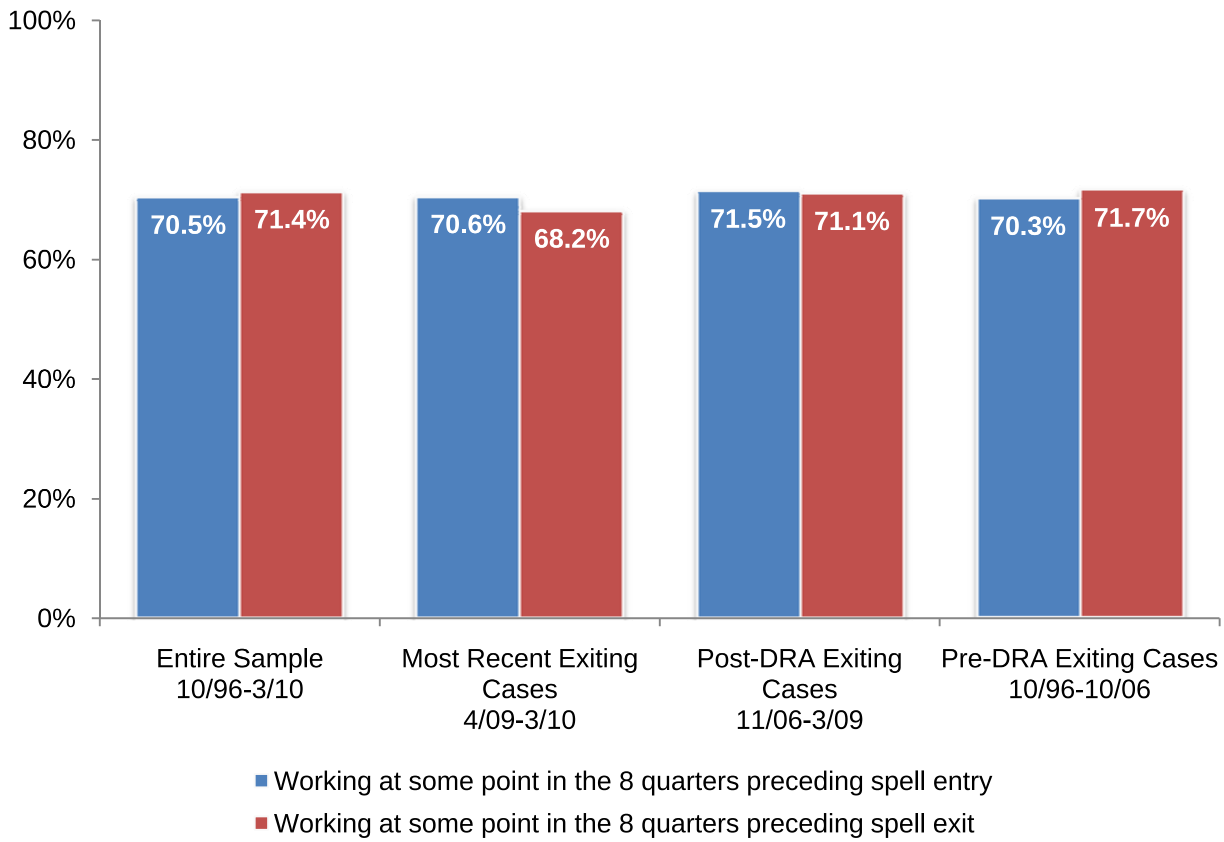
Note: Due to missing data for some variables, counts may not sum up to the total number of cases. Valid percentages are reported. *p<.05, **p<.01, ***p<.001

Work History

One of the key distinguishing characteristics of today's welfare program, as opposed to the historical AFDC program, is a work-first approach. This is based on the idea that work experience, even if in a less than optimal job, is irreplaceable as training for future, hopefully better, job prospects. Thus, in this section we discuss findings from Figure 1, which presents information on leavers' employment during two specific periods – the two years before the most recent welfare spell began and the two years leading up to the most recent exit. Both periods are likely to include at least some months of cash assistance participation (except for those who are exiting from their very first welfare spell), during which individuals would have received some employment support if they were work-eligible. However, it is important to point out that some leavers (especially in the Pre-DRA period) may be exiting from very long welfare spells which began in the early 1990s, so the span of time examined in our analyses is very wide and covers a broad array of economic and policy environments.

Overall, leavers were slightly more likely to work at some point before exit than before entry. About seven out of ten (70.5%) leavers worked at some point in the eight quarters before entry, and the rate was just marginally higher (71.4%) before spell exit. Again, as with welfare history, this general profile is more reflective of the pre-DRA cohort (which makes up most of our overall sample), for which pre-entry employment (70.3%) was lower than pre-exit employment (71.7%). In the post-DRA cohort, and in the most recent cohort of leavers, the trend was reversed, with slightly higher pre-entry employment than pre-exit employment, though the practical difference between the two time periods is very small and the differences among the cohorts was statistically insignificant. Still, it is worth monitoring employment history in the coming years. Drops in employment for the pre-exit period among future leavers could continue due to the extended and slow economic recovery despite the hard work of local offices in trying to meet the high expectations of work participation included in DRA. There is also a greater incentive in the current policy environment to close cases in which the casehead is not cooperating with work requirements; this might also help to explain the lower employment rates of recent leavers. The final section of our chapter examines this issue more closely.

Figure 1. Employment History



Note: The employment figures exclude 55 sample members with no unique identifier, fairly evenly distributed across the cohorts. In addition, employment preceding spell entry excludes an additional 111 sample members whose welfare spell began before May 1, 1987 (mostly from the Pre-DRA cohort) due to data availability limitations. Valid percentages are reported. *p<.05, **p<.01, ***p<.001

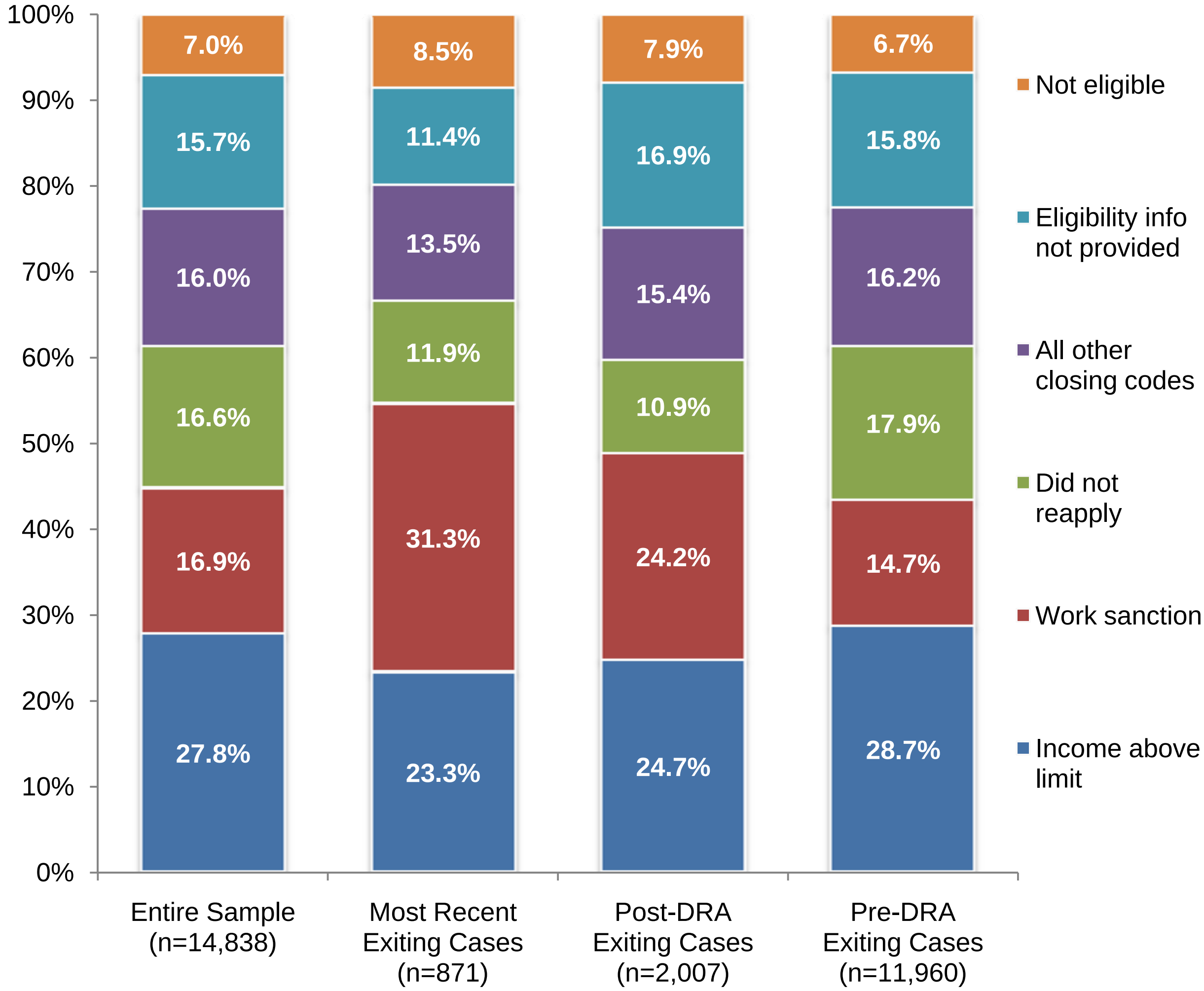
Why Do Families' Welfare Cases Close?

A welfare case might close for any number of reasons. The data available to us for our research are based on the code that a caseworker assigns to a closing case; in some instances, this code may not fully or precisely describe the reason for a closure. For example, the true number of work-related exits may be underestimated because some cases coded as "did not reapply" may actually be caseheads who found work but failed to notify the agency of this. Despite the limitations of the case closing code data, we have found that these codes do correlate with post-exit outcomes (Ovwigho, Tracy, and Born, 2004). Thus, we continue to include analysis on case closing code data in this annual report.

Figure 2, following, shows the top five closing codes assigned to the cases in our sample as a whole, as well as for each cohort. Overall, more than one-quarter of cases (27.8%) closed because families' incomes grew enough to make them ineligible to continue receiving assistance. In another 16.9% of cases, the case closed because the adults in the assistance unit did not meet work requirements and were sanctioned. The next three common closing codes—"did not reapply", "eligibility information not provided", and "no longer eligible"—accounted for 16.6%, 15.7%, and 7.0% of case closures, respectively. Together, these five codes account for 84.0% of case closures between October 1996 and March 2010, with all other closing codes accounting for the remaining 16.0% of cases. Among cases that closed before DRA, the top five codes accounted for 83.8% of closures, with all other closure codes making up 16.2% of closures; after DRA, that percentage increased to 84.6% (with 15.4% accounted for by all other closure codes), and among the most recent closures, the top five codes describe 86.5% of cases, leaving 13.5% of closures with other closure codes.

In addition to these five codes being used more often as the years passed, the distribution of their use changed. Whereas among pre-DRA leavers, the most common reason for a closure was income rising above the limit, the most common closure reason among the most recent cohort is a work sanction—nearly one-third of closures (31.3%) are due to a sanction, more than double the pre-DRA rate (14.7%). An increasing percentage of work sanctions is not unexpected, as people are more likely to be sanctioned for not meeting work requirements the longer they remain on assistance and grace periods or good cause allowances run out. However, it is likely that some portion—possibly a large portion—of this rising sanctioning rate is due to stricter federal guidelines regarding work participation. TANF agencies today essentially need every single work-eligible individual to be engaged in defined work activities, and this requires a more intense balance of carrots and sticks – including effective assessment and training options as well as quick and consistent sanctioning for noncompliance.

Figure 2. Case Closing Reasons***



Note: Valid percentages are reported. *p<.05, **p<.01, ***p<.001

In sum, the findings in this chapter reveal a somewhat different profile of welfare leavers in the post-DRA period than in the pre-DRA period, with some caveats specific to the most recent cohort of leavers. Overall, we find that post-DRA leavers are less likely to be of a traditional, single recipient parent family type, less likely to be concentrated in Baltimore City, and less likely to be among the "core" caseload. While we might then expect the most recent leavers to have longer welfare histories and less work experience, we find the opposite – that post-DRA leavers tend to have shorter welfare histories (by measures of both consecutive and cumulative receipt), and that they are more likely to have exited due to a work sanction than over-the-limit income. This apparent contradiction is worth further investigation, but intuitively it would seem that the "core" cases of today's exiting caseload, although there are a smaller proportion of them, are experiencing especially short welfare spells and high sanctioning rates that overshadow the characteristics of "non-core" cases. Indeed, short welfare spells and high sanctioning could be related to one another, and could also jointly be related to changes in post-exit outcomes. The remaining chapters in this report examine specific outcomes including employment, welfare recidivism, and the use of additional work supports.

Findings: Post-Exit Employment and Welfare Outcomes

In this chapter, we examine data on post-exit employment and welfare recidivism outcomes. Our analysis begins with a look at quarterly employment rates in the quarter of the welfare exit, and for up to 52 quarters (13 years) following the exit which brought sample members into our study. We then present average quarterly and annual earnings for up to 13 years after the welfare exit. Finally, we examine short-term quarterly employment and earnings outcomes by cohort to discern whether there are observed differences in employment outcomes during the first six quarters following a welfare exit, depending on the timing of the exit.

Employment Outcomes

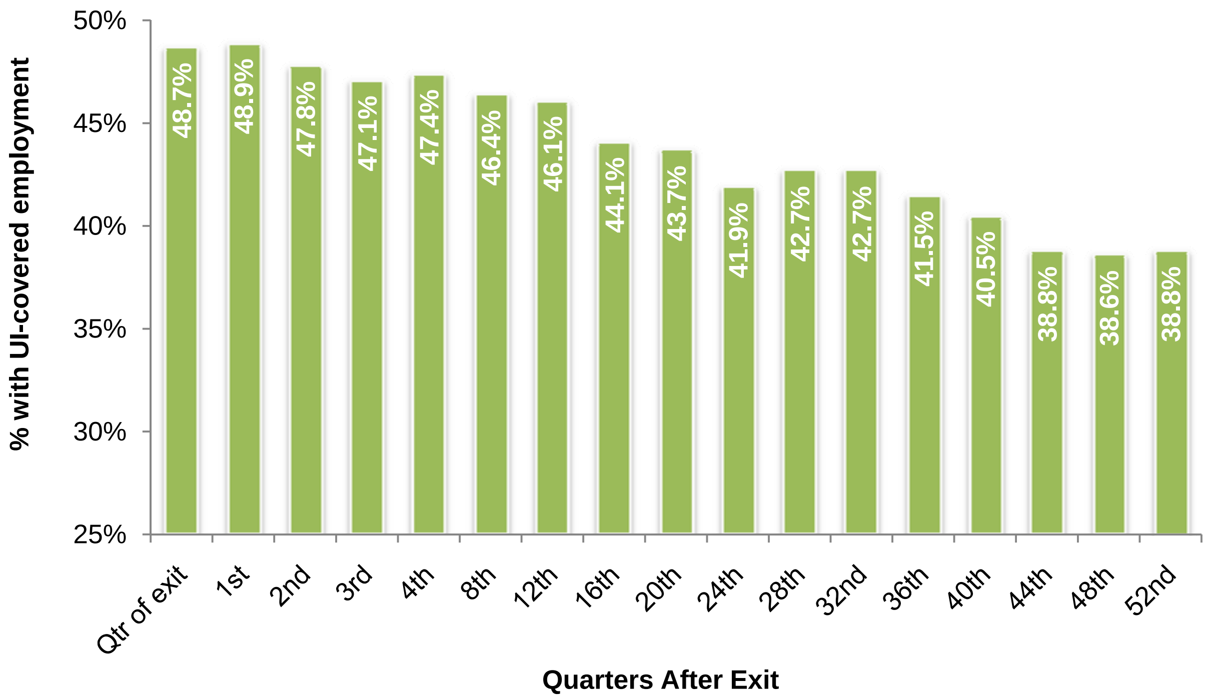
How Many Work in UI-Covered Jobs Over Time?

One of the most basic employment measures we can examine in our study is the percent of leavers who were employed in a Maryland UI-covered job in the quarter of the welfare exit and in the quarters following the exit. Figure 3, following this discussion, presents this information for up to 52 quarters, or 13 years. Overall, just under half (48.7%) of caseheads were employed in the quarter of their exit. Over time, the general trend is that this rate decreases so that by the 52nd quarter (only available for our earliest leavers), the employment rate is less than two out of five (38.8%). Compared to findings presented in the 2009 update (Born, Ovwigho, Kolupanowich, & Patterson, 2009), we find lower employment rates across the board, though the most pronounced drops in employment occur between 12 and 48 quarters.

This reflects two important factors. One is that we do not include out-of-state employment data in this year's update, which minimally depresses employment by an estimated one to two percentage points. Second, and more importantly, it is important to remember that each quarter presented in Figure 3 represents a different and increasingly narrow span of time. That is, employment data in the quarter of exit is available for nearly all of our sample members (n=14,783) and reflects employment that occurred between October 1996 and March 2010. In contrast, in the 52nd quarter after exit, data is only available for the small subgroup of leavers who exited between October 1996 and March 1997, and that data presented reflects employment that occurred between October 2009 and March 2010, at the tail end of the Great Recession. Thus, the later quarters are much more likely to reflect current economic conditions and the earlier quarters are likely to reflect a balanced view of employment across the whole first 15 years of welfare reform.

In addition, we expect that at least some of the decrease in employment in a Maryland UI-covered job over time is due to sample attrition and aging, for example, as sample members move to other states, become retired, or pass away. As in previous updates of this report, we present separate analyses that examine the percent of sample members who become disconnected from work and welfare over time. A more thorough analysis of this population is also available in a separate study (Ovwigho, Kolupanowich, Hetling, & Born, forthcoming; Ovwigho, Kolupanowich, & Born, 2009).

Figure 3. Quarterly Employment Rates



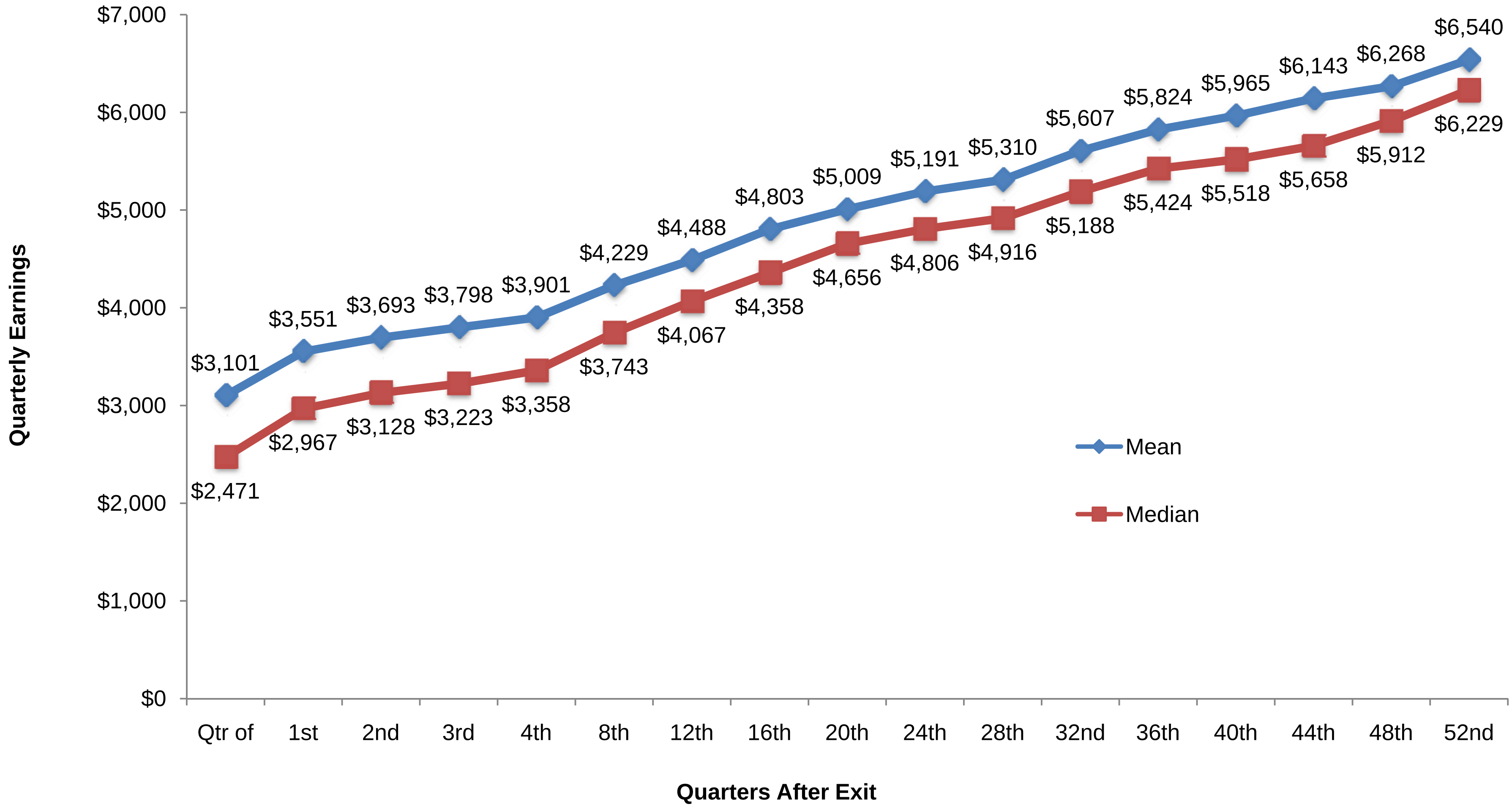
Note: We exclude 55 sample members for whom we have no unique identifier. In addition, the valid number of cases decreases as the number of quarters after exit increases, from 14,783 cases in the quarter of exit to 973 cases in the 52nd quarter after exit. Valid percentages are reported.

What are Adults' Earnings from UI-Covered Employment?

Of course, an employment rate only tells part of the story and while work experience in any job provides some advantage over having no work experience, sufficient earnings are key to moving families out of poverty. Figure 4, following, provides the mean and median quarterly earnings for sample members employed in UI-covered jobs in Maryland for up to 52 quarters past their welfare exit. It is important to keep in mind that we do not know how much of the quarter the person worked (i.e., how many weeks or months) or whether they worked full- or part-time, and it is therefore impossible to determine an hourly or monthly wage from these figures.

Overall, for those who were employed, we find a steady increase in earnings over time, reflected in both the mean and median. In the quarter of exit, the average leaver earned just over $3,000 (mean of $3,101) and by the 52nd quarter (or end of the 13th year), average earnings were more than double that, with a mean of $6,540. As with employment rates, we find that average earnings are down slightly from corresponding figures presented in our 2009 update. Again, this is partly (but minimally) due to the exclusion of limited out-of-state wages, and mainly reflective of the concentrated affects of the Great Recession as we get further away from the original exit. In general, though, the overall trend is a clear one. Although earnings may initially be quite low among employed welfare leavers, average earnings do tend to increase over time, at a steady pace.

Figure 4. Quarterly Earnings

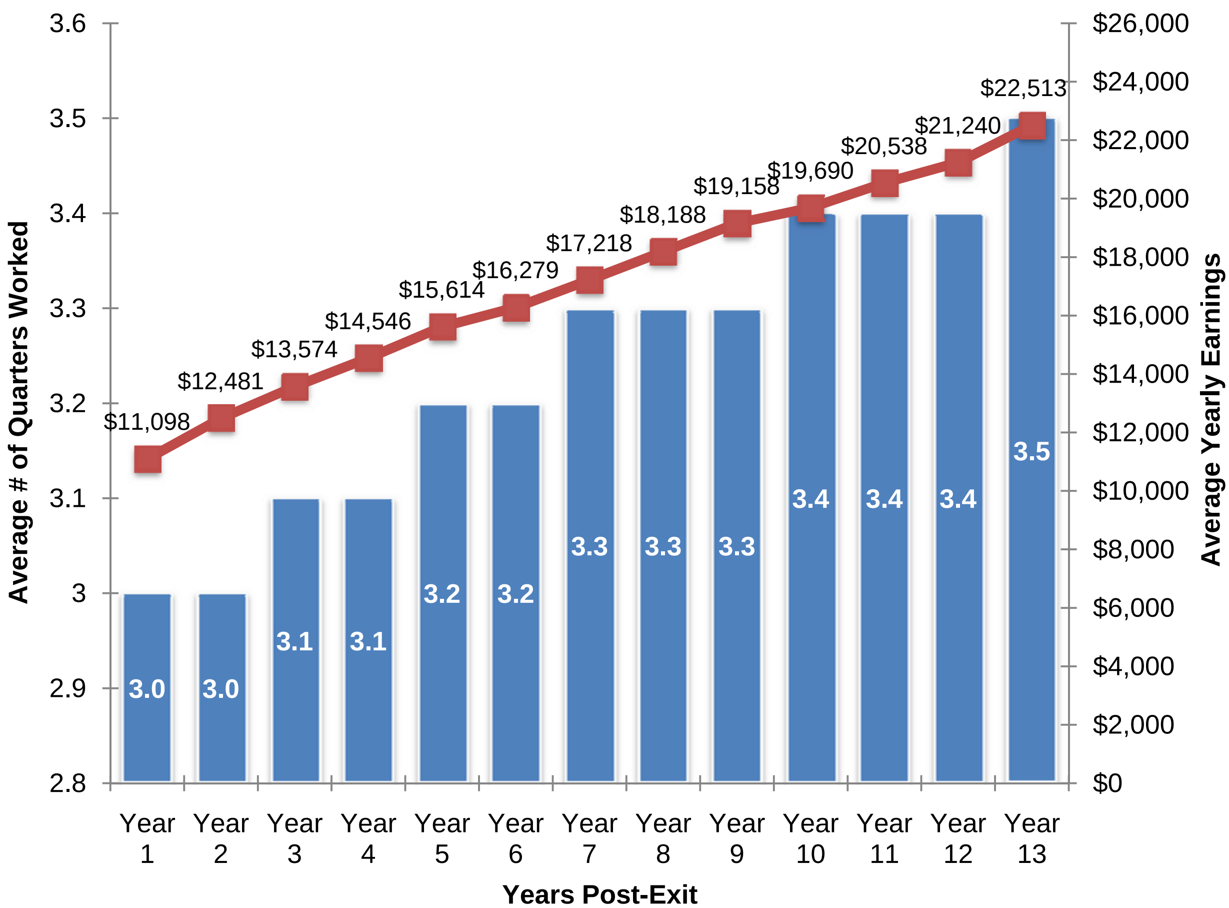


Note: We exclude 55 sample members for whom we have no unique identifier, and averages presented only include those with at least some wages. Also, as noted previously, these are aggregate quarterly earnings. We do not know how many weeks or hours an individual worked, so hourly wage cannot be computed or inferred from these data. Finally, wages are standardized to 2009 dollars.

While the previous analyses afford a good snapshot of what is happening in employment and earnings incrementally over time (i.e., quarter by quarter), Figure 5, following this discussion, gives us a broader picture of what is happening on an annual basis. Specifically, Figure 5 includes the average number of quarters worked per year and the average earnings for leavers employed in Maryland UI-covered jobs for up to 13 years after their welfare exit. Overall, we find that among those who were employed, the average leaver worked an average of three quarters in each of the first two years after exiting and over time this average slowly increased to 3.5 quarters by the 13th year.

Average annual earnings also increased steadily for those who were employed. In the first year after exiting welfare, the average employed leaver earned only $11,098, compared to more than double that figure (mean $22,513) in the 13th year for those with available data. Putting these findings together, although we are not able to distinguish between part-time and full-time employment, we are at least able to see that employment stability (in terms of average number of quarters with any earnings) is mostly constant over time, so the increase in earnings is particularly impressive. As mentioned previously, these whole-group findings reflect outcomes across various economic climates over the past fifteen years. Our final analysis for this section compares early employment outcomes (i.e., in the first several quarters after exiting) for our different sample cohorts to determine whether the trends seen in the overall sample are also reflected in each subgroup.

Figure 5. Mean Earnings and Number of Quarters Worked



Note: Figure 5 excludes leavers for whom we do not have a full year of employment data available (April 2009 to March 2010) and 42 additional sample members for whom we have no unique identifier. In addition, average number of quarters worked and average yearly earnings are only for those working.

So far, despite overall positive trends in rising employment rates and earnings over time, figures in latter quarters of the follow-up period, which are more reflective of the current economy, are lower than what was reported in our 2009 update. Our final employment analyses examine early employment outcomes by cohort, to determine whether today's welfare leavers are perhaps not faring as well as leavers from the pre-DRA (and pre-recession) period.

Do Recent and Earlier Leavers Differ in Terms of Employment?

Table 4, following this discussion, includes employment rates and earnings for sample members employed in Maryland UI-covered jobs in the first several quarters after exiting welfare, by cohort. Indeed, the information presented indicates that the most recent leavers (those who exited between April 2009 and March 2010) were less likely to work than leavers in either of the other two cohorts, a difference that proved to be statistically significant. Specifically, about two out of five (39.0%) recent leavers were working in their quarter of TCA exit and by the third quarter after exit, this rate had dropped almost ten percentage points (31.9%). This is in contrast to the other cohorts, who both had employment rates of just less than fifty percent (46.9% among other Post-DRA cases and 49.6% for Pre-DRA cases) in the quarter of exit and still had employment rates over two-fifths up to six quarters later.

Among those who were employed, there was not a drastic difference among the cohorts in average earnings. In the exiting quarter, employed leavers in each cohort earned just over $3,000, and the highest earnings were among the most recent leavers (mean $3,471, $3,201, and $3,064 for most recent, other Post-DRA, and Pre-DRA cases respectively). However, there are some cohort differences in earnings trends over time. That is, while average UI earnings increased steadily for those who were employed in the other Post-DRA and Pre-DRA cohorts, leavers in the most recent cohort experienced very little growth in wages over time. By the third quarter after exiting, employed leavers in the most recent cohort earned an average of $3,477, only $6 more than their exit quarter earnings, on average. In contrast, the respective differential was an increase of $868 per quarter for other Post-DRA leavers (from $3,201 to $4,069) and $697 for Pre-DRA leavers (from $3,064 to $3,761).

Table 4. UI-Covered Employment by Exit Cohort

	Entire Sample 10/96 - 3/10	Most Recent Exiting Cases 4/09-3/10	Post-DRA Exiting Cases 11/06-3/09	Pre-DRA Exiting Cases 10/96-10/06
Quarter of TCA Exit				
Valid N	14,783	858	1,996	11,929
Percent Working***	48.7%	39.0%	46.9%	49.6%
Mean Earnings*	$3,101	$3,471	$3,201	$3,064
Median Earnings	$2,471	$2,671	$2,204	$2,487
1st Quarter After TCA Exit				
Valid N	14,544	619	1,996	11,929
Percent Working***	48.9%	36.0%	46.6%	50.0%
Mean Earnings***	$3,551	$4,205	$3,835	$3,483
Median Earnings	$2,967	$3,373	$2,916	$2,956
2nd Quarter After TCA Exit				
Valid N	14,326	401	1,996	11,929
Percent Working***	47.8%	35.2%	45.1%	48.6%
Mean Earnings**	$3,693	$3,895	$3,992	$3,642
Median Earnings	$3,128	$2,793	$3,144	$3,130
3rd Quarter After TCA Exit				
Valid N	14,129	204	1,996	11,929
Percent Working***	47.1%	31.9%	43.2%	48.0%
Mean Earnings*	$3,798	$3,477	$4,069	$3,761
Median Earnings	$3,223	$3,080	$3,134	$3,242
4th Quarter After TCA Exit				
Valid N	13,925		1,996	11,929
Percent Working***	47.4%		43.0%	48.2%
Mean Earnings**	$3,901		$4,202	$3,856
Median Earnings	$3,358		$3,346	$3,361
5th Quarter After TCA Exit				
Valid N	13,711		1,782	11,929
Percent Working***	47.6%		42.6%	48.3%
Mean Earnings*	$3,993		$4,270	$3,957
Median Earnings	$3,469		$3,356	$3,483
6th Quarter After TCA Exit				
Valid N	13,497		1,568	11,929
Percent Working***	46.8%		40.6%	47.6%
Mean Earnings	$4,116		$4,316	$4,094
Median Earnings	$3,598		$3,383	$3,610

Note: Employment figures exclude 55 sample members for whom we had no unique identifier. Earnings are only for those working. Also, as noted previously, these are aggregate quarterly earnings. We do not know how many weeks or hours an individual worked, so hourly wage cannot be computed from these data. *p<.05, **p<.01, ***p<.001

In sum, we do find depressed employment outcomes for the most recent cohort of welfare leavers in Maryland. This finding is not surprising given the harsh economic climate they are contending with, but still has important implications for policy and program development. One area that may be of particular concern is whether changes in the profile of exiting cases (i.e. more sanctions, shorter welfare spells, and less traditional case composition), combined with less-positive employment rates and stagnant earnings in the early quarters following a welfare exit, leads to higher rates of returning to cash assistance. The remaining sections in this chapter examine the empirical data that are available to help us answer this question.

Welfare Outcomes

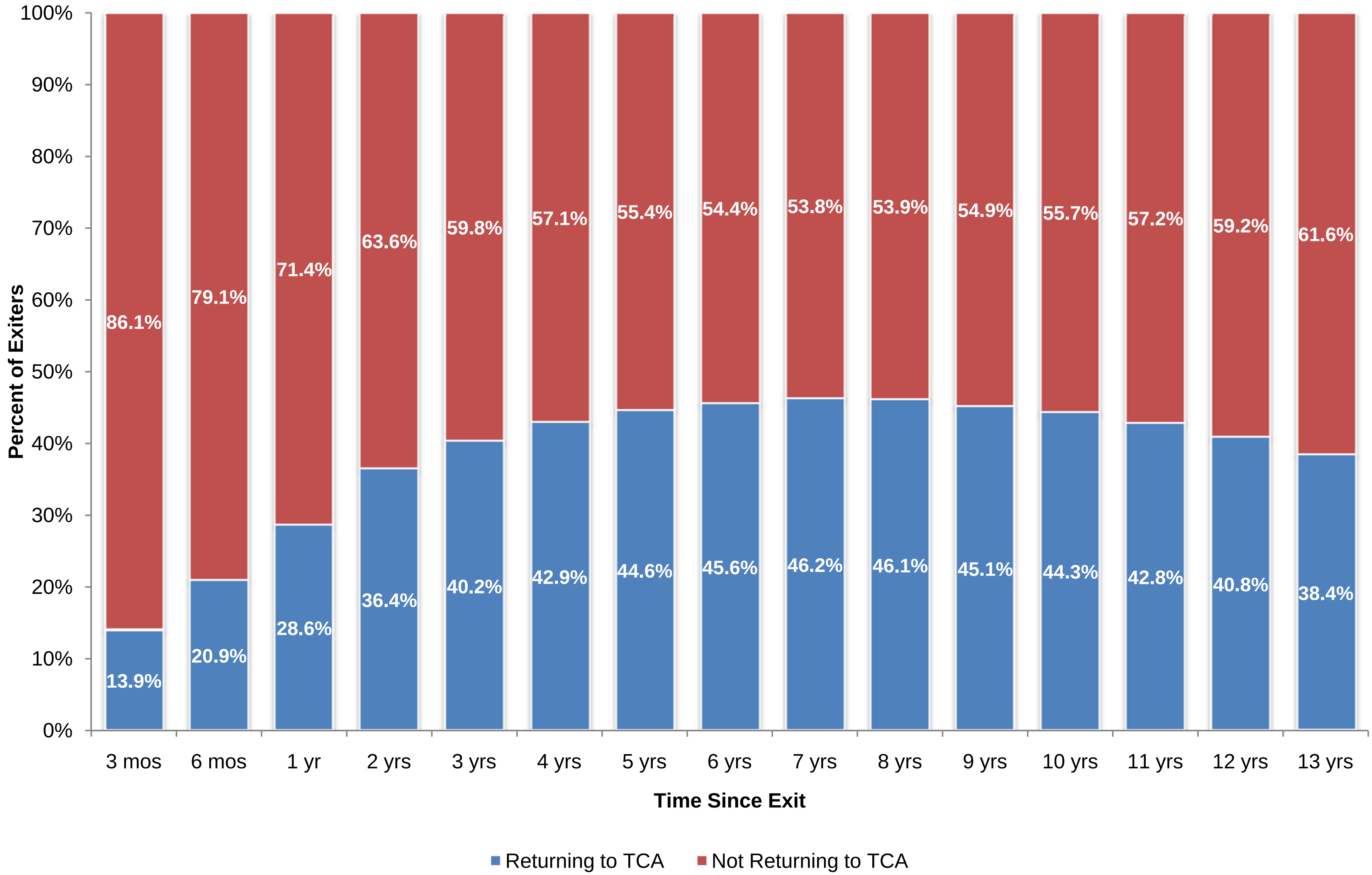
How Many Families Return to Welfare?

For most welfare leavers, the most common post-exit outcome is either: 1) employment, or 2) a return to the cash assistance program. While the most desirable outcome is gainful employment and, hopefully, self-sufficiency without returning to cash assistance, there are some reasons to expect a return. For example, we might expect that a family whose case closes due to a full family sanction will make necessary changes in order to comply with program requirements, and resume receiving assistance. For other families that leave welfare, a change in circumstances down the road—illness, job loss, childbearing—may prompt a return to welfare. In this section, we focus on how many families return to welfare following the exit which brought them into our sample.

In Figure 6 below, we present the percentage of leavers who remain off welfare and the percentage that return to assistance during our 13-year follow-up period, cumulatively. Figure 6 shows that the news is largely good—most families who exit welfare do not return. In the first three months following the exit that brought them into our sample, a small percentage of leavers (13.9%) return to welfare. By the end of the first year, just over one-quarter of leavers (28.6%) have received at least some additional assistance, and after two years, 36.4% have returned for at least one additional month of cash assistance. Over time, however, these increases in recidivism level off; by the seventh year post-exit, fewer than half of exiting cases (46.2%) have returned to welfare.

From Figure 6 we can draw two conclusions. First, cases that closed in the very early years of welfare reform were largely permanent closures. Fewer than two in five cases (38.4%) returned to welfare sometime in the 13 years following the exit that brought them into our sample. Second, families who leave welfare are at significantly higher risk of returning to welfare in the months immediately following an exit than they are a few years out. For instance, in the first year following their exit, families returned at a rate of 28.6%; in the second year, this increased only by eight percentage points (to 36.4%), in the third year, the rate increased only about four percentage points (to 40.2%), and so on. Thus, if families can remain independent of the welfare system in the months immediately following their exit—when they are most vulnerable to returning—they are more likely to remain independent for many years to come.

Figure 6. Cumulative TCA Recidivism Rates



Note: Differences in sample size across follow-up periods result in the appearance that cumulative returns to welfare decrease over time.

Do Recent and Earlier Leavers Differ in Terms of Recidivism?

In Table 5, we look more specifically at recidivism among our three exit cohorts to determine if returns to welfare have changed over time. We examine recidivism at three months, six months, and—for those for whom we have a full year of follow-up data—12 months post-exit. At each time period, there is a statistically significant difference among the cohorts. While just over one in ten (13.6%) of the earliest leavers before DRA returned to welfare within three months after exiting, post-DRA leavers returned at a slightly higher rate (14.9%), and most recent leavers returned at the highest rate (16.6%). The magnitude of this trend increases as we examine longer follow-up times: after six months the jump in recidivism from early leavers to post-DRA leavers to the most recent leavers was 2.7 percentage points and then 5.3 percentage points. After a year, the jump in recidivism between early leavers and post-DRA leavers was 4.9 percentage points. If the trend continues, we can expect that the most recent leavers will return to TCA in even higher percentages than pre- and post-DRA leavers, which could potentially be a problem for the state's TCA program given tough economic times and tightening budgets.

Table 5. Recidivism by Exit Cohort

	Entire Sample (n=14,838)		Most Recent Exiting Cases 4/09 - 3/10 (n=871)		Post-DRA Exiting Cases 11/06 - 3/09 (n=2,007)		Pre-DRA Exiting Cases 10/96 - 10/06 (n=11,960)	
3 Months Post-Exit*								
Percent (count) returning	13.9%	(2,032)	16.6%	(104)	14.9%	(300)	13.6%	(1,628)
Percent (count) not returning	86.1%	(12,563)	83.4%	(524)	85.1%	(1,707)	86.4%	(10,332)
6 Months Post-Exit***								
Percent (count) returning	20.9%	(3,009)	28.3%	(115)	23.0%	(462)	20.3%	(2,432)
Percent (count) not returning	79.1%	(11,365)	71.7%	(292)	77.0%	(1,545)	79.7%	(9,528)
12 Months Post-Exit***								
Percent (count) returning	28.6%	(3,996)			32.8%	(658)	27.9%	(3,338)
Percent (count) not returning	71.4%	(9,971)			67.2%	(1,349)	72.1%	(8,622)

Note: Three-month post-exit data are available for only 628 sample members in the most recent cohort (those who left between 4/09 and 12/09), and Six-month post-exit data are available for only 407 sample members (those who left between 4/09 and 9/09). Valid percentages are reported. *p<.05, **p<.01, ***p<.001

Risk Factors for Recidivism

Our results above show that while most families do not return to TCA, a significant minority do return and that most recent leavers are more likely to return than their predecessors. To get a broad understanding of which leavers are at the greatest risk of returning to welfare, Table 6 compares characteristics of recidivists and non-recidivists. We limit our analysis to those who return within the first year after exit because leavers are at greatest risk for falling back onto welfare rolls during this period in particular. A subsequent analysis (based on data summarized in Table 7) examines risk factors for more immediate returns (within three months) for the most recent cases only, since we have indications that they are returning at higher rates than previous leavers. These clients, by necessity, are excluded from Table 6 because we do not yet have a full year of follow-up data for them.

Overall, those who returned to welfare within the first year post-exit are significantly different from those who do not return on every measure included in Table 6. In terms of individual demographics, recidivists are about two and a half years younger (mean 2.59 years), more likely to be African-American (by 11.3 percentage points), and more likely to have never married (by 11.8 percentage points) than non-recidivists. In terms of case characteristics, recidivists' welfare cases were more likely to have been in Baltimore City (by 15 percentage points), were larger (2.76 vs. 2.54 case members), included more children (1.84 vs. 1.69 children), and were more likely to include a child under the age of three (by 2.6 percentage points) than non-recidivists' cases.

The reason for case closure and length of welfare history were also significantly different among recidivists and non-recidivists. Perhaps as we might have expected, the cases of those who were able to remain off welfare were closed most often using the "income above limit" code (30.2%). In contrast, reasons for case closure among recidivists were more diverse, with about one in five (23.0%) closures occurring due to a work sanction, one in five (22.8%) because of disqualifying income, and one in five (19.7%) because eligibility information was not provided.

In terms of historic welfare receipt, recidivists had more cumulative months of receipt in the last five years, but shorter spells of consecutive receipt just before exit. Recidivists, on average, spent just about half of the last five years (mean 30.41 months of 60) receiving cash assistance, whereas non-recidivists, on average, only spent a little over two of the last five years (mean 25.54 months of 60) receiving assistance. Just before the exit that brought them into our sample, however, recidivists had fewer months of consecutive receipt—13.08 months versus 15.07 months among non-recidivists. In sum, although leavers who returned to TCA had shorter spells, they spent more time on TCA overall, indicating they had likely cycled on and off the program several times.

Finally, Table 6 shows that recidivists and non-recidivists have similar rates of recent employment: about seven in ten leavers had some UI-covered work in Maryland in the two years before the exit that brought them into our sample. When examining the rate of employment in the exit quarter, however, those who returned to welfare within the year were less likely to have been working in the quarter of exit. About half (50.9%) of non-recidivists were working when they exited, but only 44.5% or recidivists were working in the quarter of exit, a difference that was statistically significant. This is consistent with the finding that recidivists are more likely than non-recidivists to have been sanctioned for noncompliance with work requirements. In a separate study, we examine outcomes for those being sanctioned in much more depth (Ovwigho, Kolupanowich, & Born, 2010). More is needed to understand the specific circumstances surrounding returns to TCA in order to understand how to prevent them and/or to make the returns for sanctioned payees the start of productive and fruitful engagement in required activities. We are currently embarking on such a study and expect to complete an initial report within the next year.

Table 6. Comparison of TCA Recidivists and Non-Recidivists

	Did Not Return in 1st Year (n=9,971)		Returned in 1st Year (n=3,996)		Total (n=13,967)	
Payee's Mean Age (standard deviation)* **	33.53	(11.39)	30.94	(9.80)	32.79	(11.02)
Payee's Race* **						
African American	71.2%	(6,701)	82.5%	(3,170)	74.5%	(9,871)
Caucasian	26.0%	(2,452)	15.3%	(589)	22.9%	(3,041)
Other	2.8%	(263)	2.2%	(83)	2.6%	(346)
Region* **						
Baltimore City	41.5%	(4,135)	56.5%	(2,257)	45.8%	(6,392)
23 counties	58.5%	(5,836)	43.5%	(1,739)	54.2%	(7,575)
Marital Status* **						
Married	9.0%	(784)	4.8%	(171)	7.7%	(955)
Never married	71.2%	(6,232)	83.0%	(2,988)	74.7%	(9,220)
Divorced/separated/widowed	19.8%	(1,731)	12.3%	(441)	17.6%	(2,172)
Assistance Unit Characteristics						
Size - mean (standard deviation)***	2.54	(1.18)	2.76	(1.20)	2.60	(1.19)
Number of children - mean (standard deviation)***	1.69	(1.04)	1.84	(1.12)	1.73	(1.07)
Percent child-only cases***	18.5%	(1,846)	10.8%	(429)	16.3%	(2,275)
Age of youngest child - mean (standard deviation)***	5.78	(4.94)	5.18	(4.49)	5.61	(4.82)
Percent with a child under 3***	40.7%	(3,825)	43.3%	(1,674)	41.4%	(5,499)
Closing Code* **						
Work sanction	13.3%	(1,324)	23.0%	(918)	16.1%	(2,242)
No recertification	16.2%	(1,614)	18.7%	(746)	16.9%	(2,360)
Income above limit (including started work)	30.2%	(3,015)	22.8%	(913)	28.1%	(3,928)
Not eligible	8.3%	(826)	3.3%	(133)	6.9%	(959)
Eligibility information not provided	14.4%	(1,438)	19.7%	(788)	15.9%	(2,226)
Total closings accounted for by top five closing codes	82.41%	(8,217)	87.5%	(3,498)	83.9%	(11,715)
Length of Exiting Spell						
Mean (standard deviation)***	15.07	(25.30)	13.08	(23.05)	14.50	(24.70)
Welfare Receipt in 5 Years Prior to Exit						
Mean (standard deviation)***	25.54	(19.03)	30.41	(18.86)	26.94	(19.11)
Percent Employed in a UI-Covered Job in 2 Years Before Exit	70.9%	(7,071)	71.9%	(2,873)	71.2%	(9,944)
Percent Working in the Exit Quarter* **	50.9%	(5,077)	44.5%	(1,780)	49.1%	(6,857)

Note: Data in the table do not include cases closing between April 2009 and March 2010 because at the time of this writing, they did not have a complete year of follow-up data available. *p<.05, **p<.01, ***p<.001

As mentioned previously, Table 7 presents similar information on recidivism risk factors, but the focus is on short-term returns (within three months) and we only include leavers in the most recent cohort for whom we have three full months of follow-up data (i.e., those exiting between April 2009 and December 2009, n=628). In general, we find that many of the characteristics on which there were statistically significant differences between one-year recidivists and non-recidivists are not significantly different between three-month recidivists and non-recidivists. We would note though, that this finding could be related to the relatively small sample size. Practically speaking, we see similar trends overall in differences between recidivists and non-recidivists in terms of payee and case characteristics.

The most noteworthy finding for short-term recidivists is that half (51.0%) of them experienced case closure due to a work sanction. This is twice the sanctioning rate for non-recidivists in the first three months after exiting (25.8%) and, recalling Table 6, even twice the sanctioning rate among more longer-term recidivists, those who returned within one year (23.0%). Accordingly, the employment rate for short-term recidivists in the quarter of their exit was only one-quarter (25.5%). We do not know, however, whether this within-quarter employment occurred before or during the month of the welfare exit, or whether it perhaps represents work effort that did not quite meet the standards of full, countable work participation. It is also worth pointing out that there was a much more distinct difference between short-term recidivists and non-recidivists (as compared with the difference between long-term recidivists and non-recidivists) in the percent of cases closed due to a lack of recertification (20.2% versus 9.4%, respectively). This may merit a closer look at whether there are any further improvements or efficiencies that could be achieved, i.e., the redetermination process in order to prevent a break in benefits for families and to prevent extra work for agency staff.

In sum, the analyses presented in this section have shown that payees and families reflecting a more traditional welfare case (i.e., non-child-only cases from Baltimore City with short welfare spells) are more likely to return to welfare than other, non-traditional cases. From our previous chapter on the overall characteristics of leavers in general, we know that these traditional cases comprise a smaller proportion of leavers today than in past years, but they are still the majority of cases. In addition, we find that today's leavers are much more likely to be sanctioned for noncompliance with work, and that this higher sanctioning rate is reflected in poorer employment outcomes (since more of today's leavers include those who have been noncompliant with work opportunities presented to them) and higher recidivism rates overall. In order to get a better, more cohesive picture of how the employment and TCA experiences of leavers intersect over time, our final analyses in this chapter synthesize the work and welfare data presented thus far.

Table 7. Comparison of TCA Recidivists and Non-Recidivists for the Most Recent Cohort

	Did Not Return in 1st Three Months (n=524)		Returned in 1st Three Months (n=104)		Total (n=628)	
Payee's Mean Age (standard deviation)	33.51	(12.15)	31.95	(10.32)	33.25	(11.87)
Payee's Race*						
African American	68.3%	(345)	82.5%	(85)	70.7%	(430)
Caucasian	25.1%	(127)	15.5%	(16)	23.5%	(143)
Other	6.5%	(33)	1.9%	(2)	5.8%	(35)
Region						
Baltimore City	40.6%	(213)	49.0%	(51)	42.0%	(264)
23 counties	59.4%	(311)	51.0%	(53)	58.0%	(364)
Marital Status						
Married	8.3%	(42)	6.9%	(7)	8.1%	(49)
Never married	77.5%	(390)	77.5%	(79)	77.5%	(469)
Divorced/separated/widowed	14.1%	(71)	15.7%	(16)	14.4%	(87)
Assistance Unit Characteristics						
Size - mean (standard deviation)**	2.46	(1.20)	2.86	(1.35)	2.53	(1.24)
Number of children - mean (standard deviation)*	1.64	(1.04)	1.94	(1.32)	1.69	(1.10)
Percent child-only cases**	22.9%	(120)	11.5%	(12)	21.1%	(132)
Age of youngest child - mean (standard deviation)	5.36	(5.42)	4.86	(4.93)	5.28	(5.34)
Percent with a child under 3	52.2%	(262)	55.3%	(57)	52.7%	(319)
Closing Code* **						
Work sanction	25.8%	(135)	51.0%	(53)	29.9%	(188)
No recertification	9.4%	(49)	20.2%	(21)	11.1%	(70)
Income above limit (including started work)	27.3%	(143)	10.6%	(11)	24.5%	(154)
Not eligible	11.6%	(61)	1.9%	(2)	10.0%	(63)
Eligibility information not provided	11.3%	(59)	7.7%	(8)	10.7%	(67)
Total closings accounted for by top five closing codes	85.3%	(447)	91.3%	(95)	86.3%	(542)
Length of Exiting Spell						
Mean (standard deviation)	9.82	(15.87)	9.98	(14.23)	9.83	(15.60)
Welfare Receipt in 5 Years Prior to Exit						
Mean (standard deviation)*	16.07	(15.28)	20.18	(15.96)	16.75	(15.46)
Percent Employed in a UI-Covered Job in 2 Years Before Exit	67.9%	(351)	61.8%	(63)	66.9%	(414)
Percent Working in the Exit Quarter**	41.6%	(215)	25.5%	(26)	38.9%	(241)

Note: Cell totals may not sum to column totals due to instances of missing data. In addition, employment figures exclude 19 individuals for whom we did not have a unique identifier. Valid percents are reported. *p<.05, **p<.01, ***p<.001

Work and Welfare Status over Time

Thus far in this chapter, we have found that the majority of leavers exit welfare and do not return, and that a majority of leavers become employed in the Maryland UI-covered workforce. However, we also learned that certain leavers, like those who are sanctioned, are less likely to experience either of these outcomes. To the extent that today's leavers are more likely to be sanctioned and face a very challenging economic climate, we could see depressed employment and welfare outcomes for the next several years. While the examination of these two outcomes separately is useful for uncovering the related details and trends within each area, it is also important to understand how they intersect over time and also to what extent certain leavers become disconnected from both work and welfare in the years following a welfare exit. Thus, in this section, we combine our work and welfare data to create four work-welfare status categories:

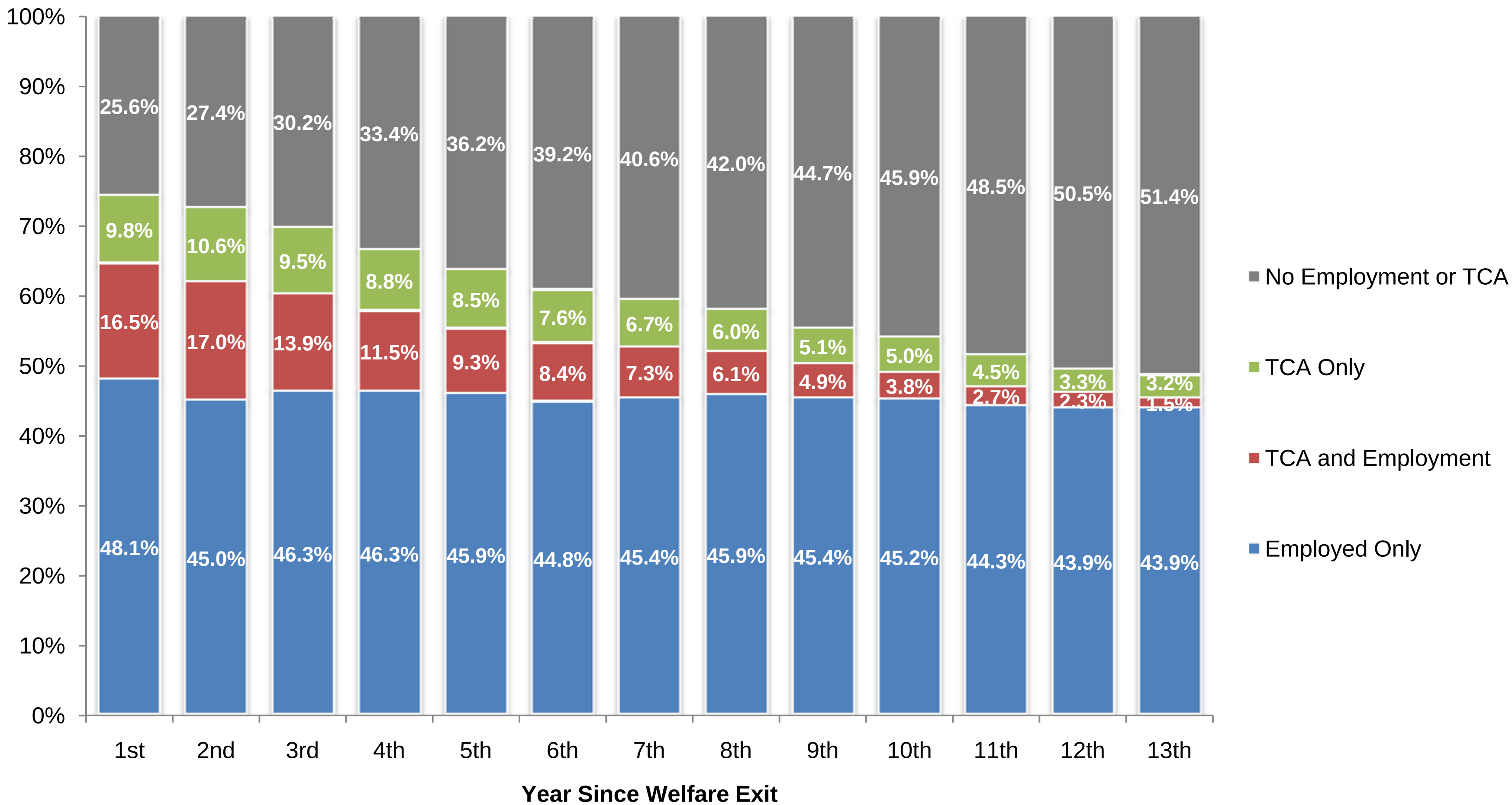
1) Employment Only: UI-covered employment in Maryland and no TCA receipt;
2) TCA Only: receipt of TCA in at least one month, but no UI-covered Maryland employment;
3) TCA and Employment: both UI-covered Maryland employment and TCA receipt in at least one month; or
4) No Employment or TCA: neither UI-covered Maryland employment nor receipt of TCA.

Figure 7, following this discussion, presents the distribution of leavers into these four groups in each of the first 13 years after the welfare exit which brought them into our sample. One encouraging finding shown in Figure 7 is that in most years, "Employment Only" is the most common category. Admittedly, this finding is tempered by the reality that employment rates are expectedly down from what was reported in our 2009 update, as most of our employment analyses have been throughout this report. Overall, just about one-half (48.1%) of leavers were working in their first post-exit year, and only slightly less (43.9%) were working in the 13th year post-exit.

Those in the "TCA Only" and "TCA and Employment" categories account for 26.3% of leavers in the first year after exiting and only 4.7% of leavers in the 13th year after exiting, reflecting the slowing rate of recidivism over time as discussed previously. In general, among those who receive any TCA in the years after the exit that brought them into our sample, approximately half tend to also have employment in the same year and half rely on TCA alone.

Finally, we find that in the 13th post-exit year, over half the original sample (51.4%) had become disconnected from both work and welfare, up from one quarter (25.6%) of leavers in the first post-exit year. As our longitudinal study continues, and we get further and further away from sample members' original welfare exit, sample attrition due to such things as changes in family circumstances which may disqualify our earliest leavers from TCA eligibility and/or also reduce the likelihood that they will have UI-covered Maryland employment become an important consideration. Our recently-released study on disconnected leavers reveals that many of them continue to receive other transitional benefits with broader income eligibility criteria, such as Food Supplement benefits and medical coverage. Still others become eligible for Supplemental Security Income (SSI) on the basis of age or, more commonly, long-term disabilities which preclude employment (Ovwigho, Kolupanowich, & Born, 2009). In addition, work and welfare status at any given point in time may not reflect long-term situations. That is, those who are disconnected in the first year after exiting are not necessarily the same individuals who are disconnected in the thirteenth year after exiting. Our final section in this chapter provides an analysis of how sample members move from one status to another over time.

Figure 7. Work and Welfare Status over Time



Note: We exclude those without a full year of follow-up data (those in the most recent cohort of leavers, exiting between April 2009 and March 2010), and an additional 42 sample members for whom we have no unique identifier. In addition, the number of valid cases decreases as the number of years since exiting increases, from 13,925 cases in the first follow-up year to 973 cases in the thirteenth follow-up year. Valid percentages are reported.

Fluidity in Work and Welfare Status

We have all come to painfully learn throughout the recent recession and slow recovery, that employment and economic well-being at any given time does not necessarily guarantee employment or economic well-being over time. Figure 8, following this discussion, presents more detailed information about how families move between relying on income from employment, TCA, both, and neither between their first and fifth years after exiting from welfare.

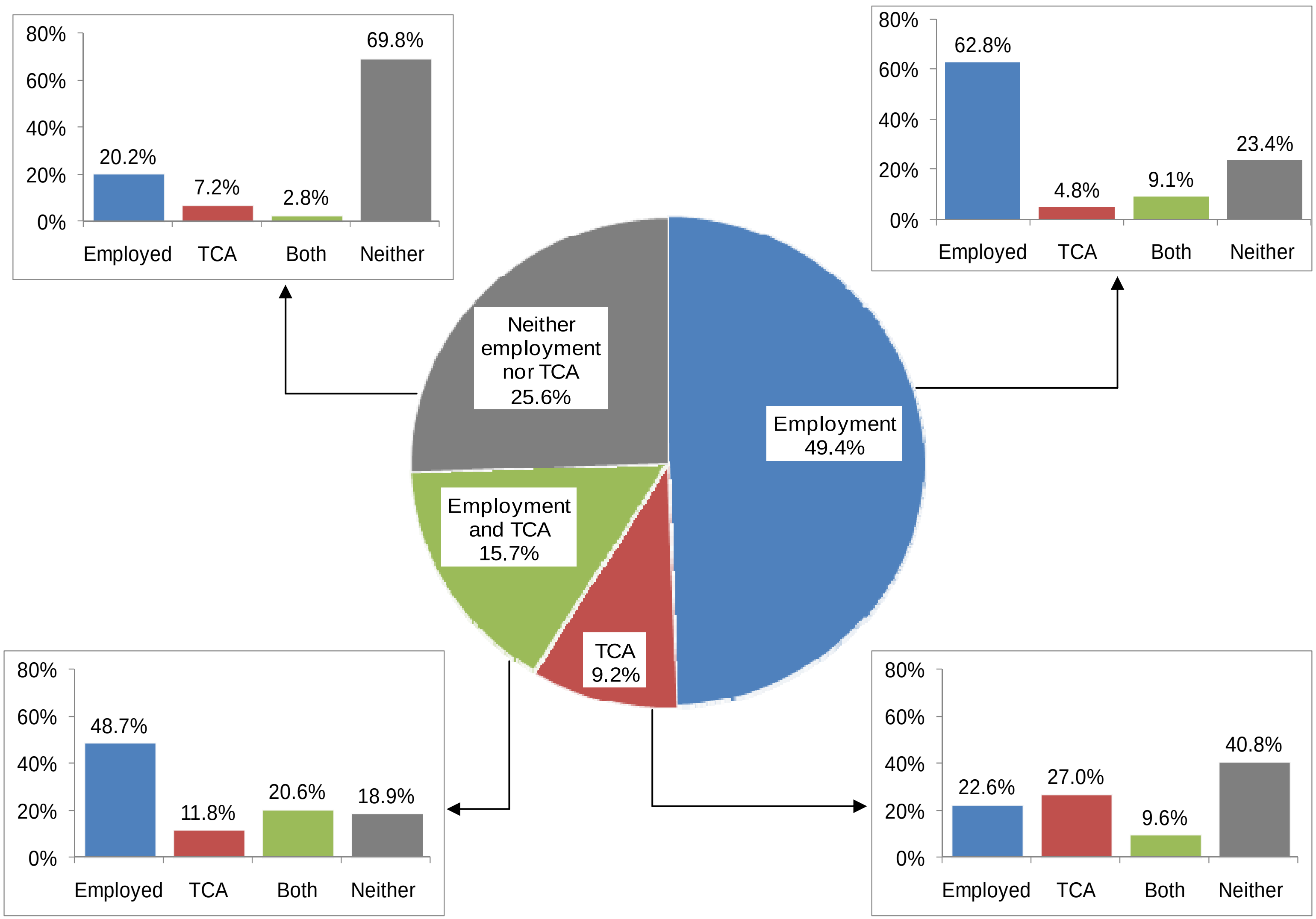
In general, a leaver's combined work and welfare status in the first year after exiting is most commonly also her status in the fifth year after exiting, though there are some exceptions. For instance, among those who did not return to TCA in the first year after exiting, and had Maryland UI-covered employment in that year, nearly two-thirds (62.8%) were also relying on “Employment Only” in the fifth year after exiting. A small portion (4.8%) of this group had returned to TCA in the fifth year, without any UI-covered earnings, and about one in ten (9.1%) combined TCA and Employment in that year. Approximately one-quarter (23.4%) had become disconnected from TCA and UI-covered employment in Maryland by the fifth year.

Similarly, among those who were disconnected for the entire first year after exiting welfare, seven out of ten (69.8%) were still disconnected during the fifth year after exiting. Still, it is notable that one in five leavers (20.2%) who were originally disconnected during the first follow-up year had Maryland UI-covered earnings in the fifth follow-up year. An additional one in ten had returned to TCA, either receiving TCA only (7.2%) or combining TCA and employment (2.8%).

Those who had returned to TCA within the first follow-up year had the most diverse outcomes in the fifth follow-up year. That is, among those in the “TCA Only” group during the first follow-up year, two in ten (22.6%) had UI wages in the fifth follow-up year without any additional TCA benefits, three in ten (27.0%) had TCA benefits without UI wages in the fifth year, one in ten (9.6%) had both TCA and UI wages, and four in ten (40.8%) had become disconnected. Among those in the “TCA and Employment” group, the trend in fifth-year outcomes was positive but still diverse, with nearly one-half (48.7%) moving to “Employment Only”, one in ten (11.8%) receiving TCA benefits without any additional UI wages, two in ten (20.6%) combining TCA and UI wages, and two in ten (18.9%) becoming disconnected.

In sum, while experiences of a welfare leaver in her first year after exiting the rolls are not purely predictive of her long-term outcomes for years to come, there does seem to be a relationship between short- and long-term outcomes that is worth noting. Overall, the findings from Figure 8 confirm our earlier finding that if a leaver does not return to welfare within the first follow-up year, it is unlikely (but not impossible) that she will return in subsequent years. However, on the other hand, just because someone has become disconnected from both work and welfare in the months after a welfare exit does not mean that they will not return to one or the other in subsequent years. In addition, it is also possible that families will support their transition off the welfare rolls using additional supports other than work or welfare, such as Food Supplement benefits, medical coverage, and child support. Our final chapter examines the participation rates of leavers in each of these programs during the months and years following their welfare exit.

Figure 8. Work and Welfare Status First Year vs. Fifth Year



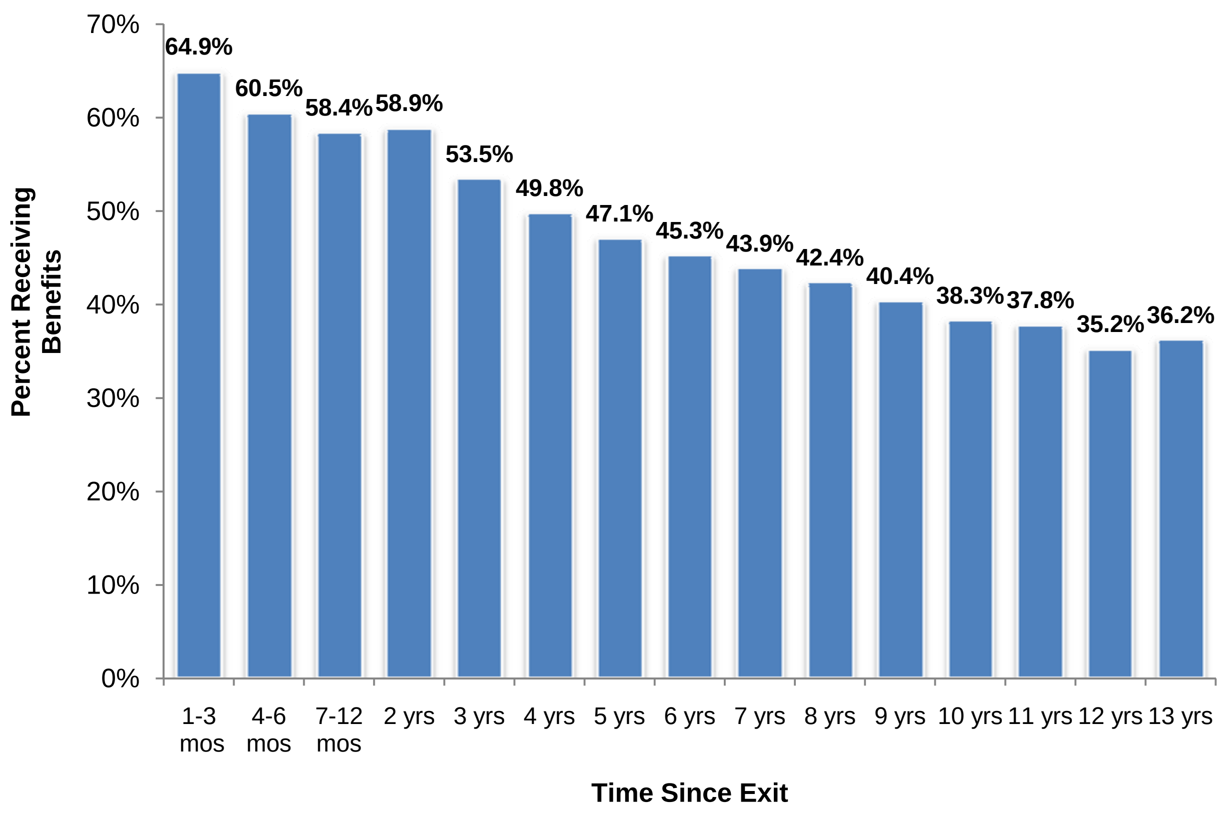
Note: Valid percentages are reported.

Whether a welfare leaver is able to secure employment or ends up returning to welfare, the use of work supports and transitional benefits will certainly be an important component. That is, for welfare leavers who find employment that offers few or no benefits, low wages, low flexibility, or limited opportunity for advancement, work supports can fill some of the gaps. Considering the current state of the economy and the scarcity of jobs that is characteristic of the Great Recession, it is likely that welfare leavers' employment may be even more unstable today than in the past and these work supports will be more central to keeping recidivism rates down. In Maryland, these supports include the Food Supplement Program (FSP, Maryland's version of the federal Supplemental Nutrition Assistance Program, SNAP), Medical Assistance/M-CHP, and child support, among others. In this chapter, we focus on the extent to which welfare leavers use these particular work supports in the months and years following their welfare exit.

How Many Families Use FSP after Leaving Welfare?

In Figure 9 below, we present the percentage of families who received Food Supplement benefits in the months and years following the exit from welfare that brought them into our sample. Figure 9 shows that, initially, participation in the FSP is relatively high—more than three in five families (64.9%) participated in the first three months after exit. Over time, however, participation falls gradually, so that by four years post-exit, only half of families (49.8%) were participating, and by nine years post-exit, only two in five families (40.4%) are receiving Food Supplement benefits. Although participation declined significantly over time, our findings show that there was still a significant minority of leavers (36.2%) receiving benefits some 13 years after their exit from TCA.

Figure 9. Post-Exit Food Supplement Program Participation Rates



Note: Valid percentages are reported.

More specifically, Table 8 investigates whether there is any difference in FSP participation among our three study cohorts. There is a statistically significant difference in each of the three time periods we examined: the first three months after exit, months four through six after exit, and months seven through twelve after exit. In the first period, the first three months following an exit, FSP participation was highest for the most recent exiters, among whom eight out of ten (79.0%) received benefits. Participation was closer to seven out of ten (69.9%) among other Post-DRA leavers and just over half (56.5%) for Pre-DRA leavers.

In the four to six months after exit, a similar pattern emerges: pre-DRA leavers again have the lowest participation rates (57.7%), while the most recent leavers have the highest (76.2%), and the post-DRA leavers again fall in the middle (73.8%). In the seven to 12 months post-exit, post-DRA leavers still receive FS benefits in higher numbers than pre-DRA leavers (76.3% vs. 62.3%). These findings are consistent with expansions in eligibility, outreach efforts, and take-up for FSP benefits in recent years, and we expect that the FSP will continue to remain a very prominent transitional benefit for the large majority of TANF leavers in coming years.

Table 8. Food Supplement Program Participation Rates by Exit Cohort

	Entire Sample (n=14,838)	Most Recent Exiting Cases 04/09 - 03/10 (n=871)	Post-DRA Exiting Cases 11/06 - 03/09 (n=2,007)	Pre-DRA Exiting Cases 10/96 - 10/06 (n=11,960)
Months 1-3* **	64.9% (9,475)	79.0% (496)	69.9% (1,402)	56.5% (6,757)
Months 4-6* **	60.5% (8,693)	76.2% (310)	73.8% (1,482)	57.7% (6,901)
Months 7-12* **	58.4% (8,159)		76.3% (1,531)	62.3% (7,448)

Note: Due to missing data for some variables, counts may not sum up to the total number of cases. Valid percentages are reported. *p<.05, **p<.01, ***p<.001

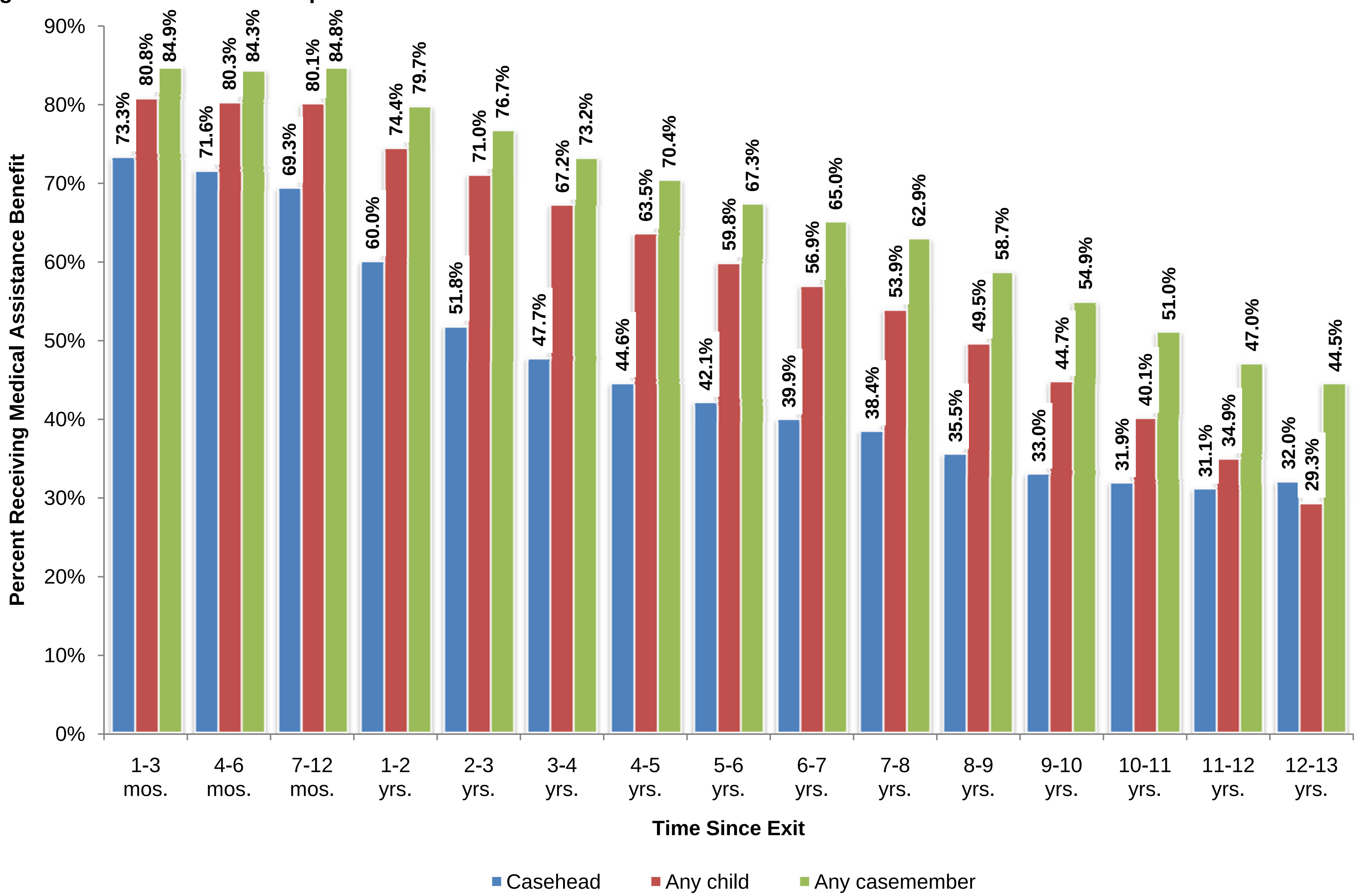
How Many Families are Enrolled in Medical Assistance after Leaving Welfare?

In many of the jobs available to welfare leavers, health insurance coverage is not offered through the employer, and purchasing a private individual health insurance plan is often outside families' financial reach. The increasing number of uninsured workers in America is a topic of intense national debate, and recently-passed health care reform legislation seeks to improve access to health care benefits, a priority that Maryland has been committed to for years. Since TCA and Medical Assistance (MA) were separated, Maryland has encouraged its welfare leavers to continue participating in the MA and M-CHP program, and the state expanded medical coverage in 2008 with the Working Families and Small Business Coverage Act.[5]

Figure 10 explores leavers' participation in the MA and M-CHP programs, considering separately whether the casehead, a child, or anyone in the case received medical benefits in the months and years following TCA exit. We find that initially, participation is extremely high, particularly among children. In the first three months post-exit, 73.3% of caseheads received benefits, and 80.8% of children received benefits; these high participation rates remain so for the first full year after exit. Even though participation declines over time, nearly a third of caseheads (32.0%) and children (29.3%) are still receiving benefits 13 years post-exit.

[5] Effective July 1, 2008, the Act creates the Medical Assistance to Families Program which provides Medicaid to parents with incomes up to $20,500 for a family of three.

Figure 10. Post-Exit MA Participation Rates



Note: Valid percentages are reported.

As we did for our analysis of FS benefits, we examined each exit cohort's MA/M-CHP participation to determine whether there was a pattern, and our results are presented below in Table 9. Indeed, as we saw with the FSP, there was a statistically significant difference among cohorts in each of the time periods we investigated. Again, post-DRA cases were more likely to participate than pre-DRA cases, but in this case, the most recent leavers were slightly *less* likely than the other post-DRA cases to receive MA/M-CHP benefits. Among families that left welfare before DRA, 82.9% had at least one member who received MA in the three months after exit; among families that left post-DRA, that number was 94.4%, and among the most recent leavers, that participation rate was 92.7%. The same pattern emerges in months four through six, with participation rates at 82.7%, 92.4%, and 91.6%, respectively. In every cohort and in every time period, children were always more likely to be receiving benefits than adults.

Table 9. Medical Assistance/M-CHP Participation Rates by Exit Cohort

	Entire Sample (n=14,838)	Most Recent Exiting Cases 04/09 - 03/10 (n=871)	Post-DRA Exiting Cases 11/06 - 03/09 (n=2,007)	Pre-DRA Exiting Cases 10/96 - 10/06 (n=11,960)
Months 1-3* **				
Payee received MA	73.3% (10,701)	81.8% (514)	81.9% (1,643)	71.4% (8,544)
Child received MA	80.8% (11,795)	88.4% (555)	90.4% (1,814)	78.8% (9,426)
Anyone in AU received MA	84.9% (12,389)	92.7% (582)	94.4% (1,895)	82.9% (9,912)
Months 4-6* **				
Payee received MA	71.6% (10,290)	81.1% (330)	79.5% (1,596)	69.9% (8,364)
Child received MA	80.3% (11,536)	87.2% (355)	88.0% (1,767)	78.7% (9,414)
Anyone in AU received MA	84.3% (12,122)	91.6% (373)	92.4% (1,854)	82.7% (9,895)
Months 7-12* **				
Payee received MA	69.3% (9,685)		78.5% (1,576)	67.8% (8,109)
Child received MA	80.1% (11,184)		86.7% (1,741)	79.0% (9,443)
Anyone in AU received MA	84.8% (11,840)		92.4% (1,855)	83.5% (9,985)

Note: Due to missing data for some variables, counts may not sum up to the total number of cases. Valid percentages are reported. *p<.05, **p<.01, ***p<.001

Child Support after Leaving Welfare

Unlike FS and MA-M-CHP benefits which support families by providing specific, in-kind benefits, child support is a potential source of actual income support for welfare leavers. This is partly why cooperating with child support enforcement is a requirement of TCA receipt. The requirement is meant to assist families in establishing support up front so that they can continue to receive services and support payments through the IV-D child support program after leaving welfare.

Indeed, studies show that child support is an important contributor to families' overall incomes and generally takes on more importance in the family budget after women leave welfare (Miller, Farrell, Cancian & Meyer, 2005). Furthermore, women receiving child support have been found to be more likely to exit welfare and to stay off of welfare when consistent child support is received, regardless of the amount (Huang, Kunz, & Garfinkel, 2002; Srivastava, Ovwigho, & Born, 2001). Unfortunately, federal and state child support program statistics demonstrate that paternity, order establishment, and the collection of court-ordered current support and support arrears have not been as easily accomplished for low-income women and especially for those who are or recently were cash assistance recipients. Though challenges remain, because of the importance of child support among those who do receive it, we include an analysis of how many welfare leavers in our study are owed child support at various points following their welfare exit, whether they actually receive support and, if so, how much support they receive.

How many welfare leavers are owed child support payments?

First, we investigate families' child support status in the months and years following their exit from welfare. In Figure 11, following this discussion, we present the percentage of families falling into each of five child support case status categories at each follow-up point. Each casehead is classified into one of the following groups:

1) No active child support case;

2) Active child support case without any support due;

3) Active child support case with only arrears due;

4) Active child support case with only current support due; and

5) Active child support case with both arrears and current support due.

Several findings emerge from Figure 11. First, we see from the combination of the top three categories that, over time, the percentage of families with active cases who are owed some type of child support is relatively unchanging—about 40%—though the composition of the type of support (arrears versus current support) does vary. Considering those with support due, the chart shows that, over time, the percentage of families with only arrears due (and not any current support) more than triples (from 1.9% to 6.9% 11 years after exit). This is most likely indicative of children becoming emancipated as they reach adulthood.

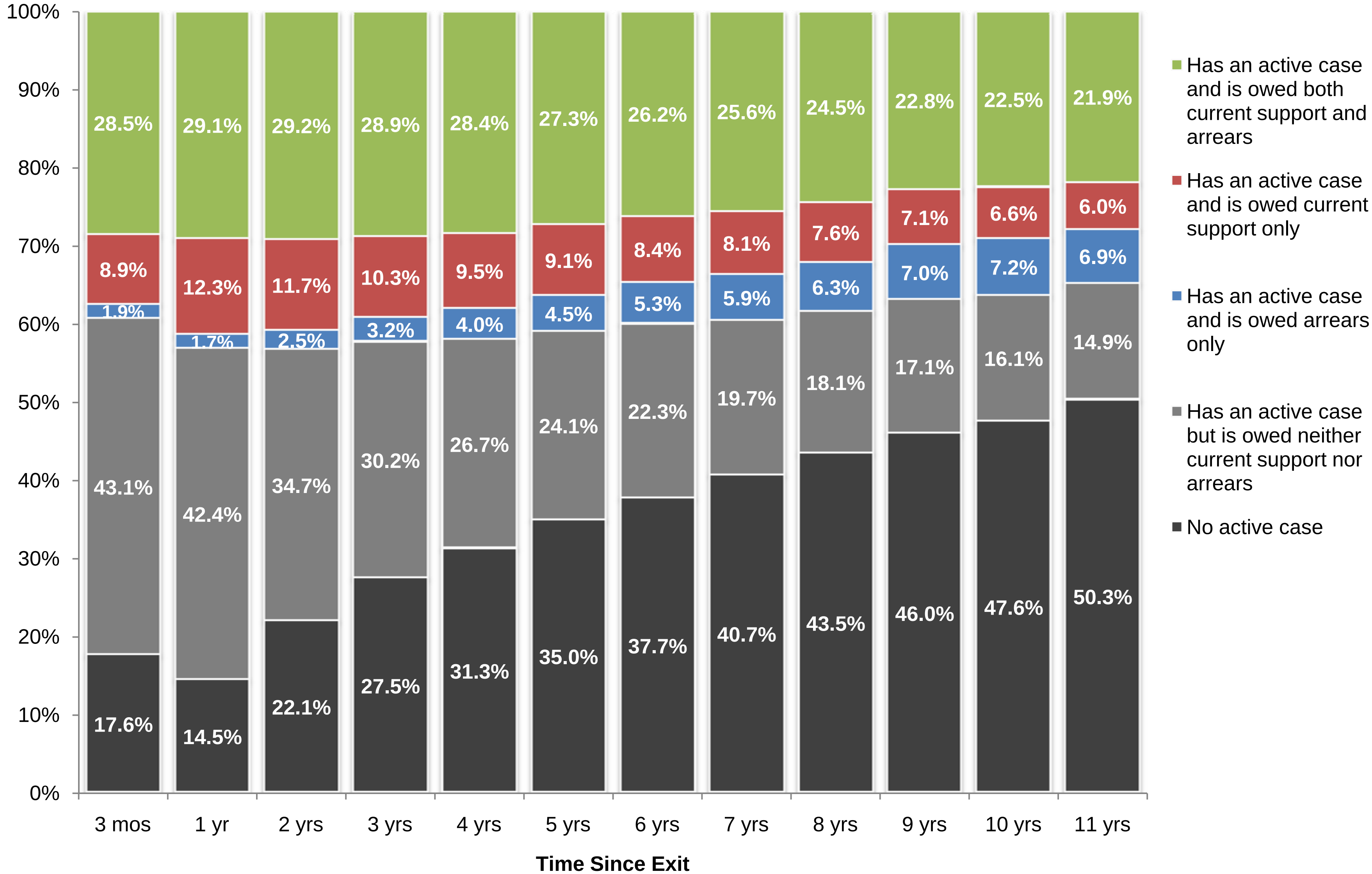
Similarly, the percentage of cases owed only current support and no arrears decreases from 12.3% of cases in the first year after exiting welfare, to only 6.0% of cases in the 11th follow-up year. This is again related to children reaching the age of majority, and also to the increasing likelihood for past-due support to become an issue the longer a support order is in effect.

Second, among cases who are not owed child support during the follow-up period, it seems that many of them initially have cases open but without any balance due. In the first three months following an exit, for example, 43.1% of families had a child support case active but had no support due and only 17.6% of families had no active child support case in this period. Having an active case without support due could occur if paternity has yet to be established, the noncustodial parent has not yet been located, or a support order is suspended or has yet to be established. Not having any active child support case in the months immediately following a welfare spell is more likely to occur if the casehead was noncompliant with child support enforcement (and was therefore sanctioned from TCA), had a good cause reason for not pursuing child support (i.e., domestic violence), or was part of an intact family for whom child support was irrelevant.

Our analysis of later time periods shows that if a child support obligation is not established at the time of the exit, leavers are unlikely to ever have one established. That is, while two-fifths (43.1%) of leavers have an active case with no support due immediately following their exit, this does not seem to translate into an increasing percent of cases that had support due in subsequent years. Rather, it is the percent of leavers without any case at all that increases, from 14.5% in the first year to 50.3% by the eleventh year.

As mentioned previously, presenting data for our overall sample can mask important variations or trends for specific cohorts of leavers. Thus, the next analysis examines child support case status in the months immediately following their welfare exit, for leavers in each of our three study cohorts.

Figure 11. Child Support Status Post-Exit



Note: Valid percentages are reported.

Table 10, following this discussion, examines child support case status by exit cohort in the three months and one year after exit. One obvious trend that emerges is that families who left welfare after DRA—especially those in the most recent year—are less likely to have active child support cases following their welfare exit. In the pre-DRA period, 83.8% of leavers had an active child support case in the three months after exit. In the post-DRA period from 11/08 through 3/09, only 78% of leavers had an active child support case immediately following the welfare exit and among the most recent cohort, even fewer leavers—73.8%—had an active child support case. Although we do not have data for the most recent cohort of leavers one year after exit, this pattern is the same among pre- and post-DRA leavers for whom we do have data. While 86.4% of pre-DRA leavers have a case after one year, only 81.3% of post-DRA leavers had an active child support case one year after exit

This could be related to the changing profile of welfare leavers in general. That is, we saw in the first chapter of this report that today's welfare leavers are less likely to be of the typical, single-mother profile, which also would be the profile of a likely child support recipient. In addition, we see that even among those with an active case, fewer of today's welfare leavers are actually owed support – most likely because they are still in the locate or establishment phase of the child support process. As discussed previously, today's leavers are exiting welfare after shorter spells, during which there may not have been enough time to move through the child support stages to enforcement. Still, it is important to monitor these trends over time, since it may be that a different approach may be needed to assist today's welfare leavers in establishing child support than in previous periods.

Table 10. Child Support Case Status by Exit Cohort

	Entire Sample (n=14,838)		Most Recent Exiting Cases 4/09 – 12/09 (n=628)		Post-DRA Exiting Cases 11/06 - 03/09 (n=2,007)		Pre-DRA Exiting Cases 10/96 - 10/06 (n=11,960)	
3 Months after Exit* **								
Active Case	82.4%	(9,801)	73.8%	(463)	78.0%	(1,564)	83.8%	(7,774)
No money owed on case	43.1%	(5,124)	39.2%	(246)	41.1%	(824)	43.7%	(4,054)
Money owed on case	39.3%	(4,677)	34.6%	(217)	36.9%	(740)	40.1%	(3,720)
No active case	17.6%	(2,099)	26.2%	(164)	22.0%	(442)	16.1%	(1,493)
1 Year after Exit* **								
Active Case	85.5%	(9,638)			81.3%	(1,631)	86.4%	(8,007)
No money owed on case	42.4%	(4,784)			40.8%	(818)	42.8%	(3,966)
Money owed on case	43.1%	(4,854)			40.5%	(813)	43.6%	(4,041)
No active case	14.5%	(1,633)			18.7%	(375)	13.6%	(1,258)

Note: Due to missing data for some variables, counts may not sum up to the total number of cases. In addition, cases closing between January and March 2010 are excluded from the most recent cohort because we did not yet have three full months of follow-up data at the time of the analysis. Valid percentages are reported. *p<.05, **p<.01, ***p<.001

How much child support do welfare leavers receive?

The previous discussion revealed that two in five families who leave welfare are owed child support of some type after the closure of their TCA case. This begs two important questions in the context of the *Life after Welfare* series: 1) of those who are owed support, how many receive payments from noncustodial parents, and 2) how much support do they receive, on average? Figure 12 below investigates both of these questions.

Among families that are due child support, nearly half (47.1%) receive some in the first three months post-exit. When looking at the span of a full year, Figure 12 shows that the rate was higher. In the first post-exit year, 64.0% of families who were owed child support received a distribution and the percentage of families with a support distribution grew steadily over time, such that 72.9% of families who were owed support 11years post-exit received a distribution in that year.

Considering the average amount of total distributions, there was a similar pattern of increase, from $1,929 in the first year (including $492 in the first three months) to $3,144 in the eleventh year. This is quite a substantial amount when we consider that average earnings in the eleventh follow-up year reached only $20,538. For those who may have been working and receiving child support in that year, child support could have potentially represented more than 10% of their total income. One important caveat, again, is that these findings are only applicable to those with support orders in place. As shown previously, the majority of cases never have a support order established and thus will receive no child support income. These findings reiterate that having a support order a place can result in significant, valuable income support for welfare leavers. Especially in these difficult economic times, redoubling our efforts to increase paternity and order establishment can have a significant and positive impact on income for the state's most vulnerable families.

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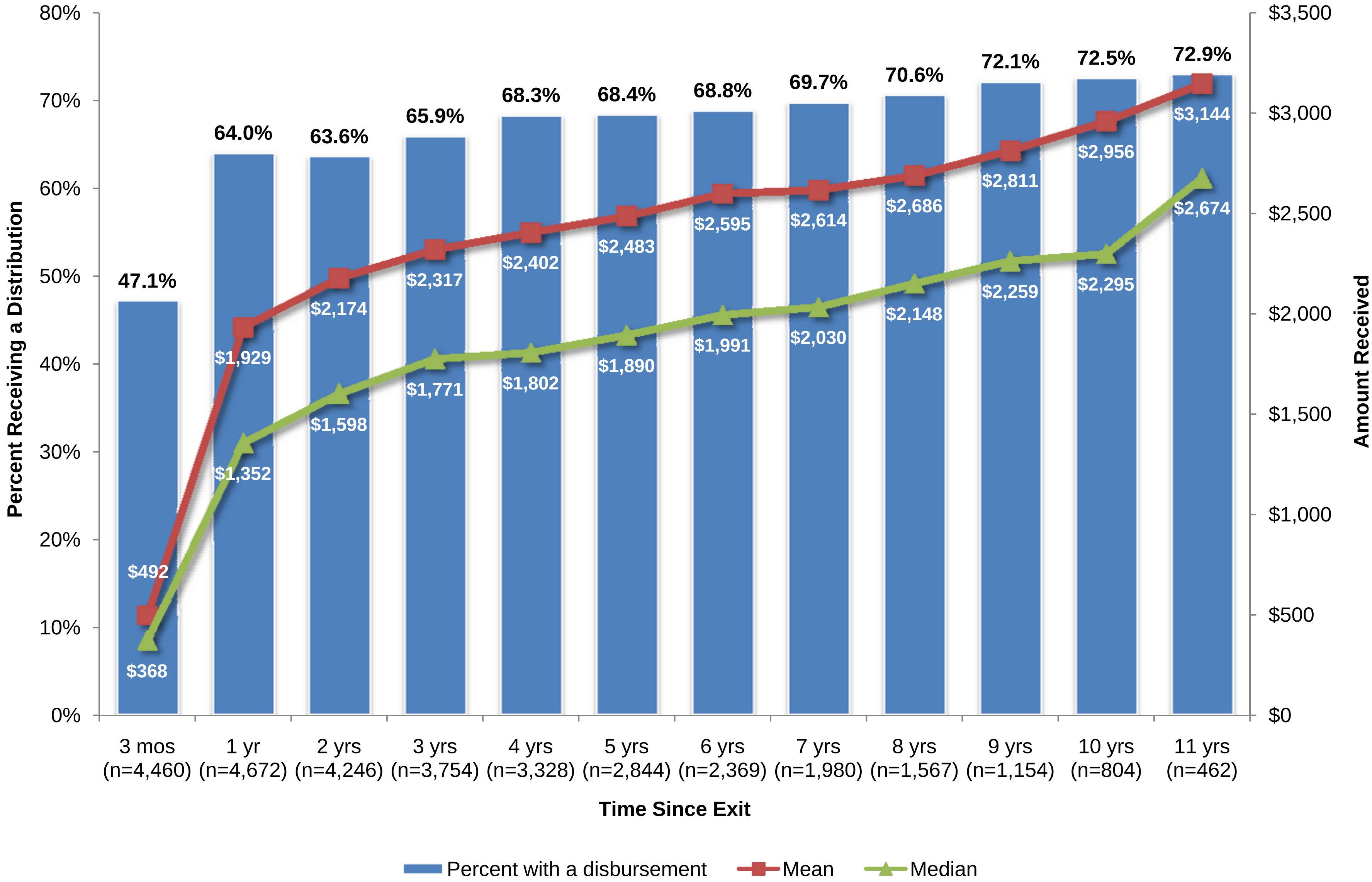
Figure 12. Child Support Receipt among Those with Support Due



Note: Valid percentages are reported.

How many welfare leavers are owed child support arrears?

In our final section of this chapter, we examine the extent to which welfare leavers are owed past-due child support, or arrears. Nationally and in Maryland, child support arrears are substantial. In federal fiscal year 2009, more than $100 billion was owed to custodians or states (the latter for reimbursement of TANF benefits). In Maryland alone, arrears totaled more than $1.5 billion (OCSE 2010). Recent research shows that the majority of active Maryland IV-D child support cases are owed arrears, half of which are owed more than $5,000 (Kolupanowich, Williamson, Saunders, and Born, 2010).

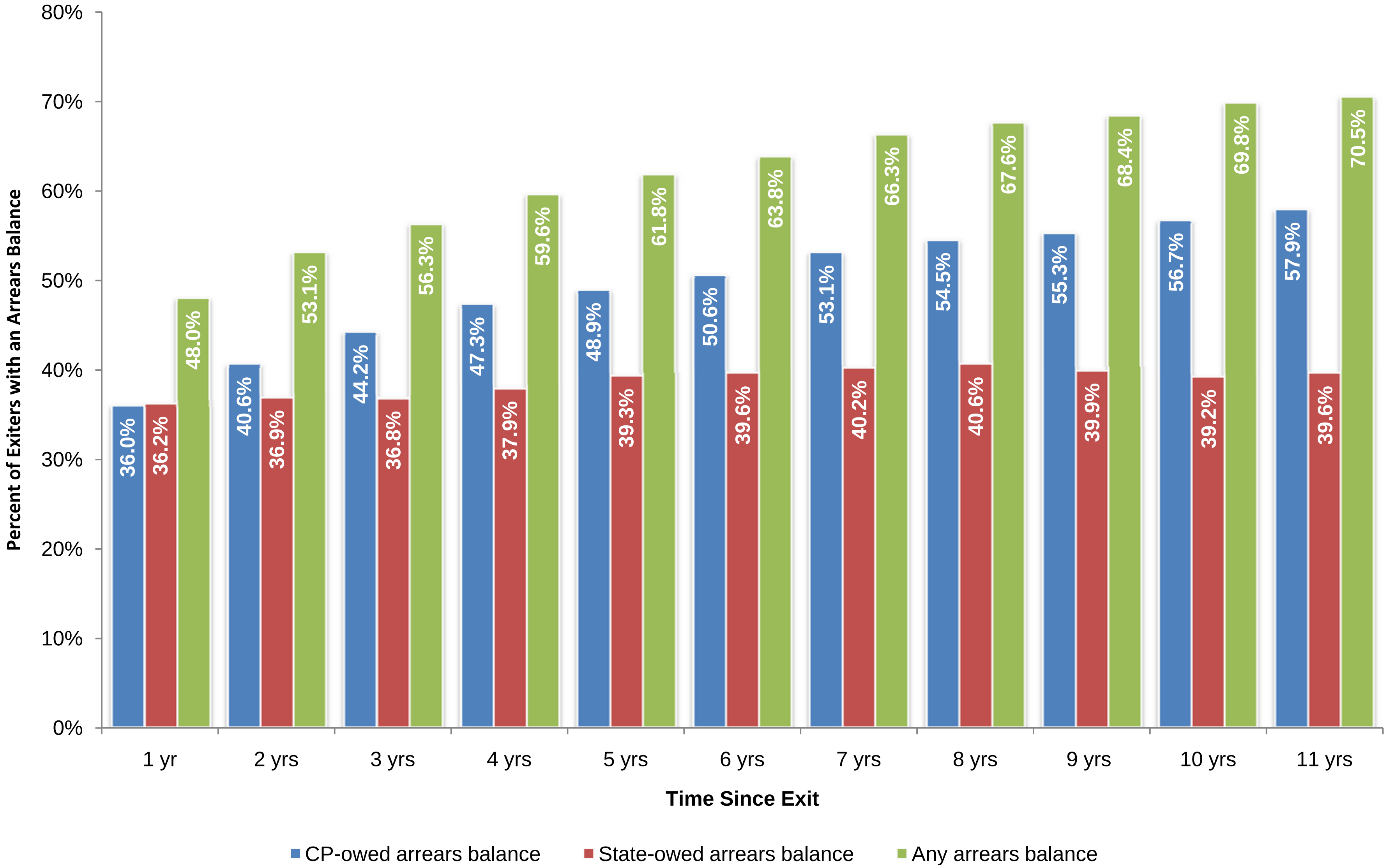
For families leaving welfare, custodian-owed arrears are a potentially large source of additional income if they can be collected. Figure 13, following this discussion, examines the percentage of families with custodian- and state-owed arrears due. In the first year after exit, nearly half (48.0%) of the families in our sample who were owed any support were owed some amount in arrears; however, only slightly more than one-third (36.0%) have any arrears owed to the custodian. Cases with custodian-owed arrears continue to grow over time. By the 11th year post-exit, 57.9% of cases that are owed support have arrears balances owed to the custodian. Over time, the percentage of cases with state-owed arrears does not change much, which makes sense because the majority of families do not return to welfare after exiting—the only situation in which a case would accrue additional state-owed arrears.

In Figure 14, immediately following Figure 13, we investigate the arrears balances in each particular follow-up period among those with arrears due. In the first follow-up year after exit, cases were owed an average of $9,768 in total arrears. Considering that families have just exited welfare, it stands to reason that there would be a high state-owed arrears balance, and indeed we found that there was. On average, cases had state-owed arrears balances of $7,814, while custodian-owed arrears averaged less, at $5,007. By the sixth year after exit, however, custodian-owed arrears surpassed the amount due to the state. By the 11th year after exit, arrears owed to the custodian reached an average of $12,901, while arrears owed to the state averaged $9,175.

Although it is outside the scope of this study to more fully address the important topic of child support arrears, interested readers should consult a previous study, *Confronting Child Support Debt: a baseline profile of Maryland's arrears caseload*[6] for a more thorough investigation (Ovwigho, Saunders, & Born, 2008). We are also anticipating that a follow-up to our baseline report will be available in the coming months.

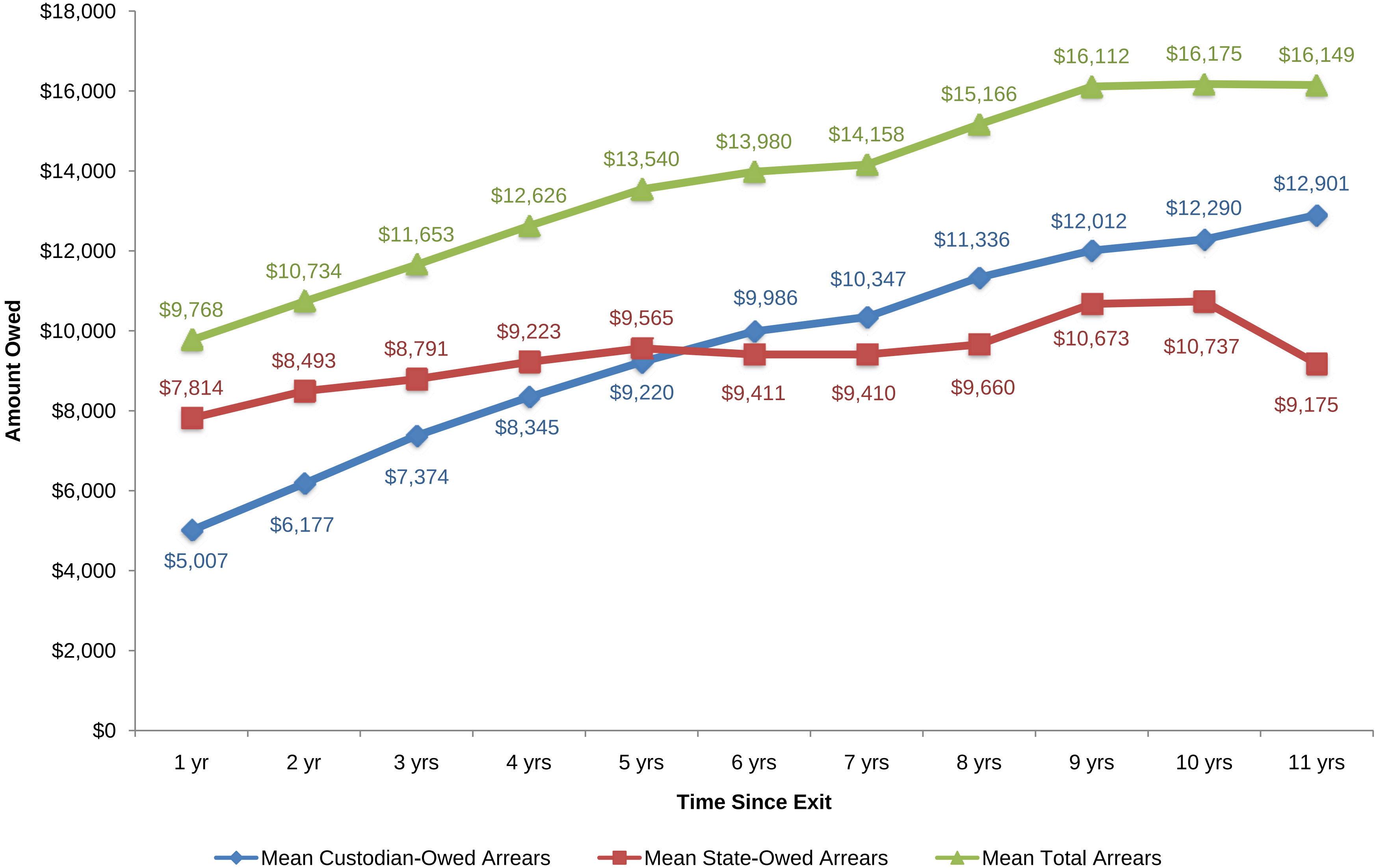
[6] This report is available at no charge on our website: http://www.familywelfare.umaryland.edu/

Figure 13. Child Support Arrears Post-Exit among Those with Support Due



Note: Valid percentages are reported.

Figure 14. Amount of Arrears Owed to Former TANF Recipients after Exit



Conclusions

In the concluding section of last year's annual *Life after Welfare* report, we noted that "our state, our nation and, indeed, our world continue[d] to grapple with the most severe, widespread economic downturn since the Great Depression". As this 2010 report goes to press, the same statement holds true although, now, it is the lingering effects of the so-called Great Recession with which states, local communities, individual families and welfare-to-work agencies and their clients must contend. Unemployment rates remain elevated, Food Supplement Program (FSP, formerly Food Stamps) cases are at historically high levels, and cash assistance caseloads continue to rise, albeit incrementally, after a decade or more of consistent decline. These realities have been true across the country and in our state as well, despite the fact that Maryland, relatively speaking, has suffered less than many other states during these recent painful years. Most pundits now agree that the recession itself has ended, but also that recovery will be slow, growth will be limited, and that at the micro or household level, employment and economic recovery still lie a few years in the future.

Maryland's well-regarded Temporary Cash Assistance (TCA) program has also been affected by the economic maelstrom, as have the low-income families which, with agency assistance, have been trying to make the transition from welfare to work, in an environment characterized by increased competition for available jobs and more stringent federal work requirements. As previous *Life after Welfare* reports have made clear, the task of helping families achieve independence from welfare has never been an easy one. Without question, the degree of difficulty of that task – for agencies and for low-income families - has been exponentially increased in the past few years and, in our view, remains more challenging today than at any point since the implementation of welfare reform in 1996.

Against this backdrop and given the economic turmoil and dislocation of the recent past and the near-term economic uncertainty going forward, it remains vitally important that policymakers and program managers have up-to-date, reliable, empirical information to guide decision-making. Specifically, policymakers need to know who is leaving welfare today, how they fare after exiting, and how the characteristics and post-exit outcomes of the most recent exiters compare with those who left welfare in earlier, more prosperous times. Providing this type of information for Maryland remains the purpose of the legislatively-mandated *Life after Welfare* study.

What key conclusions can be drawn from today's report? First, much of the news about 'life after welfare' remains reassuring. The most common outcome among welfare leavers is employment; the majority of families do not return to welfare after exiting; earnings increase over time; and the use of important work supports such as SNAP and MA/M-CHP remain high, particularly among children in former assistance households.

On the other hand, study findings make it crystal-clear that those who are attempting to leave welfare for work today are having more difficulty in successfully doing so than did Maryland welfare leavers in earlier years. Both the state of the labor market and the more stringent work requirements contained in the Deficit Reduction Act of 2005 (DRA) appear to have had an effect. Both post-DRA leavers (11/06 – 3/09) and our most recent exiting cohort (4/09 – 3/10), to illustrate, have higher rates of work sanctioning, lower post-exit employment rates, less wage growth and higher rates of returns to welfare after exiting. In general, those who left welfare in Maryland during the robust economic years when jobs were plentiful (1996–2006) fared best on all outcomes measured, those who left most recently (early 2009 – early 2010) fared worst, and those whose exits took place in the initial post-DRA period (2007-early 2009) had outcomes somewhere in between the other two cohorts.

It is also important to note that there is great consistency across time and cohorts on two important outcomes assessed: use of work supports and child support. In terms of the former, participation in the Food Supplement and Medical Assistance (including M-CHP) programs is high during the first few months after the welfare exit, regardless of when the family's welfare case closed. Even here, however, participation rates are highest among the most recent exiters. Medical Assistance participation rates are also high in all three exit cohorts but, inexplicably, are marginally – although significantly – lower among those who left welfare in the most recent period for which data are available (April 2009 – March 2010).

This is the third year we have included child support variables in our analyses and, in general, results have been the same each year: child support is a potentially very important, if often unrealized, source of post-welfare income for many families. On the other hand, we also find this year as in past years, that if a support order is not in place at the time the welfare case closes, it is unlikely that one will be established in the future. There are myriad reasons, some beyond the control of either the child support or welfare agency, others related to program policy choices, why child support outcomes among welfare leavers (and welfare recipients) tend not to be as positive as those for other types of families. However, child support income has been shown to help women exit welfare and remain independent and can represent 10% or more of total family income among poor families. Thus, efforts to improve paternity and order establishment, support collection and distribution, including re-examination of certain policy choices vis-à-vis child support and TANF clients could prove beneficial for the state and families.

When all is said and done, the 2010 *Life after Welfare* report shows that the hard work over a period of many years now by all branches and levels of Maryland government, local Departments of Social Services, community partners, and low-income families with children continues to yield positive results. Families tend to leave welfare for work, their work effort persists over time and earnings increase, and most do not return to welfare. Admittedly, results for the most recent welfare leavers are, in general, less positive than those for persons who left welfare in the early years of reform, reflecting the realities of the labor market and the difficulties facing all but the most highly-educated, highly-skilled job seekers. Today's employment reality will, hopefully, be a temporary one but it does seem clear that the short-term future will remain challenging, perhaps especially for low-income families and our welfare-to-work programs. Directly related to this, study findings reaffirm that the outcomes of our reformed welfare program continue to be, as they always have been, influenced by events and circumstances in the larger economy. However, despite the unprecedented economic situation, history suggests that, with our best collective efforts going forward, Maryland will be able to continue to celebrate its significant welfare reform achievements, while also effectively tackling the significant challenges we face.

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APPENDIX A. AVAILABILITY OF EMPLOYMENT AND WELFARE DATA

Sample Months	Exit Quarter	3 mo	6 mo	1 yr	2 yrs	3 yrs	4 yrs	5 yrs	6 yrs	7 yrs	8 yrs	9 yrs	10 yrs	11 yrs	12 yrs	13 yrs
10/96-3/97	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4/97-3/98	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
4/98-3/99	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
4/99-3/00	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			
4/00-3/01	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				
4/01-3/02	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓					
4/02-3/03	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓						
4/03-3/04	✓	✓	✓	✓	✓	✓	✓	✓	✓							
4/04-3/05	✓	✓	✓	✓	✓	✓	✓	✓								
4/05-3/06	✓	✓	✓	✓	✓	✓	✓									
4/06-3/07	✓	✓	✓	✓	✓	✓										
4/07-3/08	✓	✓	✓	✓	✓											
4/08-3/09	✓	✓	✓	✓												
4/09-6/09	✓	✓	✓													
7/09-9/09	✓	✓	✓													
10/09-12/09	✓	✓														
1/10-3/10	✓															
Total Number of Cases with Available Data	14,838	14,595	14,374	13,967	13,076	12,276	11,442	10,490	9,519	8,567	7,569	6,543	5,452	4,345	2,689	974

APPENDIX B. AVAILABILITY OF CHILD SUPPORT DATA

Sample Months	Exit Quarter	3 mo	6 mo	1 yr	2 yrs	3 yrs	4 yrs	5 yrs	6 yrs	7 yrs	8 yrs	9 yrs	10 yrs	11 yrs
10/96-3/97														
4/97-3/98														
4/98-3/99	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4/99-3/00	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
4/00-3/01	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
4/01-3/02	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			
4/02-3/03	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				
4/03-3/04	✓	✓	✓	✓	✓	✓	✓	✓	✓					
4/04-3/05	✓	✓	✓	✓	✓	✓	✓	✓						
4/05-3/06	✓	✓	✓	✓	✓	✓	✓							
4/06-3/07	✓	✓	✓	✓	✓	✓								
4/07-3/08	✓	✓	✓	✓	✓									
4/08-3/09	✓	✓	✓	✓										
4/09-6/09	✓	✓	✓											
7/09-9/09	✓	✓	✓											
10/09-12/09	✓	✓												
1/10-3/10	✓													
Total Number of Cases with Available Data	12,149	11,906	11,685	11,278	10,387	9,587	8,753	7,801	6,830	5,878	4,880	3,854	2,763	1,656