



INSTITUTE FOR WOMEN'S POLICY RESEARCH

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CELEBRATING OUR TENTH ANNIVERSARY

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IWPR Welfare Reform Network News

A Newsletter of the Institute for Women's Policy Research

UPDATE: MULTI-STATE WELFARE REFORM RESEARCH PROJECTS

As of July 1, 1997, all states will have submitted their new welfare plans to the U.S. Department of Health and Human Services, marking another milestone in the devolution of welfare from the federal government to state governments. The February 1997 issue of the *IWPR Welfare Reform Network News* provided an overview of several multi-state welfare monitoring projects that had been initiated to monitor the effects of these programmatic changes in the welfare system. In this issue, we have compiled additional information on multi-state welfare monitoring projects not included in the February newsletter. We will continue to provide updates as information on new projects becomes available.

The Brookings Institution

The **Center on Urban and Metropolitan Policy (the Urban Center)** at the Brookings Institution, a Washington, D.C.-based private nonprofit think tank devoted to research and education in the social sciences, is looking at the impact of welfare reform on urban and metropolitan areas. The Urban Center held a roundtable discussion with university researchers and government-based practitioners in April to develop policy recommendations, examine the work of local researchers and practitioners working on welfare reform's impact on urban communities, and build collaborative efforts. Particular issues of concern include how various government agencies can cooperate in responding to welfare reform and analyzing the challenges and assets of inner city neighborhoods with large concentrations of welfare recipients.

The Urban Center plans to undertake both short-term and long-term research on the impact of welfare reform on urban areas. Topics for short-term research include:

- A comparison and explanation of changes in the rate of caseloads in urban areas versus in other areas of the state, in states where declines have been reported;
- The use of information technology and spatial mapping techniques by state and local welfare agencies; and,
- Exploring "best practices" in order to advise urban business leaders who are trying to define their role in welfare reform.

Long-term research will involve a multi-year project to examine how welfare reform affects low-income neighborhoods and interacts with other federal programs (including public and assisted housing, job training, and transportation). As part of this project, case studies in

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five urban communities will be conducted and a national network of scholars and practitioners with expertise in welfare and how it relates to other federal programs will be developed. The project will look at topics such as the characteristics of low-income urban communities, jobs and job training opportunities in low-income neighborhoods, and innovative local responses to welfare reform.

In addition, Brookings will produce, publish, and act as a clearinghouse for writings on poverty and welfare. Paul Jargowsky will author a policy brief, to be released in early July, based on his recent book, *Poverty and Place*, in which Jargowsky discusses the increase in concentrated poverty in inner city communities. Brookings is currently disseminating Mark Alan Hughes' paper on the disparate geography of welfare, job training, and housing programs, and hopes to hold a roundtable discussion with individuals from the Department of Health and Human Services, the Department of Labor, and the Department of Housing and Urban Development as well as appropriate Congressional Committees to review the findings from this publication.

For more information on welfare projects of the Urban Center at Brookings, contact Matt Lambert at (202) 797-6158.

Manpower Demonstration Research Corporation (MDRC)

MDRC is a nonprofit, nonpartisan social policy research organization, located in New York City and San Francisco. MDRC designs and evaluates education and employment-related demonstrations aimed at increasing the self-sufficiency of disadvantaged groups.

MDRC, in cooperation with the U.S. Department of Housing and Urban Development (HUD), will work with local collaboratives in seven cities to design programs and evaluations of the National **Jobs-Plus** Community Revitalization Initiative, the first formal welfare-to-work program administered by HUD. Jobs-Plus aims to substantially increase employment rates among urban public housing residents. The target population includes heads of households (who are primarily single mothers), and working-age children, and other working-age individuals who are unemployed and living in the housing projects (including noncustodial parents). Between March and September 1997, MDRC and a team of experts will assist local residents, public and non-profit agencies, employers, redevelopment officials, public housing authorities, and foundations to develop program plans under the auspices of Jobs-Plus. Program implementation will begin in Fall 1997 in at least one housing project in the following cities: Baltimore, Chattanooga, Cleveland, Dayton, Los Angeles, St. Paul, and Seattle. Each plan will contain three elements:

- 1) Work Incentives: Programs will contain a system of financial and other work incentives for residents, which will ensure that work pays more than welfare. As a way to remove disincentives to work, housing authorities in these cities will, for residents of housing projects included in Jobs-Plus, be permitted to waive rules raising rent when residents' income rises. Plans could include negative consequences (e.g., reduced benefits) for failure to participate in employment services.

2) Enhanced Community Support for Work: Jobs-Plus seeks to build upon existing social structures to enhance the ability of the public housing community to promote and support work among the public housing residents. Community support could include utilizing social networks to convey and reinforce information on job search and preparation.

3) Best Practices in Preparing People for Sustained Employment and Linking People with Jobs: Programs are expected to utilize program design, management, and service delivery practices that welfare-to-work evaluations have shown to be effective. One successful practice is the maintenance of strong links to private sector employers, because of the access to job openings it affords.

At the end of the pilot implementation (late Spring 1998), MDRC will assess the Jobs-Plus sites; and a non-Jobs-Plus site in each city will be evaluated for comparison purposes. If the welfare-to-work program successfully increases resident employment, Jobs-Plus plans to examine the long-term effects of this increase on families, public housing conditions, and public housing's role in the community and the surrounding inner-city area.

MDRC has undertaken a project, **ReWORKing Welfare**, to provide customized technical assistance to states and localities trying to design welfare-to-work programs in response to the Personal Responsibility and Work Opportunity Reconciliation Act (the PRWORA). States and counties can still apply to participate in ReWORKing Welfare. MDRC is also producing a series of "how to" guides for administrators and practitioners, covering topics including learnfare, work requirements, and work participation rates. *Work First: How to Implement an Employment-Focused Approach to Welfare Reform* and *After AFDC: Welfare-to-Work Choices and Challenges for States* are available from MDRC.

MDRC's **Urban Change Project**, a multi-disciplinary five-year project currently in the design phase, will examine the impact of welfare reform on four large cities. The cities currently included in the project are Cleveland, Los Angeles, Miami, and Philadelphia; others may be added later. The study combines impact, implementation, ethnographic, and institutional analysis. MDRC will examine the impact of welfare reform on the mission, message, benefits, and service mix offered by welfare agencies; the social and economic health of neighborhoods; the role and activities of community institutions (e.g., churches, schools); and the well-being, program participation, and employment behavior of low-income parents and families. Cohorts of families who were on welfare prior to the passage of the PRWORA will be compared with cohorts of families on welfare after the PRWORA's enactment. Data sources will include administrative records, surveys, and neighborhood indicators. This project is supported by several private foundations, primarily the Ford Foundation and the Charles Stewart Mott Foundation.

The **Neighborhood Jobs Initiative (NJI)**, which provides employment opportunities to unemployed residents in target communities, will be launched by MDRC this year in six to ten cities. The project sites will offer work incentives, job training, employment and retention services, access to capital for neighborhood entrepreneurs, and community-building

activities. Sources of support for this project include The Rockefeller Foundation and Chase Manhattan Bank.

MDRC's project **Connections to Work** is examining methods to increase welfare recipients' access to jobs that offer benefits and career advancement opportunities. The project will look at the effectiveness of both a competitive process and a demand-driven process in improving the effectiveness and efficiency of job placement. In the competitive process, public, private nonprofit, and for-profit companies bid to provide job preparation and placement and are paid on a performance basis. In the demand-driven welfare-to-work programs, private employers or business intermediary groups are involved in preparing welfare recipients for work. The competitive model for this project is being implemented in Milwaukee, Indianapolis, and Alameda County (in Oakland); the demand-side model is being implemented by Washington Works in Seattle and IndEx in Tulsa. This project is supported by the Rockefeller Foundation and the Charles Stewart Mott Foundation.

For more information on Jobs Plus, contact Maxine Bailey at MDRC in New York City at (212) 532-3200 or John Wallace at MDRC in San Francisco at (415) 781-3800. For more information on the Neighborhood Jobs Initiative, contact Frieda Molina or John Wallace at MDRC in San Francisco. For more information on Connections to Work, contact Robert Ivry or Donna McGill at MDRC in New York City. For more information on ReWORKing Welfare, contact David Butler or Irene Robling at MDRC in New York City. For more information on the Urban Change Project, contact Gordon Berlin or Barbara Goldman at MDRC in New York City.

Mathematica Policy Research, Inc. (MPR)

MPR, based in Princeton, New Jersey, is an employee-owned company that conducts social policy research and data collection. A March 1997 MPR study, **How to Evaluate Welfare Reform**, reviews five state welfare evaluations and describes guidelines for conducting effective, efficient evaluations. This study was conducted by MPR for the U.S. Department of Health and Human Services (DHHS), Office of the Assistant Secretary of Planning and Development. The programs reviewed are: (1) California's Assistance Payments and Work Pays Demonstration projects, (2) Colorado's Personal Responsibility and Employment program, (3) To Strengthen Michigan Families, (4) Minnesota's Family Investment program, and (5) Wisconsin's Work Not Welfare program. The study examines the pros and cons of several aspects of evaluations, including experimental versus quasi-experimental design and data collection techniques. Experimental design involves randomly assigning recipients to either an experimental group, subject to welfare reform policies, or a control group, subject to pre-reform policies. Quasi-experimental design compares a group affected by welfare reform policies with another group, separated from the first group by space or time, affected by pre-reform policies. One of the five evaluations was quasi-experimental (Wisconsin's Work Not Welfare); the others were experimental. The authors note that, despite its weaknesses, quasi-experimental design could become more common under the PRWORA, since experimental design is no longer required for state evaluations.

MPR is evaluating the **Post-Employment Services Demonstration (PESD)**, a welfare-to-work program that operated from mid-1994 through mid-1996 in Chicago,

Portland, Riverside, and San Antonio. Over a 12 to 18 month period, approximately 5,000 welfare recipients who had just found work were referred to the program. Half of these recipients were randomly assigned to the program group and received PESD services; half were placed in the control group and received JOBS services. PESD participants were assigned case managers who, for up to two years, helped clients stay employed or find a job, provided counseling and monitoring, and served as mediators with agencies to resolve eligibility for financial benefits. This study examines:

- employment stability of welfare recipients;
- obstacles to employment faced by welfare recipients;
- the effectiveness of welfare-to-work programs in promoting employment and job retention.

The results show that 30 to 40 percent of PESD clients who found jobs were not working 12 months later and more than one-third had jobs that paid less than \$5 per hour, primarily in the service sector. Recommendations for improving recipients' ability to keep jobs include making recipients aware of transitional benefits and simplifying their access to these benefits; providing job search assistance to those who lose jobs, before they return to welfare; and increasing welfare recipients' awareness of workplace culture and requirements and acceptable work behavior. Publications from this project, available from MPR, include *Taking the First Steps: Helping Welfare Recipients Who Get Jobs Keep Them* and *Getting the Help to Stay Employed: The Use of Post-employment Services*.

MPR, through a project funded by the U.S. Department of Health and Human Services, is looking at teen parent programs in states with waivers similar to the PRWORA's regulations requiring teen parents to maintain satisfactory school attendance and live in adult-supervised settings. MPR is investigating the problems encountered and the solutions developed as states try to fulfill these requirements, and examining the role of case management in responding to the needs of teen parents. This work builds on MPR's **Teenage Parent Demonstration**, which looked at methods of helping teen parents gain self-sufficiency. Publications on teen parents from MPR include *Service Needs and Use of Welfare-Dependent Teenage Parents* and *Delivering Education and Employment-Related Services to Teenage Parents: Lessons from the Teenage Parent Demonstration*.

To order MPR publications, call Jan Watterworth at (609) 275-2350. MPR's report, *How to Evaluate Welfare Reform*, costs \$12.50 plus \$2.50 shipping & handling; the executive summary is available at no cost. For more information on this study, contact Anne Gordon at (609) 799-3535. For more information on the PESD study, contact Anu Rangarajan at (609) 936-2765. For more information on MPR's work with teen parent programs, contact Ellen Kisker or John Burghardt at (609) 799-3535. MPR's website is www.mathematica-mpr.com.

MAXIMUS

MAXIMUS, a publicly owned program management and consulting firm, is conducting evaluations of welfare demonstrations in five states:

Connecticut's Reach for Jobs First Program. This demonstration imposes a 21-month time limit on the receipt of benefits (extensions can be granted for individuals complying with the job search requirements) and involves up to 12 weeks of job search and job readiness activities; training and education activities that had been available are being phased out. A network of Job Search Skills Training (JSST) providers assist recipients. MAXIMUS is longitudinally tracking a group of 500 individuals referred to JSST providers in early 1996 and a group of 1,000 individuals who were on AFDC in September 1995. These individuals have been surveyed by telephone, and non-respondents are being surveyed by mail. The surveys cover information including current employment patterns, welfare status, job retention and stability, number of hours worked, type of employment, and reasons for non-employment. In addition to the survey, site visits to local welfare offices and JSST sites are being conducted to look at program implementation.

Minnesota's Work First Program. This demonstration, implemented in two counties in 1996, aims to promote alternatives to TANF or speed up the transition from TANF to employment. The program requires job search activities within seven days after the date of application; victims of domestic violence, homeless individuals, and those in treatment for chemical dependency are allowed up to eight weeks before participation in an employment plan is required. Job search must be conducted for at least 32 hours per week. Once a recipient leaves welfare and starts work, up to 180 days of post-placement services are provided. Program participants receive their benefits in the form of vendor payments that are designed to be used for purposes such as paying rent and utilities, thus ensuring benefits are used for their intended purposes. The evaluation randomly assigns new applicants to either a treatment or control group. MAXIMUS is examining welfare participation, employment, job retention, child support collections, and child welfare indicators through automated data and surveys.

North Carolina's Work First Program. MAXIMUS is conducting a five-year evaluation of this demonstration project, implemented statewide in July 1996. Work First limits benefit receipt to two years, requires at least 30 hours per week of participation in employment and training activities, contains a family cap provision, requires minor parents to live with a parent or legal guardian in an adult-supervised setting, has no conciliation period before sanctions for non-compliance with employment provisions are imposed, and provides for a one-time "diversionary" payment for applicants who choose not to go on welfare. MAXIMUS's evaluation compares a group of individuals who were on welfare before the demonstration program to a group on welfare during the demonstration program, examining welfare participation (including exits and recidivism), employment, earnings, and other self-sufficiency measures. MAXIMUS is also tracking child welfare referrals, child support collections, child abuse, and health measures. Site visits will be conducted to examine the implementation of Work First at the county level; data on sanctions, exemptions from time limits, work activity, family caps, and minor parents will be examined.

Ohio's Empowerment Zone Subsidized Employment Program (EZSEP)

Demonstration. The MAXIMUS evaluation of this demonstration program, operating in economically depressed neighborhoods of Akron, Cleveland, Columbus, and Portsmouth,

began in September 1996. Employers who hire welfare recipients living in one of these communities are eligible for wage subsidies, if they hire the recipient into a full-time, permanent position paying at least \$8 per hour. The subsidies, funded by recipients' benefits, are for up to 50 percent of a recipient's wages for the first year, and up to 25 percent of the wages for the second year. The program also offers recruitment, screening, training, and follow-up services. As part of this evaluation, MAXIMUS is surveying Ohio employers in order to assess the demand and minimum requirements for entry-level workers and employers' interest in hiring welfare recipients under a wage subsidy program.

Wisconsin's AFDC Two-Tier Benefit Demonstration. This demonstration, implemented in four counties in July 1994, is designed to test how differences among states in benefit levels influence the migration of recipients from state to state. Under this program, applicants who have moved to Wisconsin within the past six months receive the benefit levels of their former state for the first six months of Wisconsin residency. Caseload modeling is being used to estimate what migration levels to Wisconsin would have been in the absence of the demonstration project. This estimation will be compared to the actual migration numbers from after the implementation of the demonstration. In addition, individuals who have moved to Wisconsin and applied for welfare within six months are being surveyed by telephone to gather information on the reasons for moving to Wisconsin.

Wisconsin's Work Not Welfare Program. This demonstration was implemented in two Wisconsin counties in January 1995 and ended in February 1997. Data from the first year of the MAXIMUS evaluation of this demonstration project show a 50 percent decrease in the welfare caseload in the two counties. Work Not Welfare included a two-year time limit on the receipt of aid, work requirements, and a family cap and emphasized diverting participants from welfare. The evaluation involved a pre-post comparison of two counties participating in Work Not Welfare and five comparison counties. MAXIMUS examined the length of stay on welfare, outcomes for individuals leaving welfare, and the program's impact on child health and well-being.

MAXIMUS plans to release final reports for its Ohio and Connecticut welfare demonstration evaluations late this summer and monographs on topics such as wage subsidies and welfare diversion within the next two months.

For more information on MAXIMUS welfare evaluations, contact Philip Richardson at MAXIMUS at (703) 287-9531.

National Association of Child Advocates (NACA)

NACA is a professional association that works for the well-being of children in the United States by supporting state and local child advocacy groups. NACA, through funding by the W.K. Kellogg Foundation, has awarded two-year grants to eight member child advocacy organizations to disseminate information and conduct advocacy work related to welfare reform. In addition, two groups have chosen to participate unfunded; up to 15 additional groups may do so. Along with these grants, NACA is providing technical

assistance on welfare devolution issues to all its members. NACA is providing similar assistance to KIDS COUNT grantees through funding provided by the Annie E. Casey Foundation.

The grantees are: Arkansas Advocates for Children and Families, Voices for Illinois Children, Kentucky Youth Advocates, Michigan's Children, Citizens' Committee for Children of New York, The Alliance for South Carolina's Children, The Children's Alliance of Washington, and The Wisconsin Council on Children and Families. The unfunded participants are the Association for Children of New Jersey and CDF-Ohio. Among the activities to be undertaken by some or all of the grant recipients are: establishing a statewide network of informed citizens, developing indicators to assess child well-being after welfare reform, strengthening connections to advocates and policymakers, conducting policy analysis, holding policy forums, operating a help line for people affected by welfare reform to share their stories, producing fact sheets discussing the effects of welfare reform, designing a public opinion survey of devolution issues, educating the community on state welfare policies, assisting grassroots organizations, developing data on public spending for children and families, analyzing welfare proposals, holding parent focus groups, and working with the media on child-focused coverage of devolution.

A matrix of devolution issues in the ten participating states, compiled by NACA, will soon be available. NACA plans to expand this matrix to include additional states.

For more information on NACA's work regarding welfare, contact Sheri Brady or Debbie Stein at NACA at (202) 289-0777.

The Nelson A. Rockefeller Institute of Government

The Federalism Research Group, at the State University of New York at Albany's Rockefeller Institute, is conducting a *Study of State Capacity*. This four-year study will examine the ability of state governments to implement social programs, including welfare, Medicaid, family and children services, and workforce development. The project will examine states' strengths and weaknesses in program implementation, such as managing information systems; coordinating services to facilitate user access; and working with and overseeing nonprofits, businesses, and local governments. Issues covered include:

- How state agencies measure success and failure;
- How state agencies create incentives for employees to achieve their goals;
- The capacity of service providers to collect and store client information in electronic form;
- The accessibility and relevance of electronically-stored client information to the individuals working with the clients; and,
- The ability of states to successfully integrate client access to career services.

The project aims to understand the conditions surrounding success and failure in state social program implementation and to explain these conditions to audiences including policymakers, nonprofits, and businesses, so that, if possible, these conditions can be controlled by legislative, budgetary, or administrative decisions. The Rockefeller Institute views this project as an opportunity to not only create baseline analyses of state social programs, but also to establish a continuing institutional center for this work.

Data collection for this project will occur through two components, which will take place simultaneously. The Rockefeller Institute plans to implement field network evaluation methodology, combining case studies with comparative research, to study up to 18 states intensively. These states include Arizona, California, Florida, Georgia, Kansas, Massachusetts, Michigan, Minnesota, Mississippi, New York, New Jersey, North Carolina, Ohio, Tennessee, Texas, Washington, West Virginia, and Wisconsin. The field research teams will submit narrative reports and case studies and examine two or three local sites in each case study state.

A fifty state network of academic researchers will collect basic administrative and program data and, through surveys, information on specific issues and challenges of program implementation. These data will be used to develop periodic reports on specific management topics. For each of these topic-specific reports, each network member will answer a brief questionnaire; based on the answers, various states will be surveyed in more depth.

Data collection began in early 1997. Phase one of this project will continue through 2000 and will produce topical reports and brief summaries of these reports, both issued every six months, beginning in the Fall of 1997; an 18-month report on the field research findings; a summary report on the Midwestern states; case study reports; a final report to be released at the end of the year 2000; and conference papers and magazine and journal articles. This project is funded by the W.K. Kellogg Foundation, the Edna McConnell Clark Foundation, St. Luke's Charitable Health Trust, the Flinn Foundation, the Gund Foundation, the Fund for New Jersey, and the Schumann Fund for New Jersey.

For more information, contact Miriam Tremontozzi, Associate Director for Operations for the Federalism Research Group, at (518) 443-5844.

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Welfare Related Resources

The Taylor Institute and the University of Michigan Research Development Center on Poverty, Risk, and Mental Health, in collaboration with the Joint Center for Poverty Research will hold a conference on September 24-26, 1997, entitled *Trapped by Poverty/Trapped by Abuse: Developing a New Research Agenda on Domestic Violence and Welfare*. The conference will be held on the campus of Northwestern University in Evanston, IL. Space is extremely limited. For more information, please contact the Taylor Institute at (773)342-5510.

The **Urban Institute's** *Assessing the New Federalism Project* has recently placed its *State Database* on its website. The database includes information on income security, health, child well-being, social services, and demographics for the 50 states and the District of Columbia. For more information or to view the database, visit the Urban Institute's website at <http://www.urban.org>.

The **Northwest Area Foundation** is sponsoring a web site, entitled *The New Federalism Web Page* that features information on welfare reform in its eight state region (Iowa, Minnesota, North Dakota, South Dakota, Montana, Idaho, Oregon, and Washington). The goal of this web page is to strengthen state level work by expanding the pool of background information and ideas, and to exchange perspectives on strategy. A link to the web site can be found at <http://www.mncn.org>.

The **Office of the Assistant Secretary for Planning and Evaluation (ASPE)** at the U.S. DHHS includes on its website recent research and evaluation reports in full text regarding Economic Support for Families. Requests for proposals can also be found at this site: <http://aspe.os.dhhs.gov/hsp/isphome.htm>.

IWPR's Welfare Monitoring Listserv

As part of its project to coordinate welfare research, IWPR has set up a listserv (electronic bulletin board) which is devoted to the discussion of welfare reform. You can subscribe to the list by sending the following command to the listserv address, at listserv@american.edu:

SUBSCRIBE WELFAREM-L Full Name
(Use your full name, not your e-mail address. The listserv software can read your e-mail address automatically.) When you sign up you will receive a welcome message providing further instructions for the listserv. IWPR's welfare reform newsletters will be disseminated through the listserv (as well as by mail) and stored in the WELFAREM-L archive files. The archive files can also be viewed on the web at <http://listserv.american.edu/archives>. This listserv offers the opportunity to share with other interested, like-minded scholars and advocates your research and questions on welfare and welfare reform in individual states and at the national level. Discussion can also be related to other issues, such as domestic violence or health. Information such as calls for papers, conference information, fact sheets, and legislative updates are also welcome. For more information on the listserv, contact IWPR at iwpr@www.iwpr.org.