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ARE STATES REQUIRING TANF RECIPIENTS TO PARTICIPATE IN WELFARE-TO-WORK ACTIVITIES?

Frequently Cited Statistic Is Incomplete and Misleading

by Sharon Parrott

Even as they tout the success states have had in helping families move from welfare to work, the Administration and some Congressional leaders are claiming that states have failed to engage a sufficient number of families in welfare-to-work programs. In support of this claim, some have cited federal data that appears to show that 58 percent of adult TANF cash assistance recipients are not engaged in work activities. For example, Representative Wally Herger — the lead sponsor of the TANF reauthorization bill now being considered in the House — recently wrote in an article entitled "Welfare reform is working" in *The Washington Times*, "Despite reforms emphasizing work, nearly 58 percent of adult welfare recipients today are not working"¹

This figure is misleading when used as a measure of the success states have had in engaging families in welfare-to-work programs for two reasons:

- The statistic substantially *understates* the number of TANF recipients who are actually participating in welfare-to-work programs because it does not include many recipients who are participating in state-defined work activities that are not captured by federal data reporting requirements.
- The figure does not exclude those adults the state has determined should be excused — often for a temporary period of time — from participating in a welfare-to-work program. States may make such a determination because the adult has an infant, has a disability or illness, or is needed full-time to care for a sick or disabled child. The figure also does not exclude those recipients who are in the process of being assigned to welfare-to-work programs but whose program session has not yet begun.

Despite the limitations of this statistic, it has been used as a justification for increasing substantially the number of recipients states must place in welfare-to-work programs and for narrowing significantly the types of activities a recipient could participate in and still count toward the federal TANF participation rate.

¹ Wally Herger, "Welfare reform is working," *The Washington Times*, April 10, 2002.

A Substantially Higher Number of Recipients Are Participating in Activities

States currently are required to report to the federal government the number of adults who are engaged in a limited set of federally-defined work activities that "count" toward the federal participation rates. They are *not* required to report on the number of adults participating in other state-defined welfare-to-work activities that on not on the federal list, even if the state has determined that these activities are necessary for helping a parent move from welfare to work. Such activities may include job search and job readiness programs that last more than six weeks², mental health treatment, substance abuse treatment, rehabilitation services, domestic violence-related services, literacy programs, or other activities designed to address barriers that impede a parent's ability to find and retain a job. Thus, while the federal data report that 42 percent of adult TANF recipients are participating in welfare-to-work programs, the actual figure is substantially higher.

The recent results from a survey of states conducted by the National Governor's Association (NGA) and the American Public Human Services Association (APHSA) demonstrate that a significantly higher proportion of adult TANF recipients are participating in employment-related activities each month.³ Some 37 states responded to a question about the proportion of adult TANF recipients currently engaged in employment-related activities. *These states reported that an average of 61 percent of adult TANF recipients were engaged in work-related activities each month.* This state-reported figure that includes participation in all activities is 45 percent higher than the federal data on the proportion of recipients participating in work activities.

Some Recipients Are Not Engaged In Work Activities for Legitimate Reasons

There is often a presumption that all or nearly all recipients should be engaged in work-related activities each month. There are legitimate reasons, however, that some recipients are not engaged in such activities in a particular month.

- **Federal law gave states an explicit option to exclude families with infants from work participation requirements, but these families are *included* when the total number of participating recipients is compared to the total adult caseload.** The Department of Health and Human Services reported in its third

² Under current law, participation in job search and job readiness programs that exceeds six weeks (or four consecutive weeks) cannot count toward the federal work participation rate requirements states must meet. Many programs that teach workplace behavior, resume writing, job seeking skills, time management, and interview skills last longer than four consecutive weeks or six weeks total.

³ National Governors' Association and American Public Human Services Association, *Welfare Reform Reauthorization: State Impact of Proposed Changes in Work Requirements, April 2002 Survey Results*.

annual report to Congress on the TANF program that almost *12 percent* of all families receiving TANF cash assistance include an infant. Nearly all states exempt parents from work requirements for at least some months following the birth of a baby and a substantial number exempt such parents until the baby turns one.

- **In any month, some families are unable or are not expected by a state to participate because, for example, they are ill, have a disability restricting participation (at least temporarily), or they have a child with a significant health problems.** The federal statistics do not measure the proportion of recipients who, in the view of the state, are unable to participate in activities in a particular month due to such circumstances. *Data from 1999 show, however that states exempted about six percent of adult recipients from work requirements due to a disability and another eight percent for another reason.*
- **Some non-participating families are waiting for a welfare-to-work program session to begin or are between work assignments, but do not remain non-participants for a long period of time.** Families that are newly entering the TANF program often do not participate in work activities right away. Such families often need to wait for an assessment to be conducted before they can be assigned to an appropriate activity. Some also must wait for the next session of a welfare-to-work program to begin.⁴ Families also may be unable to participate immediately if they need to make child care arrangements — a process that often requires a parent to become certified as eligible for child care assistance, to locate a child care provider with an open slot, and to provide the child care facility with appropriate medical forms which often require the parent to get a doctor's appointment for the child, bring the doctor the forms, and wait several days or longer for the doctor to complete the forms. Based on case closure and caseload data, the Center for Law and Social Policy has estimated that in any give month about seven percent of all TANF recipients are new entrants to the program.

In addition, when a recipient completes a particular work program component, such as a short-term job readiness program, she may have to wait some period of time before her next assignment begins, such as a work experience slot with a particular employer. As parents complete one activity and begin another, there often are gaps in program participation.

Data Limitations Hinder Fuller Analysis of Participation

Unfortunately, available federal data do not allow for a fuller analysis of the proportion of TANF recipients that are engaged in employment-related activities in any particular month or the number who are not expected or are unable to participate in such activities due to their

⁴ Gayle Hamilton and Susan Scrivener, Manpower Demonstration Research Corporation, *Promoting Participation: How to Increase Involvement in Welfare-to-Work Activities*, September 1999.

circumstances. Available federal data also do not allow analysts to examine the extent to which recipients are engaged in activities over a period of time. This is unfortunate because a more accurate measure of a state's commitment to engaging recipients in activities that can help them find jobs would capture the extent to which states ensure that recipients able to work do not receive cash assistance for a significant period of time without participating in a welfare-to-work program. Such a measure might, for example, measure the extent to which recipients participate in employment-related activities over a three- or six-month period. Such a figure would be substantially higher than both the 42 percent figure stemming from federal data reports and the 61 percent figure reported in the NGA/APHSA survey.

Conclusion

As Congress considers whether and how to change the TANF work requirements, it is important to recognize that over the past five years, states have implemented work-focused programs in which recipients are required to participate in welfare-to-work programs. As evaluations of state welfare-to-work programs have shown, these programs have helped many parents find jobs. While there is substantial interest in improving the effectiveness of these programs and in ensuring that all recipients who are able to work are engaged in activities that will help them find jobs, the available evidence does not suggest that states have designed programs in which large numbers of parents can receive cash assistance benefits for a significant period of time without being required to participate in work-related activities.