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Experiences of Virginia Time Limit Families After Case Closure: 18-Month Followup with Cases Closed in Early 1998, 1999, and 2000

Final Report

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EXECUTIVE SUMMARY

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 instituted a five-year lifetime limit on federal cash assistance for most welfare recipients and permitted states, under the Temporary Assistance for Needy Families (TANF) program, to set shorter time limits. Some states, including Virginia, had already begun to implement time limits under waivers. Because time-limited welfare was a major change, policymakers and the public at large have been concerned about what happens to families after they exhaust their TANF benefits. And because time limit policies vary widely, this question can only be answered state by state.

In 1995, Virginia, as part of its welfare reforms, instituted a 24-month time limit on benefits under the Virginia Initiative for Employment not Welfare (VIEW). To provide reliable information on time limit families and what happens to them after they reach the time limit, the Virginia Department of Social Services (VDSS) contracted with Virginia Tech and Mathematica Policy Research, Inc. (MPR) for a longitudinal study. The study includes analyses of administrative data and of surveys of time limit families conducted approximately 6 and 18 months after their TANF cases closed.

This is the fourth and final report from the Virginia Time Limit Study. It presents 18 months of follow-up data on families that reached the time limit in early 1998 (cohort 1), early 1999 (cohort 2), and early 2000 (cohort 3). This report updates findings from the reports on 18 months of follow-up data for cohort 1 (Gordon et al. 2002a) and cohorts 1 and 2 (Gordon et al. 2002b) with a sample that is drawn from the entire state.

Key findings include:

- In the 18 months after their cases closed, nearly all time limit parents worked, and most worked for more than half the follow-up period. Their jobs paid low wages, but average hours, hourly wages, and total earnings increased over time.
- Time limit parents' average incomes increased 12 percent between case closure and the 18-month interview. At the 18-month interview, 20 percent of time limit parents reported that their total household income was above the poverty line.[1]
- Families decreased their use over time of noncash assistance available to them—such as food stamps, Medicaid, and child care subsidies—for a variety of reasons. As of November 2002—2 to 4½ years after parents in our study reached the time limit—15 percent of these families had returned to TANF.

[1]The analysis did not adjust income to account for inflation (about 2 percent per year on average during the follow-up period), so the change in income over time is slightly overstated in real dollars.

- At the 18-month interview, 83 percent of time limit parents had health insurance coverage for their children, but just 45 percent had coverage for themselves. All would have been covered by Medicaid while on TANF.

- Time limit families were long-term welfare recipients, most of whom had been receiving public assistance for more than five years when they exhausted their benefits. They were similar to other VIEW families in their areas, except that time limit parents were somewhat older and had larger families than comparable VIEW participants.

BACKGROUND: VIRGINIA'S TIME LIMIT

In Virginia, the time limit is just one aspect of VIEW, which is mandatory for able-bodied TANF parents with no children under the age of 18 months. Key provisions of VIEW include:

- The signing of an Agreement of Personal Responsibility (APR) as a condition for receiving benefits

- Required job search for 90 days or until employed, followed by mandatory work either through regular employment or through participation in the Community Work Experience Program (CWEP), which involves work in a nonprofit or public setting in exchange for benefits

- Full family sanctions (complete loss of benefits) for noncompliance

- Generous earned income disregards, which allow families to continue to receive their full TANF grant for up to 24 months as long as their net earned income plus TANF benefits remains below the poverty line

- Supportive services, including subsidized child care, transportation assistance, and Medicaid, while on TANF and for one year after the TANF case closes

- A 24-month time limit on TANF benefits, followed by 12 months of eligibility for transitional benefits, and 24 months of ineligibility for TANF[2]

All VIEW-mandatory cases are subject to the 24-month time limit. Of the 34,500 TANF cases enrolled in VIEW between July 1995 and June 1998, however, only 16 percent had reached the time limit by the end of June 2000. Others had generally left TANF before reaching the time limit.

[2]Extensions are available under some circumstances, but VDSS reports that less than 3 percent of time limit families have received them. Families may reapply for TANF 24 months after they stop receiving benefits, including transitional benefits, so those who do not use transitional benefits may return to TANF earlier than those who use them.

The structure of VIEW implies that time limit families in Virginia are not necessarily like families that reach TANF time limits in other states. The Virginia time limit applies only to mandatory VIEW cases. After the first 90 days in VIEW, VIEW-mandatory participants must work at least 30 hours per week, take a CWEP position, or lose 100 percent of their TANF benefit. Months in which benefits are "suspended" because of failure to meet VIEW requirements still count toward the time limit unless the case head takes action to close the TANF case. Thus, heads of cases that reach the time limit fall largely into two groups: (1) those who have been working and meeting VIEW requirements for some time; and (2) those who, because of a VIEW sanction, stopped receiving benefits before reaching the time limit, and then had their TANF case officially closed upon reaching the time limit. Most are in the first group.

SAMPLE AND DATA

This report is based on three cohorts of Virginia TANF cases: (1) cases that closed because of the time limit between February 1 and June 30, 1998 (cohort 1); (2) cases that closed because of the time limit between February 1 and June 30, 1999 (cohort 2); and (3) cases that closed because of the time limit between February 1 and June 30, 2000 (cohort 3).[3] Because of the staggered implementation of VIEW in Virginia, only a few parts of the state had cases that reached the time limit during the 1998 period (cohort 1). Most of these cases were in rural areas and small towns, or in relatively wealthy, suburban Northern Virginia. By early 1999, roughly half the state had cases reaching the time limit, including the cities of Richmond and Petersburg (cohort 2). By early 2000 (cohort 3), cases from the entire state had reached the time limit; cohort 3 contains nearly all the time limit cases from the Eastern Region.

There were 328 cases in cohort 1, 628 in cohort 2, and 611 in cohort 3. For all these cases, we analyzed administrative data and attempted 6-month interviews with the heads. The number of cases that completed 6-month interviews is 1,240 (256 in cohort 1, 495 in cohort 2, and 489 in cohort 3), 79 percent of the full sample. For cohort 1, we attempted 18-month follow-up interviews with all respondents who completed a 6-month interview. For cohorts 2 and 3, we attempted 18-month follow-up interviews with all case heads in the cohort.[4] The total number of case heads who completed 18-month interviews is 1,092 (220 in cohort 1, 441 in cohort 2, and 431 in cohort 3), 70 percent of the combined samples. Both 6- and 18-month interviews lasted from 30 to 40 minutes and were conducted using computer-assisted telephone interviewing. To increase response rates, field staff helped find some sample members. Staff used cellular phones, if needed, to call MPR so the sample members could complete the interview.

[3]The number of time limit cases during cohorts 1 and 2 was small, so we included all eligible cases in the study without sampling. Cohort 3, however, drew from the entire state, and more cases than needed reached the time limit during its sampling period. Thus, for cohort 3 we selected a random sample of the cases that reached the time limit during the selection period, and we weighted the total sample by cohort to effectively represent all Virginia time limit cases that reached the time limit in the first half of the years 1998 to 2000.

[4]The only exception was a few case heads who had a language barrier or were otherwise ineligible for the study, based on their responses during 6-month interview attempts.

STUDY GOALS

The goals of the time limit study are to describe (1) who reached the VIEW time limit, and (2) how their lives changed after they lost their TANF benefits. An important caution is that this study is descriptive. Because there is no control or comparison group to show what would have happened to these families without a time limit, the study cannot show whether changes occurred in people's lives because of the loss of TANF benefits or whether these changes would have come about anyway.

FINDINGS

Who Reached the Time Limit?

- Similar to the VIEW population as a whole, time limit parents in Virginia were predominantly metropolitan African American single mothers in their thirties. Most time limit parents had one or two children, but over a third had three or more. Almost half had not completed high school or received a GED.[5]

- Parents in time limit families were somewhat older and had larger families than all comparable VIEW participants. Cohort 1 had more white families and cohorts 2 and 3 more African American families than their contemporary VIEW-mandatory cases in the same localities.

- Most time limit families had been on TANF for a long time when their benefits ended; 60 percent had received benefits for longer than five years.

- Most time limit parents complied with VIEW rules, but about a third had been sanctioned at least once for not meeting program requirements. Younger parents and nonwhite parents were more likely to have been sanctioned than older parents or white parents.

- About half of time limit parents reported having planned to stay on TANF until they reached the time limit. Others, who had planned to leave earlier, said their plans did not work out. The great majority of respondents reported that various components of the VIEW program helped them meet their goals for self-sufficiency.

How Much Did They Work After Benefits Ended?

- Nearly all respondents worked after leaving TANF, and many worked steadily. Almost 90 percent of respondents worked at some point between case closure and the 18-month interview, and on average, respondents who ever worked had worked in 71 percent of the follow-up months.

[5]Characteristics of the time limit families are as recorded in TANF administrative data at the time of case closure.

- Three-quarters of respondents were working at least 30 hours a week in their current or most recent job. Half worked in service occupations.

- The third cohort, which is from the entire state and was affected by the 2001 economic downturn and terrorist attacks, had lower employment rates during the follow-up period than the preceding cohorts, which were followed during a period of economic expansion and were drawn from selected parts of the state. Despite overall lower rates of employment for the group, cohort 3 respondents who worked experienced growth in wages and earnings comparable to those of cohort 1 and 2 respondents.

Were They Moving Toward Self-Sufficiency?

The 18-month interviews occurred after families had some time to adjust to life without TANF benefits and also reflect a period after families had lost eligibility for transitional Medicaid, transportation, and child care assistance.[6] On average, families seemed to be coping with these changes, but experiences varied widely:

Employment, Earnings, and Child Support

- The employment rate increased slightly in the months after case closure and then leveled off, remaining at about 60 percent for the rest of the follow-up period. Employment gains over the follow-up period were modest, in part because so many respondents already worked before losing TANF. Most who left a job quit (57 percent); 43 percent were fired or laid off.

- Among workers, hourly wages, hours worked, and earnings increased between the 6- and 18-month interviews. The current or most recent jobs that respondents held at the time of the 18-month interview paid $7.04 per hour on average—up from $6.55 at the 6-month interview. Average hours worked per week increased from 35 to 37 between the 6- and 18-month interviews. Average monthly earnings increased by 15 percent between the two interviews, from $988 to $1,132.

- Having multiple jobs was not an indicator of labor market problems among time limit families, but in fact may be an indicator of relative job market success.

- Commonly discussed barriers for low-wage workers, such as problems with transportation and child care were each cited as a reason for not working by only about a tenth of respondents who were not working at the 18-month interview.

- Respondents' occupations and the industries they worked in changed slightly between the 6- and 18-month interviews. Most notably, the percentage of respondents

[6]Many children and some adults remained eligible for Medicaid based on poverty status. Most working families would also be eligible for other state child care assistance.

working in service-related occupations (such as food and beverage services, health services, and cleaning services) increased and the percentage of respondents working in sales declined. The percentage of respondents working in the retail trade industry declined slightly, while the percentage working in professional and related services increased.

- The percentage of time limit families receiving child support increased substantially over the follow-up period. The proportion receiving child support increased from 24 percent to 34 percent in the 18 months after case closure. The average child support amount received increased from $48 to $232 over the same period, substantially replacing lost TANF benefits for a third of time limit families.

Reliance on Food Stamps, Medicaid, and Subsidized Child Care

- Although the percentage of families receiving food stamps declined after case closure, most families continued to receive this benefit after leaving TANF. Administrative data show that the percentage of families receiving food stamps fell from 88 percent at case closure to 66 percent 18 months later.

- Medicaid continued to cover most children, but not their parents. Three-quarters of children, but only a third of parents, were still covered by Medicaid as of the 18-month interview, when their 12 months of eligibility for transitional Medicaid had been exhausted. Other studies of time limit families have found generally higher rates of Medicaid coverage for adults (Bloom et al. 2002). Medicaid coverage for adults was higher in cohort 3 than in the earlier cohorts.

- The share of time limit families receiving a child care subsidy from a state program fell from 30 percent in their last month on TANF to 7 percent 18 months later. Among families who needed child care, 17 percent received a child care subsidy 18 months after case closure, as reported in either the survey or administrative data. Most families who did not participate in child care subsidies were aware of the assistance but chose not to participate.

Help from Family, Friends, and Community Agencies

- Time limit families received assistance from family or friends more often than from community or faith-based organizations. At the 18-month interview, 66 percent had received assistance from family or friends, and 20 percent had received help from a community or faith-based organization in the past month. Most time limit families reported that this assistance had not increased since their cases closed.

Returns to TANF

- As of November 2002—2 to 4½ years after parents in our study reached the time limit—15 percent of families had returned to TANF at some point after reaching the time limit, and 70 percent of those who had returned were still receiving benefits.[7] Time limit parents most likely to return to TANF were those who were under 30 when their case closed, without a high school education, with a child under age five, and in single-parent households. Nonwhite families were also more likely than white families to return, as were parents with a longer history of welfare dependency and those who had been sanctioned under VIEW.

How Are Families Doing?

Changes in Income and Outlook

- Respondents' average monthly income increased 12 percent between case closure and the 18-month interview, from $870 to $972.[8] The incomes of 48 percent of respondents increased between case closure and the 18-month interview, yet income fell for 39 percent of time limit respondents.[9] However, these figures may understate growth in *household* income, as more respondents lived with other earners as time went on.

- Virginia's time limit families may be unique in their reported income gains after leaving TANF; Bloom et al. (2002) reported declines in income following case closure for time limit families surveyed in South Carolina, North Carolina, Connecticut, Massachusetts, and Utah.

- Most time limit families remained poor. Only 20 percent of all time limit families and 27 percent of working time limit families reported incomes above the poverty line at the 18-month interview. Fully 81 percent of respondents reported incomes below the poverty line, and more than a third reported incomes below 50 percent of the poverty line.

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[7]These findings should be viewed as preliminary. Only with the addition of cohort 3 did the time limit sample become statewide; families from that statewide cohort had less eligible time than families from cohorts 1 and 2 to return to TANF. One-fifth (19 percent) of cases from cohorts 1 and 2 returned, as well as 8 percent of cases from cohort 3, which suggests that once cohort 3 cases have equivalent time off TANF, the percentage of cases that return could grow.

[8]Income is calculated as the sum of respondents' earnings, TANF, food stamps, child support, and other benefits, as reported in the surveys. Figures are not adjusted for inflation (approximately 2 percent per year during the study period), so the change in income over time might be slightly overstated in real dollars.

[9]Income is considered unchanged if it increased or decreased by less than 10 percent.

- Most families (72 percent) reported knowing about the Earned Income Tax Credit (EITC), an important source of income for low-income working families. However, fewer than half had received the EITC. These figures are very similar to those reported in other studies of time limits and TANF leavers.

- Three-quarters of time limit families reported their overall situation to be the same as or better than when they received TANF, and their outlook had improved over time. One-third of the sample gave a more positive response concerning their situation at the 18-month interview than at the 6-month interview.

Extent of Hardship

- Very few (about 4 percent) of respondents reported being homeless at some point after leaving TANF.

- About half (55 percent) of parents and 17 percent of children lacked health insurance at the 18-month interview. Health coverage for adults is the major area in which most time limit families had become worse off over time.

What Were Children's Situations?

- Most children in time limit families were of elementary school age (5 to 12 years old). Because of VIEW exemptions for parents with children under 18 months of age, only 2 percent of time limit families' children were infants.

- Few children moved out of the household after case closure. Only 3 percent of the respondents reported that any of their minor children had left their household during the follow-up period.

- Most children (71 percent) went to a private physician's office for their health care, and more than three-fourths had a well-child checkup in the last year, higher than the national average.

- Aside from school, most children were in only one child care arrangement. Almost twice as many children (45 percent) received care from relatives than through more formal types of care (28 percent). Child care centers were the most common type of formal arrangement used, and grandparents were the relatives most likely to care for the children of time limit parents.

- Almost all time limit children had one parent who lives elsewhere. Only 13 percent of these children had regularly scheduled contact with the noncustodial parent; however, one-quarter saw the noncustodial parent at least once a month, even if the contact was not regular. More than half of children had no contact with their noncustodial parent in the previous year.

Did Subgroups Experience the Time Limits Differently?

Families of different racial and ethnic groups, regional residence, and metropolitan status experienced the time limits differently. There are many possible reasons for differences observed among subgroup members, including the phased implementation of VIEW (which meant different localities, and therefore regions, had varying amounts of experience with VIEW policies), differences in local or regional office culture or philosophy, different local job markets, and differences in living costs. For example, the Western Region of the state, the most rural area, has the only predominantly white group of cases, and included the most two-parent families. It also is an area with low wages and high unemployment. The Northern Region includes many Washington, DC, suburbs, with relatively high-paying jobs but also a higher cost of living. The Central and Eastern regions include many poor urban areas, are heavily African American, and have many large urban welfare offices.

- Time limit cases from economically dynamic Northern Virginia were more likely to have been employed, to have worked more steadily, and to have earned more during the follow-up period than cases from other regions, particularly the Central and Western. Northern Region time limit parents also had higher incomes than parents in other regions.

- In the state as a whole, nonwhite parents had higher rates of employment than white parents, though the earnings of the two groups, when they had jobs, were equal. Jobs of nonwhite parents, however, were more likely than those of white parents to include employer-provided benefits.

- Nonetheless, the household income of white time limit families was 15 percent higher, on average, than that of nonwhites. This difference was driven by the greater percentage of white time limit households in which another adult is employed and differences in where the two groups lived.

- White parents were more aware than nonwhite parents of the pending time limit, the EITC, and the availability of transitional Medicaid. Nonwhite parents were more likely to have been sanctioned while in VIEW. These differences may reflect regional differences in TANF office size and policies or other factors.

I. INTRODUCTION

Welfare reform in Virginia included a 24-month time limit on benefits for able-bodied parents with no children younger than 18 months. This time limit affects a substantial proportion of eligible welfare cases. However, of the 34,500 cases enrolled in Virginia's welfare reform work program (the Virginia Initiative for Employment not Welfare [VIEW]) between July 1995 and June 1998, only 16 percent (5,673) had reached the time limit by the end of June 2000.[1] Because the 24-month time limit was a major departure from previous practice, policymakers and the public at large have been greatly interested in its outcomes. Therefore, the Virginia Department of Social Services (VDSS) contracted for a longitudinal study to obtain reliable information on time limit families and how they fare after leaving welfare.

This, the fourth and final report of a series, covers the experiences of families that reached the time limit between early 1998 and early 2000, providing information on how these families fared during approximately the first 18 months after their benefits ended. Administrative data on 1,567 cases are presented, along with results from 6- and 18-month follow-up interviews with 1,092 of these cases. Earlier reports in this series covered findings from the families that reached the time limit in early 1998 and early 1999.

A. WELFARE REFORM IN VIRGINIA

Virginia's multifaceted welfare reform program—the Virginia Independence Program (VIP)—has two distinct components. The first is changes made to Aid to Families with Dependent Children (AFDC) eligibility requirements in hopes of encouraging family responsibility. The second, VIEW, is one of the nation's strongest examples of a "work first"

[1]Data provided by the Virginia Department of Social Services.

program, which emphasizes rapid movement of public assistance clients into jobs. Overall, VIP represents a substantial commitment to changing the "culture of welfare" both for program staff and for clients.

The eligibility requirement parts of VIP were implemented statewide on July 1, 1995. In 1996, the federal Personal Responsibility and Work Opportunity Reconciliation Act replaced AFDC with a block grant for Temporary Assistance for Needy Families (TANF). Because Virginia had already shifted its AFDC program to a temporary assistance program with employment as its focus, the state was able to implement TANF in February 1997 with minimal modifications to VIP.

The VIP eligibility requirements include:

- Stronger requirements for cooperation with child support enforcement
- A family cap on benefits for children born more than 10 months after assistance is authorized
- Age-appropriate immunizations for children
- Mandatory compliance with school attendance laws
- Determination of benefits for two-parent families using the same standards as for single-parent families

VIEW, which was implemented locality by locality from July 1995 to October 1997, is mandatory for able-bodied parents with no children under the age of 18 months. Key provisions of VIEW include:

- The signing of an Agreement of Personal Responsibility (APR) as a condition for receiving benefits
- Required job search for 90 days or until employed, followed by mandatory work either through regular employment or through participation in the Community Work Experience Program (CWEP), which involves work in a nonprofit or public setting in exchange for benefits

- Full family sanctions (complete loss of benefits) for noncompliance[2]
- Generous earned income disregards, which allow families to continue to receive their full TANF grant as long as their net earned income plus TANF benefits remains below the poverty line
- Supportive services, including subsidized child care, transportation assistance, and Medicaid, while on TANF and for one year after the TANF case closes
- A 24-month time limit on TANF cash benefits, followed by eligibility for only the supportive services for up to 12 months, followed by 24 months of ineligibility for all TANF services

The strong "work-first" structure of VIEW implies that time limit families in Virginia are not necessarily like families that reach TANF time limits in other states. The Virginia time limit applies only to mandatory VIEW cases. After the first 90 days in VIEW, VIEW-mandatory cases must work at least 30 hours a week, take a CWEP position, or lose 100 percent of their TANF benefit. Months in which benefits are suspended because of failure to meet VIEW requirements still count toward the time limit unless the case head takes action to close the case. Thus, heads of cases that reach the time limit generally fall into two groups: (1) those who have been working and meeting VIEW requirements for some time,[3] and (2) those who have stopped receiving benefits because of a VIEW sanction some months before their case was officially closed by the time limit. As expected, most were in the first group.

[2]Failure to sign the APR results in case closure. Failure to comply with the job search or work requirements after signing the agreement results in a 100 percent sanction for a minimum period. During the sanction period, the months count toward the time limit unless the client chooses to close the case.

[3]A few may have been in CWEP positions for part of their time in VIEW, but even those in CWEP will probably have worked in unsubsidized jobs for most of their 24 months.

B. STUDY GOALS

This time limit study is one of five studies VDSS sponsored to examine the implementation, outcomes, and impacts of welfare reform in Virginia.[4] VDSS contracted with the Virginia Polytechnic Institute and State University (Virginia Tech) and its subcontractor, Mathematica Policy Research, Inc. (MPR), to conduct the studies. Funding was provided by the U.S. Department of Health and Human Services, Administration for Children and Families, and by VDSS.

The goals of the time limit study are to describe who reaches the time limit, what has happened to people in cases that reached the time limit 6 months and 18 months later, and how their lives changed since they lost their TANF benefits. An important caution is that this study is descriptive. It cannot show whether changes occurred in recipients' lives because of the loss of TANF benefits or whether these changes would have happened anyway, because there is no control or comparison group to show what would have happened to similar families without a time limit.

The specific research questions this report addresses are as follows:

1. ***Who reached the time limit and why?*** What are the characteristics of families that reached the time limit? How many were in compliance with VIEW for the full 24 months, and how many had been sanctioned? Did families have a plan to prepare for the impending time limit? If so, were they able to follow their plan?
2. ***To what extent were heads of families who reached the time limit able to find jobs and stay employed?*** How many were working before benefits ended? How many worked after benefits ended? What types of jobs did they hold, and did these jobs

[4]The other four studies were (1) an early impact and outcomes analysis, based on cases randomly assigned to VIP/VIEW or to the old AFDC and JOBS programs; (2) an implementation study of VIP/VIEW; (3) implementation and impact studies of VIEW-Plus, a job retention and advancement experiment; and (4) a study of VIEW-exempt cases, which focused on "child-only" cases.

improve for recipients over time? Were family heads able to increase their employment or earnings over time?

3. ***To what extent are time limit families moving toward self-sufficiency?***

   - Do time limit families use transitional assistance or programs for which they may be eligible after their case closes, such as food stamps, Medicaid, child care assistance, and transportation assistance? Do they find other sources of income or assistance to replace transitional Medicaid, child care, or transportation assistance when their eligibility ends?
   - How much are they relying on help from family and friends? How much are they using community agencies? Does reliance on these sources decrease over time?
   - How much child support do time limit families receive? Does the percentage of families receiving child support increase after they leave TANF?

4. ***How do time limit families fare during the first 18 months after their cases are closed?***

   - How many families are having problems meeting their own basic needs and those of their children? Indicators of problems meeting basic needs considered in this report include the following: 10 percent income decline since case closure, household income below 50 percent of the poverty level in the month before the interview, homelessness, and lack of health insurance.
   - How many families are doing better? Indicators that clients are doing better include: income up 10 percent or more since the case closed, and household income above 130 percent of the poverty level.

5. ***How do children fare in families that have lost benefits?*** What types of child care arrangements do children experience? Are children being sent to live with relatives? Are they receiving child support or informal support from noncustodial parents? How many children have significant health or behavior problems? Do they have access to health care?

Because VIEW was implemented gradually from 1995 to 1997, the only sites to have cases reach the time limit in early 1998 were those that implemented VIEW early, in late 1995 or early 1996 (Table I.1). Thus, as shown in the map in Figure I.1, cohort 1, the 1998 group of time limit cases, was small and was drawn from selected parts of the state, representing just four of Virginia's 18 Economic Development Districts (EDDs). This cohort included areas that were

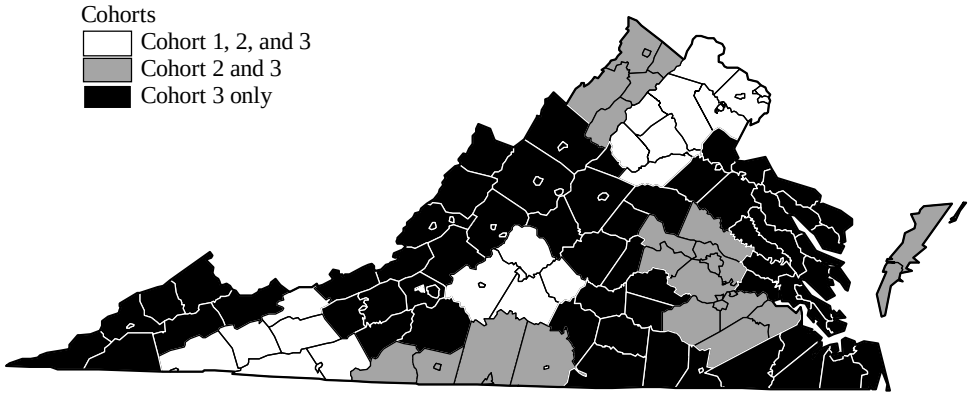
TABLE I.1

OVERVIEW OF TIME LIMIT STUDY COHORTS

	When Localities Implemented VIEW	When Cases Reached the Time Limit	Timing of 6-Month Interview	Timing of 18-Month Interview	Number of Virginia's 18 EDDs Included
Cohort 1 ("1998 Cohort")	late 1995 – early 1996	Feb. 1, 1998 – June 30, 1998	Aug. 1998 – Feb. 1999	Aug. 1999 – Feb. 2000	4 (22 percent)
Cohort 2 ("1999 Cohort")	late 1995 – early 1997	Feb. 1, 1999 – June 30, 1999	Aug. 1999 – Feb. 2000	Aug. 2000 – Feb. 2001	9 (50 percent)
Cohort 3 ("2000 Cohort")	late 1995 – late 1997	Feb. 1, 2000 – June 30, 2000	Aug. 2000 – Feb. 2001	Aug. 2001 – Feb. 2002	18 (100 percent)

FIGURE I.1

COUNTIES INCLUDED IN EACH COHORT



Note
Cohort 1: Reached Time Limit Beginning 1998
Cohort 2: Reached Time Limit Beginning 1999
Cohort 3: Reached Time Limit Beginning 2000

largely rural and suburban.[5] Since these cases reached the time limit in close to the minimum time possible, most affected cases had been in VIEW for 24 consecutive months, or had only a brief exit from VIEW. These cohort 1 cases may be atypical since most VIEW cases cycle on and off before reaching 24 months.

Cohort 2 included cohort 1 localities, plus localities that implemented VIEW in late 1996 and early 1997. It was thus drawn from a larger part of the state, but still included cases from only half the state's EDDs.[6] Cohort 3 added cases from all remaining localities, which implemented VIEW in late 1997, including the large Tidewater area cities of Norfolk, Portsmouth, Chesapeake, Hampton, and Newport News. It thus encompassed cases from the entire state, including both cases that were among the first to reach the time limit in their areas and cases from areas in which the time limit had been in place for several years.

The first report from this study (Gordon et al. 1999) covered the experiences of families that reached the time limit in early 1998 (cohort 1) in approximately the first six months after their benefits ended. The second report (Gordon et al. 2002a) extended the follow-up period for these cases by one year, to approximately 18 months after their benefits ended; it also reported on 6-month follow-up results for both cohort 1 and cohort 2 (families that reached the time limit in early 1999). The third report (Gordon et al. 2002b) updated the 18-month results to reflect both cohort 1 and cohort 2. This fourth and final report is the first to include cases from all three

[5]These four districts were (1) District 2, the Bristol/Galax area, a rural area in the southwest; (2) District 6, the large urban and suburban counties in Northern Virginia near Washington, DC; (3) District 9, the Lynchburg area, in the Piedmont region; and (4) District 7, the Culpeper area, which is also largely rural and was the first locality to implement VIEW.

[6]Some time limit families in both cohorts 1 and 2 had moved to other areas in Virginia but remained subject to the time limit.

cohorts and is thus the first to include cases from the entire state and to include subgroup analyses.

C. PLAN OF THE REPORT

Chapter II describes the sample, data, and analyses used to produce this study. Chapter III describes the characteristics of time limit cases across the three cohorts and provides information on the recipients' perceptions of the time limit. Chapters IV through XI analyze the 6- and 18-month survey data and administrative data on selected outcomes over the 18 months after the case closed. Specifically, Chapter IV describes the work experiences of time limit families since case closure. Chapter V looks at their sources of income and total household income. Chapter VI expands upon analysis of household resources by describing receipt of informal and community support. Chapter VII describes time limit families' housing arrangements and household composition. Chapter VIII examines former recipients' health issues including health insurance coverage. Chapter IX presents respondents' personal perceptions of their situation. Chapter X describes time limit families' use of child care, and Chapter XI focuses on child well-being. Chapter XII summarizes the findings and examines early evidence of whether time limit families eventually return to TANF.

II. SAMPLE AND DATA

To learn about families that reached the time limit in Virginia, we used various methods for selecting the sample, conducting interviews, and analyzing survey and administrative data. Here we describe the topics covered in the 6- and 18-month follow-up interviews and the procedures used to compare and combine these data across the three cohorts. We also present information on subgroup analyses performed as a part of this final analysis.

A. STUDY UNIVERSE AND SAMPLE

The universe for this study is Virginia TANF cases that closed because they reached the 24-month time limit in selected periods. Cohort 1 includes all Virginia cases that closed because they had reached the 24-month time limit between February 1 and June 30, 1998 (Table II.1).[1] As noted in Chapter I, because of the staggered implementation of VIEW across Virginia, cases reached the time limit in only a few parts of the state during this period (Figure I.1). Cohort 2 includes all Virginia cases that closed because of the time limit between February 1 and June 30, 1999. More cases reached the time limit in this period, and they did so in areas that include roughly half the state. To save on data collection costs, we chose a period one year after the selection of cohort 1, since the field periods for the 6-month followup for cohort 2 and the 18-month followup of cohort 1 then overlapped (and thus the same overlap occurred for the 6-month followup for cohort 3 and the 18-month followup for cohort 2). In addition, this period was chosen to balance the need for timely information on time limit cases and the desire to wait until more of the state would have cases that reached the time limit.

[1]Cases that reached the time limit but were granted hardship extensions were excluded from the study universe; less than 3 percent of time limit cases through fiscal year 2003 have received hardship extensions, according to data VDSS provided.

TABLE II.1

SAMPLE SIZES FOR THE TIME LIMIT STUDY

		Survey Data	
	Administrative Data	6-Month Interview	18-Month Interview
Cohort 1	328	256	220
Cohort 2	628	495	441[a]
Cohort 3	611	489	431
Total	**1,567**	**1,240**	**1,092[a]**

[a]Four cases are excluded from cohort 2 18-month interview analyses; effective sample sizes are thus 437 for cohort 2 and 1,088 total.

For the same reasons of timing and survey efficiency, the third cohort of time limit cases was selected among those that reached the time limit between February 1 and June 30, 2000. This cohort included cases from the entire state, including cases that were among the first to reach the time limit in their areas, as well as cases from the areas covered by cohorts 1 and 2, in which the time limit had been in place for several years. Because cohort 3 draws from the entire state, more cases than needed to reach the sample sizes targeted for the surveys reached the time limit during the cohort 3 sampling period. Thus, for cohort 3 only, instead of including all cases, we selected a random sample of the cases that reached the time limit during the selection period.[2]

Identifying time limit cases in each cohort was a complex process that involved several steps. VDSS evaluation staff initially identified VIEW cases that were in their 23rd month of benefits and attempted to obtain enhanced contact information on them.[3] Several months later, before data collection began, VDSS staff checked administrative records to determine whether in fact the case had closed because of the time limit.[4] Cases that had not closed for this reason were dropped.[5] During and after the survey period, a few more cases were dropped from the study

[2]We randomly sampled 60 percent of eligible cohort 3 cases. To account for the different sampling ratios across the three cohorts (1.0 for cohorts 1 and 2, and 0.6 for cohort 3), we weighted the data by cohort to effectively represent all time limit cases in Virginia. Data shown in report tables in Chapter III through Chapter XI are weighted tabulations. Because cohort 3 cases are weighted more heavily than those in cohorts 1 and 2, cohort 3 data often drive the results. Unweighted results for cohort 1 and cohort 2 can be found in Gordon et al. 1999 and Gordon et al. (2002a and 2002b).

[3]VDSS notified caseworkers to update contact information on these cases when they conducted exit interviews and to also obtain information on a relative or friend who would know how to reach the case head. Caseworkers submitted this contact information to VDSS evaluation staff on a standard form; VDSS created and forwarded a sample database and the forms to MPR.

[4]Records were checked for a closure date within the study period.

[5]Some cases had closed in the 23rd month and had thus not reached the time limit. Other cases became exempt or were granted extensions.

universe, because further scrutiny of administrative records indicated that they (1) had closed before using up their 24 months of eligibility, (2) had received an extension, or (3) were otherwise not part of the study universe.[6]

After final cleaning, the universe of cases that reached the time limit during February through June 1998 (cohort 1) includes 328 cases. The universe that reached the time limit in the corresponding period in 1999 (cohort 2) includes 628 cases. In the same period in 2000 (cohort 3), because more cases reached the time limit, a random sample of 611 cases was selected for the study. All these cases are included in the analyses of available administrative data (Table II.1), and we attempted 6-month follow-up interviews with all of them. For cohort 1, we attempted 18-month interviews with all respondents who had completed a 6-month interview, while for cohorts 2 and 3, we attempted 18-month interviews with the full sample, including those we had not reached for the 6-month interview.

B. SURVEY METHODS

MPR used computer-assisted telephone interviewing to conduct follow-up surveys with time limit families. The 6-month interviews took 35 to 40 minutes on average, and the 18-month interviews took about 30 minutes.

1. Six-Month Follow-up Interviews

Each month between August and December 1998, MPR began to interview time limit cases that had closed six months earlier. Thus, interviews with cases that closed in February began in August; interviews with cases that closed in March began in September, and so forth. We used similar processes for the cohort 2 cases in 1999 and the cohort 3 cases in 2000. For cases not

[6]For cohort 2, we kept a small number of cases that were scheduled to close in June 1999 but had actually closed in July. For cohort 3, we kept one such case.

reached right away, we continued interview attempts until we completed an interview or reached the end of the survey period (early February 1999 for cohort 1, the end of February 2000 for cohort 2, and the end of February 2001 for cohort 3). We interviewed most cases 6 to 8 months after the case closed (73 percent of completes) and the remaining completed cases 9 to 14 months after the case closed.

Survey operations proceeded in several stages. A week before interviews were scheduled to begin with each part of the sample, we sent an advance letter to the respondents in that group, explaining the study and offering a $10 incentive for completing the interview. The letter asked respondents to call MPR's toll-free number at their convenience to be interviewed. Those who did not call or were not reached by the interviewers within a few weeks were referred to MPR's locating department, which used methods such as address corrections, reverse phone directories, and checks with on-line databases from credit bureaus to find updated addresses or phone numbers. In addition, VDSS staff checked their data systems for updated information several times during the field period and found some new addresses or phone numbers. To reach respondents who did not have phones or whose phone number was not available, MPR locating staff sent letters to each new address identified, requesting that the respondent call MPR's toll-free number. If we believed an address to be current but found no phone number, we sent additional letters regularly, with content and formats that varied to get the respondent's attention.

After phone center staff had tried for several weeks to obtain interviews through phone and letter contacts, we assigned field staff to any cases that had likely addresses and had not been reached by phone. Field staff then tried to locate the respondents in person. When respondents were not home, the locators left notes and, in some cases, checked with neighbors to ensure that the address was correct. When respondents were found, the field locators asked them to call a

toll-free number at MPR from an available phone or provided them with a cellular phone to use. The field locators were able to pay the respondents immediately if they completed the interview.

Between August 1998 and February 1999, we completed 256 interviews with eligible respondents in cohort 1 (Table II.2). Because of language barriers, 13 cases were not interviewed, as limited resources precluded interviewing non-English speakers. One respondent was deceased, and one was too impaired to do the interview. The response rate was 82 percent among those eligible to complete the interview, or 78 percent of the full universe.

Between August 1999 and February 2000, we completed 495 interviews with eligible respondents in cohort 2. Language barriers prevented 12 from being interviewed. The response rate was 80 percent among those eligible to complete the interview, or 79 percent of the full universe.

Between August 2000 and February 2001, we completed 489 interviews with eligible respondents in cohort 3. As a result of language barriers, impairments, or cases that were deceased, 10 were not interviewed. The response rate was 81 percent among those eligible to complete the interview, or 80 percent of the full universe.

Overall, 1,240 six-month interviews were completed with the 1,567 families in cohorts 1, 2, and 3, for a total response rate of 79 percent. In general, this high response rate implies that respondents were very similar to the full sample in their characteristics. Omission of cases with language barriers caused Asians, Hispanics, and cases from Northern Virginia to be somewhat underrepresented in the sample, as these groups disproportionately contained such cases (as shown in Appendix A, Table A.1, which compares respondents and nonrespondents to the 6-month interviews). Nonrespondents were somewhat more likely than respondents to have been sanctioned and thus to have received no benefit in their final month on TANF.

TABLE II.2

SURVEY RESPONSE RATES FOR 6- AND 18-MONTH INTERVIEWS

	Initial Sample	Eligible for Survey[a]	Completed Interviews	Response Rate Among Eligibles	Overall Response Rate (Percentage)
6-Month Interviews					
Cohort 1	328	313	256	82	78
Cohort 2	628	616	495	80	79
Cohort 3	611	601	489	81	80
Total	**1,567**	**1,530**	**1,240**	**81**	**79**
18-Month Interviews					
Cohort 1	328	256[b]	220	86	67
Cohort 2	628	616[c]	441	72	70
Cohort 3	611[d]	600[e]	431	72	71
Total	**1,567**	**1,472**	**1,092**	**74**	**70**

[a]"Eligible for Survey" excludes these who do not speak English, are deceased, or are too impaired to complete the interview.

[b]"Eligible for Survey" includes only those who completed a 6-month interview.

[c]"Eligible for Survey" includes those not reached for the 6-month interview.

[d]More cases than needed for the targeted sample size reached the time limit during the cohort 3 sampling period. Thus, for cohort 3, instead of including all cases, we selected a random sample of cases that reached the time limit during the selection period. The sampling ratio was 0.6; thus, 611 represents 60 percent of cases that reached the time limit between February 1, 2000, and June 30, 2000.

[e]One sample member was found to have died between the 6-month and 18-month interview.

2. Eighteen-Month Follow-up Interviews

Between August 1999 and February 2000, MPR attempted 18-month follow-up interviews with the 256 cohort 1 cases that had previously completed a 6-month follow-up interview. These cases were also released on a staggered schedule, one year after they had been released for the 6-month followup. Interviewing and locating procedures were essentially the same as for the 6-month interviews. Because all these families had completed a 6-month interview, MPR also had some secondary contact information to use in locating those who had moved. In addition, VDSS again searched food stamp records for new addresses or phone numbers. Ultimately, 220 interviews were completed, for a response rate of 86 percent among those attempted (the 256 who had completed the 6-month interviews) (Table II.2). This is equivalent to a response rate of 67 percent among the full sample of 328. Interviews were completed 18 to 25 months after the case closed, with 82 percent of completes within 20 months.

Between August 2000 and March 2001, MPR attempted 18-month follow-up interviews with 616 cases from cohort 2. For this round of the survey, in order to increase the overall response rate, we decided to attempt interviews with cases that had been nonrespondents to the 6-month follow-up. We adapted the survey instrument to make it appropriate for these cases (see further discussion below). The only cases that were not attempted at 18 months were those that had language barriers or were otherwise ineligible for the study based on their responses during 6-month interview attempts. In all other respects, procedures for contacting and interviewing respondents for the 18-month interview remained essentially unchanged, and were also the same as for the 6-month interviews.

For the cohort 2 18-month survey, we ultimately interviewed 441 cases, or 72 percent of the 616 that we attempted (Table II.2). The completed interviews included 43 with families who had

not completed a 6-month interview. Overall, the response rate for cohort 2 was 70 percent, slightly greater than the 67 percent achieved for cohort 1.

For the cohort 3 18-month survey, we interviewed 431 cases, or 72 percent of the 611 that were eligible. The completed interviews included 49 with families who had not completed a 6-month interview. Overall, the response rate for cohort 3 was 71 percent, the highest achieved across the three cohorts.

Table A.2 in Appendix A compares respondents and nonrespondents to the 18-month interview; in general, differences are similar to those found at the 6-month followup. However, male household heads were underrepresented in the 18-month sample, and nonrespondents to the 18-month interview were as likely as respondents to be receiving benefits at case closure.

3. Questions Asked in the 6- and 18-Month Interviews

Topics Covered at 6 and 18 Months. The 6- and 18-month follow-up instruments were designed to provide a longitudinal picture of each respondent's household composition, employment, housing, and other sources of income, among other outcomes. At the 6-month interview, many questions were asked for two reference points—the month before the interview and the month before the case closed (the recipient's last month on TANF). The month before the case closed was always referred to by name (for example, "February"), as not all respondents recalled their last month on TANF, and some thought they had left TANF before the state's records indicated (generally because they were under sanction). Questions on employment history, job characteristics, earnings, and homelessness were asked for the entire period since the case closed. The 6-month interview also asked questions about respondents' VIEW experiences and their knowledge of and plans for coping with the time limit—questions that were not repeated on the 18-month interview.

The 18-month follow-up interview asked questions similar to those in the 6-month interview about household composition, employment, housing, and other sources of income. Most of these questions were asked only in reference to the month before the interview. However, the employment questions again tried to capture a complete history of jobs held, job characteristics, and earnings—in this case, since the month of the last interview. In addition, because we were concerned that it would be difficult to match members of the household across the two interviews, we included some questions about changes in household composition since the last interview.

Thus, by combining the data from the 6- and 18-month interviews, we can describe household composition, housing, and sources of income at three points: (1) the month before the case closed, (2) the month before the 6-month interview, and (3) the month before the 18-month interview. In addition, we can describe employment patterns over the entire period since the case closed.

The 18-month interview needed to ask about only one reference period, and we did not need to ask again about VIEW and the time limit; therefore, we took the opportunity to add new questions in several areas, including use of transitional benefits, access to health care, and child outcomes. In particular, the 18-month instrument includes retrospective questions about participation in Medicaid and child care subsidy programs since the case closed, and asks nonparticipants (as appropriate) why they had never used or had stopped using these types of assistance. The instrument also includes questions about the usual source of health care for both adults and children, as well as a set of questions about each child's health, use of health care services, and behavior problems.

For cohorts 2 and 3, the only changes made to the 18-month interview were those needed to make the interview appropriate for respondents who did not complete the 6-month interview. In

particular, we set the reference point for retrospective questions for those with no 6-month interview to the month in which the TANF case closed.

Changes in the 6-Month Instrument After Cohort 1. Before conducting interviews with cohorts 2 and 3, we made some changes in the 6-month instrument to deal with problems that emerged in analyzing the 6-month data for cohort 1 and to make the instrument more comparable both with other studies and with our plans for the 18-month instrument. We kept these changes very limited, because the study was designed so that all the cohorts would be pooled to allow a large sample for analysis.

Originally, the 6-month instrument did not ask about changes in hours and earnings during jobs; one reason was that we did not think there was time for many changes to occur in the six months after the case closed. We recognized that policymakers were interested in the question of whether clients increased their work hours or earnings after they reached the time limit. However, we did not realize that many time limit families had been in their current jobs long before their case had closed. Most of our sample remained in the same job they held before the case closed, so it became critical to examine changes in hours and earnings within that job. For the first cohort of cases, we collected hours and earnings data only as of the time each job ended or as of the interview (for current jobs), and in the analysis we assume they are constant throughout that job. This implies that, for cohort 1, relative to cohorts 2 and 3, we probably overstate hours and earnings around the time the case closed but understate hours and earnings growth between case closure and the 6-month interview. As in the revised 6-month instrument, the 18-month interview also asks about changes in hours and earnings within jobs.

The second most important change in the 6-month instrument involved the reference period for questions on help received from family and friends. The original version of the instrument (reported on in Gordon et al. [1999]) asked about all help received since the case closed.

However, so that the time period would be comparable to the period for which we ask about other sources of income, the revised version asks only about help in the month before the interview. The tables thus report 6-month results for cohorts 2 and 3 only. As in other studies of TANF leavers, it seemed useful to document both money income and informal or in-kind support for the same period. The 18-month instrument also asks about informal support received in the month before the interview.

Changes in Question Wording Between the 6- and 18-Month Interviews. Between the 6- and 18-month interviews, we changed substantially the wording and structure of the question on total income in the past month. We felt that the usefulness of a more complete measure of income at 18 months outweighed the problems that would be created in comparing income data from the two surveys.

In particular, the total income question follows a question on total earnings from jobs of all household members, one not included in the 6-month interview. In addition, the question on the 18-month interview specifically lists types of income sources to include, while the question on the 6-month interview asks only about total income before taxes and deductions. We believe that these changes provided a better measure of income at the 18-month interview. However, in examining trends in income between case closure and the 18-month interview in Chapter V, we focus on a measure of the respondent's income, as computed by adding together the respondent's earnings and other income sources, because this measure can be constructed from questions that were comparable at each point in time.

C. ADMINISTRATIVE DATA SOURCES

VDSS provided administrative data on case characteristics and on each case's TANF eligibility and benefits history for up to seven years before the case closed, as well as information on the VIEW status of each case and on sanctions received before the case closed.

We were able to use these data to analyze receipt of food stamp benefits, child support payments, and child care assistance by each case, both before and after the TANF case closed.

The third and fourth reports in this series include analysis of wage records data that the Virginia Employment Commission (VEC) collected from employers. These are quarterly data on employment and earnings in Virginia jobs covered by Unemployment Insurance. While VEC data are a useful supplement to survey data, they do not include all jobs likely to be held by parents in time limit families. Jobs not included in these data are those outside Virginia (such as employment by Northern Virginia residents in Washington, DC, or Maryland), federal employment in Virginia or elsewhere (such as employment on military bases), self-employment, and informal employment (such as baby-sitting or beauty services provided on a cash basis).

D. SUBGROUP ANALYSES

This fourth and final report includes data from all three time limit cohorts. Most of the tabulations we present are for the pooled cohorts, but where there are significant or interesting differences in findings among the three cohorts, we show the cohorts separately as well as grouped. This report also presents differences in the experiences of other subgroups of families that met the time limit in Virginia. In particular, we examine differences in family outcomes by region of the state, metropolitan status, race and ethnicity, and, to a lesser extent, educational attainment. Analyses by subgroups are challenging because of the strongly correlated effects of cohort/timing, region, race, and other demographic factors that affect the indicators of well-being studied in this report. The complexities are described next.

1. Analyses by Cohort

Most of the analyses we present are weighted tabulations of pooled cohorts.[7] Because cohort 3 cases have a lower probability of selection and therefore the highest weight, their sample members contribute more heavily to the findings than do sample members from cohorts 1 and 2. Comparisons across cohorts are somewhat challenging to interpret, as the cohorts differ from one another in (1) the timing of their follow-up period and subsequent location in the business cycle, and (2) their regional and demographic compositions.

a. Timing of the Cohorts and Business Cycles

When comparing outcomes across cohorts, particularly employment and income, one must consider the effects of the 2001 recession and terrorist attacks. As summarized in Table I.1, cases in cohorts 1 and 2 closed between February 1998 and June 1999. The follow-up period for these cases (August 1998 to February 2001) fell during a time of strong economic expansion in the United States overall and in Virginia in particular. Jobs were plentiful, and many industries with a strong or growing presence in Virginia (such as telecommunications and high-tech) expanded rapidly. However, the 120-month expansion in Virginia peaked in March 2001, and a period of marked economic contraction began (Virginia Department of Accounts 2002). Cohort 3 cases closed between February 2000 and June 2000, with follow-up interviews taking place between August 2000 and February 2002. Their follow-up period thus encompassed the time during which the Virginia economy slowed, which likely affected employment and income for this cohort.

[7]Tabulations for just cohort 1 can be found in Gordon et al. (1999), and tabulations for cohorts 1 and 2 can be found in Gordon et al. (2002a and 2002b).

Virginia was particularly disadvantaged by the economic slowdown. First, several of its key and growing industries—telecommunications, high-tech, manufacturing, and the federal civilian government—were among the most affected. Second, Northern Virginia was particularly hard hit by the closing of Reagan National Airport for 23 days after the terrorist attacks of September 11 and the delay until April 2002 in returning to full operation. The entire state suffered from subsequent declines in business travel and tourism. Employment for Virginia's low-wage workers declined in the airline, business services, and hotel industries (Virginia Department of Accounts 2002).

b. Regional and Demographic Composition of the Cohorts

Because of the phased implementation of VIEW, the cohorts differ in their geographic distribution. Cohort 1 cases came exclusively from the Northern, Piedmont, and Western regions. Almost half of cohort 2 cases were from the Central Region, and over a quarter were from the Northern Region. More than half of cohort 3 cases were from the Eastern Region, and almost a fifth were from the Central Region (Table II.3). The five regions have significantly different demographic characteristics, and the three cohorts reflect them, mirroring the demographic character of their contributing regions. For example, cohort 1 is 43 percent white, compared to 19 and 22 percent of cohorts 2 and 3. It is important to consider these differences, along with the temporal differences in economic conditions described above, when interpreting differences in outcomes across cohorts. Statistically significant differences among cohorts may be due to a combination of temporal, regional, and other demographic differences.

TABLE II.3

COMPOSITION OF THE COHORTS
(Percentages)

	Cohort 1	Cohort 2	Cohort 3	Total
Region			***[a]	
Central	—	48.1	16.4	22.2
Eastern	—	3.6	53.6	34.1
Northern	40.6	27.3	8.4	17.3
Piedmont	30.1	17.0	10.2	14.5
Western	29.3	4.0	11.5	11.9
Racial Group			***[a]	
White	42.6	19.0	22.1	24.0
Nonwhite	57.4	81.0	77.9	76.0
Metropolitan Status				
Metro	77.0	83.6	78.7	79.5
Nonmetro	23.1	16.4	21.3	20.5
Sample Size	**256**	**495**	**489**	**1,240**

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-up Surveys.

NOTE: Sample include cases with a 6-month interview.

[a]Significance of chi-squared test of differences among cohorts.

2. Analyses by Subgroup

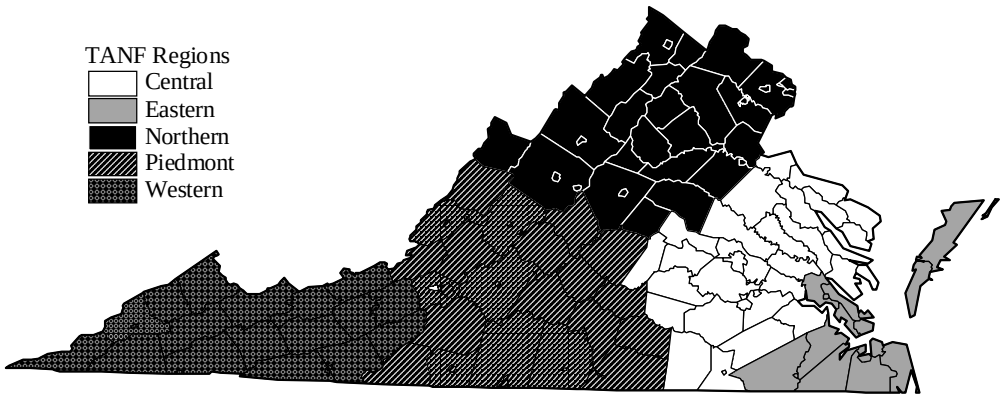
The additional sample from cohort 3 permits us, in this final report in the time limit study, to examine subgroup differences in the experiences of households that met the time limit in Virginia. In particular, we examine differences in the experiences of time limit families by region of the state, metropolitan status, race and ethnicity, and to a lesser extent, educational attainment and sanctioning status. Definitions of these subgroups follow:

- We categorize regions based on the time limit family's county of residence at case closure, using VDSS's administrative TANF region designations—Central, Eastern, Northern, Piedmont, and Western (Figure II.1). The Central Region (22 percent of time limit families) includes the state capital and Petersburg; the Eastern Region (34 percent) includes the large Tidewater cities; Piedmont (15 percent) includes Lynchburg and other small cities and towns; the Northern Region (17 percent) comprises the large urban and suburban counties near Washington, DC; and the mountainous Western Region (12 percent) is largely rural with small towns.
- We categorize households as metropolitan or nonmetropolitan based on whether the family's city or county of residence at case closure is located within a Standard Metropolitan Statistical Area (SMSA).[8] In the text we refer to families residing in counties outside an SMSA as nonmetropolitan or rural. More than 8 in 10 time limit families lived in metropolitan counties at case closure.
- For the purpose of comparing findings across racial groups, we divide the time limit families into two groups—non-Hispanic whites and all others—based on the race and ethnicity of the case head. "All others" include African American, Asian, Hispanic, and American Indian families, referred to collectively in the text as "nonwhite." This nonwhite group is 96 percent African American.
- We compare the educational attainment of time limit families by examining cases in which the case head has less than a high school diploma, a high school diploma or GED, and at least some postsecondary education. Some postsecondary education includes college or vocational and technical school. These comparisons are shown in Appendix C.

[8]Because the Census Bureau defines SMSAs based on population density and commuting patterns, "metropolitan" does not necessarily mean urban or central city; most suburban counties, for example, are categorized as metropolitan.

FIGURE II.1

TANF REGIONS



As shown in Appendix Tables B.1 and B.2, there are strong correlations among the subgroups. For example, the regions differ significantly from one another by race and ethnicity, so the demographic characteristics of a region mirror largely those of its primary racial group. In addition, because some regions did not enter the sample until cohort 3, the business cycle effects described above disproportionately affect data shown for these regions.

It is therefore important to keep in mind that differences between subgroup categories do not necessarily denote causality. Simply because a factor varies by race, for example, does not mean that race is the cause of the difference. A difference may be due to race, region of residence, time interviewed, factors not measured or shown, or a combination of these.

III. CHARACTERISTICS OF TIME LIMIT FAMILIES

Many families have left welfare since the implementation of welfare reform, most as a result of factors other than the time limit. This chapter describes the characteristics of families that stayed on TANF until the time limit and how they compare to all families enrolled in the VIEW program. It also examines their perceptions of how they prepared for the time limit and why they believe they reached it.

- ***Parents in time limit families were similar in race, ethnicity, and education to all VIEW participants from the same communities, but they were somewhat older and had somewhat larger families.***
- ***Time limit parents in Virginia were predominantly metropolitan African American single mothers in their thirties.*** Most time limit parents had one or two children, but over a third had three or more. Almost half had not completed high school or received a GED.
- ***Most time limit families had been on TANF for a long time when their benefits ended; 60 percent had received benefits for longer than five years.***
- ***Most time limit parents complied with VIEW rules, but about a third had been sanctioned at least once for not meeting program requirements.*** Most were sanctioned for three months or less, but a small group was sanctioned for much longer, some for almost their entire time in VIEW. Younger parents were more likely than older parents to have been sanctioned.
- ***Parents in time limit families were somewhat older than all comparable VIEW participants and had larger families.*** Cohort 1 had more white families and cohorts 2 and 3 more African American families than all contemporary VIEW-mandatory cases in the same localities.
- ***Slightly more than half the survey respondents recalled learning about the time limit late in their VIEW participation or after benefits ended*** (rather than early in the VIEW participation period).
- ***About half the survey respondents reported they had planned to stay on TANF until they reached the time limit.*** Others had planned to leave earlier, but their plans did not work out. Most said their plan for coping with the impending time limit was to find a job or obtain a better one.

A. WHO REACHED THE TIME LIMIT?

To provide the broadest possible picture of who reached the time limit in Virginia, we used administrative records to examine the characteristics of time limit families and their TANF histories.[1] We drew data from the TANF eligibility database, VIEW files, and payment records.

1. Demographic Characteristics

Time limit parents were predominantly African American single mothers in their thirties (Table III.1). Nearly all (96 percent) were women, and almost three-fourths (73 percent) were African American. The vast majority were single parents.[2] Parents in cohort 1 were somewhat older, on average, than those in cohorts 2 and 3, which reflects primarily the demographic composition of the smaller set of geographic regions that cohort 1 came from (Figure I.1).

The racial and ethnic composition of each cohort reflects largely the population of the contributing localities. As discussed in previous chapters, the VIEW program was phased in at different times in different localities. Cohort 1 cases are from the Northern, Piedmont, and Western regions, which have fewer African American families than other parts of the state. Cohort 2 added Richmond and Petersburg, very heavily African American urban areas that contributed nearly half the cases in cohort 2. Over half the cases in cohort 3 come from Richmond and five cities in the Eastern region—Norfolk, Portsmouth, Chesapeake, Hampton, and Newport News—also with substantial African American populations.

Only half the time limit parents had a secondary school credential, either a high school diploma or a GED certificate. Seven percent had some postsecondary education, including

[1]We refer to TANF participation, even though part of many recipients' time on benefits was under the AFDC program.

[2]See Chapter VII for more information on the marital status of time limit parents.

TABLE III.1

DEMOGRAPHIC CHARACTERISTICS OF TIME LIMIT CASES BY COHORT

	Cohort 1	Cohort 2	Cohort 3	Total	
Age					**
Under 30	33.2	39.0	42.1	40.1	
30 to 39	47.6	46.8	42.6	44.3	
40 or older	19.2	14.2	15.4	15.6	
Mean Age	33.9	32.6	32.1	32.5	***
Percentage Female-Headed	97.9	96.3	95.7	96.2	
Race/Ethnicity					***
African American, non-Hispanic	50.3	77.9	76.4	73.3	
White, non-Hispanic	41.8	18.3	21.6	23.4	
Asian or American Indian	3.7	2.2	1.3	1.8	
Hispanic	4.3	1.6	0.7	1.4	
TANF Region					
Central	0.0	47.0	18.7	23.4	
Eastern	0.0	3.8	51.7	32.8	
Northern	43.6	28.3	8.5	18.2	
Piedmont	29.0	16.4	10.3	14.3	
Western	27.4	4.5	10.8	11.4	
Educational Level					***
Less than high school graduate	39.9	47.6	48.0	46.8	
High school graduate	36.9	43.5	40.3	40.6	
GED	11.6	2.5	4.6	5.0	
Some college	7.3	4.5	5.7	5.6	
College graduate	0.3	0.5	0.2	0.3	
Other postsecondary	3.4	0.0	0.3	0.6	
Missing	0.6	1.4	1.0	1.0	
Number of Children in Case					
0[a]	0.6	0.3	0.0	0.2	
1	32.6	27.4	27.7	28.2	
2	31.7	35.5	36.2	35.4	
3	24.1	24.7	21.8	22.8	
4+	10.9	12.0	14.4	13.3	
Mean Number of Children	2.2	2.3	2.3	2.3	
Percent Metropolitan	77.3	85.1	79.7	80.8	**
Sample Size	**328**	**628**	**611**	**1,567**	

SOURCE: VDSS Administrative Data.

NOTE: Statistical test for differences among cohorts was not conducted for region, which differs, by definition, because of the phased implementation of VIEW. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Occasionally a child's needs are temporarily removed from the benefit calculation, resulting in no child being recorded on the case for that month, but the case remains open and a reduced TANF benefit is paid.

6 percent with some college and 1 percent with vocational training. Reflecting geographic differences in the cohort samples, parents in cohort 1 had somewhat higher levels of education than did parents in the other cohorts. Most time limit families had one or two children in the TANF case, but over a third (36 percent) had three or more children.[3] The great majority (81 percent) of time limit families lived within a metropolitan area—either in a central city or in a neighboring county.

2. TANF History

On average, time limit families in all three cohorts had long histories on TANF and AFDC (Table III.2).[4] By definition, families nearing the time limit had been TANF recipients for at least 24 months. Many time limit families in our study had received cash benefits for longer than that, however; most families in the sample were among the first in their areas to reach the time limit and had been receiving benefits for some time before VIEW was implemented and their clock began ticking.[5] Nearly three-quarters (71 percent) of time limit families in the study received their first TANF (AFDC) benefit more than five years earlier, 61 percent more than six years earlier. A smaller proportion of cohort 1 families, 53 percent, had been TANF recipients

[3]All children in the TANF case are counted, including grandchildren and other related children.

[4]Because results for the three cohorts are generally similar, this section focuses on the combined sample.

[5]Data on the first time a recipient participated in TANF, length of time on TANF, and length of most recent spell on TANF are approximate. The data for these analyses came from the Pattern File created by VDSS. That file shows who was participating in TANF at the beginning of each quarter of the year, so brief exits from TANF (shorter than three months) within a reporting quarter may be missed and thus the length of time on TANF slightly overestimated. Similarly, participants who enrolled in a given quarter after the data extract for that quarter was created would not be recorded as participants until the following quarter, which would result in an underestimation of their time on TANF. The Pattern File goes back to July 1991.

TABLE III.2

TANF PARTICIPATION HISTORY OF TIME LIMIT CASES
(Percentage or Mean)

	Cohort 1	Cohort 2	Cohort 3	Total	
First TANF Participation					**
24 months (2 years) before case closure	6.1	7.3	4.4	5.4	
25 to 36 months (2–3 years) before case closure	6.4	7.3	7.4	7.2	
37 to 60 months (3–5 years) before case closure	20.5	15.1	16.4	16.6	
61 to 72 months (5–6 years) before case closure	14.0	8.8	10.0	10.2	
More than 72 months (>6 years) before case closure	53.0	61.5	61.9	60.6	
Total TANF Participation					***
12 quarters or fewer (up to 3 years)	15.9	13.9	16.5	16.5	
13 to 20 quarters (up to 5 years)	31.4	21.8	21.9	23.1	
21 to 24 quarters (up to 6 years)	21.7	12.1	12.9	13.3	
25 quarters or more (more than 6 years)	31.1	49.2	48.6	46.4	
Most Recent Spell on TANF (Consecutive Quarters)					***
12 quarters or less (up to 3 years)	40.5	43.5	58.3	52.2	
13 to 16 quarters (up to 4 years)	14.6	12.4	9.3	10.8	
17 to 20 quarters (up to 5 years)	11.3	9.1	5.6	7.2	
21 quarters or more (more than 5 years)	33.5	35.0	26.8	29.8	
Mean Benefit Closing Month (All Cases)	$267	$276	$266	$269	
Mean Benefit Closing Month (Cases with Benefits)	$301 (n=291)	$301 (n=575)	$295 (n=552)	$297 (n=1,418)	
No Benefit in Closing Month	11.3	8.4	9.7	9.6	
Any VIEW Sanction	29.0	33.0	41.1	37.4	***
Total Months of VIEW Sanction (Sanction Cases)	(n=95)	(n=207)	(n=251)	(n=553)	*
3 months or fewer	54.7	55.6	57.4	56.7	
4 to 9 months	24.3	31.9	30.7	30.3	
10 months or more	21.1	12.6	12.0	13.0	
Mean Months of VIEW Sanction (Sanction Cases)	5.6	4.7	4.4	4.6	
Sanction Rate by Age[a]					
20 to 29	38.5	40.0	43.2	41.9	
30 to 39	26.3	27.9	41.5	35.7	
40 or older	19.0	30.3	34.0	30.7	
Sample Size	**328**	**628**	**611**	**1,567**	

SOURCE: VDSS Administrative Data.

NOTE: Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Sanction rates are significantly different by age group at the .01 level, for cohort 1, cohort 2, and the full sample.

six or more years, compared to 62 percent of families in cohorts 2 and 3. This difference is probably due primarily to regional differences among recipients.

Although many families first enrolled in TANF more than five years before reaching the time limit, most were not enrolled continuously, but instead cycled on and off AFDC and then TANF during that period. However, half the families had been enrolled for 25 or more quarters (more than six years) before reaching the VIEW limit. Only 17 percent had received benefits for three years or less.

About a third (30 percent) of time limit parents were long-time non-cycling recipients, receiving AFDC or TANF every quarter for more than five years. Cohort 3 had the highest percentage of families with 12 quarters or less in their most recent spell on TANF and the lowest percentage with 21 quarters or more. This difference occurs because, as the only statewide cohort, cohort 3 includes both (1) cases from localities reaching the time limit for the first time in 2000, and (2) cases from localities where long-term recipients should have reached the time limit in prior years (although some may have been exempt from VIEW during some portion of their TANF spell).[6] Cases from the new localities may also differ significantly from cases in the regions that implemented earlier, based solely on geography.

Time limit families received an average benefit of $269 in their final month on TANF (Table III.2). However, almost 10 percent did not receive any benefit that month, 8 percent

[6]As discussed in Chapter I, even after introduction of time limits in a locality, some new cases had more than 24 months on TANF because the time limit applies only to VIEW-mandatory cases, and there are many exemptions from VIEW. For instance, in a family with an infant, a single parent would have been exempt from the work requirement until the child was 18 months old. That family's TANF participation would therefore include both a period that did not count against the state time limit and a following period that did. Similarly, a parent could have been temporarily exempt because of a health problem but then entered or re-entered the VIEW program after her health improved.

because they were sanctioned for failure to meet VIEW program requirements and 2 percent because they failed to meet a non-VIEW TANF eligibility requirement, such as providing required documentation.

3. VIEW Sanctions

VIEW participants were required to look for work immediately, to make a specific number of job contacts each week until employed, and to accept a community work experience position if they did not find paid employment at the end of 90 days. If they failed to meet one of these requirements, either initially or after losing a job, their TANF payments were suspended. The 24-month clock continued to run, however, unless they officially closed their case. Thus, a family could reach the time limit even though they had been sanctioned and did not receive benefits for many months.

Most recipients complied with VIEW requirements throughout their 24 months in VIEW, but 37 percent were sanctioned at least once for failure to cooperate with VIEW policies (Table III.2). Cohort 3 participants had a significantly higher sanction rate (41 percent) than did participants in either cohort 1 (29 percent) or cohort 2 (33 percent). This higher rate may be due to differences in the sanctioning practices of local offices (as cohort 3 included additional localities) or to differing recipient experiences in VIEW resulting from the economic downturn experienced by the third cohort (with fewer jobs available, it is possible that more participants would have an opportunity to decline a community work experience slot and thus be sanctioned). Most former recipients who had been sanctioned acted fairly quickly to comply with VIEW

policies and remedy their sanction; 57 percent were sanctioned for three months or less.[7] The average sanction lasted about five months.

Younger recipients were more likely than older recipients to be sanctioned. Forty-two percent of recipients in their twenties had been sanctioned, compared to 36 percent of those in their thirties and 31 percent of those age 40 or older.[8] A similar relationship was found in a South Carolina study that compared time limit cases with cases that closed because of sanctions. Clients whose cases closed through sanctions were younger than clients who reached the time limit (Bloom et al. 2002).[9] Taken together, the South Carolina and Virginia studies suggest that, for whatever reason—perhaps immature judgment or less employment experience—younger recipients are more likely than older ones to fail to meet program requirements.

We also found considerable regional variation in the percentage of time limit families that were sanctioned for failure to meet a VIEW requirement. Since local agencies vary somewhat in their philosophies toward and implementation of sanction policy, it may be that regional differences in sanction rates reflect, in part, differing approaches to sanctions, along with differences in client behavior leading to them.[10]

[7]Sanction data are from a VDSS file of cases that had payments suspended because of a VIEW sanction.

[8]These differences remain statistically significant, even when controlling for locality, race, education, and number and ages of children.

[9]Since Virginia suspends payments instead of closing cases with a VIEW sanction, Virginia's time limit cases include both clients who were sanctioned and clients who were not.

[10]For a discussion of local agency approaches to sanctions, see Pavetti, Wemmerus, and Johnson (1999).

B. COMPARISON WITH VIEW CASES IN THE SAME AREAS

To help understand who reaches the time limit, we compared time limit cases to VIEW cases as a whole (Table III.3). Because characteristics of Virginia TANF cases differ considerably by locality, the comparison groups for cohorts 1 and 2 are all VIEW-mandatory cases in the same localities in the month before cases in that cohort began to reach the time limit. For cohort 3, comparison cases are from the entire state, since all localities were included in the VIEW program by the time that cohort reached the time limit.[11]

Time limit parents were somewhat older than total VIEW parents in the same localities (Table III.3).[12] Cohort 1 parents were 2.1 years older, cohort 2 parents 1.7 years older, and cohort 3 parents 1.3 year older, on average. The older age of time limit parents may result from older parents, with older children, deciding to stay on TANF for the full 24 months because they might no longer have an eligible child in the home if they chose to bank their time and return later.[13] Time limit parents might also be older because they had to have been on TANF for at least two years, while the overall VIEW caseload included families that only recently enrolled in

[11]These are not comparisons between time limit cases and cases that close for other reasons. Rather, for each cohort, the column "VIEW-Mandatory Cases" in Table III.3 includes cases that will close before reaching the time limit, cases that will reach the time limit in months other than the ones included in this study, and the time limit cases included in this study.

[12]Results for VIEW-mandatory cases were available only at the aggregate level. Because the samples overlapped and micro-level data were not available, statistical tests for differences between the two groups were not conducted. However, differences discussed are those that would be statistically significant if the samples were independent. Since differences would be larger if the samples did not overlap, this approach seems likely to be approximately correct.

[13]Among survey respondents at 18 months, 58 percent of those who were 30 or older when their case closed reported having a teenager in the household, compared to 10 percent among those under 30. Eighteen percent of the older group had only teenagers in the home compared to one percent of the younger group.

TABLE III.3

COMPARISON OF TIME LIMIT CASES TO COMPARABLE VIEW-MANDATORY CASES IN SAME COMMUNITIES
(Percentage or Mean)

	Cohort 1 Time Limit Sample	VIEW-Mandatory Cases	Cohort 2 Time Limit Sample	VIEW-Mandatory Cases	Cohort 3 Time Limit Sample	VIEW-Mandatory Cases
Age						
20 to 29	36.0	46.0	39.0	50.0	42.1	51.0
30 to 39	48.0	39.0	46.8	40.0	42.6	36.0
40 and older	16.0	15.0	14.2	10.0	15.4	13.0
Mean Age (Years)	33.9	31.8	32.6	30.9	32.1	30.8
Race						
African American, non-Hispanic	51.0	53.0	77.9	71.0	76.4	66.0
White, non-Hispanic	42.0	37.0	18.3	22.0	21.6	30.0
Other/unknown	8.0	10.0	3.8	7.0	2.0	4.0
Educational Level						
8th grade or less	8.2	9.6	6.1	7.0	6.1	7.0
9th grade to 11th grade	31.7	33.6	41.6	40.0	41.9	39.0
12th grade	36.9	41.1	43.5	42.0	40.3	41.0
GED	11.6	7.9	2.5	4.0	4.6	5.0
Any postsecondary	11.0	7.7	4.9	6.0	6.2	6.0
Data missing	0.6	0.0	1.4	1.0	1.0	2.0
Number Children in Case[a]						
1	33.2	39.0	27.7	40.0	27.7	42.0
2	32.0	32.9	35.5	33.0	36.2	32.0
3	23.9	17.7	24.7	18.0	21.8	17.0
4+	10.9	9.9	12.0	9.0	14.4	9.0
Mean Number of Children	2.2	2.1	2.3	2.0	2.3	2.0
Sample Size	**328**	**3,249**[b]	**628**	**6,667**[c]	**611**	**12,357**[d]

SOURCE: VDSS Administrative Data.

NOTE: Tabulations on VIEW-mandatory cases were prepared by VDSS. Because these data were available only at an aggregate level, no statistical tests comparing VIEW-mandatory and time limit cases were conducted.

[a]There is a small number of time limit cases and comparable VIEW-mandatory cases in which the child's needs were temporarily removed from the case and, although the case remained open, the data for the month reported do not include a child as a member of the benefit unit. These "0" children cases are included with the cases with one child.

TABLE III.3 *(continued)*

[b]Includes VIEW-mandatory cases in EDDs 2, 6, 7, and 9 in January 1998.

[c]Includes VIEW-mandatory cases in EDDs 2, 5, 6, 7, 9, 10, 12, 16, and 18 in January 1999. The number of children was calculated based on a slightly larger group of 6,851 cases, which included cases such as those described in footnote a.

[d]Includes VIEW-mandatory cases from the entire state in January 2000. A few cases were of the kind described in footnote a.

VIEW. Despite age differences, time limit parents had education levels similar to those of all VIEW parents in their areas.

There were no consistent differences in race or ethnicity between time limit and VIEW cases in comparable areas. Time limit cases in cohort 1 were slightly more likely to be white than all VIEW cases in their areas, while time limit cases in cohorts 2 and 3 were more likely to be African American than all local VIEW cases.

In general, time limit parents had somewhat larger families than all VIEW parents. In all three cohorts, more time limit families had three or more children and fewer had only one child. This finding is similar to that reported by Bloom et al. (2002) in a summary of studies that several states made of time limit cases. Parents of large families may have found it more tempting to stay on TANF until they reached the time limit, as they are generally entitled to higher benefits and are less likely to have their benefits limited because their net earned income plus TANF grant exceeds the poverty level. Larger families may also result from time limit parents being older and thus having more children.

C. TIME LIMIT KNOWLEDGE AND PLANS

The 6-month follow-up survey asked a series of questions about families' knowledge of the time limit and the plans they had made to prepare for it. These responses should be interpreted

with some caution, since they were provided many months after the fact and may reflect recall error or be biased by circumstances that occurred after the family left TANF.

Nearly all respondents were aware of the pending time limit. About half the respondents (49 percent) reported learning about the time limit either when they entered VIEW or in the beginning of their participation period (Table III.4).[14] About 8 percent said they learned of it only when their benefits ended.[15] Others heard about it in the midst of their VIEW participation (40 percent) or did not remember when they learned of it (4 percent). There were no significant differences across the cohorts in when respondents recalled learning about the time limit.

While time limit regulations are applied uniformly across Virginia, the messages caseworkers present to recipients about using their entire 24 months vary by locality based on the philosophy of agencies or individual caseworkers. Findings from site visits to five Virginia welfare offices indicate that some welfare staff believe that recipients are better off "banking" some of their months of assistance for the future, since VIEW provides generous financial incentives to work. Other staff interviewed suggested that recipients have few other options and

[14]All VIEW participants must sign an Agreement of Personal Responsibility (APR) to qualify for benefits, which includes clear information about the time limit. However, it is possible that participants do not remember or did not understand this information, particularly as the time limit is just one of several topics covered in the document. In addition, VIEW caseworkers are supposed to remind clients about the time limit at each case review. Some caseworkers employ additional methods to remind their clients of the pending time limit, but these efforts are employed at the discretion of individual caseworkers and vary considerably across the state. Bloom et al. (2002) found in their eight-state study that while caseworkers in all eight states reported informing recipients at the time of application, recipients tended not to focus on the time limit while it was still far away, which may be consistent with our findings that many recipients do not recall being informed of the time limit at time of application.

[15]In addition to describing the time limit in the APR, VDSS sends all VIEW families a reminder letter two months prior to their time limit to alert them of the pending limit and describe available transitional services. Case workers also remind their clients about the time limit whenever they meet.

TABLE III.4

LEARNING ABOUT THE TIME LIMIT

	Percentage
When Did Respondent Learn About the Time Limit?	
When respondent applied for cash assistance	21.4
In the beginning of respondent's VIEW participation	27.1
Later during VIEW participation	39.9
After benefits ended	7.6
Does not know	4.0
Sample Size	**1,239**

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000.

should take advantage of every month of benefits to accrue savings if possible (Pavetti, Wemmerus, and Johnson 1999).[16]

In fact, among parents aware of the time limit before their case closed, nearly half (45 percent) reported having planned to stay on TANF for 24 months (Table III.5). This figure was consistent across cohorts. More than half (53 percent) reported that their plan to prepare for the end of cash assistance was to find a job or move to a better one. Other plans included keeping a current job (15 percent), getting education or training (14 percent), or managing money better (12 percent). (While only 3 percent mentioned working more hours, the trend was definitely to do so.) The strong employment focus of respondents' plans is consistent with the philosophy and requirements of the VIEW program.

Nearly two-thirds (64 percent) of those who made plans to deal with the time limit reported that their plans had worked out.[17] Those who reported that plans had not worked out cited diverse reasons; lack of a job, job loss, health problems, and child care challenges were most frequently mentioned.

The great majority of respondents reported that various components of the VIEW program had helped them meet their goals for self-sufficiency (Table III.6). Nearly three-quarters of the sample mentioned "knowing they would be sanctioned if they did not cooperate" to be helpful,

[16]Bloom et al. (2002) also found differing opinions about whether workers should counsel recipients to bank their months. Connecticut, which, like Virginia, provides a generous earned income disregard (recipients in Connecticut can earn up to the federal poverty level and retain their entire grant), consistently recommends that recipients stay on TANF until the time limit to take full advantage of the disregard. In contrast, in South Carolina, which also provides a generous disregard, recipients are counseled to bank months in case of later emergency.

[17]Time limit families in cohorts 2 and 3 were significantly more likely than families in cohort 1 to report that plans had worked out. Despite a slower economy during the cohort 3 follow-up period, cohort 3 families were no more likely than families in cohort 2 to report that plans had not worked out.

TABLE III.5

PLANS FOR COPING WITH THE TIME LIMIT

	Percentage
Among Cases That Knew of Time Limit Before Case Closed: Did Respondent Plan to Stay on TANF for 24 Months?	
Planned to stay on for 24 months	44.5
Planned to leave before 24 months	45.1
Neither/made no plan	7.0
Don't know	3.4
Sample Size	**1,151**
Plans Made to Prepare for End of Cash Assistance (Multiple Answers Allowed):	
Find a job or move to a better job	53.3
Keep current job	15.0
Get education or training	14.4
Save money/spend less/budget better	11.9
Work more hours or take second job	3.2
Other plans	9.7
Made no plans/don't know	9.9
Sample Size	**1,152**
Among Cases That Knew of the Time Limit and Made Plans: Did Plans Work Out?	
Yes	64.3
No	29.8
Some worked, others did not	5.9
Sample Size	**1,014**
Among Cases Whose Plans Did Not All Work Out, Reasons Plans Did Not Work Out (Multiple Answers Allowed):	
Couldn't find a job/no job	20.4
Laid off/business closed/lost job	11.5
Got sick or injured/couldn't work	9.1
Child care problems	8.6
Transportation problems	5.2
Did not get a chance to finish school	4.4
Didn't have enough money	2.6
Child was ill	2.1
Didn't get a better job/full-time job	1.0
Drug/alcohol problem	1.0
Other reasons	34.9
Sample Size	**322**

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000.

TABLE III.6

RESPONDENTS' PERCEPTIONS OF THE VIEW PROGRAM

	Percentage
Respondent Agreed That the Following Components of the VIEW Program Helped Them Work Toward Their Goals (multiple responses allowed):	
Knowing they would be sanctioned if they did not cooperate	72.5
Support from caseworker	60.6
Job search training	53.8
Help with transportation	50.4
Help finding or paying for child care	46.2
Job training	31.9
Job placement help	34.1
Education	28.2
Referrals to other services	28.9
CWEP or work experience placement	21.4
Other	2.5
Sample Size	**1,055**

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples responding for specific items ranged from 1,046 to 1,055.

and more than half mentioned "support from their caseworker," "job search training," or "help with transportation" as factors that helped them reach their goals. Almost half reported that VIEW's assistance with child care was helpful.[18]

D. SUBGROUP ANALYSES

The demographic characteristics, TANF histories, and time limit experiences of the families varied by region, metropolitan status, and race. Many differences between subgroups reflected similar differences in the general VIEW population. In particular:

- ***Virginia's five TANF regions vary in their racial composition, and in three regions over 85 percent of the time limit cases were from the predominant race. Characteristics of time limit families in each region were generally similar to those of the most common race group, but there were also distinctive regional characteristics.***
- ***Nonwhite time limit parents tended to be less educated, have somewhat larger families, and have longer TANF participation histories than white time limit parents, largely reflecting differences between those groups in the VIEW population as a whole.***[19] Nonwhite parents more often lived in metropolitan areas and in the Central and Eastern regions of the state, while over 40 percent of white time limit families lived in the Western Region.
- ***VIEW sanction rates differed significantly by region and race.*** Nonwhite families were sanctioned more often than white families. Parents living in the Western and Northern regions were sanctioned less often than were those in the rest of the state.
- ***White respondents recalled learning about the time limits earlier than nonwhite respondents, and white respondents were slightly more likely than***

[18]There were few statistically significant differences by cohort in what aspects of VIEW recipients found helpful, although appreciation of transportation assistance increased with each cohort, which might reflect relaxation of VIEW spending guidelines and the addition of several large cities into the third cohort.

[19]A VDSS analysis of all VIEW cases enrolled in early 2000 showed almost all the same differences between the races that we report for time limit families. The one exception was for education, where there was no difference between the groups. Analysis of TANF history by race group was not available for all VIEW cases.

nonwhite respondents to have planned to stay on TANF until reaching the time limit.

We are not able to attribute a single cause or explanation for differences observed among subgroup members. Differences may reflect an interwoven combination of factors, including the phased implementation of VIEW (which meant that different localities, and therefore regions, had varying amounts of experience with VIEW policies), differences in local or regional office culture or philosophy, different local job markets, and differences in living costs.

1. Demographic Characteristics and TANF History

The demographic characteristics and TANF participation histories of time limit families varied by region, metropolitan status, and race. In all but the Northern Region, members of a single race group comprised 73 to 90 percent of the time limit parents in the region. Consequently, characteristics of parents in each region often reflected those of the predominant race, but the regions also had distinctive characteristics of their own. (Table III.7A).[20]

Central and Eastern Regions. Time limit parents in the Central and Eastern regions were largely nonwhite and the least educated. These parents had the longest TANF participation spells and the highest sanction rates among the regions.

Northern Region. The Northern Region was about a quarter white and, as part of the Washington, DC, metropolitan area, had the highest proportion (13 percent) of families who were either Asian or Hispanic. Parents in the Northern Region were somewhat older and more

[20]Differences in sociodemographic characteristics by region and metropolitan status generally reflect similar differences in the VIEW population as a whole, based on a VDSS analysis of data from January 2000. (Specific percentages vary but direction of the data is the same.) An exception is that some of the educational differences found in the time limit cases are not present in the general VIEW population. Analysis of TANF history for all VIEW cases in these groups was not available.

TABLE III.7A

DEMOGRAPHIC CHARACTERISTICS AND TANF HISTORY OF TIME LIMIT CASES, BY REGION AND METROPOLITAN STATUS
(Percentage or Mean)

		Region						Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
Female Case Head	96.2	96.7	97.7	95.1	99.6	87.6	***	91.0	97.4	***
Race/Ethnicity										
African American, non-Hispanic	73.3	89.1	89.7	61.8	72.9	12.3	***	44.9	80.1	***
White, non-Hispanic	23.4	9.8	8.9	25.6	26.2	86.0		53.5	16.3	
Other	3.2	1.1	1.4	12.7	0.9	1.7		1.7	3.6	
Educational Level[a]										
Less than high school	46.8	52.7	49.3	38.9	46.9	40.2	***	44.9	47.3	
High school/GED	45.6	42.6	44.1	54.7	40.6	48.0		47.2	45.3	
Some postsecondary	6.5	4.1	4.9	4.6	12.5	11.7		8.0	6.2	
Mean Number of Children in Case	2.3	2.3	2.4	2.3	2.2	2.0	***	2.03	2.33	***
Mean TANF Benefit (closing month)[b]	$297	$294	$298	$341	$271	$263	***	$261	$306	***
Most Recent Spell on TANF >5 years	29.8	37.2	32.0	22.5	23.7	28.1	***	27.6	30.3	*
Any VIEW Sanction	37.4	40.2	41.1	30.3	39.7	29.6	***	36.3	37.7	
No Benefit in Month of Closing	9.6	10.4	10.1	6.4	9.4	11.8		10.6	9.3	
Sample Size	**1,567**	**409**	**340**	**373**	**261**	**184**		**291**	**1,276**	

SOURCE: VDSS Administrative Data.

NOTES: Virginia adjusts benefits by locality to reflect cost of living. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

[a]Sums to less than 100 percent because 17 cases had missing data.

[b]Cases with benefits.

educated than those in the other regions. They had the shortest TANF participation histories and among the lowest VIEW sanction rates.

Piedmont Region. The Piedmont Region was about a quarter white and had the highest percentage of time limit parents with some college or other postsecondary education. Piedmont parents had short TANF histories compared to those in the other regions, but they had a high VIEW sanction rate of 40 percent.

Western Region. Time limit parents in the largely white Western Region had the lowest percentage of female-headed households and the fewest children per case. Western parents were relatively well educated. There were fewer without a high school credential and more with some postsecondary training than was true of time limit parents as a whole. Parents from this region were the most likely to have a GED certificate, which may suggest regional variation in emphasis on GED preparation. (In particular, jobs were historically scarcest in the Western Region, a situation that, before VIEW, may have caused caseworkers to focus more intently on GED preparation than in other regions.) These parents had shorter-than-average TANF participation histories and the lowest VIEW sanction rate (only 30 percent).

Metropolitan Status. About half the nonmetropolitan time limit families were from the Western Region; thus, their characteristics overlap and closely resemble those of the Western Region overall. For example, most families in nonmetropolitan areas were white, and they had significantly fewer children than those in metropolitan areas. Families in metropolitan areas had longer TANF participation histories and slightly higher sanction rates, on average, than those in rural localities.

Regional Variation in Benefit Levels. TANF benefit amounts in Virginia are set at three levels to reflect differences in cost of living across the state, with the highest benefit (level 3) paid in large urban areas and the lowest (level 1) paid to recipients in rural counties. The

average TANF benefit at case closure for time limit families in metropolitan areas was $306, compared to $261 in nonmetropolitan areas. Thus, mean benefits paid in a family's final month on TANF varied significantly across the regions, reflecting the metropolitan status of the region. Families in the Northern Region had the highest mean benefit ($341), since most level 3 localities are in that area of the state. Families in the less metropolitan Piedmont and Western regions had the lowest benefits ($271 and $263), because the large majority of their localities are at level 1. The Central and Eastern regions had average benefit amounts of $294 and $298.

Differences by Race. Sociodemographic differences among white and nonwhite time limit families were not unique to time limit cases, but by and large similar to differences found in the general VIEW population in Virginia (Table III.7B).[21] In particular, nonwhite time limit families, compared to white families, were slightly larger, included more children, were more likely to be single-parent households, and had less educated case heads. The two groups lived in different parts of the state: 42 percent of white families in our sample lived in the Western Region, compared to only 2 percent of nonwhite families, and two-thirds of nonwhite families lived in either the Central or the Eastern Region, compared to just 22 percent of white families. Most nonwhite time limit cases lived in Virginia's metropolitan areas (88 percent, compared to 56 percent of white families).

Differences in TANF participation patterns of the two groups were statistically significant. In particular, more nonwhite than white time limit families had been continuously enrolled in TANF for more than five years. Nonwhite parents were also more likely to have been sanctioned. The longer TANF history of nonwhite families may reflect, at least in part, their regional location. The Central and Eastern regions, where two-thirds of nonwhite families lived,

[21]See earlier footnote for comparison with all VIEW cases.

TABLE III.7B

DEMOGRAPHIC CHARACTERISTICS AND TANF HISTORY OF TIME LIMIT CASES, BY RACE
(Percentage or Mean)

		Racial Groups		
	Total	White, Non-Hispanic	African American and All Other	
Female Case Head	96.2	91.3	97.7	***
Educational Level[a]				***
Less than high school	46.8	40.2	48.8	
High school or GED	45.6	48.4	44.8	
Any postsecondary	6.5	10.6	5.3	
Mean Number of Children in Case	2.3	2.2	2.3	**
TANF Region				***
Central	23.4	9.8	27.5	
Eastern	32.8	12.5	39.0	
Northern	18.2	19.8	17.7	
Piedmont	14.3	16.0	13.8	
Western	11.4	41.8	2.1	
Located in Metropolitan Statistical Area	80.7	56.1	88.3	***
Most Recent TANF Spell >5 Years	29.8	24.8	31.4	***
Any VIEW Sanction	37.4	27.5	40.4	***
No Benefit in Month of Closing	9.6	9.3	9.6	
Sample Size	**1,567**	**384**	**1,183**	

SOURCE: VDSS Administrative Data.

NOTES: Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

[a]Sums to less than 100 percent because 17 cases had missing data.

include many localities that were among the last to implement VIEW. Most of the cases that reached the time limit in those regions had been on welfare before VIEW and then moved into the VIEW program and became subject to the time limit in the last phase of VIEW implementation. The other regions, with over three-quarters of the white time limit families, had many localities that introduced VIEW in earlier years. As a consequence, time limit cases from those regions include not only families already on TANF when VIEW was introduced, but also families who enrolled in TANF after VIEW implementation and were automatically limited to 24 months of participation. Naturally, the percentage of families with more than five continuous years on TANF was lower in areas with more cases that enrolled after the time limit was in effect.

Forty percent of nonwhite parents, compared to 28 percent of white parents, had at least one VIEW sanction before reaching the time limit, and the total number of sanction months was higher among nonwhite families. Racial differences in sanction rates, which were also found in other studies of time limits and TANF "leavers," might reflect regional differences in implementing sanction policy or factors associated with race.[22] Despite higher sanction rates among nonwhite families, both groups were equally likely to receive a TANF payment in their final month before case closure.

[22]Several studies have documented higher sanction rates among African American than white TANF recipients (Kalil et al. 2002; Edelhoch et al. 2000; Koralek 2000; and Westra and Routely 2000). Kalil et al. (2002) found that 68 percent of sanctioned clients were African American, compared to 53 percent of nonsanctioned clients. It is unclear why studies of sanctions reveal racial disparities between sanctioned and nonsanctioned clients, and not all studies concur. Born et al. (1999) found that sanctioned clients in Maryland were more likely to be white, and Hasenfeld et al. (2002) found no racial differences between sanctioned and nonsanctioned groups. Other factors more prevalent among sanctioned clients, such as being young, beginning childbearing at a younger age, and having a greater number of children, can contribute to difficulties sanctioned clients have in complying with program requirements.

2. Time Limit Knowledge and Plans

There are no significant differences by region or metropolitan status in when survey respondents learned about the time limit (Table III.8A). There were, however, significant regional differences in plans to stay on TANF. Fewer time limit families in the Northern Region reported that they had planned to use their entire 24 months, perhaps because the economic climate in Northern Virginia was more favorable and caused recipients to be more optimistic. The variation may also reflect regional differences in presenting the "banking" message. There were no significant differences in whether plans worked out by region or metropolitan status, although, of families reporting that plans did not work out, significantly more families in nonmetropolitan areas and in the heavily nonmetropolitan Western and Piedmont regions reported transportation problems as the cause of their difficulties.

There were no significant regional differences in VIEW components valued by time limit clients in helping them meet their goals, though we find differences by metropolitan status. For example, nonmetropolitan families valued job placement help more than did metropolitan families, which perhaps suggests a greater need for these services in rural areas. Metropolitan families valued transportation assistance more than did nonmetropolitan families, most likely because of the different types and amounts of transportation assistance available in urban and rural areas (for example, widely available public transportation vouchers in metropolitan areas versus less available car repair or purchase assistance for nonmetropolitan recipients).

Nonwhite survey respondents recalled learning of the time limit later in their VIEW participation period than their white counterparts, even when controlling for educational attainment (Table III.8B). Nonwhite parents were slightly less likely to have planned to stay on TANF for the entire 24 months. There were no significant racial differences in whether plans worked; however, among those whose plans did not work out, white respondents (due primarily

TABLE III.8A

TIME LIMIT KNOWLEDGE AND PLANS, BY REGION AND METROPOLITAN STATUS
(Percentage or Mean)

	Total	Region						Metropolitan Status		
		Central	Eastern	Northern	Piedmont	Western		Non-Metro	Metro	
Learned About the Time Limit:										
Later in VIEW participation period	39.9	42.2	40.5	38.5	41.1	34.7		34.5	41.3	**
After benefits ended	7.6	7.3	6.0	8.8	10.4	7.7		11.1	6.7	**
Planned to Stay on TANF for Full 24 Months[a]	44.5	47.9	46.6	34.8	42.1	49.1	***	40.8	45.5	
Of Those Who Knew About the Time Limit and Made Plans, Percentage Whose Plans Worked Out	64.3	65.9	66.0	61.0	65.3	59.7		67.1	63.3	
Plans amiss due to transportation problems[b]	5.2	6.9	0.0	3.7	9.0	14.8	***	17.4	3.1	***
Plans amiss due to not finding job[b]	20.4	21.3	22.9	20.5	21.1	10.9		12.4	21.9	
Plans amiss due to laid off[b]	11.5	18.5	8.4	14.2	4.5	11.7		8.1	12.4	
Agreed That the Following Was Helpful in Working Toward Goals:										
VIEW job search help	53.8	50.4	58.4	49.2	50.7	57.3		55.7	53.6	
VIEW job placement help	34.1	30.0	36.2	33.2	32.9	38.4		39.0	33.1	**
VIEW transportation assistance	50.4	48.8	51.0	48.2	57.5	46.1		45.2	52.1	*
VIEW job training	31.9	28.1	33.3	35.1	29.7	32.7		33.0	31.4	
Sample Size	**1,239**	**318**	**280**	**280**	**210**	**151**		**277**	**908**	

[a]Of those who knew about the time limit before their cases closed.

[b]Of those whose plans did not work out.

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples responding for specific items ranged from 75 to 318 for the Central Region, 74 to 280 for the Eastern Region, 80 to 280 for the Northern Region, 50 to 210 for the Piedmont Region, and 43 to 151 for the Western Region. Similarly, samples responding for specific items ranged from 52 to 277 for nonmetropolitan areas and 247 to 908 for metropolitan areas. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

TABLE III.8B

TIME LIMIT KNOWLEDGE AND PLANS, BY RACE
(Percentage or Mean)

		Racial Groups		
	Total	White, Non-Hispanic	African American and All Other	
Learned About the Time Limit:				
Later in VIEW participation period	39.9	34.1	41.8	**
After benefits ended	7.6	6.1	8.1	**
Planned to Stay on TANF for Full 24 Months[a]	44.5	45.8	44.1	**
Of Those Who Knew About the Time Limit Plans and Made Plans, Percentage Whose Plans Worked Out	64.3	61.6	65.2	
Plans amiss due to transportation problems[b]	5.2	10.9	3.2	***
Plans amiss due to not finding job[b]	20.4	20.0	20.5	
Plans amiss due to laid off[b]	11.5	14.0	10.7	
Agreed That the Following Was Helpful in Working Toward Goals:				
VIEW job search help	53.8	48.5	55.6	**
VIEW job placement help	34.1	32.2	34.7	
VIEW transportation assistance	50.4	39.6	54.0	***
VIEW job training	31.9	25.8	33.8	**
Sample Size	**1,239**	**310**	**929**	

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples responding for specific items ranged from 86 to 310 for whites and 236 to 929 for nonwhites. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

[a]Of those who knew about the time limit before their cases closed.

[b]Of those whose plans did not work out.

to their concentration in the more rural Western Region) were more likely than nonwhite respondents to cite transportation problems as the cause (11 percent compared to 3 percent).

Overall, nonwhite time limit parents found VIEW services in general to be more helpful in working toward their goals than did white parents. In particular, nonwhite respondents were more likely than white respondents to report valuing VIEW job search, transportation, and job training assistance. Because white and nonwhite parents lived in different places, these differences could be a result of differences in agency policy or practice or local area resources.

IV. EMPLOYMENT

The key provisions of VIEW—a 90-day work requirement, full family sanctions, and generous earnings disregards, in addition to the 24-month time limit—were intended to promote employment both as an end in itself and as a path to long-term self-sufficiency. Because of these requirements, many heads of families who reached the VIEW time limit were already working when their cases closed, but many were also having difficulty becoming self-sufficient. On average, data from the three cohorts' 6- and 18-month interviews indicate that Virginia's time limit families became more self-sufficient as time passed. In particular:

- ***Nearly all respondents worked after leaving TANF, and many worked steadily.*** Eighty-eight percent of respondents worked at some point between case closure and the 18-month interview. On average, respondents who ever worked had worked in 71 percent of follow-up months.
- ***Among workers, hourly wages, hours worked, and earnings increased between the 6- and 18-month interviews.*** The current or most recent jobs that respondents held at the time of the 18-month interview paid $7.04 per hour on average—up from $6.55 at the 6-month interview. Average hours worked per week increased from 35 to 37 between the 6- and 18-month interviews. Average monthly earnings increased by 15 percent between the two interviews, from $988 to $1,132.[1]
- ***The employment rate increased slightly in the months after case closure and then leveled off, remaining at about 60 percent for the rest of the follow-up period.*** Employment gains were modest, in part because so many respondents had already worked before they lost benefits.
- ***The third cohort, which was affected by the 2001 economic downturn and terrorist attacks, did have lower employment rates*** than the preceding cohorts, which were followed during a period of economic expansion. Despite overall lower rates of employment for the group, cohort 3 respondents who worked experienced growth in wages and earnings comparable to those of cohort 1 and 2 respondents.

[1]We did not adjust wages or earnings for inflation, so the change in income over time may be overstated in real dollars. The average increase in the Consumer Price Index (CPI) for the study follow-up period was about 2 percent per year (Bureau of Labor Statistics 2003).

- ***Less than half of respondents' jobs offered benefits, but the availability of benefits increased slightly over time. Respondents were also much more likely to enroll in available health benefits over time.*** As of the 18-month interview, 45 percent of jobs offered health benefits, 45 percent offered paid vacation, and 35 percent offered paid sick leave. Among respondents with health benefits available through their job, 47 percent were enrolled at the 18-month interview, up from 27 percent at the 6-month interview.

- ***Data from Virginia Employment Commission (VEC) wage records are very consistent with survey findings.*** In particular, they show that most respondents worked and many worked steadily. They also indicate that earnings were low but improved over time.

A. WORK EXPERIENCE SINCE THE CASE CLOSED

Employment did not change suddenly or substantially when Virginia families reached the time limit, reflecting the fact that so many were already working. More than half (57 percent) of time limit cases worked at case closure. This percentage increased slightly, to 59 percent, in the first six months after leaving TANF and to 60 percent by the time of the 18-month interview (Table IV.1 and Figure IV.1).[2,3,4] These findings suggest that terminating benefits does not

[2]Employment rates in Table IV.1 and Figure IV.1 differ slightly, because not all 18-month interviews occurred in the 18th month (see Chapter II). Table IV.1 presents employment rates in the month before the 6- and 18-month interviews, while Figure IV.1 presents employment rates adjusted for the specific number of months since case closure.

[3]The dips in Figures IV.1 through IV.4 after the sixth month are most likely due to recall error. The 6-month interview took place on average 7 months after case closure, whereas the 18-month interview occurred on average a full 12 months after the first interview. Respondents probably recalled their employment in the months just after case closure and the months immediately preceding the 18-month interview more accurately than their employment in the months immediately following the first interview.

[4]All tables that compare outcomes at the 6-month interview with outcomes at the 18-month interview, including Table IV.1, contain samples that are limited to those cases with both 6- and 18-month interviews. If cases with an 18-month interview but no 6-month interview were included in the analyses (using information respondents provided in the 18-month interview about their employment 6 months after case closure as a proxy for their employment status at the 6-month interview), employment rates at each point in time would be slightly lower.

TABLE IV.1

WORK EXPERIENCE SINCE CASE CLOSED
(Percentage of Respondents)

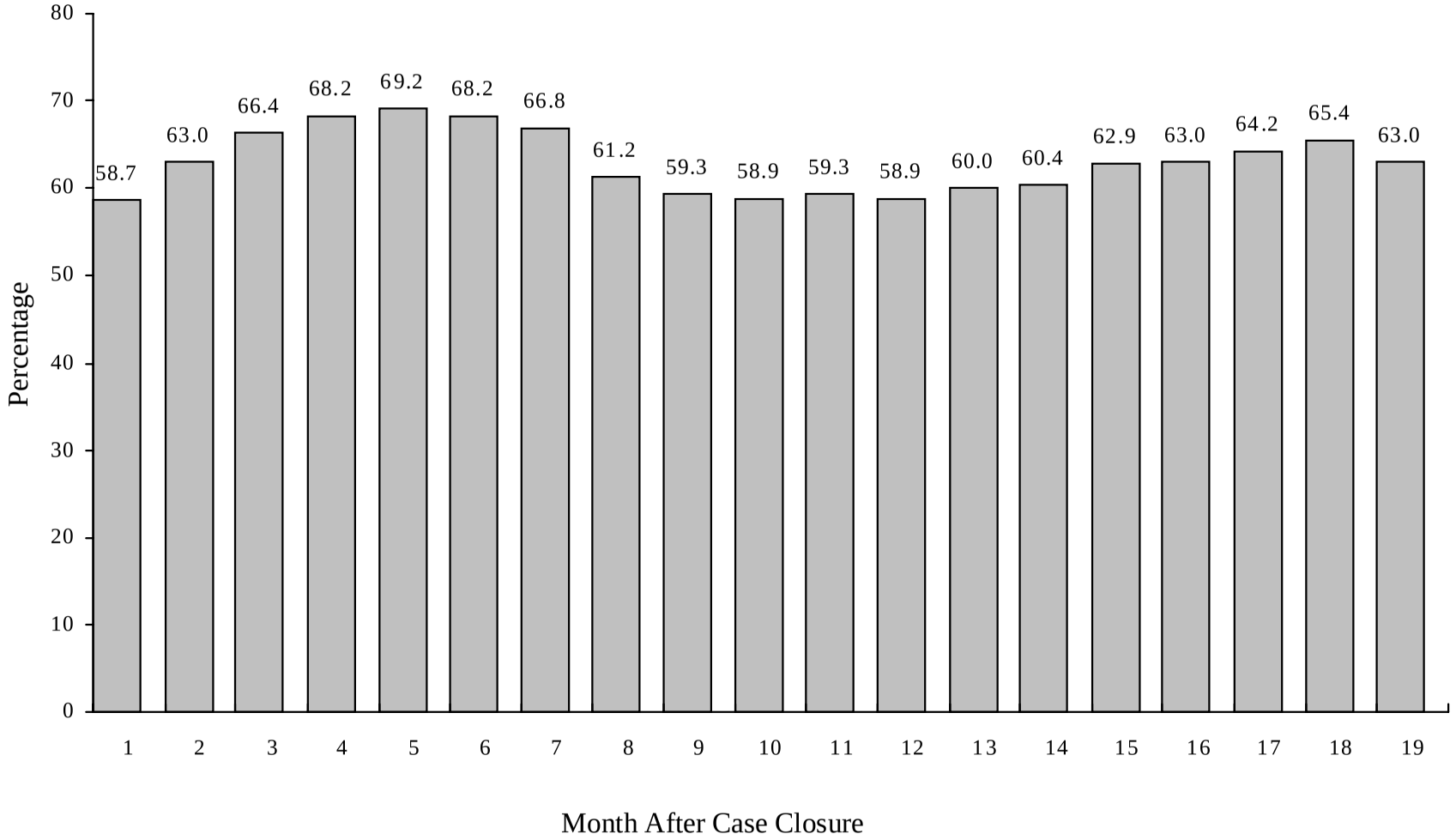
	Total	Cohort 1	Cohort 2	Cohort 3	
Employed Month Case Closed	57.4	62.4	60.3	55.2	
Employed at 6-Month Interview	59.3	69.3	64.7	55.0	***
Employed at 18-Month Interview	59.8	68.3	64.7	56.0	***
Ever Employed Between Case Closure and 6-Month Interview	80.6	84.4	82.5	79.1	
Ever Employed Between 6- and 18-Month Interviews	81.2	85.9	85.2	78.6	**
Ever Employed Between Case Closure and 18-Month Interview	88.4	91.7	89.9	87.1	
Sample Size	**943**	**205**	**365**	**373**	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: Samples include only those cases with both 6- and 18-month interviews. The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level.

FIGURE IV.1

PERCENTAGE OF TIME LIMIT RESPONDENTS WORKING
(By Month After Case Closure)



SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: Samples include only cases with both 6- and 18-month interviews. Because of missing data in some months, sample sizes range from 935 to 944.

necessarily cause additional large numbers of respondents to move immediately into work; VIEW's work requirement and strong work supports meant that most case heads who were readily employable were already employed before case closure.[5] However, nearly all time limit case heads became employed over time; almost 9 in 10 time limit respondents worked at some point between case closure and the 18-month interview.[6]

Overall employment and gains in employment over time were highest for cohort 1 and lowest for cohort 3. This statistically significant difference across the three cohorts most likely reflects differences in economic conditions between the time periods and the different regional composition of the cohorts. In particular, the follow-up period for cohort 3 encompassed the time during which the Virginia economy slowed, particularly following September 11, 2001. Cohort 3 is also the only cohort that represents the entire state, including for the first time localities in the Eastern Tidewater region (Figure I.1).

Among time limit respondents who worked, most worked steadily (Table IV.2). On average, those who ever worked between case closure and the 18-month interview were employed in 71 percent of the months. More than a third of time limit workers worked every month between case closure and the 18-month interview. Cohort 3 workers were employed for slightly fewer months than their cohort 1 and 2 counterparts.

[5]These findings are similar to those reported in studies of Connecticut and Florida, which also have strong work requirements and full termination of benefits at the time limit. These states saw modest or no growth in the employment rates of their time limit families 6 and 12 months after case closure, at least in part because so many respondents worked before benefits ended. Virginia's time limit family employment rates are between those of Connecticut and Florida, and are higher than those of several other time limit populations studied (Bloom et al. 2002).

[6]This rate of "ever employment" exceeds that of Florida, in which 70 percent of time limit cases worked at some time during the 18 months after their case closed (Bloom et al. 2002).

TABLE IV.2

JOB RETENTION
(Among Respondents Who Ever Worked)

	Between Case Closure and 6-Month Interview	Between 6-Month and 18-Month Interview	Between Case Closure and 18-Month Interview
Percentage of Months Worked	(n=769)	(n=739)	(n=879)
Less than 25	3.9	7.3	10.9
25 to 49	13.0	13.4	16.7
50 to 74	15.5	12.3	18.3
75 to 99	9.6	13.4	19.0
100 percent	58.0	53.6	35.0
Average Percentage of Months Worked	81.0	78.2	70.8
Number of Jobs Held	(n=749)	(n=560)	(n=597)
1	74.8	70.4	35.0
2	19.8	20.7	32.5
3 or more	5.5	8.9	32.5
Average Number of Jobs Held	1.32	1.40	2.18

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews.

Most respondents held only one or two jobs during the follow-up period.[7] Between case closure and the 6-month interview, 75 percent of respondents held only one job, and between the 6- and 18-month interviews, 70 percent of respondents held only one job. However, some respondents who held one job during one of these periods changed jobs during the other period. Thus, among those who worked at some point between case closure and the 18-month interview, 35 percent held one job, 33 percent held two jobs, and 33 percent held three or more jobs.

It appears that having multiple jobs is not an indicator of labor market problems among time limit families, but may in fact be an indicator of relative labor market success. Those who held multiple jobs between case closure and the 18-month interview were more likely than those who held only one job to be employed in almost every month (Table IV.3). The reason those who held multiple jobs earned more is not clear. It may be simply that workers are more likely to move to a new job if it is better paying. Otherwise, it may reflect greater work experience or more talented or enterprising people who manage to progress to better jobs over time.[8]

Among respondents who were not working at the 18-month interview, the most commonly reported reasons cited were health problems and difficulty finding a job (Table IV.4). One quarter cited their own health problems as the reason, and 6 percent reported needing to take care of a sick or disabled relative. Twenty-four percent reported that they were unable to find a job,

[7]In order to match jobs before and after the 6-month interview, we matched job start dates. When start dates did not match up exactly, we looked at the respondent's employer. When the employers were the same, we determined that the job listed in the 18-month survey was the same job as that listed in the 6-month survey.

[8]Other research on the effects of multiple jobs for low-wage workers has found mixed results. Strawn (1999) found increased job retention and higher earnings among workers with serial jobs compared to workers who stayed in one position. However, a more recent study, by Wood, Rangarajan and Deke (2003, forthcoming), found that those who stayed in the same job actually experienced a greater increase in wages than those who switch in and out of jobs.

TABLE IV.3

EMPLOYMENT OUTCOMES BY NUMBER OF JOBS HELD

	Number of Jobs Held During Follow-Up Period		
	One Job	Two Jobs	Three or More Jobs
Rate of Employment			
In month 1	59.5	67.5	64.2
In month 6	68.1	77.2	80.1
In month 18	65.2	68.9	75.8
Among Those Working in Month 18			
Average hours worked per week	34.0 (n=116)	34.2 (n=96)	33.7 (n=116)
Hourly wage rate (dollars)	6.80 (n=107)	7.10 (n=94)	7.51 (n=112)
Earnings (dollars)	1,014 (n=107)	1,032 (n=91)	1,132 (n=112)
Sample Size	**263**	**244**	**246**

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews. Only respondents who worked after case closure and had complete data on the number of jobs held are included in the calculations.

TABLE IV.4

REASONS FOR NOT WORKING

Reason	Percentage of Respondents Not Working at 18-Month Interview
Health Problem	24.5
Unable to Find a Job	23.5
Transportation Problems	12.4
Temporarily Between Jobs	12.5
Problems with Child Care Availability	8.1
Problems with Child Care Cost	6.0
Taking Care of Sick/Disabled Relative	5.7
Wanted to Stay Home with Children	3.7
Had a Baby/Was Pregnant	3.3
Wanted to Take Time Off	3.1
In School	2.8
Laid Off	1.4
Other	4.3
Sample Size	**406**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: Sample includes only those cases with both 6- and 18-month interviews. The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Percentages may sum to more than 100, as multiple responses were possible.

and 13 percent reported being temporarily between jobs. In spite of lower employment rates in cohort 3, those respondents were no more likely than their cohort 1 and 2 counterparts to report difficulty finding a job. Commonly discussed barriers for low-wage workers, such as problems with transportation and child care, were each cited as a reason for not working by only about a tenth of respondents at the 18-month interview.[9]

Most time limit case heads were already employed when their TANF benefits were terminated; most others who eventually became employed did so fairly quickly. Fifty-nine percent of working time limit respondents started their initial job prior to case closure, and 7 percent began their job in the month their case closed (Table IV.5). More than half the case heads who were working when they reached the time limit had started their job a full six or more months before their case closed, which is not surprising given VIEW's work requirements. Most of the other respondents (24 percent) found their first job one to six months after their case closed, leaving fewer than 10 percent without a job until six months or more after their case closed.

Many respondents stayed at the same job for all or most of the follow-up period (Table IV.6). Nearly 50 percent of respondents who worked stayed at the same job between case closure and the 6-month interview and between the 6- and 18-month interviews. Twenty-seven percent of respondents who worked stayed at the same job between case closure and the 18-month interview. However, as expected because of different economic conditions, workers in cohorts 1 and 2 were significantly more likely than those in cohort 3 to remain in the same job during the full follow-up period.

[9]The VIEW program includes transportation support for 12 months after a case is closed to TANF, and child care is available on a fee basis (see Chapter X).

TABLE IV.5

START OF FIRST JOB, AMONG THOSE WHO WORKED AFTER CASE CLOSED

When First Job Started	Percentage of Respondents Who Worked
Before Case Closure	58.9
More than 6 months before case closed	38.2
1 to 6 months before case closed	20.7
In the Month the Case Closed	6.9
After Case Closure	33.8
1 to 6 months after case closed	24.3
6 to 18 months after case closed	9.5
Sample Size	**852**

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview.

TABLE IV.6

MOVEMENTS BETWEEN JOBS, AMONG THOSE WHO WORKED AFTER CASE CLOSURE

	Percentage or Mean	
Stayed at Same Job Between Case Closure and 6-Month Interview	49.7	(n=841)
Stayed at Same Job Between 6- and 18-Month Interviews	46.4	(n=841)
Stayed at Same Job Between Case Closure and 18-Month Interview	27.0	(n=841)
Length of Employment Spells Between Case Closure and 6-Month Interview (Months)	6.0	(n=771)
Length of Employment Spells Between 6- and 18-Month Interviews (Months)	8.4	(n=768)
Length of Employment Spells Between Case Closure and 18-Month Interview (Months)	10.1	(n=1,102)
Percentage of Respondents Who Ever Had an Unemployment Spell Between Case Closure and 6-Month Interview	48.4	(n=806)
Percentage of Respondents Who Ever Had an Unemployment Spell Between 6- and 18-Month Interviews	54.7	(n=806)
Percentage of Respondents Who Ever Had an Unemployment Spell Between Case Closure and 18-Month Interview	67.2	(n=806)
Length of Unemployment Spells Between Case Closure and 6-Month Interview (Months)	3.7	(n=449)
Length of Unemployment Spells Between 6- and 18-Month Interviews (Months)	6.2	(n=508)
Length of Unemployment Spells Between Case Closure and 18-Month Interview (Months)	5.9	(n=817)

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews. The number of observations used in calculating the length of unemployment and employment spells varies depending on the percentage of respondents who had such spells.

While respondents enjoyed fairly long periods of employment, most still experienced unemployment spells (Table IV.6). During the period between case closure and the 18-month interview, which was on average 19 months long, the average employment spell was 10 months. Two-thirds (67 percent) of respondents who worked had one or more unemployment spells (lasting six months, on average). As expected, cohort 3 respondents were more likely than their cohort 1 and 2 counterparts to report an unemployment spell.

Most job exits were self-imposed rather than due to a termination or layoff (Table IV.7). Overall, more than half (57 percent) of respondents who left a job between the 6- and 18-month interviews reported that they had quit; 14 percent were fired, and 29 percent were laid off. Significantly more respondents reported being laid off or fired in the final cohort compared to the earlier two cohorts, which probably reflects the different economic conditions and possibly the different regional composition of cohort 3, as described above.

Reasons for quitting were diverse, though respondents quit most commonly to take another job (19 percent) or because their benefits or salaries were not good enough (13 percent). Other commonly cited reasons for quitting included the respondent's own health problems, child care and transportation problems, or problems with a boss. Respondents who were laid off or fired attributed this most commonly to not enough work (23 percent), an end to temporary or seasonal employment (21 percent), or the respondent's having missed work (19 percent). These reasons did not vary significantly by cohort.

B. JOB CHARACTERISTICS

Time limit respondents' jobs improved over time in pay and availability of employer-provided benefits. The current or most recent jobs held by respondents as of the 18-month interview paid higher wages, involved more work hours per week, and yielded higher monthly

TABLE IV.7

REASONS FOR JOB EXITS
(Respondents Who Had Left a Job Since the 6-Month Interview)

	Percentage
Reason for Leaving Job	(n=364)
Quit	57.1
Laid off or job ended	29.1
Fired	13.7
Reasons for Quitting Among Those Who Quit[a]	(n=205)
Took another job	18.5
Benefits/salary not good enough	12.7
Respondent's health problems	10.7
Child care problem	10.7
Transportation problem	10.2
Problems with boss	9.8
Schedule not flexible	9.3
Job different from what was expected	9.3
Maternity leave/pregnancy	5.4
Moved	2.4
Problems with co-workers	2.0
Went back to school	1.5
Child/family member's health problem	1.0
Got married	1.0
Hurt on job	0.5
Other	5.9
Reasons Laid Off/Fired Among Those Laid Off/Fired[a]	(n=156)
Not enough work	23.1
Temporary/seasonal job	21.2
Problems missing work	18.6
Problems with boss	10.3
Company closed	8.3
Could not perform job	3.2
Problems with co-workers	1.9
Child care problems	1.3
Other	17.3

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview. Reason for leaving the most recent job is reported for respondents who had left more than one job.

[a]Percentages may sum to more than 100 percent, as multiple responses were possible.

earnings than the current or most recent jobs held as of the 6-month interview (Table IV.8).[10] Between the 6- and 18-month interviews, average hourly wages on the current or most recent job increased 7 percent, from $6.55 to $7.04 per hour, and average monthly earnings increased 15 percent, from $988 to $1,132. Average hours worked per week also increased by 2.5 hours, or 7 percent, to 37 hours per week as of the 18-month interview.[11]

1. Characteristics of Current or Most Recent Job

Most employed respondents worked full-time at the 6-month interview, and more worked full-time over time. Three-quarters (73 percent) of respondents worked 30 or more hours per week in their current or most recent job, the definition of full-time work used in Virginia's VIEW program, and 62 percent of respondents worked 35 hours or more per week, the usual definition of full-time work (Table IV.8). One-fifth worked 40 hours or more per week, the number of hours required by the TANF reauthorization legislation that passed the U.S. House of Representatives this year.

Respondents' occupations and the industries they worked in changed slightly between the 6- and 18-month interviews. Most notably, the percentage of respondents working in service-related occupations (such as food and beverage services, health services, and cleaning services) increased from 45 to 51 percent between the 6- and 18-month interviews, and the percentage of respondents working in sales declined from 20 to 12 percent. The percentage of respondents

[10]These findings were very comparable to those of other time limit studies in which wages, hours, and earnings increased modestly from case closure to the follow-up period (6, 12, and 18 months in the studies summarized by Bloom et al. [2002]).

[11]Results by cohort (not shown) indicate that while fewer time limit respondents were employed during the economic slowdown, those who retained employment fared as well as those in earlier cohorts. While cohort 3 respondents' wages and earnings did not grow as much over the follow-up period as those of cohort 1 and 2 respondents, their earnings and wages at 18 months were not significantly lower than those of the earlier cohorts.

TABLE IV.8

CHARACTERISTICS OF CURRENT OR MOST RECENT JOBS HELD BY TIME LIMIT RESPONDENTS
(Percentage of Respondents Who Had Worked Between Case Closure and the Interview)

Job Characteristics	Percentage or Mean at 6-Month Interview	Percentage or Mean at 18-Month Interview
Average Monthly Earnings	$988 (n=716)	$1,132 (n=777)
Average Hours per Week	34.7 (n=733)	37.2 (n=817)
Average Hourly Wage	$6.55 (n=714)	$7.04 (n=786)
Hours per Week	(n=733)	(n=817)
Less than 30	37.8	26.8
30 to less than 35	12.7	10.8
35 to less than 40	34.6	42.8
40 or more	15.0	19.6
Hourly Wage	(n=714)	(n=786)
$5.00 or less	7.7	7.3
$5.01 to $6.00	40.5	25.9
$6.01 to $7.00	24.9	28.6
$7.01 to $8.00	15.3	16.4
$8.01 to $10.00	8.3	16.1
$10.00 or more	3.3	5.6
Occupation	(n=725)	(n=685)
Service	44.9	51.2
Sales	19.9	11.6
Administrative support	11.8	13.5
Precision, production, craft, and repair	9.0	10.3
Operators, fabricators, and laborers	8.8	7.5
Managerial and professional specialty	3.0	2.4
Farming	0.9	0.8
Technical	0.8	1.4
Other	0.9	1.3
Industry	(n=722)	(n=685)
Retail trade	32.2	28.3
Professional and related services	24.8	30.6
Personal services	12.1	12.7
Business and repair services	11.6	9.1
Manufacturing	7.6	7.3
Transportation/communications/other public utilities	3.3	4.8
Public administration	2.3	1.9
Agriculture/forestry/fisheries/mining and construction	1.9	2.2
Finance, insurance, real estate	1.3	1.1
Wholesale trade	1.3	1.6
Entertainment and recreation services	0.9	0.2
Other	0.7	0.1

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews. Characteristics of the current or most recent job are reported for respondents who had more than one job. Characteristics of the job with the highest monthly earnings were reported for respondents who held more than one job simultaneously.

working in the retail trade industry declined slightly, from 32 percent to 28 percent, while the percentage working in professional and related services increased from 25 to 31 percent.

2. Changes in Hours and Earnings

Data on all jobs held in each month show similar positive trends: employed time limit respondents worked more hours and made more money over time (Figures IV.2, IV.3, and IV.4).[12] Hours worked per week on all jobs rose 9 percent, from 32 in the first month after case closure to 35 in the 19th month. Average monthly earnings on all jobs increased 28 percent, from $837 to $1,075, and the average hourly wage increased 16 percent, from $6.08 to $7.06, over the same period.[13] Further, hours worked, earnings, and wages were not significantly lower for cohort 3 jobs compared to their counterparts in cohorts 1 and 2, despite the less favorable economic conditions. Again, this indicates that those who were employed in cohort 3 fared about as well as those employed during the time of economic expansion.

Most respondents who had worked at least three months reported stable or increased work hours and earnings (Table IV.9).[14] Eighty-four percent reported no change in the number of hours worked per week. More than half (59 percent) of working respondents reported no change in earnings between the start of the job and the end of the job or the 18-month interview, and

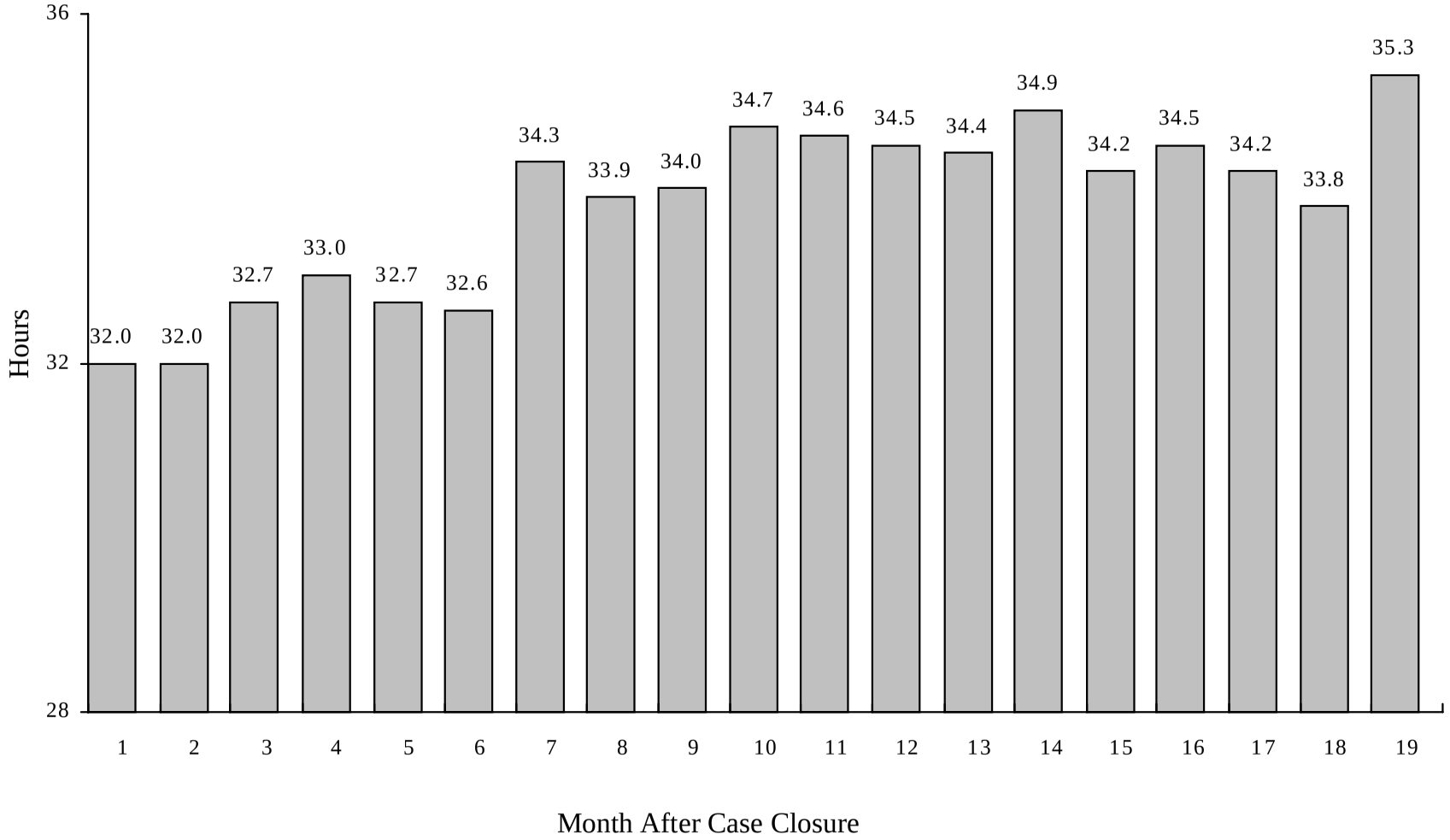
[12]The values in Table IV.8 and Figures IV.2, IV.3, and IV.4 are not entirely comparable. Table IV.8 focuses on the current or most recent job, while the figures look at all the data available for *all* jobs worked in each month. The figures also include cases that have an 18-month interview but no 6-month interview.

[13]These trends are based on workers only and therefore reflect a slightly different sample each month.

[14]The 18-month survey asked about increases or decreases in hours worked and earnings within a job (Table IV.9). Questions about changes in work hours were asked for all jobs, and questions about changes in earnings were asked of jobs held for at least three months. These questions were not asked in the 6-month interview.

FIGURE IV.2

AVERAGE HOURS WORKED PER WEEK BY TIME LIMIT RESPONDENTS
(Among Those Working Each Month After Case Closure)

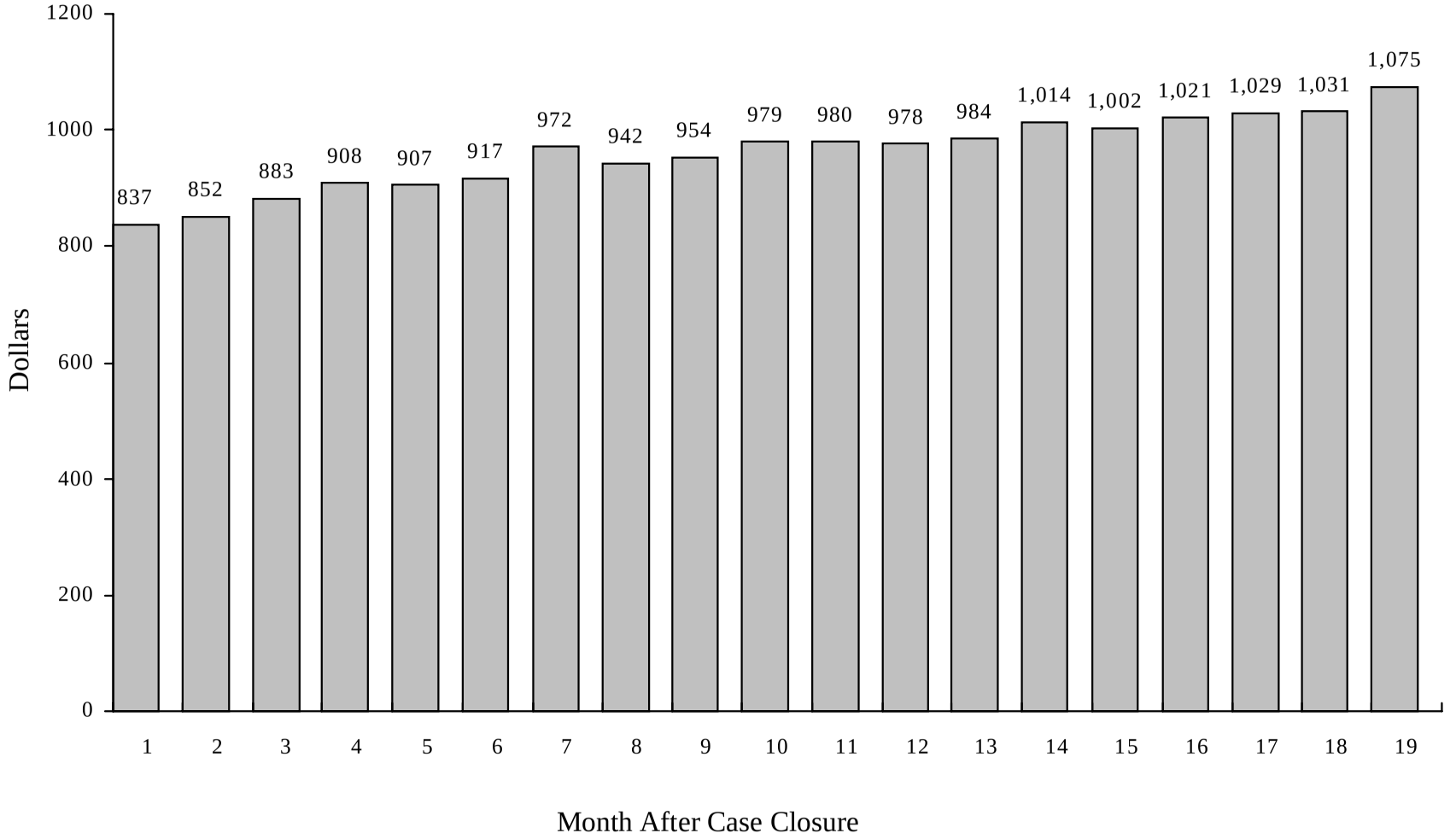


SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: Samples include cases with both a 6-month and an 18-month interview. Because of changes in employment rates and missing data, sample sizes range from 530 to 626.

FIGURE IV.3

AVERAGE MONTHLY EARNINGS OF TIME LIMIT RESPONDENTS
(Among Those Working Each Month After Case Closure)

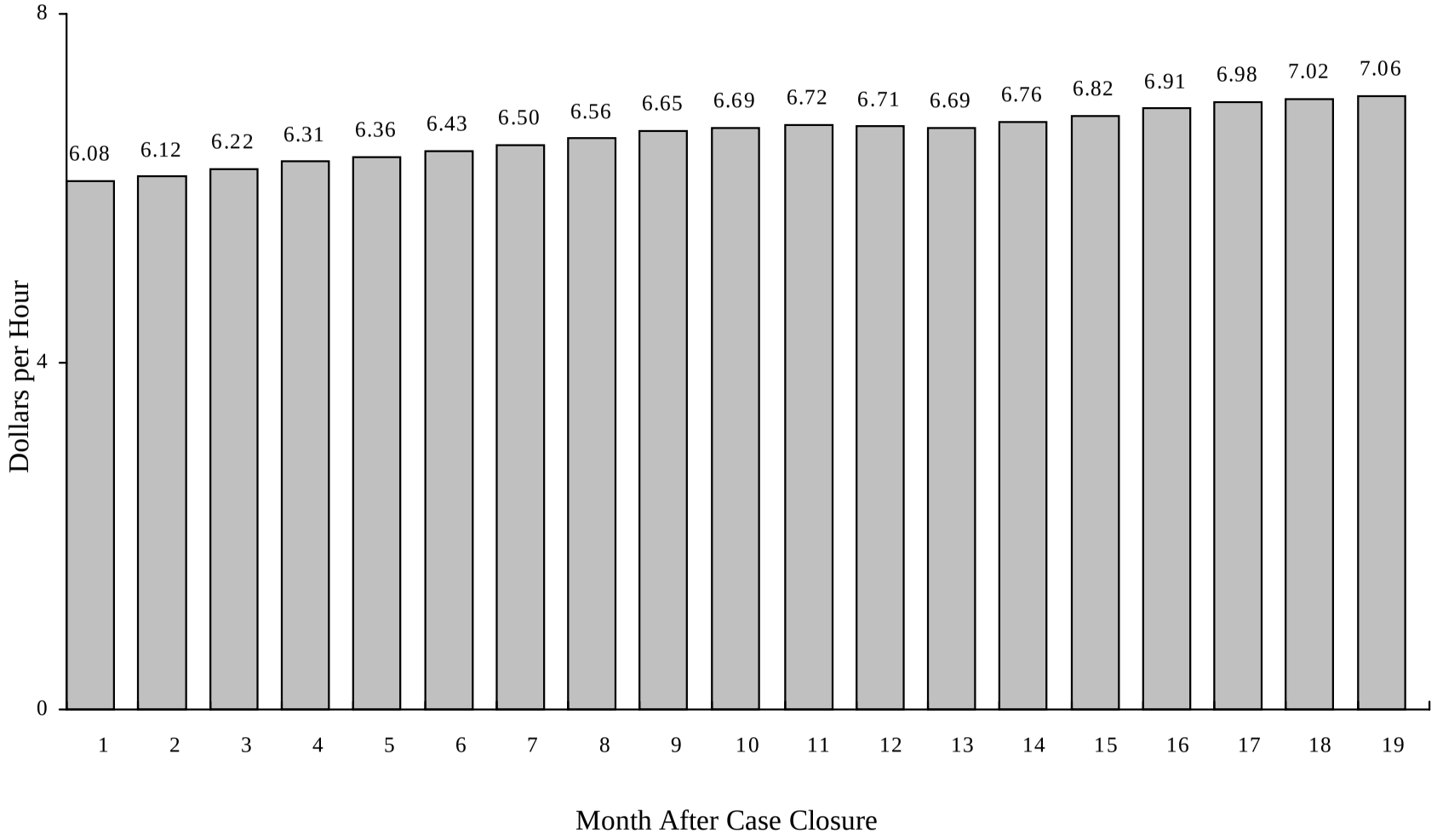


SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: Samples include cases with both a 6-month and an 18-month interview. Because of changes in employment rates and missing data, sample sizes range from 508 to 603.

FIGURE IV.4

AVERAGE HOURLY RATE OF PAY FOR TIME LIMIT RESPONDENTS
(Among Those Working Each Month After Case Closure)



SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: Samples include cases with both a 6-month and an 18-month interview. Because of changes in employment rates and missing data, sample sizes range from 505 to 602.

TABLE IV.9

CHANGES IN HOURS AND EARNINGS ON CURRENT OR MOST RECENT JOB

	Percentage or Mean
Percentage Who Reported No Change in Hours per Week Between Start of Job and End of Job or 18-Month Interview	84.0
Percentage Who Reported an Increase in Hours per Week	12.3
Percentage Who Reported a Decrease in Hours per Week	3.7
Sample Size	**862**
Percentage Who Reported No Change in Earnings Between Start of Job and End of Job or 18-Month Interview	59.1
Percentage Reporting an Increase in Earnings	39.5
Percentage Reporting a Decrease in Earnings	1.4
Increase in Earnings (Among Those Reporting an Increase) (n=278)	$47
Sample Size	**672**

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include all cases with an 18-month interview. This table looks at changes in hours and earnings for the current or most recent job. Questions about changes in hours worked were asked for all jobs; questions about changes in earnings were asked only for those jobs held for three months or longer.

40 percent reported an increase. Only 1 percent reported a decrease in earnings, and this did not change significantly for cohort 3, despite the changed economic climate. Among those reporting a pay increase since beginning their job, the average rise in weekly earnings was $47.

3. Benefits Available on the Job

The percentage of jobs that included employer-providers benefits, such as health insurance, sick leave, or paid vacation, increased between the 6- and 18-month interviews, particularly for jobs offering paid sick leave (Table IV.10). Still, fewer than half of time limit respondents' jobs offered such benefits. Of the current or most recent jobs held by respondents at the 6-month interview, the compensation package included health benefits for 39 percent, sick leave for 26 percent, and paid vacation for 40 percent. The availability of benefits among jobs held at the 18-month interview was 45 percent for health benefits, 35 percent for sick leave, and 45 percent for paid vacation. Availability of benefits for this sample is comparable to that found by Rangarajan et al. (1998) for the first jobs held by a national sample of young welfare leavers.[15]

The percentage of respondents who enrolled in available health benefit plans increased substantially between the 6- and 18-month interviews (Table IV.10). Although fewer than one-third (27 percent) of respondents whose jobs at the 6-month interview offered health benefits had enrolled in their company's plan, by the 18-month interview almost half (47 percent) of respondents whose jobs offered health benefits had enrolled. At least two factors may explain increased enrollment over time, both of which are borne out by data shown on the lower panel of the table: (1) some employers require a minimum tenure before employees can enroll in their health plan, and by the 18-month interview, respondents were more likely to meet such

[15]Despite a less favorable economic climate during the cohort 3 follow-up period, availability of benefits was not significantly lower for cohort 3 jobs.

TABLE IV.10

BENEFITS AVAILABLE IN CURRENT OR MOST RECENT JOB

Job Characteristics	Percentage or Mean at 6-Month Interview	Percentage or Mean at 18-Month Interview
Available on the Job:		
Health benefits	39.1 (n=679)	45.1 (n=674)
Paid sick leave	26.3 (n=681)	34.6 (n=668)
Paid vacation	39.6 (n=696)	44.9 (n=672)
Among Those with Health Benefits, Percentage Enrolled	26.9 (n=273)	46.5 (n=309)
Among Those with Health Benefits but Not Enrolled, Reason Did Not Enroll	(n=195)	(n=157)
Had not worked long enough	39.8	32.0
Cost	26.9	40.8
Covered by Medicaid	15.9	6.4
Part-time employee	3.3	2.7
Did not want	2.0	4.1
Other insurance plan	1.5	5.8
In process of enrolling	1.2	2.3
Other	9.5	5.0

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews. Characteristics of the current or most recent job are reported for respondents who had more than one job. Characteristics of the job with the highest monthly earnings were reported for respondents who held more than one job simultaneously.

requirements; (2) time limit families were more likely to lose Medicaid coverage as time passed. In particular, most adults had lost eligibility for Medicaid by the 18-month interview (see Chapter VIII). Reasons for not enrolling in a company's health plan also included inability to afford the cost and having alternate health insurance through Medicaid or another plan. Among those who had health insurance available but did not enroll, the percentage who cited cost as a reason for not enrolling increased substantially between the 6- and 18-month interviews (27 percent of those who did not enroll at the 6-month interview, compared to 41 percent at the 18-month interview). This increase was due partly to the decline in the percentage who said they had not worked long enough or were covered by Medicaid.

C. TRANSPORTATION TO WORK

Although three-quarters of time limit respondents reported having access to public transportation, more than 60 percent relied on cars, though not necessarily their own, for traveling to work (Table IV.11). At the 18-month interview, 45 percent of respondents who worked drove themselves to work, 13 percent obtained a ride from family or friends, and 3 percent were part of a car pool. Respondents' reliance on cars was possible because 56 percent of those who worked owned or had access to a car, and 61 percent had a driver's license.

Another quarter of respondents reported commuting via public transportation, mostly by bus. This is far less than the three-quarters who reported that they had access to public transportation in their neighborhood. This may reflect, as found in other studies of Virginia welfare recipients, that public transportation may not run at convenient times, and its routes may not be close to respondents' jobs (Pavetti, Wemmerus and Johnson 1999). Despite the availability of VIEW transitional transportation assistance for just 12 months after case closure,

TABLE IV.11

TRANSPORTATION TO WORK
(Among Respondents Who Worked)

	At 6-Month Interview	At 18-Month Interview
Mode of Travel to Work, Current or Most Recent Job		
Drives	44.1	45.4
Public bus	21.0	22.1
Gets a ride from family/friends	12.1	13.3
Walks to work	9.3	9.2
Car pool	3.4	2.8
Employer provides ride	3.3	1.2
Works from home	2.9	4.1
Welfare office provides ride	1.8	0.6
Taxi	1.2	0.5
Van	0.3	0.2
Varies daily	0.2	0.2
Train/subway	0.1	0.2
Other	0.4	0.1
Has Driver's License	60.8	61.2
Owns or Has Access to Car	56.5	55.6
Neighborhood Has Bus or Other Public Transportation	74.9	74.7
Currently Receiving a Transportation Subsidy[a]	16.1	36.6
Sample Size	**749**	**809[b]**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes only those cases with both 6- and 18-month interviews.

[a]The question about transportation subsidies asked in the 18-month survey differed from the question asked in the 6-month survey. The 6-month survey asked simply, "Do you receive any kind of transportation subsidy?" The 18-month survey provided examples of subsidies, such as bus vouchers, access to van service, and help with car repairs. This clarification probably increased the percentage of respondents reporting that they received a transportation subsidy.

[b]Because of missing data, sample sizes range from 744 to 749 at the 6-month interview and 799 to 809 at the 18-month interview.

more than a third of those who worked reported receiving a transportation subsidy as of the 18-month interview.[16]

D. COMPARISON OF EMPLOYED AND UNEMPLOYED RESPONDENTS

Time limit respondents who were employed at the 18-month interview differed significantly in expected ways from those who were not employed. Those employed at the interview had worked on average 78 percent of the months between case closure and the 18-month interview, while those who were not employed had worked on average only 28 percent of the months since case closure (Table IV.12). Currently employed respondents had also earned significantly more since case closure (an average of $719 in monthly earnings) than currently unemployed respondents (an average of only $231).[17]

Not surprisingly, respondents who were employed at the 18-month interview had significantly more education than those who were not. The percentage with at least a high school diploma or GED was 10 percentage points higher among respondents who were employed than among those who were not. Employed respondents also believed themselves to be healthier than their unemployed counterparts.

Respondents who were employed at the 18-month interview were significantly more likely than respondents who were not employed to have regular access to a car that works. It may be that respondents with access to reliable cars are able to get to and from work more easily (and

[16]Almost twice as many respondents at the 18-month interview than at the 6-month interview reported receiving a subsidy. However, some of this increase is likely due to a change in the wording of the survey question. The 6-month survey asked simply, "Do you receive any kind of transportation subsidy?" while the 18-month survey also provided examples of transportation subsidies, such as bus vouchers, access to van service, and help with car repairs.

[17]"Unemployed" is used here to mean anyone not working, regardless of whether that person was looking for work. (The definition therefore includes persons both in and out of the labor force, by its standard definition.)

TABLE IV.12

FACTORS ASSOCIATED WITH BEING EMPLOYED
AT THE 18-MONTH INTERVIEW

Characteristics	Currently Employed	Not Employed	
Mean Percentage of Months Worked Since Case Closed[a]	78.0	28.2	***
Mean Monthly Earnings for All Months Since Case Closed[a]	$719	$231	***
Education			**[b]
No high school credential	50.2	60.2	
High school diploma or GED	34.7	28.5	
Some college	15.1	11.3	
Other Household Member Is Employed	24.7	21.1	
Unable to Do Certain Kinds of Work Because of Health	10.0	13.9	*
Has Regular Access to a Car That Works	58.6	40.6	***
Has Access to Buses or Other Public Transportation	75.5	74.6	
Average Number of Children Living with Respondent			
Under 1 year old	0.05	0.10	**
Between 1 and 3 years old	0.05	0.06	
Between 3 and 5 years old	0.12	0.16	*
Between 5 and 18 years old	2.14	2.02	
Average Number of Children Living with Respondent	2.47	2.50	
Sample Size	**668**	**420**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include all cases with an 18-month interview. Because of missing data, sample sizes range from 650 to 668 for "currently employed" and from 327 to 420 for "not employed." Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Zeros are included in these means.

[b]Significance of chi-squared test of differences in distributions.

therefore are more likely to work) than those who must negotiate rides with others or who must rely on public transportation. On the other hand, since three-quarters report access to public transportation, it may be that respondents who work are, because of their earnings, simply better able than those who do not work to afford a car.

Finally, while both groups have 2.5 children on average, unemployed respondents were significantly more likely than employed respondents to have young children or infants. On average, unemployed respondents had twice as many children less than one year old. This finding is not surprising, since parents with infants may decide to delay returning to work, opting instead to care for their infant themselves. In addition, these parents will likely need child care to go to work.

E. QUARTERLY EMPLOYMENT AND EARNINGS FROM WAGE RECORDS DATA

Employment and earnings data obtained from the quarterly wage records that the Virginia Employment Commission (VEC) maintains as part of the Unemployment Insurance (UI) program provide additional measures of the employment success of time limit families. As discussed in Chapter II, these data contain records of quarterly earnings for all workers in Virginia jobs covered by unemployment insurance. Because not all jobs are UI-covered, wage records data understate employment. Previous studies comparing survey and wage records data suggest that survey data are generally more complete for low-income populations (Kornfeld and Bloom 1999). However, wage records do not suffer from recall error and are available for both survey respondents and nonrespondents. They are also used in many other studies, and thus provide a comparable perspective on the employment of parents who had reached the time limit. The wage records data should not be expected to match the survey data precisely, and they indeed do not. However, they strongly support the main findings from the survey.

Using the VEC wage records data, we constructed (1) an indicator of whether the parent was ever employed in Virginia in a UI-covered job during a calendar quarter, and (2) a measure of total earnings in Virginia UI-covered jobs during the calendar quarter. For comparability with the survey, we focus the analysis on the quarters containing the 6th, 12th, and 18th months after the TANF case closed.[18] In addition, to provide some indication of the longer-term employment outcomes of time limit parents, we examine data from the second and third quarters of 2000, 2001, and 2002 (the quarters that included the 27th month after case closure for members of each cohort). In reviewing these long-term data, it is important to remember data on place of residence is based on where families lived at the time of case closure. During the 27 months after case closure, more families over time no doubt moved to other states, and thus had no VEC data. This implies the understatement of the employment rate is likely to increase over time.

As in the survey data, the VEC data show that most time limit parents worked, and that many did so steadily (Table IV.13). More than two-thirds (68 percent) were employed in UI-covered jobs during the quarter that included the sixth month after their TANF case closed. Employment dropped to 64 percent 6 months later (in the quarter about 12 months after case closure), but held steady in the next 6 months, increasing just slightly, to 65 percent, in the quarter about 18 months after case closure. Over four-fifths (83 percent) of time limit parents were employed in at least one quarter (out of five with data available) during the period 6 to 18 months after case closure. More than half (58 percent) were employed during four or more quarters, and more than a third (38 percent) were employed during all five. During the

[18]We do not include data on employment at the time of case closure or the first quarter afterward, because the data extract VDSS obtained did not include data from the first two quarters of 1998, the period during which cohort 1 cases closed.

TABLE IV.13

EMPLOYMENT SINCE CASE CLOSED, AS MEASURED
IN QUARTERLY VEC WAGE RECORDS

	Percentage
Employed in Calendar Quarter That Includes 6th Month After Case Closed	68.1
Employed in Calendar Quarter That Includes 12th Month After Case Closed	64.0
Employed in Calendar Quarter That Includes 18th Month After Case Closed	64.5
Employed Any Quarter from 6 to 18 Months After Case Closed	82.6
Number of Quarters Employed from 6 to 18 Months After Case Closed	
None	17.4
One	7.1
Two	8.1
Three	9.9
Four	20.0
Five	37.5
Employed in Calendar Quarter That Includes 27th Month After Case Closed	59.2
Sample Size	**1,567**

SOURCE: Virginia Employment Commission (VEC) wage records data matched to TANF case records by VDSS.

NOTE: VEC wage records do not include employment outside Virginia. Employment in federal jobs, self-employment, and informal employment is also not captured. Employment data presented are for the adult who headed the TANF case.

nine-month period between quarters 18 and 27 months after case closure, the average VEC employment rate of time limit parents fell.

In general, VEC findings are very comparable to those of the survey. Employment rates from the two sources are the same at 6 months, VEC data show slightly higher employment at 12 months, and the survey data show slightly higher employment at 18 months.[19] Cohort 3 shows only slightly lower employment than cohort 2.

As in the survey data, the VEC data indicate that time limit parents who worked had low earnings, but their earnings improved over time (Table IV.14). Among parents who were employed, average quarterly earnings were $2,124 and $2,216 in the quarters 6 and 12 months after case closure, respectively. Average earnings rose 17 percent to $2,508 in the quarter 18 months after the case closed. Average earnings of those employed in the quarter 27 months after case closure were $2,661, an increase of 6 percent since the quarter 18 months after case closure. As shown in the survey data and explained by different economic conditions and regional composition, earnings were lower for case heads in cohort 3 than for those in cohorts 1 and 2.

Overall, the VEC follow-up data suggest a continued pattern of fairly steady employment and progress in earnings for parents who were employed. Among the two-thirds (65 percent) of parents who were employed 18 months after case closure, at least three-quarters (76 percent)

[19]All else equal, we would expect quarterly employment rates to be *higher* than monthly employment rates, as there will be more people working in at least one month out of three than work in any one month, assuming there is some job turnover. However, the quarterly employment rates in these data are similar to the monthly employment rates calculated from the survey data—both range from about 59 to 73 percent—and are about 10 percent lower than quarterly rates calculated from the survey data, which are 68 percent in the calendar quarter that includes the 12th month, and 72 percent in the quarter that includes the 18th month (not shown in tables). Some time limit parents probably worked in neighboring states or in jobs not covered by UI.

TABLE IV.14

AVERAGE EARNINGS OF WORKERS IN SELECTED QUARTERS,
AS MEASURED IN VEC WAGE RECORDS

Sample and Period	Average Earnings
Time Limits Parents Who Worked in the Quarter 6 Months After the Case Closed (n=1,069)	$2,124
Time Limits Parents Who Worked in the Quarter 12 Months After the Case Closed (n=997)	$2,216
Time Limits Parents Who Worked in the Quarter 18 Months After the Case Closed (n=986)	$2,508
Time Limits Parents Who Worked in the Quarter 27 Months After the Case Closed (n=935)	$2,661

SOURCE: Virginia Employment Commission (VEC) wage records data matched to TANF case records by VDSS.

NOTE: VEC wage records do not include employment outside Virginia. Employment in federal jobs, self-employment, and informal employment is also not captured. Employment data presented are for the adult who headed the TANF case. Data are missing for two cases in the quarter 18 months after case closure.

were also employed nine months later. Thus, it appears that most parents had developed a pattern of steady employment and increasing earnings.

F. SUBGROUP ANALYSES

Analyses of data from the time limit surveys and the quarterly wage records data from VEC show that employment rates, earnings, and other characteristics of jobs held by time limit parents differed, often significantly, by region, metropolitan status and, largely reflecting differences in their place of residence, by race. These differences suggest that employment opportunities may vary for members of the different subgroups. Because of their differential coverage by region, VEC data must be interpreted with caution, but the findings from the two data sources reveal similar patterns in employment by subgroup. In particular:

- ***Survey data indicate that time limit cases from economically dynamic Northern Virginia were more likely to have been employed, to have worked more steadily, and to have earned more during the follow-up period than cases from other regions, particularly the Central and Western.***
- ***Employment rates, wages, and earnings were slightly higher for time limit parents living in metropolitan areas.*** However, of respondents who worked, those from rural areas worked more steadily than their metropolitan counterparts.
- ***In the state as a whole, nonwhite parents had higher rates of employment than white parents, although their total monthly earnings, when employed, were equal.*** Nonwhite parents' jobs were also significantly more likely than those of white parents to include employer-provided benefits.

When interpreting these findings, it is important to bear in mind that, as discussed in Chapter II, myriad factors may underlie observed differences, and the subgroups overlap significantly with one another. Local economies, different industries requiring different skills, and even differences in local welfare office operations or job placement services may contribute to diversity in employment rates, reasons for not working, earnings, and benefits available at jobs among the regions, and thus among the race groups.

1. Work Experience

On average, employment rates were highest for respondents from the Northern Region, metropolitan areas, and nonwhites. Employment at case closure did not vary significantly by region in Virginia. However, by the 6-month interview, survey data show statistically significant regional differences in employment rates (Table IV.15A). Survey data indicate that Northern Virginia case heads had the highest rates of employment at the 6- and 18-month interviews, and they worked more steadily during the follow-up period, most likely because of the region's proximity to the nation's capital and its rapid economic expansion and low unemployment rate for most of the follow-up period. At the 18-month interview, cases in the Central Region were much less likely than those in other regions to be employed, with just over half of Central Region cases working, compared to 61 percent for cases in the Eastern, Piedmont, and Western regions, and 70 percent of those in Northern Virginia. Parents from the Western Region were the least likely to ever have worked between case closure and the 18-month interview. This is not surprising, since the area includes Virginia's coalfields region, where employment dropped significantly during the 1980s and early 1990s. Much of the area is mountainous, with little industry and limited transportation, and the region has lagged behind the rest of the state economically.

Quarterly wage records data from VEC tell a story different from that of the survey data, probably because of substantial regional differences in data coverage. Since VEC data do not include federal and out-of-state employment, employment rates are likely to be disproportionately understated for regions that border other states or have higher-than-average federal employment. Although VEC data also show significant differences in employment rates of time limit parents by region, the VEC data show low rates of employment in the Northern Region relative to the survey data (Table IV.16A). These data probably disproportionately

TABLE IV.15A

EMPLOYMENT RATES AND JOB CHARACTERISTICS, BY REGION AND METROPOLITAN STATUS
(Percentage of Respondents)

		Region						Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
Employed at Case Closure	57.4	55.7	55.3	63.4	58.7	56.6		59.2	57.0	
Employed at 6-Month Interview	59.3	55.4	58.6	69.7	57.4	56.3	*	57.1	59.8	
Employed at 18-Month Interview	59.8	53.6	61.4	70.1	60.8	60.7	***	58.8	60.1	
Ever Employed Between Case Closure and 18-Month Interview	88.4	85.4	91.6	88.2	91.4	82.1	**	83.4	89.7	**
Average Percentage of Total Months Worked[a]	70.8	67.2	67.1	76.2	68.4	73.5	***	73.2	68.8	*
Stayed at Same Job (Case Closure Through 18 Months)[a]	25.1	24.1	26.2	25.7	23.1	25.9		24.3	25.3	
Not Worked Due to Health[b]	23.9	22.0	17.9	17.7	24.6	32.8		30.7	19.9	**
Not Worked Due to Unable to Find Job[b]	22.7	21.4	31.7	11.8	29.0	19.3	*	17.5	25.9	
Not Worked Due to Transportation Problem[b]	13.1	16.2	8.8	10.5	16.9	11.1		18.3	11.1	*
Of Those Who Left Their Job, Percentage Quit[b]	57.1	47.4	51.5	61.6	57.5	61.3		58.7	53.0	
Average Monthly Earnings at 18-Month Interview[c]	$1,132	$1,110	$1,078	$1,290	$1,121	$1,106	***	$1,118	$1,135	
Average Hours at 18-Month Interview[c]	37.3	36.9	36.4	38.2	37.8	37.9		37.9	37.1	
Average Wage at 18-Month Interview[c]	$7.05	$7.00	$6.80	$7.91	$6.92	$6.61	***	$6.87	$7.08	
Health Benefits Available at 18-Month Interview[d]	45.1	43.7	46.8	48.9	42.5	40.1		45.1	45.1	
Sick Leave Available at 18-Month Interview[d]	34.6	31.6	37.9	39.5	30.5	28.8		27.1	36.4	**
Vacation Available at 18-Month Interview[d]	44.9	38.5	47.1	51.6	42.9	42.5		41.1	45.8	
Sample Size	**943**	**242**	**204**	**206**	**174**	**117**		**162**	**679**	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

TABLE IV.15A *(continued)*

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[a]Of those who ever worked between case closure and the 18-month interview.

[b]Of respondents who had left a job since the 6-month interview.

[c]Of those employed at the 18-month interview.

[d]Of those employed at both the 6-month interview and the 18-month interview.

TABLE IV.15B

EMPLOYMENT RATES AND JOB CHARACTERISTICS, BY RACE
(Percentage of Respondents)

	Total	Racial Groups: White, Non-Hispanic	Racial Groups: African American and All Other	
Employed at Case Closure	57.4	57.9	57.3	
Employed at 6-Month Interview	59.3	57.7	59.1	
Employed at 18-Month Interview	59.8	56.7	60.9	
Ever Employed Between Case Closure, 18-Month Interview	88.4	87.5	88.8	
Average Percentage of Total Months Worked[a]	70.8	73.4	68.4	**
Stayed at Same Job (Case Closure Through 18 Months)[a]	25.1	23.8	25.6	
Not Worked Due to Health[b]	22.1	36.1	16.8	***
Not Worked Due to Unable to Find Job[b]	24.1	13.6	28.1	***
Not Worked Due to Transportation Problem[b]	12.6	7.9	14.4	*
Of Those Who Left Their Job, Percentage Quit[b]	54.1	55.8	53.4	
Average Monthly Earnings at 18-Month Interview[c]	$1,132	$1,161	$1,122	
Average Hours at 18-Month Interview[c]	37.3	39.4	37.8	
Average Wage at 18-Month Interview[c]	7.05	7.10	7.02	
Health Benefits Available at 18-Month Interview[d]	45.1	37.7	47.6	**
Sick Leave Available at 18-Month Interview[d]	34.6	26.4	37.4	***
Vacation Available at 18-Month Interview[d]	44.9	37.1	47.5	**
Sample Size	**943**	**252**	**691**	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

[a]Of those who ever worked between case closure and the 18-month interview.

[b]Of respondents who had left a job since the 6-month interview.

[c]Of those employed at the 18-month interview.

[d]Of those employed at both the 6-month interview and the 18-month interview.

TABLE IV.16A

QUARTERLY EMPLOYMENT AND EARNINGS FROM WAGE RECORDS DATA, BY REGION AND METROPOLITAN STATUS
(Percentage of Respondents)

		Region						Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
Employed in Calendar Quarter 18 Months After Case Closed	64.5	66.9	66.1	64.9	65.2	54.2	**	59.5	65.8	**
Employed Any Quarter from 6 to 18 Months After Case Closed	82.6	87.4	85.4	78.6	81.3	73.0	***	75.4	84.4	***
Employed Every Quarter from 6 to 18 Months After Case Closed	37.5	41.0	44.0	30.9	36.6	23.5	***	31.6	38.9	**
Earnings Among Time Limits Parents Who Worked in the Quarter 18 Months After Case Closed[a]	$2,508	$2,428	$2,406	$3,030	$2,498	$2,086	***	$2,393	$2,533	
Sample Size	**1,567**	**409**	**340**	**373**	**261**	**184**		**291**	**1,276**	

SOURCE: Virginia Employment Commission (VEC) wage records data matched to TANF case records by VDSS.

NOTES: VEC wage records do not include employment outside Virginia. Employment in federal jobs, self-employment, and informal employment is also not captured. Employment data presented are for the adult who headed the TANF case. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

[a]Sample sizes for parents who had VEC earnings in the quarter 18 months after the case closed were 265 for the Central Region, 220 for the Eastern Region, 238 for the Northern Region, 174 for the Piedmont Region, 97 for the Western Region, 171 for nonmetropolitan parents, and 823 for metropolitan parents.

underestimate employment in the Northern Region, because so many people there work in Washington, DC, or Maryland, or for the federal government. UI files would contain no data on these workers.[20]

Both sources of data found that parents living in metropolitan areas had consistently higher rates of employment than did parents living in rural localities, which probably reflects greater employment opportunities in Virginia's metropolitan areas. Nonmetropolitan workers, however, worked a significantly greater percentage of months during the follow-up period. Perhaps having fewer competing opportunities made rural time limit parents less likely to leave a job.

Not surprisingly, given their different places of residence, nonwhite parents had consistently higher rates of employment than did white parents, as recorded in both the survey and VEC data (Tables IV.15B and IV.16B).[21] VEC data show that in the calendar quarter 18 months after case closure, 66 percent of nonwhite parents were employed, compared to 59 percent of white parents. These differences may be attributed largely to the differences in where whites and nonwhites live; nonwhite families, for example, were concentrated in metropolitan areas where employment opportunities are likely to be greater, and many (42 percent) white time limit families lived in the depressed rural Western Region.[22]

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[20]VEC data also show low rates of employment for the Western Region, but respondents living near the state border might work in Tennessee or West Virginia and would not be recorded in Virginia's UI system. The VEC data may also fail to record significant employment in the Eastern Region, where the many military facilities provide substantial work opportunities. Thus, quarterly employment rates for the Northern, Western, and Eastern regions are likely higher than the VEC data indicate.

[21]These findings were statistically significant only for the VEC data.

[22]In analysis of the survey data, differences between white and nonwhite respondents diminish when we control for location; when controlling for region, we find racial differences to be statistically significant only in the Western Region. Similarly most race differences in VEC data at 18 months are not statistically significant after controlling for region. In nonmetropolitan areas, there were statistically significant differences in employment: nonwhite parents were more likely to be employed at 18 months and more likely to have been employed every quarter between six and 18 months.

TABLE IV.16B

QUARTERLY EMPLOYMENT AND EARNINGS FROM WAGE RECORDS DATA, BY RACE
(Percentage of Respondents)

		Racial Groups		
	Total	White, Non-Hispanic	African American and All Other	
Employed in Calendar Quarter 18 Months After Case Closed	64.5	58.6	66.3	***
Employed Any Quarter from 6 to 18 Months After Case Closed	82.6	76.0	84.7	***
Employed Every Quarter from 6 to 18 Months After Case Closed	37.5	32.4	39.1	**
Earnings Among Time Limits Parents Who Worked in the Quarter 18 Months After Case Closed[a]	$2,508	$2,359	$2,549	
Sample Size	**1,567**	**384**	**1,183**	

SOURCE: Virginia Employment Commission (VEC) wage records data matched to TANF case records by VDSS.

NOTES: VEC wage records do not include employment outside Virginia. Employment in federal jobs, self-employment, and informal employment is also not captured. Employment data presented are for the adult who headed the TANF case. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

[a]Sample sizes for parents who had VEC earnings in the quarter 18 months after the case closed were 224 for white parents and 770 for nonwhite parents.

Among respondents unemployed at the 18-month interview, we find significant differences by regional and metropolitan status in reasons for not working. In particular, almost a third of unemployed respondents in the Eastern and Piedmont regions reported difficulty finding a job, compared to just 12 percent of unemployed respondents in Northern Virginia, which suggests that employment opportunities for former welfare recipients differ widely across the state. Rural residents were much more likely than their metropolitan counterparts to attribute not working to problems with health and transportation. Time limit respondents from the rural, mountainous Western Region were, however, no more likely than their counterparts from other regions to cite transportation problems as a reason for not working.

The reasons respondents of different races gave for not working largely mirrored where they lived. Unemployed nonwhite respondents were more likely than whites to report difficulty finding a job.[23] On the other hand, unemployed white respondents, many living in rural areas, were more likely than nonwhite respondents to cite health problems as a reason for not working. Despite being concentrated in metropolitan areas, nonwhite respondents were more likely than whites to cite transportation problems.

2. Job Characteristics

Jobs in Northern Virginia paid more and were more likely to include benefits. Hourly wages at the 18-month interview ranged from $7.91 in economically dynamic Northern Virginia to $6.61 in the depressed coalfields Western Region (Table IV.15A). Surprisingly, wages and earnings did not vary significantly by metropolitan status, and health benefits and paid vacation were equally available in urban and rural areas. This is probably because metropolitan areas

[23]Over half of nonwhite families lived in the Eastern and Piedmont regions, the two regions in which respondents reported the most difficulty finding a job.

include not only the prosperous cities in Northern Virginia, but also other urban areas, especially depressed center cities, throughout the state. Jobs held by metropolitan time limit parents were more likely to offer paid sick leave.

The survey and VEC data both show that employed white and nonwhite time limit parents earned about the same amount of money at their jobs; their hourly wages and earnings were equivalent, and they worked a similar number of hours (Table IV.15B and IV.6B). Despite essentially equal pay, nonwhite parents were more likely to report receiving employer-provided benefits; nonwhites' jobs were substantially more likely to include health insurance, paid vacation, and sick leave. It is possible that because they lived in different places, nonwhite parents were more likely than white parents to work for large companies which offered benefits.

3. Long-term Followup

As discussed earlier, VEC data provide some long-term information on how various subgroups fared. During the nine-month period between the quarters 18 and 27 months after case closure, the average VEC employment rate of time limit parents fell, but the earnings of parents who worked increased.[24]

The average employment rate decreased from 65 percent in the quarter 18 months after case closure to 59 percent three-quarters of a year later (Table IV.17). Regional employment rates at 27 months after leaving TANF ranged from 50 percent in the Western Region to 63 percent in the Eastern Region. The decline in employment was greatest in the Piedmont and Central Regions and least in the Eastern Region. As was the case at 18 months after case closure,

[24]In reviewing these long-term data, it is important to remember the caveats earlier in this chapter concerning the incomplete nature of the VEC data. Actual employment rates were likely higher, particularly in the Northern and Western regions. In addition, data on place of residence are based on where families lived at the time of case closure. This implies the understatement of the employment rate in the VEC data is likely to increase over time, as families move away.

TABLE IV.17

EMPLOYMENT AND EARNINGS 27 MONTHS AFTER CASE CLOSURE

	In Quarter 27 Months After Case Closure	Change Since 18 Months After Case Closure	
Percentage Employed			
All Cases	59.2	–5.3	
TANF Region			**
Central	58.7	–8.2	
Eastern	63.4	–2.7	
Northern	60.7	–4.2	
Piedmont	56.4	–8.8	
Western	49.7	–4.5	
Metropolitan Status			**
Nonmetro	53.8	–5.7	
Metro	60.5	–5.3	
Race/Ethnicity			***
White, Non-Hispanic	53.4	–5.2	
African American and All Other	61.0	–5.3	
Sample Size	**1,567**		
Mean Earnings Among Employed Persons			
All Cases	$2,661	$153	
TANF Region			***
Central	$2,757	$329	
Eastern	$2,551	$145	
Northern	$3,113	$83	
Piedmont	$2,412	–$86	
Western	$2,306	$220	
Metropolitan Status			**
Nonmetro	$2,453	$60	
Metro	$2,815	$282	
Race/Ethnicity			
White, Non-Hispanic	$2,771	$412	
African American and All Other	$2,747	$198	
Sample Size	**935**		

SOURCE: Virginia Employment Commission (VEC) wage records data matched to TANF case records by VDSS.

NOTE: VEC wage records do not include employment outside Virginia. Employment in federal jobs, self-employment, and informal employment is also not captured. Employment data presented are for the adult who headed the TANF case. Significantly different at the *.10 level, **.05 level, ***.01 level.

employment rates were higher in metropolitan than in nonmetropolitan areas (61 percent compared to 54 percent). The employment rates of parents in metropolitan and non-metropolitan areas declined by similar amounts (5 percent). As was true for earlier periods, a greater share of nonwhite parents (61 percent) were employed than white parents (53 percent), but the difference, while statistically significant on a statewide basis, was not significant when also controlling for region or metropolitan status. Employment in each racial group declined by just over five percent across the nine-month period.

Mean quarterly earnings of those employed were $2,661, an increase of $153 since the quarter 18 months after case closure. As reported for earlier periods, wages varied by region with the highest earnings in Northern Virginia ($3,113) and the lowest in the Western Region ($2,306). Wages increased during this period in all regions except Piedmont. Parents in metropolitan areas earned more than those in rural areas, and the earnings of white and nonwhite parents were essentially the same.

V. INCOME SOURCES AND TOTAL INCOME

When TANF recipients reach the two-year time limit, their cases close, and they can receive no TANF cash benefits for at least two years. This chapter examines the income sources in addition to earnings that replaced families' TANF cash assistance—monies received from public assistance, child support, and other sources. We find that, on average, respondents' total incomes, like their earnings, increased between case closure and the 18-month interview. However, for most families this income was not sufficient to lift them out of poverty.

Key findings include:

- ***Although the percentage of families receiving food stamps declined after case closure, most families continued to receive this benefit 18 to 22 months after leaving TANF.*** Administrative data show that the percentage of families receiving food stamps fell from 88 percent at case closure to 66 percent 18 months later. The average food stamp benefit amount received by these households increased somewhat after case closure to replace money lost in TANF benefits.
- ***The percentage of time limit families receiving child support increased substantially over the follow-up period.*** The proportion receiving child support increased from 24 percent to 34 percent in the 18 months after case closure. The average child support received increased from $48 to $232 over the same period, substantially replacing lost TANF benefits for a third of time limit families.
- ***Respondents' average income increased between case closure and the 18-month interview.***[1] Between case closure and the 18-month interview, average monthly income increased 12 percent, from $870 to $972. The incomes of 48 percent of respondents increased between case closure and the 18-month interview, yet income fell for 39 percent of time limit respondents.[2] However, these figures may understate growth in *household* income, as more respondents lived with other earners as time went on.

[1]Income is calculated as the sum of respondents' earnings, TANF, food stamps, child support, and other benefits, as reported in the surveys. We did not adjust the figures for inflation, so the change in income over time is slightly overstated in real dollars. The average increase in the Consumer Price Index (CPI) for the study follow-up period was about 2 percent per year (Bureau of Labor Statistics 2003).

[2]Income is considered unchanged if it increased or decreased by less than 10 percent.

- ***Most time limit parents were working, but they remained poor. Only 20 percent of all time limit families and 27 percent of working time limit families reported incomes above the poverty line at the 18-month interview.*** Fully 81 percent of respondents reported incomes below the poverty line, and more than a third were in deep poverty, reporting incomes below 50 percent of the poverty line.

- ***Many families reported knowing about and using the Earned Income Tax Credit (EITC).*** Seventy-two percent of time limit families had heard of the EITC, an important source of income for low-income working families. However, fewer than half had received it. Reported knowledge and receipt of the EITC was lower in cohort 3 than earlier cohorts, possibly as a result of regional variation in promoting the EITC and lower employment rates for this cohort.

These findings suggest that, on average, time limit families became better off in the first 18 to 22 months after case closure, because they had higher earnings (see Chapter IV), received more income from child support, and in many cases received the EITC. However, the high levels of poverty at the 18-month interview suggest that, almost two years after reaching the time limit and leaving TANF, most families were still struggling to gain self-sufficiency.

A. RECEIPT OF FOOD STAMPS

Although the percentage of families receiving food stamps declined after case closure, a majority of time limit families continued to receive this benefit. VDSS administrative data show that 66 percent of families received food stamps 18 months after leaving TANF, compared to 75 percent 6 months after leaving TANF and 88 percent in their last month on TANF (Table V.1).[3,4] Studies in other states show an average of about 70 percent of time limit leavers

[3]It may seem surprising that 12 percent of the time limit cases did not receive food stamps during their final month on TANF, since TANF recipients usually do receive them. However, a third of the cases that did not receive food stamps did not receive a TANF benefit that month either. VIEW rules provide that if a TANF case is suspended because of a violation of a VIEW requirement, the food stamp case is also suspended unless the household includes a child under the age of six. Many cases probably lost food stamps for that reason. Members of the time limit case could also be part of a food stamp case headed by someone other than the TANF head of

TABLE V.1

FOOD STAMP PROGRAM PARTICIPATION AND BENEFITS

	Percentage or Mean	Change Since Last Month on TANF
Participation in Food Stamps (All Cases, n=1,567)		
Final month on TANF	87.6	
6 months after case closure	74.8	–12.8
18 months after case closure	65.6	–22.0
Mean Food Stamp Benefit (Cases with a Benefit That Month)		
Final month on TANF (n=1,363) (in Dollars)	225	
6 months after case closure (n=1,173)	284	+59
18 months after case closure (n=991)	303	+78
Mean Food Stamp Benefit (Cases with a Benefit in Both Months, in Dollars) (n=921)		
Final month on TANF	238	
18 months after case closure	304	+67

SOURCE: VDSS Administrative Data.

(continued)

household, which might not be captured in the administrative data. Disqualification from receipt of food stamps due to food stamp fraud is also a possibility.

[4]The percentage of families receiving food stamps at the 18-month interview increased in each successive cohort, which probably reflects a combination of the different regional compositions and different economic conditions the three cohorts faced. In addition, it is likely that over time, as policymakers noted the national drop in food stamp participation, welfare offices focused more intently on making sure that recipients were aware of continued eligibility for food stamp benefits. Cohort 2 and 3 families receiving food stamp benefits received a larger benefit amount, on average, than cohort 1 families both in their last month on TANF and 18 months after leaving it. These differences were statistically significant.

continuing to receive food stamps 6 to 12 months after case closure, slightly lower than the percentage in Virginia that continued to receive food stamps after leaving TANF (Bloom et al. 2002).[5]

When families lose their TANF benefit and do not increase their earnings sufficiently to make up for the loss, their food stamp benefits increase, although not dollar for dollar. Thus, as would be expected, the value of monthly food stamp benefits increased among time limit families who remained in the program. The average benefit rose 30 percent over the follow-up period, from $225 in the final month on TANF, to $284 at the 6-month interview, to $303 at the 18-month interview.

Rates of food stamp receipt and benefit amounts reported in the surveys (not shown) are generally similar to those in the administrative data, with slightly fewer survey respondents reporting receiving food stamps at case closure than is shown in the administrative data. Differences most likely reflect recall error, the timing of the survey, and differences between the composition of the TANF case and the food stamp household.

B. WHY SOME RESPONDENTS DID NOT GET FOOD STAMPS

The national food stamp caseload declined more than expected during most of the period covered by this study (Cunnyngham 2002; and Rosso 2001). Some policymakers have been concerned that families who lose TANF eligibility often believe they have also lost food stamp eligibility, although in fact many remain eligible. Indeed, national studies of food stamp

[5]Rates of food stamp participation among time limit leavers are not wholly comparable, because time limit families in other states have different employment rates and earnings and the studies use different follow-up periods. Connecticut's and Florida's programs are most similar to Virginia's. Only 50 percent of Connecticut's time limit families received food stamps 6 months after leaving TANF—significantly fewer than in Virginia—and 74 percent of Florida's time limit families received food stamps 6 to 12 months after leaving TANF—about the same as in Virginia.

participation for this time period have found that many low-income working families believe they are not eligible for food stamps even though they are estimated to be eligible (Dion and Pavetti 2000; Cahalan et al. 2001). In Virginia, the reasons time limit respondents gave for not receiving food stamps suggest that policymakers' concerns may be valid, but only for a small group of time limit families (Table V.2). Of time limit families who did not receive food stamps after case closure, 23 percent believed they were ineligible.[6] Another 43 percent reported that a caseworker told them they were ineligible.[7] Most of this latter group was probably ineligible, but some might have misunderstood the caseworker. It is also possible that respondents who were told they were ineligible at one point in time may have become eligible again later, especially if respondents were laid off or had their earnings otherwise reduced.

Even among those with reported incomes below 130 percent of poverty (the gross income threshold for food stamp eligibility), 21 percent believed themselves to be ineligible, and another 43 percent were told they were not eligible. Some of these families may have underreported their incomes or may have been ineligible for other reasons.[8] However, if most respondents reported their incomes accurately, some families with incomes below 130 percent of the poverty threshold may have been unaware of their food stamp eligibility. Other reasons provided for not

[6]In Virginia, when a TANF case is closed, the food stamp benefit is automatically recalculated to reflect the loss of TANF income, but eligibility is not redetermined unless some other circumstance changes, such as an increase in income or the end of the food stamp certification period (typically every 3 to 6 months for working households during this period).

[7]Both percentages declined across the cohorts, which suggests that access is improving or that the economic circumstance of households in cohort 3 made them more clearly eligible. Because cohort 3 comprises different localities than cohorts 1 and 2, regional differences in informing time limit families may also play a role.

[8]Food stamp eligibility is complex. Some families may have been ineligible despite low incomes, for example, by having more assets (such as cash in a bank account) than allowed. See also the discussion of income reporting below.

TABLE V.2

RESPONDENTS' VIEWS ON WHY NOT RECEIVING FOOD STAMPS
(Percentage)

Reasons	All Cases Not Receiving	Cases with Income Below 130 Percent of Poverty
Told Not Eligible by Caseworker	42.5	43.2
Have Not Applied/Didn't Think Eligible	22.7	21.3
Do Not Need	8.2	7.4
Too Much Hassle/Can't Get There	8.1	7.9
Just Applied/Need to Be Recertified	3.9	10.2
Does Not Know	3.8	3.6
Other	5.4	6.0
Sample Size	**308**	**249**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview that were not receiving food stamps at the interview. Poverty status is measured at the household level, by comparing annualized total household income to the U.S. Department of Health and Human Services poverty guidelines. Total income is as reported.

receiving food stamps include lack of need, too much hassle, or a pending application or recertification.

C. OTHER PUBLIC ASSISTANCE

Most time limit families still received food stamps after their cases closed, but only a few received other forms of public assistance (Table V.3). Only 3 percent reported that someone in the household had received TANF benefits during the month prior to the 18-month interview. This is not surprising, since recipients who reach the time limit are ineligible to receive benefits for at least two years thereafter.[9] Only 2 percent received unemployment insurance (UI).[10] During the month before case closure, 10 percent of time limit families received disability benefits, which increased to 13 percent in the month before the 18-month interview, a figure similar to that found in most other studies of time limit cases (Bloom et al. 2002).

D. CHILD SUPPORT

Child support became an increasingly important source of income for time limit families. The share of families receiving child support increased in the months after leaving TANF (Table V.4), from 24 percent during the final month on TANF to 32 percent 6 months after case closure to 34 percent 18 months after leaving TANF.[11] The average payment also increased: among families receiving child support at each point, the average amount received increased

[9]The 2 percent of time limit families that received TANF during the month before the 18-month interview came about because another household member received TANF.

[10]Despite the economic downturn and lower employment rates experienced by cohort 3 respondents, cohort 3 families were no more likely than families in the first two cohorts to receive UI.

[11]In their eight-state study of time limit families, Bloom et al. (2002) found that on average, between one-quarter and one-third of time limit respondents reported receipt of child support.

TABLE V.3

PUBLIC ASSISTANCE BEFORE AND AFTER CASE CLOSURE
(Percentage of Respondents and Average Dollars)

	Month Before Case Closed	Month Before 6-Month Interview	Month Before 18-Month Interview
Anyone in Household Received Income from:			
TANF	52.8[a]	2.3[b]	2.5[b]
SSI or SSDI	10.1	10.2	12.5
UI	0.6	1.1	2.3
Sample Size	**993**	**993**	**993**
Average Income (Dollars) from:			
TANF	294 (n=500)	209 (n=9)	291 (n=16)
SSI or SSDI	439 (n=90)	479 (n=92)	471 (n=106)
UI	250 (n=5)	176 (n=9)	308 (n=14)

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews. Receipt of income from a particular source is receipt by anyone in the household. Actual sample sizes range from 973 to 993 because of missing data. Average income amounts are reported only for those households receiving income from that source.

[a]This figure likely reflects recall problems concerning exactly when benefits ended. Administrative data show that 90 percent received a benefit and that 10 percent were under sanction in their last month on TANF (see Chapter III).

[b]TANF benefits in these families were always received by someone other than the respondent.

SSDI = Social Security Disability Insurance; SSI = Supplemental Security Income; UI = Unemployment Insurance.

TABLE V.4

CHILD SUPPORT RECEIVED BY TIME LIMIT FAMILIES
(Administrative Data)

	Percentage or Mean	Change Since Last Month on TANF
Received Child Support		
(All Cases, n=1,567)		
Last month on TANF	23.6	
6 months after case closure	31.5	+7.9
18 months after case closure	34.3	+10.7
Mean Amount of Child Support, in Dollars		
(Cases with a Benefit That Month)		
Last month on TANF (n=360)	48	
6 months after case closure (n=483)	220	+172
18 months after case closure (n=536)	232	+184
Mean Amount of Child Support, in Dollars		
(Cases with a Benefit at All Three Points, n=212)		
Last month on TANF	49	
6 months after case closure	233	+184
18 months after case closure	261	+212

SOURCE: VDSS Administrative Data.

from $48 in their last month on TANF to $220 6 months after case closure to $232 18 months after case closure. Among families receiving child support at all three times, the average amount received increased from $49 in the last month on TANF to $233 6 months later and $261 18 months later.

When an absent parent pays support for a child on TANF, the custodial parent receives up to the first $50 per month of the support payment. Any amount above that is retained by the state to compensate for the cost of providing the TANF benefit. After the family leaves TANF, the custodial parent generally receives the full child support payment. During their last month on TANF, some families received less than the maximum of $50 because that was the entire amount the noncustodial parent paid. For families in which the noncustodial parent was paying more than $50, child support increased automatically when the TANF case was closed, as long as the parent continued paying. In addition, noncustodial parents may have decided to increase their payments once they knew their children would receive the full amount directly.

These findings are broadly consistent with survey data, which also show an increase in the percentage of time limit parents receiving child support over time as well as an increase in the monthly award, although receipt of child support in the survey appears to be slightly underreported (Table V.5). A third of respondents reported having received child support during the month before the 18-month interview, compared to 22 percent during the month before case closure. Most (63 percent) of this increase occurred by the time of the 6-month interview. The size of the child support grants received also increased, from $124 during the month before case

TABLE V.5

CHILD SUPPORT BEFORE AND AFTER CASE CLOSURE
(Survey Data)

	Month Before Case Closed	Month Before 6-Month Interview	Month Before 18-Month Interview
Percentage of Respondents Receiving Child Support	22.0 (n=993)	28.3 (n=993)	32.0 (n=993)
Average Amount of Child Support Received (in Dollars)	$124 (n=192)	$168 (n=269)	$187 (n=303)

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews. Receipt of income from child support is receipt by anyone in the household. Average child support amounts are reported only for those receiving child support.

closure to $187 during the month before the 18-month interview.[12] For the third of time limit families receiving child support, this increase in child support made up for a substantial portion of the TANF benefit they lost when their case closed.

E. EMPLOYMENT OF OTHER HOUSEHOLD MEMBERS

Respondents were more likely to live with other earners over time, which is another important way they could compensate for their loss of TANF income (Table V.6). In particular, 19 percent of respondents lived with another earner at the 6-month interview, and 24 percent lived with another earner by the 18-month interview. Furthermore, the increase in other earners was associated with a modest increase in the percentage of households in which the respondent was not employed but someone else was. Such households increased from 7 percent of time limit families at the 6-month interview to 9 percent at the 18-month interview. One possible explanation for this trend is that time limit families, particularly those in which the respondent was not successful in finding or keeping a job, were more likely to move in with other earners after they had been off TANF for a while. In a study of time limit families in eight states, Bloom et al. (2002) found that, on average, about one-third of time limit respondents lived with at least one other adult who contributed substantially to the income of the household.

[12]Since families on TANF can keep a maximum of $50 of child support each month, it is surprising that more than half of respondents reported receiving more than $50 in the month before case closure. Respondents may have included informal or covert support from the absent parent, a phenomenon that was documented by Edin and Lein (1997) in an ethnographic study of single mothers, welfare, and work. Respondents may also have recalled incorrectly the timing of when payments changed or reported the amount of the full award rather than the amount they actually received.

TABLE V.6

EMPLOYMENT OF OTHER HOUSEHOLD MEMBERS

	Percentage of Families
Other Household Member Employed at 6-Month Interview (n=983)	19.3
Other Household Member Employed at 18-Month Interview (n=993)	24.3
Relation Between Employment of Respondent and Others at 6-Month Interview (n=983)	
No one in household employed	31.2
Respondent and other household member employed	12.7
Respondent only household member employed	49.4
Other household member only one employed	6.6
Relation Between Employment of Respondent and Others at 18-Month Interview (n=993)	
No one in household employed	28.8
Respondent and other household member employed	15.6
Respondent only household member employed	46.9
Other household member only one employed	8.7

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews.

F. TRENDS IN RESPONDENTS' INCOME

On average, the income of respondents increased by 12 percent in the 18 to 22 months after their cases closed, from $870 during the month before case closure to $972 in the month before the 18-month interview (Table V.7).[13,14,15] During this time, the makeup of respondents' income also changed, as TANF benefits were replaced by increased earnings and child support for many families. On average, more than half of respondents' total 18-month income gains occurred between case closure and the 6-month interview, a finding that shows the importance of long-term followup with these families to help them continue to advance in their jobs or procure other means of income.

An upward shift in the distribution of income among time limit families accompanied the increase in average income (Table V.7). The percentage of families in the lowest two income categories declined, while the percentage of families in the higher income categories generally increased. More specifically, between case closure and the 18-month interview, three trends emerged: (1) the percentage of respondents with monthly incomes below $1,000 declined 9 percentage points, (2) the percentage of respondents with monthly incomes between $1,000

[13]Income is calculated as respondents' earnings plus total household income from TANF, food stamps, SSI or disability, child support, or unemployment insurance. Because the "total income" question was changed between the 6- and 18-month questionnaires, we cannot use it to assess trends (see Chapter II).

[14]We did not adjust income for inflation, so the growth in income over time is slightly overstated in real dollars. The average increase in the CPI for the follow-up period was about 2 percent a year (Bureau of Labor Statistics 2003).

[15]Total monthly income declined in each successive cohort. This statistically significant difference was driven fully by the total income of unemployed respondents, which was significantly lower for respondents in cohorts 2 and 3 than cohort 1. The monthly income of employed respondents did not differ significantly by cohort. Comparisons across cohorts must be made with caution, because the different regional compositions of the three cohorts may reflect differences in living costs.

TABLE V.7

RESPONDENTS' MONTHLY INCOME BEFORE AND AFTER THE CASE CLOSED

	Month Before Case Closed	Month Before 6-Month Interview	Month Before 18-Month Interview
Average Total Monthly Income (in Dollars)	870	930	972
Total Monthly Income (Percentage Distribution)			
Less than $500	29.1	28.2	27.7
$500 to $1,000	33.5	27.1	25.8
$1,000 to $1,500	23.6	28.3	27.2
$1,500 to $2,000	10.6	12.2	13.2
More than $2,000	3.2	4.2	6.4
Sample Size	**814**	**814**	**814**

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Only respondents with data on monthly income at all three points are included in the table. Respondents' income is calculated as the sum of the respondents' earnings plus income from TANF, food stamps, child support, SSI or disability, and UI.

and $1,500 increased 4 percentage points, and (3) the percentage of respondents with monthly incomes greater than $2,000 increased 3 percentage points

Furthermore, more respondents reported an increase in their income during the follow-up period than reported a decline (Table V.8). About half (48 percent) of time limit respondents reported an increase in income of more than 10 percent between case closure and the 18-month interview, while 39 percent reported a decrease of more than 10 percent. The average increase among those experiencing an increase was $657; the average decline among those reporting a decline was $535.[16] The rest (about 14 percent) reported either no change or a change in total monthly income of less than 10 percent.[17]

Because our measure of respondents' income does not include earnings of other household members, it may not fully capture trends in household income.[18] In particular, we know that respondents were more likely to live with another employed adult at the 18-month interview than at case closure (see discussion in Section E above). Thus, this measure may understate the increase in total household income.

Our measure of respondents' monthly income also does not include the EITC, which, nationwide, is an important source of income for many working TANF leavers (Richardson

[16]Dollar figures are not adjusted for inflation, so the increase in real dollars over time is slightly overstated, and the decrease is understated.

[17]Virginia's time limit families may be fairly unique in their reported income gains after leaving TANF; Bloom et al. (2002) found declines in income following case closure (average 6- to 12-month follow-up period) for time limit families in South Carolina, North Carolina, Connecticut, Massachusetts, and Utah.

[18]When asked about their total income directly, all respondents with zero calculated income reported positive income, presumably from sources that we did not ask about specifically, such as earnings of other household members.

TABLE V.8

CHANGES IN RESPONDENTS' MONTHLY INCOME SINCE TANF BENEFITS ENDED

Type of Change in Income	Percentage of Respondents	Average Income in Month Before Case Closed (in Dollars)	Average Income in Month Before 18-Month Interview (in Dollars)	Change in Mean Income (in Dollars)
Increase of More than 10 Percent	47.5	635	1,292	657
Change of Less than 10 Percent	13.7	1,033	1,018	–15
Decrease of More than 10 Percent	38.8	1,099	564	–535
Sample Size	**814**			

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Respondents' income is calculated as the sum of their earnings and income from TANF, food stamps, child support, SSI or disability, and UI.

2002). Most Virginia time limit families appear to have been eligible for the EITC, and about half of the families in our sample had received the tax credit. About three-quarters of employed families reported receiving the EITC, indicating that it has not realized its full potential in Virginia.[19,20]

The first step toward claiming the EITC is being aware that it exists. Seventy-two percent of time limit families had heard of the EITC as of the 18-month interview, and among these families, 65 percent had received it (Table V.9).[21,22] Recipients of the EITC have the option either of receiving a lump sum credit in their tax refund or of having smaller installment payments in their paychecks throughout the year. Nearly all (97 percent) of families that reported an EITC received it in their tax refund.

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[19]Even though about 40 percent of respondents were not working at the same time of the 18-month interview, recall that 88 percent had worked at some time between the 6- and 18-month interviews (Table IV.1). Workers who were raising one child in their home and had family income of less than $27,413 in 2000 ($28,201 in 2001) could receive a credit of up to $2,353 ($2,428 in 2001); workers who were raising more than one child in their home and had family income of less than $31,152 in 2000 ($32,121 in 2001) could receive a credit of up to $3,888 ($4,008 in 2001).

[20]Receipt of the EITC is probably underreported. Others prepare tax returns for many low-income families, so the families may not be aware that they requested the EITC in their return. In a study of a welfare-to-work program that tried to measure this phenomenon, Wood and Paulsell (2000) found that 62 percent of their sample of welfare-to-work program participants reported receiving the EITC, but another 17 percent were "likely recipients" although they did not report receiving the credit, based on the following criteria: (1) they were eligible for an EITC of over $500, (2) they reported that their tax return was prepared by someone else, and (3) they received a refund of over $500.

[21]This is within range of statistics reported in TANF leavers studies: 61 percent of TANF leavers in New Mexico and 84 percent in North Carolina had ever heard of the EITC, and 45 to 62 percent of leavers in various states had claimed the credit (Richardson 2002).

[22]Reported knowledge of the EITC was significantly lower for cohort 3 than the earlier cohorts. This may reflect a combination of differential EITC outreach across localities (as cohort 3 is the only cohort that reflects all cities and counties in the state) and the lower average employment rates of cohort 3 respondents (as unemployed persons are less likely to be informed about the EITC than those who work for pay).

TABLE V.9

KNOWLEDGE AND USE OF THE EARNED INCOME TAX CREDIT (EITC)

	Percentage of Respondents
Percentage of Respondents Who Had Heard of the EITC	72.2 (n=1,079)
Percentage of Respondents Who Received the EITC	45.6 (n=1,079)
Among Those Who Knew of the EITC, Percentage Who Received It	65.1 (n=777)
Among Those Who Received the EITC, Method of Receiving It	(n=502)
In tax refund	97.3
In paycheck	2.1
Other	0.6

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview. Respondents familiar with the EITC were asked, "Do you receive the EITC?" The answer most likely reflects their most recent tax return as of the 18-month interview.

G. HOUSEHOLD INCOME AND POVERTY LEVELS AT THE 18-MONTH INTERVIEW

At the 18-month interview, we asked respondents about their total household income in the previous month in a question that allowed them to report an exact amount or to choose a range (for which we imputed the midpoint). To improve the accuracy of the "total income" question, we placed it immediately after a question about total household earnings and included reminders to respondents concerning specific income sources to include.[23] The resulting measure of total income is different from the income measure in the last section in that it may include earnings of other household members as well as other types of income not included in the questions about specific sources. Thus, it provides our best measure of the household's overall economic well-being, and we use it as the basis for our estimates of poverty.

Average total household income in the month before the interview was $1,007, only $35 higher than average income among respondents themselves (Table V.10 compared with Table V.7).[24] The calculated respondents' income was lower than the reported household income for cohorts 1 and 3. The reverse was true for cohort 2 (Gordon et al. 2002). This is probably because cohort 2 sample members were less likely than their cohort 1 and 3 counterparts to live with other employed adults.[25]

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[23]The specific sources mentioned were food stamps, TANF, other government assistance programs, child support, and earnings from formal and informal jobs. The question asks about income before taxes and other deductions.

[24]Respondents' reported household income was higher than the calculated income for cohorts 1 and 3. The reverse was true for cohort 2 (Gordon et al. 2002). One possible reason is that cohort 2 sample members were less likely than those in cohorts 1 and 3 to be living with other employed adults.

[25]Note also that the samples for the two measures are slightly different, as some components of some respondents' incomes may be missing for one measure but not the other. Some of the differences among the cohorts may reflect different levels of missing data.

TABLE V.10

REPORTED TOTAL MONTHLY INCOME
AT THE 18-MONTH INTERVIEW

	Month Before 18-Month Interview
Average Total Monthly Income (in Dollars)	$1,007
Total Monthly Income (Percentage Distribution)	
Less than $500	19.8
$500 to $1,000	41.9
$1,000 to $1,500	22.9
$1,500 to $2,000	9.7
More than $2,000	5.7
Sample Size	**978**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview. Total monthly income category is as reported. Average total monthly income at the 18-month interview was calculated using total monthly income as reported for the 78 percent of the sample that reported their total monthly income as a specific amount, and using the midpoint of the range for the 22 percent of the sample that reported total monthly income as a range.

About one-fifth of families had incomes above poverty by the 18-month interview (20 percent), but 81 percent remained poor (Table V.11).[26] About 37 percent of respondents would be classified as being in deep poverty, with incomes below 50 percent of the poverty line.[27,28]

For at least two reasons, however, these estimates of poverty may not reflect the actual poverty status of time limit families. First, respondents might have reported total income incorrectly. For example, some respondents might have underreported total income because they were unaware of some of the income of other members of the household. In that case, actual total income would place fewer time limit families below the poverty line than would reported total income. Second, it is possible that annualizing monthly income (see footnote 26) understates actual annual income. For example, total monthly income may have fallen temporarily in the month before the interview because the respondent was between jobs.[29] If so, income measured over a longer period would place fewer time limit families below the federal poverty line than income measured for one month only.

[26]We annualized total monthly income by multiplying by 12. Annualized total income and household size reported by each respondent were then compared to the Department of Health and Human Services poverty guidelines for the appropriate year to determine annualized total income as a percentage of the poverty line.

[27]Commensurate with having lower incomes, a higher percentage of respondents in cohorts 2 and 3 were poor (81 percent) than in cohort 1 (74 percent).

[28]Time limit studies in Utah and Ohio have found slightly lower poverty rates of 72 and 76 percent, respectively, 2 to 12 months following case closure (Bloom et al. 2002).

[29]Since most sample members work, it is more likely that we observe someone who usually works but is temporarily out of work than someone who usually does not work but is temporarily working. For similar reasons, the result that monthly poverty is higher than annual poverty is generally found in poverty literature (Citro and Michael 1996).

TABLE V.11

POVERTY STATUS
(Percentage Distribution)

Total Income as a Percentage of the Poverty Line	Month Before 18-Month Interview
Less than or Equal to 50	36.7
Over 50 to 100	43.8
More than 100 and Less than 130	11.1
130 or More	8.4
Average Percentage of Poverty Level	70.7
Cumulative Distribution	
Less than or equal to 50	36.7
Less than or equal to 100	80.6
Less than or equal to 130	91.6
Sample Size	**978**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview. Poverty status is measured at the household level, by comparing annualized total household income to the U.S. Department of Health and Human Services poverty guidelines. Total household income is as reported.

H. COMPARISON OF EMPLOYED AND UNEMPLOYED RESPONDENTS

As of the 18-month interview, employed respondents were significantly less likely than those who were unemployed to receive food stamps, based on their own reports. About two-thirds (64 percent) of employed respondents received food stamps during the month before the interview, compared to 79 percent of unemployed respondents (Table V.12). As would be expected, since food stamp benefits decline in response to an increase in total income, which includes earnings, employed respondents also received significantly lower food stamp benefits than did unemployed respondents (Table V.13). On average, employed respondents received $158 in food stamps, compared to $261 in average food stamp benefits among unemployed respondents.

Employed respondents were also less likely than unemployed respondents to receive SSI/SSDI or UI, and received significantly smaller benefits from these programs ($48 compared with $84 on average for SSI/SSDI and $2 compared with $12 on average for UI) (Table V.13). These average dollar figures include zeros, so, as shown in the bottom panel of Table V.13, the actual amount for respondents who receive the benefit is much higher.

Because they include earnings, which typically exceed the sum of other sources of income for this population, the incomes of employed respondents were significantly higher than those of unemployed respondents (Table V.14).[30] Employed respondents reported an average total income of $1,185 during the month before the interview, compared to an average of $739 among unemployed respondents. Due to earnings, fewer employed than unemployed respondents had total reported incomes below the federal poverty line (73 percent versus 92 percent) (Table V.15). The difference is even greater in the percentage of cases below 50 percent of the poverty

[30]In a study of time limit families in other states, Bloom et al. (2002) found similar differences in the incomes of employed and unemployed time limit cases.

TABLE V.12

SOURCES OF INCOME IN THE MONTH BEFORE THE 18-MONTH INTERVIEW, BY CURRENT EMPLOYMENT STATUS
(Percentage)

Source of Income	Currently Employed	Not Currently Employed	
TANF	1.5	3.9	**
Food Stamp Program	63.6	78.9	***
SSI/SSDI	11.5	17.8	***
UI	1.3	3.5	**
Child Support	30.3	31.7	
Other Household Member Employed	24.7	21.1	
Sample Size	**668**	**420**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview. Receipt of income from a particular source is receipt by anyone in the household. Significantly different at the *.10 level, **.05 level, ***.01 level.

SSDI = Social Security Disability Insurance; SSI = Supplemental Security Income; UI = Unemployment Insurance.

TABLE V.13

INCOME FROM SOURCES OTHER THAN EARNINGS IN THE MONTH BEFORE THE 18-MONTH INTERVIEW, BY CURRENT EMPLOYMENT STATUS

Source of Income	Currently Employed	Not Currently Employed	
Average Amount for All Respondents (Dollars)[a]			
TANF	4	8	*
Food Stamp Program	158	261	***
SSI/SSDI	48	84	***
UI	2	12	***
Child Support	58	54	
Average Amount for Respondents with the Source of Income (Dollars)			
TANF (n=18)	244	312	
Food Stamp Program (n=720)	249	335	**
SSI/SSDI (n=123)	474	517	
UI (n=15)	171	471	**
Child Support (n=320)	195	181	
Sample Size[a]	**668**	**416**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview. Income received by anyone in the household is counted. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Average income amounts include zeros.

[b]Sample sizes for certain statistics for the currently employed are as low as 661 respondents and as low as 410 respondents for the not currently employed.

SSDI = Social Security Disability Insurance; SSI = Supplemental Security Income; UI = Unemployment Insurance.

TABLE V.14

TOTAL INCOME IN THE MONTH BEFORE THE 18-MONTH INTERVIEW, BY CURRENT EMPLOYMENT STATUS

	Currently Employed	Not Currently Employed	
Total Monthly Income (Percentage Distribution)			***[a]
Less than $500	8.3	37.0	
$500 to $1,000	40.3	44.2	
$1,000 to $1,500	29.5	13.1	
$1,500 to $2,000	13.8	3.6	
More than $2,000	8.1	2.2	
Average Total Monthly Income (in Dollars)	1,185	739	***
Sample Size	**668**	**420**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview. Total income category is as reported. Average incomes were calculated using income as reported for the 78 percent of the sample that reported their income, and using the midpoint of the range for the 22 percent of the sample that reported income as a range. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Significance level of chi-squared test of differences in distributions.

TABLE V.15

POVERTY STATUS IN THE MONTH BEFORE THE 18-MONTH INTERVIEW, BY CURRENT EMPLOYMENT STATUS

Poverty Status	Currently Employed	Not Currently Employed	
Total Income as a Percentage of the Federal Poverty Level			***[a]
Less than 50	20.5	61.1	
50 to 100	52.4	30.9	
100 to 130	15.7	4.1	
130 or more	11.4	3.9	
Average Percentage of Poverty Level	83.6	51.5	***
Percentage with Income Below			
50 percent of poverty	20.5	61.1	***
100 percent of poverty	72.9	92.0	***
130 percent of poverty	88.6	96.1	***
Sample Size	**607**	**371**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview. Poverty status is measured at the household level, by comparing annualized total household income to the U.S. Department of Health and Human Services poverty guidelines for 2001. Total income is as reported. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Significance level of chi-squared test of differences in distribution.

line: 21 percent of employed respondents and 61 percent of unemployed respondents reported income that placed the family in deep poverty.

I. SUBGROUP ANALYSES

The amounts and sources of income of time limit parents differed by their regional residence, metropolitan status, and race. Many of these differences were statistically significant. In particular:

- ***Average total monthly household income was highest for time limit families in the Northern Region and lowest for respondents in the Central Region.*** These differences reflect regional variation in employment and presence of other workers in the household, rather than in receipt of public assistance or child support.
- ***Probably because they more often had another employed adult in the household, white time limit respondents reported incomes 15 percent higher, on average, than were reported by nonwhite respondents.*** For the same reason, although a large majority of both groups were poor, white time limit families were somewhat less likely to be poor.
- ***Awareness of and receipt of the EITC differed among the regions and race groups.*** Receipt of the EITC among those who knew about it was highest in the Western Region and in nonmetropolitan localities (largely overlapping populations). White respondents were more likely than nonwhite respondents both to be aware of and to receive this tax credit, even when controlling for region.

1. Household Income

Average total monthly household income ranged from $911 to $1,152 across the five regions (Table V.16A). These statistically significant differences largely reflect regional variation in (1) employment, earnings, and wages, (2) presence of other workers in the household, and (3) EITC receipt. In particular, household income was highest (and the poverty rate lowest) for time limit families in the Northern Region—the region with the highest employment rates, wages, earnings, and EITC receipt, as well as a high percentage of families with more than one adult worker. Conversely, total monthly household income was lowest for

TABLE V.16A

INCOME SOURCES, BY REGION AND METROPOLITAN STATUS

		Region						Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
Received Food Stamps at 18-Month Interview[a]	65.6	67.2	68.5	56.5	67.1	66.5	**	60.5	66.8	**
Received SSI/SSDI at 18-Month Interview	12.5	15.0	11.2	11.6	13.1	11.9		17.8	11.2	**
Received UI at 18-Month Interview	2.3	2.8	2.0	0.7	2.2	4.3		3.3	2.0	
Received Child Support at 18-Month Interview[a]	34.3	33.3	41.1	25.6	38.7	25.7	***	33.2	34.6	
Average Food Stamp Benefit at 18-Month Interview (Among Cases with a Benefit)[a]	$303	$327	$311	$292	$278	$274	***	$269	$310	**
Average Amount of Child Support at 18-Month Interview (Among Cases with Child Support)[a]	$232	$217	$242	$209	$212	$255		$211	$237	
Average Total Monthly Household Income	$1,007	$911	$979	$1,152	$1,037	$1,037	***	$987	$1,001	
Employed respondents	$1,185	$1,111	$1,163	$1,264	$1,142	$1,217		$1,140	$1,190	
Unemployed respondents	$739	$639	$637	$899	$855	$845	***	$774	$703	
Income Increased more than 10 Percent over Follow-Up Period	47.5	45.0	49.4	51.6	45.7	44.0	*	52.5	46.2	
Income Decreased more than 10 Percent over Follow-Up Period	38.8	43.0	36.5	34.9	39.8	40.9	*	36.5	39.4	
Percentage Below Poverty Line	80.8	83.9	82.7	75.5	77.7	78.3		80.0	81.1	
Employed respondents	72.9	74.6	74.3	69.0	72.3	72.4		72.6	73.4	
Unemployed respondents	92.1	95.3	97.2	85.2	87.4	86.6	***	90.2	93.3	
Another Household Member Is Employed	23.2	19.4	21.4	27.2	24.7	28.4		29.7	21.5	**
Knew About EITC	72.2	67.4	67.8	78.6	78.1	77.5	***	73.1	72.6	
Knew About and Received EITC Refund	65.1	63.5	61.8	67.1	58.9	82.3	***	76.2	61.8	***
Sample Size (Survey Data)	**1,079**	**284**	**239**	**232**	**195**	**129**		**204**	**826**	
Sample Size (Administrative Data)	**1,567**	**409**	**340**	**373**	**261**	**184**		**291**	**1,276**	

TABLE V.16A *(continued)*

SOURCE: VDSS Administrative Data (denoted by [a]) and Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys (all other items).

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Because of missing data or restricted samples, actual survey sample sizes range from 284 to 198 for the Central Region, 239 to 157 for the Eastern Region, 232 to 169 for the Northern Region, 195 to 153 for the Piedmont Region, and 129 to 100 for the Western Region. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

[a]From VDSS Administrative Data. Sample sizes for average benefits were lower; for example, for child support, the sample was 136 in the Central Region, 142 in the Eastern Region, 100 in the Northern Region, 103 in the Piedmont Region, 55 in the Western Region, 105 in nonmetropolitan areas, and 431 in metropolitan areas.

SSDI = Social Security Disability Insurance; SSI = Supplemental Security Income; UI = Unemployment Insurance.

respondents in the Central Region, with its relatively low employment, earnings, and EITC receipt and the lowest percentage of families with additional earners in the household.

Receipt of public assistance and child support, while significantly different across the five regions, did not drive differences in total income. Probably partly because of their higher average household incomes, respondents from the Northern Region had the lowest rate of participation in the FSP, and among families receiving food stamps, the lowest benefit amount. Participation and benefit amounts were highest in the Central and Eastern regions. Across the regions, families in metropolitan areas were slightly more likely to receive food stamps, and they also received a somewhat higher benefit than their rural counterparts.

There were no statistically significant differences in receipt of SSI/SSDI or UI across the five regions; however, rural respondents were more likely than metropolitan ones to receive SSI/SSDI. This is consistent with the higher percentage of rural respondents who reported that a health problem limited their ability to work for pay.

Time limit families in the Central, Eastern, and Piedmont regions received child support more often than families in the Northern or Western regions.[31] Many factors, including family structure, regional employment opportunities, and the operations of the local child support office, can affect child support receipt and may have produced these differences. Western time limit parents were the most likely to be married or live with a spouse or partner, which contributed to their lower rates of child support income.

Despite relatively low employment rates, wages, and personal earnings, and low receipt of food stamps or child support, average monthly income was higher than average for respondents

[31]We were not able to determine whether there is a similar regional pattern for all TANF recipients or for the general population.

from the Western Region. Relatively high rates of marriage and cohabitation and the subsequently high presence of other earners in the household drove income for these respondents. Western respondents with earnings were the most likely of families across the five regions to receive the EITC, though it is not clear that respondents included EITC refunds in their reported monthly income.

Nonwhite time limit families were slightly more likely than white families to receive public assistance (food stamps or SSI/SSDI) at the 18-month interview, and nonwhite families who received these benefits received slightly higher amounts (Table V.16B). Nonwhite parents were also more likely to receive child support, although the dollar amount of support received was similar in both groups. Despite less frequent receipt of public assistance and child support, the mean household income of white respondents was about 15 percent higher than that of nonwhite respondents. A large majority of both groups were below the poverty line, but nonwhite time limit families were somewhat more likely to be poor. These differences, which are statistically significant in three regions as well as for the overall sample, were likely driven by the greater percentage of white time limit households in which another adult is employed. This hypothesis is supported by the fact that working white parents had total monthly household incomes that were significantly higher than the incomes of working nonwhite parents, despite no difference in personal earnings for the two groups.

2. EITC Awareness and Receipt

EITC awareness differed significantly across the five regions, with knowledge of the tax credit highest in the Northern, Piedmont, and Western regions. This statistically significant difference may reflect variation in employment rates, as workers may be more likely than non-workers to be aware of a tax credit on earnings, or differential EITC outreach activities, such as public service announcements, workplace flyers, or local mailings. Of those who knew about the

TABLE V.16B

INCOME SOURCES, BY RACE

	Total	Racial Groups: White, Non-Hispanic	Racial Groups: African American and All Other	
Received Food Stamps at 18-Month Interview[a]	65.6	61.0	67.0	*
Received SSI/SSDI at 18-Month Interview	12.5	9.5	13.5	*
Received UI at 18-Month Interview	2.3	2.9	2.1	
Received Child Support at 18-Month Interview[a]	34.3	25.6	37.0	***
Average Food Stamp Benefit at 18-Month Interview (Among Cases with a Benefit)[a]	$303	$288	$307	*
Average Amount of Child Support at 18-Month Interview (Among Cases with Child Support)[a]	$232	$244	$230	
Average Total Monthly Household Income	$1,007	$1,114	$970	***
Employed respondents	$1,185	$1,222	$1,078	***
Unemployed respondents	$739	$817	$710	
Income Increased more than 10 Percent over Follow-Up Period	47.5	47.6	47.5	
Income Decreased more than 10 Percent over Follow-Up Period	38.8	39.6	38.5	
Percentage Below Poverty Line	80.8	75.5	82.3	**
Employed respondents	72.9	66.4	75.0	**
Unemployed respondents	92.1	88.0	93.6	*
Another Household Member Is Employed	23.2	31.1	20.6	***
Knew About EITC	72.2	81.6	69.1	***
Knew About and Received EITC Refund	65.1	75.7	61.1	***
Sample Size	**1,079**	**280**	**799**	

SOURCE: VDSS Administrative Data (denoted by [a]) and Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys (all other items).

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Because of missing data or restricted samples, actual survey sample sizes range from 280 to 223 for whites and 799 to 554 for nonwhites. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]From VDSS Administrative Data. Sample sizes for average benefits were as low as 104 for white parents and 432 for nonwhite parents.

SSI = Supplemental Security Income; SSDI = Social Security Disability Insurance; UI = Unemployment Insurance.

EITC, receipt was significantly higher in rural than in metropolitan areas, and in the largely rural Western Region.

As in TANF leavers studies in New Mexico and North Carolina (Richardson 2002), awareness of and receipt of the EITC was much higher for white than for nonwhite time limit parents. This difference was consistent across the five regions and statistically significant in all but the Northern and Western regions. This cannot be attributed to employed persons being more aware of the tax credit, as white and nonwhite parents were equally likely to work. This finding is similar to those presented in other chapters concerning knowledge of programs or policies; white respondents, for whatever reason, were also more likely than nonwhites to report awareness of the pending time limit (Chapter III) and knowledge of the availability of transitional Medicaid (Chapter VIII).

VI. INFORMAL AND COMMUNITY SUPPORT

When families reach the TANF time limit, they often turn to family, friends, and community organizations, such as churches or food pantries, for assistance in meeting their basic needs. This assistance can be an important source of support in a family's transition off TANF.

- ***Time limit families received assistance from family or friends more often than from community or faith-based organizations.*** At the 18-month interview, 66 percent had received assistance from family or friends, and 20 percent had received help from a community or faith-based organization in the past month.
- ***Most respondents did not report a change in the amount of assistance received from family or friends or from a community or faith-based group over time.*** This indicates that family and friends and community organizations are not increasingly replacing welfare offices as providers of material assistance and other support.
- ***Fewer employed than unemployed respondents received assistance from family or friends or from community or religious organizations.*** Employed and unemployed respondents also differed in the type of assistance received.

A. ASSISTANCE FROM FAMILY OR FRIENDS

Two-thirds of the respondents (66 percent) reported having received assistance from family or friends in the month prior to the 18-month interview (Table VI.1). Respondents usually received assistance from their parents (40 percent), other relatives (32 percent), or friends or neighbors (22 percent). Very few respondents received assistance from their spouse/partner (7 percent) or ex-spouse/ex-partner (4 percent).

Assistance from family or friends included a wide range of logistical, emotional, and material support. Logistically, family and friends provided help with child care (40 percent) transportation (37 percent), phone access (19 percent), and a place to stay (14 percent). Just under a third of respondents said they received emotional support from family or friends. Material support included money (28 percent), children's supplies (19 percent), and food or a meal (15 percent).

TABLE VI.1

ASSISTANCE RECEIVED FROM FAMILY OR FRIENDS IN PAST MONTH
(Percentage of Respondents)

	Currently Employed	Unemployed	Total	
Received Assistance from Family or Friends in Past Month	62.0	70.7	65.5	***
Source of Assistance				
Parents	38.0	43.1	40.1	*
Other relatives	29.1	37.0	32.3	***
Friends/neighbors	19.9	24.4	21.8	*
Spouse/partner	5.4	8.2	6.5	*
Ex-spouse/ex-partner	2.2	5.4	3.5	*
Other sources	0.8	0.2	0.6	
Type of Assistance in Past Month				
Child care	39.3	39.8	39.5	
Transportation	32.8	43.8	37.2	***
Emotional support	30.5	33.4	31.7	
Money	22.6	35.2	27.7	***
Phone access	12.7	29.0	19.3	***
Children's Supplies, Diapers, Clothes, Toys	15.8	23.4	18.9	***
Food or a meal	11.6	19.5	14.8	***
Place to stay	10.7	18.4	13.8	***
Amount of Assistance Since Case Closed	(n=579)	(n=339)	(n=918)	
Remained the same	61.5	59.3	60.6	
Increased	23.3	22.8	23.1	
Decreased	15.2	17.8	16.2	
Sample Size	**668**	**420**	**1,088**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level.

Fewer employed than unemployed respondents received assistance from family or friends (62 percent compared to 71 percent). Employed and unemployed respondents also differed in the type of assistance received: employed respondents most commonly received help with child care, and unemployed respondents most commonly received transportation assistance. Unemployed respondents were much more likely than employed respondents to receive material support from family and friends.

More than half of respondents (61 percent) reported that the amount of assistance they received from family or friends since their TANF benefits had ended had remained the same (Table VI.1). This indicates that for most respondents, as their time off TANF increased, family and friends were no more or less likely to help. About one-fourth (23 percent) reported an increase in assistance over time, which perhaps indicates increased need, and 16 percent reported a decrease in assistance, which might indicate greater self-sufficiency for that share of time limit parents. There was no statistically significant difference between employed and unemployed respondents in whether the amount of assistance from family or friends changed over time.

B. ASSISTANCE FROM COMMUNITY OR FAITH-BASED ORGANIZATIONS

Respondents relied less on community agencies and faith-based organizations than on their family and friends for assistance. In the month before the 18-month interview, less than one-fifth of the respondents received assistance from such organizations (Table VI.2). Of that group, 11 percent received it from churches or faith-based organizations, and fewer than 10 percent relied on community or neighborhood centers, crisis centers, or food pantries or soup kitchens.

Whereas the largest contribution of family and friends was logistical support (child care and transportation assistance), community or faith-based organizations were most likely to provide material or emotional support. Material support took the form of food or meals (8 percent), help with utility bills (6 percent), and clothing or clothing vouchers (5 percent). Emotional support

TABLE VI.2

ASSISTANCE RECEIVED FROM COMMUNITY AGENCIES
OR FAITH-BASED ORGANIZATIONS IN PAST MONTH
(Percentage of Respondents)

	Currently Employed	Unemployed	Total	
Received Assistance from Any Community or Faith-Based Organizations in Past Month	15.9	25.2	19.7	***
Source of Assistance				
Church or faith-based organization	9.1	13.6	10.9	**
Community group/neighborhood center	6.8	10.7	8.4	**
Crisis center	1.1	2.5	1.7	**
Food pantry/soup kitchen	0.9	2.5	1.6	***
Other	0.5	2.3	1.2	***
Type of Assistance in Past Month				
Food or meals	6.5	10.5	8.1	**
Utility bills except phone	3.6	8.7	5.6	***
Emotional support	4.3	7.1	5.4	**
Clothing or clothing vouchers	4.0	5.5	4.6	
Counseling	2.3	6.9	4.2	***
Rental assistance	2.2	3.2	2.6	
Money	1.5	2.5	1.9	
Child care	2.0	1.4	1.8	
Transportation	0.9	2.5	1.6	**
Phone bill	0.5	0.9	0.6	
Legal aid	0.3	0.5	0.4	
Other	1.2	0.9	1.1	
Amount of Assistance Since Case Closed[a]	(n=450)	(n=284)	(n=734)	
Remained the same	74.9	69.0	72.5	
Increased	7.4	7.2	7.2	
Decreased	10.0	12.6	11.0	
Sample Size	**646**	**441**	**1,087**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Wording of this question differed for cohort 1; therefore, this analysis includes only cohorts 2 and 3.

from community and religious organizations included counseling (4 percent). As would be expected, unemployed respondents received significantly more assistance than employed respondents from community or faith-based groups (25 percent compared to 16 percent). A larger percentage of unemployed than employed respondents received each type of assistance, except child care, which is less necessary for nonworkers, with many of the differences statistically significant.

Nearly three-fourths of the respondents (73 percent) reported that the amount of assistance from church or community groups remained the same after their TANF case closed, which indicates that community and faith-based organizations are not wholly replacing the welfare office in providing assistance and services to parents who have left TANF.[1] Among those for whom assistance did increase or decrease after leaving TANF, 11 percent received less assistance over time, and 7 percent received more. Change in the amount of assistance received from churches or community groups did not differ by a respondent's employment status.

C. SUBGROUP ANALYSES

Assistance provided to time limit families from family and friends and community organizations differed significantly by region, metropolitan status, and race. In particular:

- ***A larger percentage of families in the Western Region, compared to families in other regions, received assistance from community or faith-based organizations.*** This may reflect the economic disparity of the regions or relate to the role of organized religion in the Western Region.
- ***Due in part to the concentration of white time limit parents in the Western Region, white families were significantly more likely than nonwhite time limit families to***

[1]The survey item that asked about changes in the amount of assistance from church and community groups was reworded after the 6-month survey had been administered to the 1998 cohort. Therefore, information about changes in assistance from church and community groups from the time respondents' cases closed was available only for cohorts 2 and 3.

receive assistance from family or friends and from community or faith-based organizations.

A larger percentage of respondents in the Western Region received assistance from family and friends and from community agencies or faith-based organizations in the month prior to the 18-month interview than in other regions (Table VI.3A). This may be the result of a greater need in the Western Region, as demonstrated through lower employment rates and earnings in the region (discussed in Chapter IV). It may also reflect the role of organized religion and the proximity of extended families in that region. There were few significant regional differences in the types of assistance received. A larger percentage of respondents in the Eastern Region and in metropolitan areas received assistance with transportation from family or friends relative to other respondents.

White families were significantly more likely than nonwhite families to receive assistance from family or friends, and when controlling for region, this difference remained significant in all regions except the Central Region (Table VI.3B). White parents were also more likely than nonwhite parents to report that such support had increased over time, and nonwhite parents were more likely than white parents to report a decline in assistance received from family or friends in the months after they left TANF. Differences between race groups in assistance received from community agencies or faith-based organizations, while statistically significant, were largely related to the concentration of white families living in the Western Region; race group differences are no longer significant when we control for region.

TABLE VI.3A

ASSISTANCE FROM FAMILY AND FRIENDS OR COMMUNITY AGENCIES OR FAITH-BASED ORGANIZATIONS, BY REGION AND METROPOLITAN STATUS
(Percentage of Respondents)

		Region						Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
Received Assistance from Family or Friends in Past Month	65.5	43.3	47.7	62.6	62.5	72.8		64.4	65.8	
Amount of Assistance from Family or Friends Since Case Closure:										
Remained the same	60.7	65.1	56.5	61.5	56.1	68.9	*	66.7	59.1	*
Increased	23.1	17.0	26.9	24.4	25.4	19.6	*	21.3	23.6	
Decreased	16.2	18.0	16.6	14.2	18.7	11.7		12.0	17.3	*
Received Assistance from Community Agencies or Faith-Based Organizations in Past Month	19.8	17.5	16.3	24.2	18.9	28.8	**	22.4	19.1	
Amount of Assistance from Community Agencies or Faith-Based Organizations Since Case Closed:										
Remained the same	72.4	77.4	71.7	65.1	66.7	79.7	**	75.9	71.6	
Increased	7.2	2.3	10.1	6.7	5.6	14.7	***	9.9	6.6	
Decreased	20.3	20.3	18.2	28.3	28.0	5.4	***	14.2	21.8	**
Sample Size	**1,088**	**286**	**239**	**236**	**197**	**130**		**214**	**874**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples responding for specific items ranged from 241 to 286 for the Central Region, 199 to 239 for the Eastern Region, 122 to 236 for the Northern Region, 97 to 197 for the Piedmont Region, and 57 to 130 for the Western Region. Samples also ranged from 141 to 214 for the nonmetropolitan respondents and 593 to 874 for the metropolitan respondents. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

TABLE VI.3B

ASSISTANCE FROM FAMILY AND FRIENDS OR COMMUNITY AGENCIES OR FAITH-BASED ORGANIZATIONS, BY RACE
(Percentage of Respondents)

		Racial Groups		
	Total	White, Non-Hispanic	African American and All Other	
Received Assistance from Family or Friends in Past Month	65.5	76.8	61.8	***
Amount of Assistance from Family or Friends in Since Case Closure:				
Remained the same	60.7	63.2	59.9	
Increased	23.1	25.5	22.3	
Decreased	16.2	11.3	17.8	**
Received Assistance from Community Agencies or Faith-Based Organizations in Past Month	19.8	23.6	18.5	*
Amount of Assistance from Community Agencies or Faith-Based Organizations Since Case Closure:				
Remained the same	72.4	69.6	73.2	
Increased	7.2	11.6	6.0	***
Decreased	20.3	18.8	20.8	
Sample Size	**1,088**	**284**	**804**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples responding for specific items ranged from 162 to 284 for whites and 572 to 804 for nonwhites. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

VII. HOUSING AND HOUSEHOLD COMPOSITION

Some policymakers have been concerned that TANF time limits might lead families who have lost their benefits to move in with relatives or friends or even to become homeless. Others have worried that the children of time limit parents would be sent to live with other people. Interviews with time limit parents in Virginia, approximately 6 and 18 months after case closure, indicate that these fears are largely unsubstantiated. Survey respondents reported little change in their housing situation in the approximately 18 months since the closure of their TANF cases.[1] In particular:

- ***The time limits in Virginia did not push families into public housing, homeless shelters, or doubled-up households with family or friends.***
- ***For most time limit families, housing arrangements did not change; however, a small share of time limit families became more self-sufficient in terms of their housing situation during the follow-up period, and a small share became less self-sufficient.*** The proportion of cases renting declined by 4 percentage points between case closure and the 18-month interview, to 78 percent, and the proportion owning a home increased by 2 percentage points, to 5 percent. At the same time, the percentage living with a friend or relative increased 1 percentage point, to 15 percent.
- ***Just less than one-third of families moved at some point since their case closed,*** which is about the average for renters nationwide.
- ***Few respondents reported being homeless after case closure.*** Less than 1 percent were homeless at the 18-month interview, and about 4 percent reported ever having been homeless since the case closed.
- ***Few children moved out of the household after case closure.*** Only 3 percent of the respondents reported that any of their minor children had moved out of their household after case closure.

[1]An important caution is that those interviewed probably had households and housing arrangements that were more stable than those of people who could not be located. People who move are typically more difficult for surveys to locate than those who do not move, and homeless families are even more difficult to find.

- ***Respondents were slightly more likely to live with a spouse or in a household with more than one adult by the 18-month interview, which probably relieved child care pressures and possibly added income.*** The percentage of households containing more than one adult increased from 25 percent to 28 percent.

A. HOUSING ARRANGEMENTS AND COSTS

Housing arrangements at the 18-month interview suggest that a small percentage of time limit families became more self-sufficient in housing during the follow-up period (Table VII.1). The percentage of time limit families renting declined by 4 percentage points between case closure and the 18-month interview, from 82 percent to 78 percent. The percentage who owned their home increased from 3 percent at case closure to 5 percent at the 18-month interview.[2] Also, the percentage of families who paid no cash for their housing decreased over the follow-up period, from 23 percent at case closure to 17 percent at the 18-month interview, which may point to increased self-sufficiency in the months following the family's exit from TANF.

Despite these gains in housing stability, there is evidence that some time limit families might be struggling. The percentage of respondents homeless at the 18-month interview was very small (0.3 percent), but the percentage living with relatives or friends increased slightly between case closure and the 18-month interview, from 14 to 15 percent. Moving in with friends or relatives can be a good way to save money: at the 18-month interview, respondents who lived with family or friends paid on average $71 less a month than those who rented and $228 less a

[2]The percentage of respondents who owned a home decreased significantly in each successive cohort, with 12 percent of cohort 1 respondents owning a home at the 18-month interview, compared to just 6 percent of cohort 2 respondents and 4 percent of cohort 3 respondents. This difference in home ownership among the cohorts is due primarily to where respondents lived in each cohort. As discussed in Section E, home ownership is much higher in the rural Western Region than in any other region, and respondents from that region made up a greater share of the cohort 1 sample than they did for cohorts 2 and 3.

TABLE VII.1

HOUSING AT CASE CLOSURE AND AT THE 6- AND 18-MONTH INTERVIEWS

	At Case Closure	At 6-Month Interview	At 18-Month Interview
Type of Housing, Percentage Who:			
Rent	81.8	80.5	78.4
Own	3.3	3.5	5.4
Live with a friend or relative	13.6	14.8	15.2
Are homeless (living on street or in a shelter)	0.1	0.1	0.3
Other	1.3	1.1	0.6
Sample Size	**990**	**990**	**990**
Percentage of Families Who Do Not Pay Money for Housing	23.3	23.7	16.6
Average Monthly Cost (in Dollars)[a]	172	168	204
Sample Size	**859**	**859**	**859**
Average Monthly Cost for Those with Positive Housing Costs (in Dollars)[b]	224	221	244
Renters	225	218	244
Owners	311	350	401
Respondents living with friend or relative	177	196	173
Sample Size	**672**	**667**	**713**
Among Those Who Rent or Live with a Friend or Relative, Percentage Who:			
Have housing subsidy or live in public housing	58.1	58.4	55.2
Have housing subsidy (not public housing)	13.9	14.6	13.2
Live in public housing	44.2	43.8	42.0
Neither have subsidy nor live in public housing	41.9	41.6	44.8
Sample Size	**926**	**926**	**926**

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews. For those who did not move between case closure and the 6-month interview, all variables at case closure are set equal to their values at the time of the 6-month interview. We did not adjust the figures for inflation, so the change in housing costs over time may be understated in real dollars. The average increase in the Consumer Price Index for the follow-up period was about 2 percent a year for all goods and 3 percent a year for housing.

[a]Includes zero housing costs.

[b]Includes only cases with positive housing costs.

month than those who owned their homes. However, living with others can also result in crowded conditions and family stress.

Housing costs increased by 19 percent between case closure and the 18-month interviews.[3,4] Average costs were $172 a month just before the case closed, $168 at the time of the 6-month interview, and $204 at the time of the 18-month interview. However, these averages include at each point the families who did not pay any cash for their housing. If we look just at those with positive housing costs, such costs increased by 9 percent over the follow-up period, ranging from $224 at case closure to $244 per month at the 18-month interview. As would be expected, home owners paid considerably more per month than time limit families who rented. At the 18-month interview, owners paid an average of $401 a month, compared to $244 for renters.

Receipt of housing subsidies and public housing situations stayed basically the same after TANF cases closed. Among those who rented or lived with a friend or relative, the percentage of respondents who either lived in public housing or received a housing subsidy was 58 percent at case closure and the 6-month interview and 55 percent at the 18-month interview. About 40 percent of respondents lived in public housing both before and after case closure, and about one in 10 received a housing subsidy at case closure and at 18 months.[5]

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[3]The change in housing costs between case closure and the 6-month interview might be understated, as those who had not moved were not asked about costs at case closure, but were assumed to have no change in costs. In addition, we did not adjust the figures for inflation, so the change in housing costs over time may be overstated in real dollars. The average increase in the Consumer Price Index for the follow-up period was about 2 percent a year for all goods and 3 percent a year for housing (Bureau of Labor Statistics 2003).

[4]This increase is consistent with continually rising housing costs and a booming rental market in most parts of the state during this period (Bureau of Labor Statistics 2003).

[5]Receipt of subsidies and use of public housing differed significantly by cohort, which probably reflects regional differences in housing markets and opportunities rather than differences due to the timing of the cohorts.

B. MOVES SINCE CASE CLOSED

About one-third of families reported having moved at some point between case closure and the 18-month interview (Table VII.2). For cohorts 1 and 2, 17 percent of families moved between case closure and the 6-month interview, and 20 percent moved between the 6- and 18-month interviews. Five percent of respondents moved during both periods.[6] These percentages do not suggest unusually high mobility. For instance, nationally, about one in three renters moves in the course of a year (Faber 1998).

TABLE VII.2

MOVES AND HOMELESSNESS DURING FOLLOW-UP PERIOD

	Between Case Closure and 18-Month Interview
Percentage of Families Who Moved	31.9
Homelessness (n=990)	
Percentage Ever Living on the Street	2.8
Percentage Ever in a Shelter	1.5
Percentage Ever Either in a Shelter or on the Street	4.2
Sample Size	**991**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview.

[6]It is not possible to calculate this for cohort 3 respondents.

C. HOMELESSNESS

Contrary to concerns of widespread homelessness resulting from leaving TANF, only 0.3 percent of respondents reported being homeless at the 18-month interview, and just 4 percent of the sample was ever homeless during the follow-up period (Table VII.2).[7] Specifically, 35 respondents had lived in a homeless shelter or on the street since their case closed, including 14 who had lived in shelters and 23 who had been on the street (2 respondents had lived both on the street and in shelters).[8]

D. HOUSEHOLD SIZE AND COMPOSITION

Household size remained relatively stable after TANF case closure, and few children were sent to live with others. Nonetheless, household composition changed to some extent between the 6- and 18-month interviews. In particular, although most time limit families remained single-parent households, the percentage of households including a spouse or other adult increased during the follow-up period. Adding other adults to a household can lead to increased stability, as other adults may bring additional income and help with child care and other household responsibilities.

[7]This population has a greater-than-average risk of homelessness. The Census Bureau estimates that in April 2000, 0.04 percent of the population of Virginia was homeless, as was 0.06 percent of the U.S. population. Remember that the survey contacted respondents with households and housing arrangements that were probably more stable than those of people who could not be reached.

[8]Homelessness differed significantly by cohort: 2 percent of cohort 1 respondents were ever homeless, compared to 3 percent in cohort 2 and 5 percent in cohort 3. This increase over time cannot be explained by the different regional compositions of the cohorts, as homelessness did not vary significantly by region. It may be due to the different economic conditions the cohorts faced (discussed in Chapter II) or to factors not measured in our study.

1. Household Composition

Most time limit households in Virginia were single-parent families, but more than a quarter included additional adults at the 18-month interview, such as the respondent's spouse or partner (15 percent), parents or stepparents of the respondent (10 percent), other relatives (12 percent), or unrelated adults (3 percent) (Table VII.3).

Between the 6- and 18-month interviews, the percentage of households with more than one adult increased significantly. In particular, we observed a decrease in single-parent households, and increases in households with more than one adult, households with a parent or stepparent, and households that included the respondent's spouse. Single-parent households declined from 89 percent at the 6-month interview to 85 percent at the 18-month interview. The percentage of households with another adult increased from 25 percent to 28 percent. Households with parents or stepparents also rose (from 8 to 10 percent) between the interviews. Finally, the percentage of households with the respondent's spouse rose from 8 to 10 percent.

While more than one-half of time limit parents at both interviews had never been married, respondents became significantly more likely to be married and less likely to be divorced between the 6- and 18-month interviews.[9] The percentage of respondents who were married increased from 10 to 12 percent, and the percentage who were divorced decreased from 14 to 12 percent. This may indicate an increase in family stability.[10]

[9]The slight difference in Table VII.3 between the percentage of respondents reporting that they were married and the percentage reporting that they shared their household with a spouse is due to the inconsistent answers of a few respondents to these two questions.

[10]An increase in the percentage married over time is to be expected for women in their twenties through their forties and cannot, from this descriptive study, be attributed to the time limit policies.

TABLE VII.3

HOUSEHOLD COMPOSITION AT 6 AND 18 MONTHS
(Percentage of Respondents)

	6-Month Interview	18-Month Interview	
Household Composition[a]	(n=993)	(n=993)	
Single-parent household	88.5	85.4	***
Households with more than one adult (18 and up)	24.7	28.3	***
Household with other relatives or in-laws	12.0	12.4	
Household with parents or stepparents	8.2	10.2	**
Household with spouse	7.6	9.7	***
Household with partner	3.9	4.9	
Household with non-relative adult[b]	3.7	3.3	
Marital Status	(n=990)	(n=990)	
Never married or not living together unmarried	55.8	55.4	
Separated	18.0	17.6	
Divorced	14.1	12.4	**
Married	9.7	11.8	***
Living together unmarried	2.0	2.3	
Widowed	0.4	0.4	
Presence of Children[a]	(n=993)	(n=993)	
Under 1 year of age	4.3	5.6	
1 to 4 years	31.7	18.3	***
5 to 12 years	79.3	82.1	**
13 to 17 years	34.9	39.5	***

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Categories are not mutually exclusive.

[b]Non-relatives do not include partners.

At the 18-month interview, most respondents' households (82 percent) included an elementary school-aged child, and 40 percent of households included a 13- to 17-year-old adolescent (Table VII.3). Only 18 percent of respondents had preschool children living with them, and 6 percent had infants. The exemption from VIEW for families with a child less than 18 months old is the main reason that time limit families rarely include infants.

2. Household Size

The average time limit family household included four persons, a figure that did not change over the follow-up period (Table VII.4). Most households (54 percent) included three or four people. On average, respondents had 2.5 children living with them at the 18-month interview. More than half the respondents (53 percent) had one or two children in their household, and a third (36 percent) had three or four.

While the average household size remained stable across the 18 months after families left TANF, the average number of children under 18 years of age increased from 2.5 to 2.6 between case closure and the 6-month interview, and then returned to 2.5 at the 18-month interview. However, as discussed in Section 4 below, few children actually moved into or out of their parents' households. Much of the changes in the number of children between case closure and the 6- and 18-month interviews is likely due to new births and children turning 18. These changes may also reflect moves in or out of the household of relatives or friends, which often include children who are not children of the respondent.

3. Children No Longer in the Household

Ten percent of respondents reported that one or more of their minor children were living elsewhere at any time, and most of these children had moved before the family's TANF case closed (not shown in tables). The 106 children who had moved before the family left TANF

TABLE VII.4

HOUSEHOLD SIZE
(Percentage of Respondents)

	Month Case Closed	6-Month Interview	18-Month Interview
Household Size (includes respondent)	(n=990)	(n=990)	(n=990)
1 or 2	14.6	13.9	13.8
3 or 4	56.3	56.8	54.2
5 or 6	23.6	22.7	25.7
7 to 14	5.6	6.7	6.3
Mean Household Size	4.0	4.0	4.0
Number of Children Under 18 Years in Household	(n=965)	(n=937)	(n=937)
0	1.6	1.7	3.3
1 to 2	53.2	52.6	52.6
3 to 4	36.5	36.8	36.4
5 to 12	8.7	9.0	7.7
Mean Number of Children Under 18 Years	2.5	2.6	2.5

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000.

ranged in age from 1 to 17 years old. Only 40 children of 27 respondents (about 3 percent of respondents) moved out of the household after the TANF case closed (Table VII.5). Of these 40, who ranged in age from 3 to 18 years, half (18) lived with grandparents or other relatives, about a third (11) lived with their other parent, 6 were in foster care, and 4 lived in a group home or detention facility. Only two of the children were receiving TANF in the household in which they were living. These children moved out of the household (most commonly because the respondent reported not being able to care for them) an average of 11 months after the family's TANF case closed. Others had moved to live in a better neighborhood or attend a better school, to enter into temporary arrangements, or as the result of a court order.

E. SUBGROUP ANALYSES

Housing and household composition varied significantly by regional residence, metropolitan status, and race, which suggests that members of different subgroups have different housing opportunities and preferences. In particular:

- ***Housing costs and opportunities differed substantially across the five regions and by metropolitan status,*** with lowest costs and highest rates of home ownership in rural areas and the Western Region and highest costs and lowest rates of home ownership in metropolitan areas and the Northern Region.
- ***Whites and nonwhites had different housing opportunities and preferences. In all regions, whites had much higher rates of home ownership than nonwhites. Nonwhites were more likely than whites to live in public housing 18 months after leaving TANF.*** Whites were also more likely than nonwhites to transition to ownership during the follow-up period.
- ***Homelessness, a rare problem for time limit parents, did not differ significantly by region, metropolitan status, or race.***
- ***Household composition differed significantly by region and metropolitan status.*** Respondents in nonmetropolitan areas and the Western Region were more likely to live with a spouse or partner or another adult in the household.

TABLE VII.5

CHILDREN NO LONGER IN HOUSEHOLD AFTER CASE CLOSED

	Percentage
Children Moved out After Case Closed (n=1,087)	
Yes	2.6
Age of Children Not Living with Respondents (n=40)	
0 to 2	0.0
3 to 4	4.7
5 to 12	50.9
13 to 18	44.6
Child Currently Lives: (n=39)	
With grandparents or other relatives	50.0
With other parent	29.4
In foster care	11.8
In group home or detention facility	8.8
Other Household Where Child Now Living Receives TANF (n=32)	7.0
Average Number of Months Child out of Household After Family Left TANF (n=31)	10.9
Reason Child Is Not Living with Respondent (n=39)	
Respondent cannot care for child	36.6
Better area, school for child	16.3
Temporary arrangement	15.5
Other parent has custody	11.4
Court order	5.7
Other	14.7

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000.

- ***The composition of white and nonwhite households differed significantly in ways that could affect employment.*** Nonwhite families were more likely to be single-parent households and included more children than white families, but white families more often included an infant.

1. Housing

Housing costs and opportunities differed substantially by region and metropolitan status, with lowest costs and highest rates of home ownership in rural areas and the Western Region and highest costs and lowest rates in metropolitan areas and the Northern Region (Table VII.6A). Home ownership made the most economic sense for time limit families in the Western Region, as it is the only region in which it cost less at the 18-month interview for time limit parents to own than to rent. Also, half of time limit home owners in the Western Region reported zero monthly housing costs at the 18-month interview (compared to 11 percent of owners in the Northern Region, 17 percent in the Central and Eastern regions, and 43 percent in the Piedmont Region [not shown]). This suggests that these parents lived in houses or mobile homes in which the mortgage had been fully paid. It may be that Western families are most likely to live in older homes paid for by members of a previous generation.[11] Due to limited public housing in rural areas, fewer Western respondents, compared to respondents in other regions, lived in public housing. Western region families were, therefore, significantly more likely than those in the other regions to receive a housing subsidy 18 months after leaving TANF.

The Northern Region includes cities and counties in the Washington, DC, metropolitan area, one of the nation's most expensive housing markets. Naturally, time limit parents reported high rents and mortgages relative to parents in the other regions. Home ownership made the least

[11]Anecdotal evidence from the VIEW implementation study (Pavetti et al. 1999) found this to be true in Wise County, the research site located in the Western region and not for research sites in other regions.

TABLE VII.6A

HOUSING, BY REGION AND METROPOLITAN STATUS
(Percentage of Respondents)

		Region						Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
Own Home at 18 Months	5.4	2.4	2.6	4.6	6.7	18.4	***	12.0	3.7	***
Average Monthly Housing Cost at 18 Months (Includes Those with Zero Housing Costs)	$204	$200	$208	$215	$183	$157		$183	$209	*
Average Monthly Housing Cost for Renters at 18 Months (Those with Positive Housing Costs Only)	$244	$237	$246	$281	$223	$226	*	$236	$246	
Average Monthly Housing Cost for Owners at 18 Months (Those with Positive Housing Costs Only)	$401	$457	$447	$735	$265	$180	***	$247	$494	***
Receive Housing Subsidy at 18 Months	13.2	8.8	11.8	19.3	5.7	28.6	***	17.1	12.2	*
Live in Public Housing at 18 Months	42.0	42.7	49.7	46.7	35.4	18.2	***	20.2	47.2	***
Ever Homeless Between Case Closure and 18 Months	4.2	4.9	4.7	4.2	3.4	2.5		4.2	3.9	
Sample Size	**990**	**255**	**210**	**220**	**183**	**122**[a]		**197**	**793**[b]	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTES: Data are weighted to represent all time limit cases in Virginia. We did not adjust the figures for inflation, so the change in housing costs over time may be overstated in real dollars. The average increase in the Consumer Price Index for the follow-up period was about 2 percent a year for all goods and 3 percent a year for housing. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

[a]Because of missing data, sample sizes range from 223 to 255 for the Central Region, 181 to 210 for the Eastern Region, 189 to 220 for the Northern Region, 158 to 183 for the Piedmont Region, and 103 to 122 for the Western region.

[b]Because of missing data, sample sizes range from 175 to 197 for nonmetropolitan respondents and 682 to 793 for metropolitan respondents.

sense for time limit parents in this region, as Northern respondents who owned a home paid an average of $450 more a month than their counterparts who rented. As would be expected, a higher-than-average percentage of time limit families in this region lived with friends or relatives, lived in public housing, or received a housing subsidy 18 months after leaving TANF.

Overall, rural respondents were more likely than metropolitan ones to receive a housing subsidy 18 months after leaving TANF, and metropolitan respondents were twice as likely as nonmetropolitan respondents to live in public housing. Homelessness, a rare problem for time limit parents, did not differ significantly by region or metropolitan status.

There were substantial and significant differences in the housing situations of white and nonwhite time limit parents (Table VII.6B). These differences, which remain significant when we control for region or metropolitan status, may reveal different residential opportunities and preferences for low-income whites and nonwhites in Virginia. White time limit parents had much higher rates of home ownership than their nonwhite counterparts—in every region and at each interview. The rate of home ownership also increased more for whites than for nonwhites during the follow-up period. For example, in the Western Region, home ownership for whites increased from 14 percent to 21 percent between case closure and the 18-month interview, while for nonwhites it stayed at 4 percent for the entire follow-up period. Renting may have been more cost-effective for nonwhites than whites, as nonwhite respondents reported lower average monthly rental costs than whites. Owning, however, may have been more cost-effective for whites: of those who owned, whites reported lower monthly mortgage costs than nonwhites. Whites and nonwhites were equally likely to receive a housing subsidy 18 months after leaving TANF, but, as is the case nationwide, nonwhites were more than twice as likely as whites to live in public housing. This was not solely a function of what part of the state they lived in, as it was true for all five regions.

TABLE VII.6B

HOUSING, BY RACE
(Percentage of Respondents)

	Total	Racial Groups: White, Non-Hispanic	Racial Groups: African American and All Other	
Own Home at 18 Months	5.4	13.7	2.6	***
Average Monthly Housing Cost at 18 Months (Includes Those with Zero Housing Costs)	$204	$234	$193	**
Average Monthly Housing Cost for Renters at 18 Months (Those with Positive Housing Costs Only)	$244	$303	$227	***
Average Monthly Housing Cost for Owners at 18 Months (Those with Positive Housing Costs Only)	$401	$350	$491	
Receive Housing Subsidy at 18 Months	13.2	15.7	12.4	
Live in Public Housing at 18 Months	42.0	19.4	48.9	***
Ever Homeless Between Case Closure and 18 Months	4.2	4.6	4.1	
Sample Size	**990**	**264**[a]	**726**[a]	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. We did not adjust the figures for inflation, so the change in housing costs over time may be overstated in real dollars. The average increase in the Consumer Price Index for the follow-up period was about 2 percent a year for all goods and 3 percent a year for housing. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

[a]Because of missing data, sample sizes range from 228 to 264 for whites and 629 to 726 for nonwhites.

2. Household Composition

Respondents in the Western Region were much less likely to be single parents and more likely to live with a spouse or partner than respondents in other regions (Table VII.7A). Respondents in the Eastern and Central regions were the most likely to be single parents. Respondents in the Eastern, Central, and Northern regions were less likely than respondents in the Piedmont and Western regions to live with another adult in the household.

The average household size differed significantly by region, from a maximum of 4.2 in the Eastern Region to 3.6 in the Western Region. This was driven largely by the number of children in the household, which ranged from an average of 2.7 in the Eastern Region to 2.0 in the Western Region. The ages of children in the household did not differ significantly by region.

Overall, respondents living in metropolitan areas were more likely than respondents in nonmetropolitan areas to be single parents. They were also less likely to be living in households with more than one adult and less likely to be living with a spouse or partner.

Respondents living in metropolitan areas lived in larger households on average (4.1 mean household size) than respondents in nonmetropolitan areas (3.7 mean household size) and had more children living in their household (2.6 on average) than respondents in nonmetropolitan areas (2.0 on average). Respondents living in metropolitan areas were twice as likely as rural respondents to have an infant and more likely to have elementary school-aged children in their household.

Nonwhite and white families differed in their household composition. As is true for the general population, nonwhite time limit families were much more likely than white families to be single-parent households (Table VII.7B). They were also less likely to contain another adult. Nonwhite families had slightly more children under age 18 in the household; they were also less

TABLE VII.7A

HOUSEHOLD COMPOSITION, BY REGION AND METROPOLITAN STATUS
(Percentage of Respondents)

		Region						Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
Single-Parent Household	86.0	92.6	93.0	86.3	76.2	66.1	***	71.7	89.5	***
More than One Adult in Household	28.7	26.2	24.2	26.4	36.3	40.0	***	38.8	26.2	***
Spouse or Partner in Household	14.0	7.4	7.0	13.7	23.8	33.9	***	28.3	10.5	***
Child <1 Year Old in Household	5.6	5.9	4.2	8.8	6.5	3.2		3.2	6.2	*
Child 1 to 4 Years Old in Household	18.8	17.6	18.8	22.5	16.1	18.4		16.0	19.4	
Child 5 to 12 Years Old in Household	82.8	84.4	84.8	79.7	83.4	78.4		77.2	84.3	**
Child 13 to 17 Years Old in Household	38.9	37.0	42.4	43.4	33.9	32.8		34.2	40.2	
Mean Household Size	4.0	4.1	4.2	4.0	4.0	3.6	***	3.7	4.1	***
Mean Number of Children <18 Years Old	2.3	2.5	2.7	2.4	2.5	2.0	***	2.0	2.6	***
Sample Size	**1,088**	**286**	**239**	**236**	**197**	**130**		**214**	**874**	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTES: Data are weighted to represent all time limit cases in Virginia. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

TABLE VII.7B

HOUSEHOLD COMPOSITION, BY RACE
(Percentage of Respondents)

		Racial Groups		
	Total	White, Non-Hispanic	African American and All Other	
Single-Parent Household	86.0	72.7	90.5	***
More than One Adult in Household	28.7	41.0	24.6	***
Spouse or Partner in Household	14.0	27.3	9.5	***
Child <1 Year Old in Household	5.6	7.7	4.9	*
Child 1 to 4 Years Old in Household	18.8	18.0	19.1	
Child 5 to 12 Years Old in Household	82.8	80.9	83.5	
Child 13 to 17 Years Old in Household	38.9	37.6	39.3	
Mean Household Size	4.0	3.9	4.1	
Mean Number of Children <18 Years Old	2.3	2.2	2.4	**
Sample Size	**1,088**	**284**	**804**	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTES: Data are weighted to represent all time limit cases in Virginia. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

likely to have an infant or another working adult in the household. There was no significant difference in the average household size between white and nonwhite families.

Findings suggest that the household composition of white and nonwhite respondents present different employment challenges for each group. Nonwhite families have more children on average in their care and are substantially less likely than white respondents to have another adult in the household to help. However, white families are slightly more likely to have an infant.

VIII. HEALTH ISSUES

Health insurance coverage, access to health care, and health status are all important indicators of well-being. Poor health can be a barrier to employment and self-sufficiency among low-income adults. This chapter describes health insurance coverage among time limit families and considers access to health care and health status among parents in these families. Chapter IV presented information on health insurance provided by employers, and Chapter XI discusses the health and well-being of respondents' children.

Key findings include:

- ***More than four-fifths of time limit families had health insurance coverage for their children at the 18-month interview, usually through Medicaid.*** Medicaid covered about 72 percent of children, and 3 percent were covered by the Children's Medical Security Insurance Program (CMSIP, Virginia's version of the State Children's Health Insurance Program) or the Family Access to Medical Insurance Security Plan (FAMIS). Six percent were covered by private insurance only. Children generally remained covered by Medicaid after the case closed. Among respondents who had lost Medicaid eligibility at some point, less than one-fifth had lost eligibility for their children at the same time.

- ***Just under half of respondents had health coverage for themselves at the 18-month interview.*** About 34 percent of respondents were covered by Medicaid, 11 percent by private insurance, and 1 percent by both. Health coverage for the adults is the foremost area in which most time limit families became worse off over time.

- ***Half the respondents who were not on Medicaid at the time of the interview said they had been told they were no longer eligible.*** Some reported having been told at case closure that they were no longer eligible; others were told a year or more afterward. This suggests that some never received transitional Medicaid coverage, while others may have lost health coverage when transitional benefits ended.[1]

- ***Respondents with health insurance were much more likely to have a private physician as their usual source of care.*** Uninsured respondents were more likely to

[1]Some time limit adults may have opted not to receive transitional Medicaid, which would delay the time at which they would be eligible to return to VIEW (24 months from last receipt of benefits, including transitional benefits).

rely on clinics, community health departments, or emergency rooms, or to have no regular place they went for care. Because larger proportions of the uninsured than the insured reported using emergency rooms or lacking a regular source of care, the decline in the percentage of time limit parents with health coverage over time may be associated with a decline in access to health care.

- ***About one-fifth of respondents had health problems that limited work.***[2] Twelve percent of respondents reported that they were unable to do certain types or amounts of work because of their health, and another 7 percent reported that their health prevented them from doing *any* work. Sixteen percent of the respondents with health problems that limited or precluded work received SSI. The work of 8 percent of respondents was limited by the health of someone else in the household.

A. HEALTH INSURANCE COVERAGE

Although most time limit families maintained health coverage for their children in the 18 months following case closure, there were significant gaps in coverage, particularly for adults.

1. Current Health Insurance

At the time of the interview, 86 percent of time limit families had health coverage for someone in the family (Table VIII.1). About 83 percent of children had health coverage, but just 45 percent of respondents were themselves covered.[3] Only 43 percent of families had coverage for both the respondent and the children. The percentage of respondents who were insured at the 18-month interview increased in each successive cohort, and the difference was statistically significant. Coverage of children, which was relatively high to begin with, did not increase significantly across the three cohorts.

[2]Health problems and disabilities are based on information that respondents provided in the interview and may not indicate a medically certified disability. None of the time limit families participating in this survey had been exempted from VIEW on the basis of a disability.

[3]As would be expected, the percentage of time limit respondents without coverage (55 percent) is considerably higher than the 17 percent of U.S. adults aged 18 to 64 without insurance. A more comparable study of former welfare recipients from four urban counties in 1999 found that 37 percent of former welfare mothers were without insurance in the month before the interview (Polit et al. 2001).

TABLE VIII.1

CURRENT HEALTH INSURANCE
(Percentages)

	Someone in Family	Respondent	Children	Both Respondent and Children
Covered				
By any insurance	86.4	45.0	83.4	43.0
By Medicaid only	68.9	33.5	71.8	33.1
By CMSIP or FAMIS	3.1	NA	3.1	NA
By private insurance only	6.1	10.8	5.8	4.5
By Medicaid, CMSIP, FAMIS, or private	8.7	0.7	2.9	0.2[a]
Not Covered by Any Insurance	13.6[b]	55.0	16.6	57.0
Sample Size	**1,088**	**1,088**	**1,088**	**1,088**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include all cases with an 18-month interview.

[a]There is one case in which the respondent and the children each have *both* public and private coverage. Cases in which the respondent and children have different types of coverage are not listed separately here, but are included in the first row, those covered by any insurance.

[b]No one in family is covered by insurance.

[c]Either respondent or children lack insurance, not necessarily both.

CMSIP = Children's Medical Security Insurance Program; FAMIS = Family Access to Medical Insurance Security Plan.

The most common form of health insurance for time limit families at the 18-month interview remained Medicaid, which provided coverage for 72 percent of children and 34 percent of respondents.[4] More than two-thirds (69 percent) of families had only Medicaid coverage for family members, 6 percent had only private coverage, and 9 percent had a combination of Medicaid and private coverage. Only 3 percent of families reported that children were covered by CMSIP or FAMIS at the time of the survey.[5]

2. Medicaid Coverage After Case Closure

Transitional Medicaid availability is described in the APR that clients sign at the beginning of their VIEW experience. VIEW families also receive a letter in their 22nd month on VIEW that tells them that their time is running out and reminds them that transitional Medicaid is available. The letter also reminds families that using transitional Medicaid may delay their eventual eligibility for TANF, as families that reach the time limit are not eligible for cash benefits again for 24 months from last receipt of benefits, including transitional benefits.

The 18-month interview contained a series of questions that dealt with Medicaid coverage and that were designed to learn what time limit families had been told about the availability of transitional Medicaid benefits after they reached the time limit, and whether they had lost eligibility after exhausting their year of eligibility for transitional Medicaid.[6] We expect that most respondents would have qualified for a year of transitional Medicaid coverage. In general,

[4]Other studies of time limit families have found generally higher rates of Medicaid coverage for adults (Bloom et al. 2002).

[5]Less than 1 percent of cohort 1 parents reported that their children were covered by CMSIP (Gordon et al. 2002a), but the program had barely started at that time. This grew to 3 to 4 percent of families in the later cohorts.

[6]Some time limit adults may have opted not to receive transitional Medicaid, which would delay the time at which they would be eligible to return to VIEW.

most time limit families knew they could stay on Medicaid after leaving TANF, and most in fact did, at least for their children (Table VIII.2). As would be expected, since transitional benefits end in 12 months, in more than half the families, the respondent had been told at some point that eligibility had expired.

More than three-quarters of the sample reported having been informed they could remain on Medicaid after they left TANF; even more—87 percent—reported they had actually retained Medicaid coverage for some family members. However, of those who stayed on Medicaid, only 58 percent reported that they had retained coverage for both themselves and their children, though most reported that their children had remained covered (97 percent). Furthermore, half those families who left Medicaid when the case closed (14 percent of the full sample) reported having been told they were no longer eligible.[7]

Among those on Medicaid after the case closed, 58 percent reported having been told at some point that they were no longer eligible. More than a third reported having been informed of their ineligibility a year or more after the case closed, which indicates that they had most likely used up their year of transitional eligibility. Again, most who had been told that they were ineligible reported that it was only they who had lost Medicaid coverage (82 percent), as their children remained covered, probably under the poverty-related eligibility categories for children. Perhaps because their incomes were too high for poverty-related coverage, about 18 percent of those who had lost Medicaid eligibility lost it for their children as well.

[7]The percentage of respondents covered by transitional Medicaid increased significantly across the three cohorts, from 46 percent in cohort 1 to 54 percent in cohort 2 to 63 percent in cohort 3. Despite this increase in coverage, respondents in cohort 3 were no more likely than those in prior cohorts to report being told about transitional Medicaid and no less likely to have been told they were ineligible for Medicaid.

TABLE VIII.2

MEDICAID COVERAGE AFTER CASE CLOSED
(Percentages)

Informed That Medicaid Coverage Was Available After TANF (n=1,047)	77.9
Stayed on Medicaid After TANF Cased Closed (n=1,080)	87.2
Among Those Who Stayed on Medicaid After Cased Closed, Who Was Covered? (n=930)	
Respondent	59.8
Spouse	4.1
Children	96.9
Respondent and children	57.5
Ever Told No Longer Eligible for Medicaid	
Overall (n=1,071)	57.1
Among those not on Medicaid after case closed (n=147)	50.6
Among those on Medicaid after case closed (n=917)	58.2
Who Was No Longer Eligible? (Among Those Told No Longer Eligible) (n=609)	
Respondent only	82.3
Respondent and children	17.8
Among Those Told No Longer Eligible, When Did This Occur? (n=415)	
Month/year TANF case closed or before	18.7
1 to 6 months after	21.8
7 to 10 months after	10.9
11 to 12 months after	14.9
13+ months after	33.7
What Did Respondent Do When Became Ineligible for Medicaid? (n=584)	
Nothing	19.9
Paid out of pocket	16.4
Avoided going to doctor	11.7
Obtained insurance from work/spouse's work	9.3
Reapplied or appealed	8.1
Used free clinic	5.4
Tried to get other insurance	4.1
Used emergency room	4.0
Started to save money	0.9
Went to Social Services	0.7
Other	19.2

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all cases with an 18-month interview.

Respondents were asked an open-ended question about what they had done after losing Medicaid coverage. Only 9 percent reported having obtained other health insurance. Others had tried to reenroll in Medicaid (8 percent) or to obtain private insurance (4 percent) but had been unsuccessful. About one-fifth said they had done nothing, and 16 percent said they had paid out of pocket for health care. Some reported having turned to free sources of care (5 percent) or the emergency room (4 percent), or having avoided going to the doctor (12 percent).

3. Trends in Insurance Coverage

Children of time limit families were more likely to have health coverage at the 18-month interview than at the 6-month interview. Adults in the family, however, lost coverage during this period, as most respondents had lost their Medicaid coverage by the 18-month interview and had not been able to replace it with private insurance (Table VIII.3). Six months after the TANF case closed, 81 percent of families had insurance for some family members, but the percentage with some coverage rose to 86 percent at 18 months. This increase was driven mostly by the children's rate of insurance, which rose from 74 to 84 percent between the 6- and 18-month interviews. The percentage of respondents insured, however, dropped from 70 percent 6 months after the case closed to only 45 percent at the 18-month interview.

Those leaving TANF in Virginia are eligible for 12 months of transitional Medicaid. However, after the transitional period ends, many adults are not eligible for Medicaid. The exceptions would be adults who are pregnant, who are disabled and receiving SSI, or who have very high medical costs (medically needy). In addition, some parents might continue to qualify on the basis of low income, under Section 1931 of the federal Medicaid law, which extends eligibility to those who would have qualified for Aid to Families with Dependent Children (AFDC) in July 1996. The loss of health insurance for the respondent is probably the only

TABLE VIII.3

TRENDS IN INSURANCE COVERAGE OVER TIME
(Percentages)

Who Is Covered	At 6-Month Interview	At 18-Month Interview
Anyone	80.7	86.4
Respondent	70.0	44.6
Children	74.4	83.8
Respondent and Children	64.3	42.4
No Insurance Coverage at All	19.3	12.9
Sample Size	**1,088**	**1,088**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews. All types of insurance coverage are counted.

instance in which the well-being of time limit families has clearly declined, on average, since the case closed.

In contrast, health coverage for the children in the family rose between the 6- and 18-month interviews. Seventy-four percent of families had coverage for the children at the 6-month interview, and 84 percent had coverage at the 18-month interview. Most of these children retained their Medicaid coverage. Unlike adults, children can become eligible for Medicaid on the basis of poverty status after they lose their TANF-related eligibility.

B. RESPONDENTS' USUAL SOURCE OF CARE

Respondents with health insurance were twice as likely as those without it to use a private physician's office as their usual source of health care (72 percent of those with insurance versus 36 percent of those without it) (Table VIII.4). Uninsured respondents were more likely than insured ones to rely on clinics, community health departments, or emergency rooms, or to have no regular place to go.[8] The difference between the distributions of usual source of care was statistically significant. The fact that uninsured respondents were more likely to go to emergency rooms or to have no usual source of care suggests that the decline in insurance coverage for respondents discussed earlier may have reduced their access to health care.[9]

C. RESPONDENTS' HEALTH

Some time limit respondents reported that their health or the health of a household member limited their ability to work or participate in school or training.[10]

1. Did Respondents Have Health Problems That Limited Work?

At the time of the 18-month interview, one-fifth of respondents said that health problems limited or prevented their employment; 12 percent said that their own health problems limited the type or amount of work they were able to do, and another 7 percent reported that health

[8]As would be expected, time limit parents' usual source of care differs substantially from that of U.S. adults aged 18 to 64, of which 86 percent use a private physician's office, 9 percent use a clinic, and 2 percent use an emergency room (Polit et al. 2001).

[9]A 1999 study of urban former welfare recipients found that 11 percent of former welfare mothers had no regular source of health care, compared to 6 percent of Virginia time limit parents (Polit et al. 2001).

[10]Health problems and disabilities are based on information that respondents provided in the interview and may not indicate a medically certified disability. None of the time limit families participating in this survey had been exempted from VIEW on the basis of a disability.

TABLE VIII.4

RESPONDENT'S USUAL SOURCE OF CARE, BY HEALTH INSURANCE STATUS
(Percentage Distribution)

	Respondents with Insurance[a]	Respondents with No Insurance	Total Respondents
Respondent's Usual Source of Care[b]			
Private physician's office	71.5	36.1	51.7
Clinic	13.5	21.8	18.1
Community health department	7.6	9.7	8.8
Emergency room	5.0	19.7	13.2
Hospital	0.6	2.1	1.4
Other	0.0	1.3	0.7
No regular place	1.9	9.3	6.0
Sample Size	**474**	**601**	**1,075**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include all cases with an 18-month interview.

[a]"With insurance" means that the respondent is covered.

[b]Insured and uninsured were significantly different at the 1 percent level, using a chi-squared test.

problems made them unable to do *any* work or to participate in school or training activities (Table VIII.5). Most respondents who reported that their health limited their ability to work identified their condition as a physical disability or illness (66 percent), injury (46 percent), or mental health problem (22 percent). Five percent indicated that they were pregnant. Most (88 percent) indicated that their disability was long-term (lasting more than three months). However, as they all reached the time limit, none had been exempted from VIEW, which suggests that if the illness or disability existed prior to case closure, the VIEW program did not consider it to be serious enough to limit employment requirements.

2. Work Status and Income of Those with Health Limitations

Although most respondents with self-reported health limitations perceived their health problems to be long-term, of those with a problem, 68 percent had been employed at some time after leaving TANF, and 31 percent were employed at the 18-month interview (Table VIII.6).[11] Unemployed respondents who reported that health problems limited their ability to work had other sources of support; 30 percent received child support, 22 percent lived in a household with another adult who was working, and 4 percent received unemployment compensation. They were significantly more likely than all other respondents to receive food stamps (80 percent compared to 66 percent) and SSI (24 percent compared to 11 percent) (not shown in table). Despite other sources of support, on average, respondents who were unemployed and had health limitations reported a significantly lower monthly income of $723, compared with an average of $1,144 for all other respondents.

[11]In a study of urban former welfare recipients, Polit (2001) also found that despite self-reported health barriers, women worked. He found that women with health barriers were more likely than those without them to work part-time and at jobs that included health insurance.

TABLE VIII.5

HEALTH LIMITATIONS
(Percentage of Respondents)

	Percentage
Unable to Do Certain Types or Amounts of Work or Participate in School/Training Activities Because of Own Health Problems (n=1,087)	12.2
Unable to Do Any Work or Participate in School/Training Because of Own Health Problems (n=1,088)	7.3
Type of Health Problem/Disability[a] (n=199)	
Physical disability/illness	65.7
Injury	45.6
Mental health problem	21.8
Pregnant	5.3
Drug or alcohol problem	0.3
Other	0.5
Length of Disability (n=172)	
Long-term/more than 3 months	87.8
Temporary/less than 3 months	12.2

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000.

[a]Percentage sum to more than 100 percent, as multiple responses were possible.

TABLE VIII.6

EMPLOYMENT AND OTHER SUPPORT AMONG RESPONDENTS WITH HEALTH LIMITATIONS
(Percentage of Respondents Reporting That Their Own Health Limits or Precludes Work)

Employed at Some Time Since Leaving TANF (n=207)	67.6
Employed at Time of 18-Month Interview (n=207)	30.5
Other Sources of Support If Not Employed (n=137)	
Food stamps	80.2
Child support	30.3
Other household member works	21.7
SSI/disability insurance	23.9
Unemployment compensation	3.6
Average Monthly Income If Not Employed (in Dollars) (n=124)	$723

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000.

3. Health Problems of Household Members

For a small percentage of respondents (8 percent), another household member's health limited or prevented the respondent from working or participating in school or training (Table VIII.7).[12] Most reported that their family member's health problem was a physical disability or illness (73 percent), mental health problem (35 percent), or injury (28 percent). These disabilities were almost always described as long-term (95 percent); however, those that had existed prior to case closure did not exempt VIEW clients from the work requirements.

D. SUBGROUP ANALYSES

Health insurance coverage for time limit parents did not vary substantially by respondents' location or race, but we do find significant differences by subgroup in whether respondents had health problems that restricted their ability to work. In particular:

- ***Overall health insurance coverage did not differ significantly across the regions, but rural respondents were significantly less likely than their metropolitan counterparts to be insured.*** Respondents from Northern Virginia were significantly more likely than those from other regions to have private health insurance.
- ***White and nonwhite respondents were equally likely to have health insurance at 18 months.*** White parents were slightly more likely to have stayed on Medicaid after case closure.
- ***Respondents reported statistically significant regional and racial differences in whether health problems limited their ability to work.*** White respondents, those living in the Western Region, and those living in rural areas were more likely to have health problems that limited or precluded their ability to work. (These categories overlap substantially.)

[12]Polit (2001) found very similar figures: 6 to 11 percent of his sample reported that a child's illness or disability limited or prevented work.

TABLE VIII.7

HEALTH PROBLEMS OF OTHERS THAT AFFECT
RESPONDENTS' ABILITY TO WORK
(Percentage of Respondents)

Disability/Illness of Other Person in Household Limits or Prevent Work or Participation in School/Training (n=1,086)	8.1
Type of Disability of Other Household Member[a] (n=77)	
Physical disability or illness	73.2
Mental health problem	35.3
Injury	28.2
Drug/alcohol problem	0.8
Pregnant	0.8
Other	16.6
Length of Disability (n=74)	
Long-term/more than 3 months	94.5
Temporary/less than 3 months	5.5

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000.

[a]Percentages sum to more than 100 percent, as multiple responses were possible.

1. Insurance Coverage

Overall insurance and Medicaid coverage among time limit parents did not differ significantly by region (Table VIII.8A). Rural respondents, however, were less likely to be insured than their metropolitan counterparts. Children had similar rates of coverage across the five regions and within metropolitan and nonmetropolitan areas. Private insurance did vary by location as Northern Region parents were significantly more likely than parents in other regions to have private health insurance. This is consistent with Northern Region parents being significantly more likely to work at jobs that include employer-provided health benefits, as described in Chapter IV. Respondents in the five regions were equally likely to report that they had been informed about transitional Medicaid, and equally likely to have stayed on Medicaid after their case closed. Insurance coverage for someone in the family increased between the 6- and 18-month interviews in all but the Western Region, where it stayed the same.

There were no significant differences in health insurance coverage among whites and nonwhites; both groups were about equally likely to be covered by some form of health insurance at the 18-month interview (Table VIII.8B). The large majority of both groups remained on Medicaid after case closure, but white parents were slightly more likely to do so. White respondents more often reported that they had been made aware of transitional Medicaid, but since more respondents in both groups stayed on Medicaid than reported having been informed about transitional Medicaid, the reported difference may be primarily a matter of differential recall. Both white and nonwhite respondents were more likely to have insurance coverage for someone in their family at the 18-month interview than at the 6-month interview, but the increase was larger for nonwhite families as they caught up with white families.

TABLE VIII.8A

HEALTH INSURANCE COVERAGE AT 18 MONTHS, BY REGION AND METROPOLITAN STATUS
(Percentage of Respondents)

		Region						Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
Respondent Not Covered by Any Insurance	55.0	51.3	55.9	52.6	58.7	58.3		60.6	53.7	*
Children Not Covered by Any Insurance	16.6	16.5	19.5	15.9	12.5	15.1		14.2	16.8	
Someone Medicaid Only	68.9	70.8	65.4	66.2	75.5	70.4		71.7	68.6	
Someone in Family Private Insurance	6.1	3.8	5.0	12.2	3.9	7.5	***	6.4	6.0	
Informed Transitional Medicaid Available	77.9	75.0	77.6	80.8	76.2	82.8		77.2	78.3	
Stayed on Medicaid After Case Closed	87.2	87.6	86.6	85.0	90.0	87.5		87.7	87.3	
Anyone in Family Insured at 6-Month Interview	80.7	76.3	77.8	85.9	83.1	86.9	**	89.6	86.1	
Anyone in Family Insured at 18-Month Interview	86.4	86.7	83.4	87.6	89.6	86.9		88.5	86.5	
Health Limits or Prevents Work or Participation in School/Training Activities	19.5	19.5	14.6	17.6	22.6	32.0	***	28.8	17.1	***
Sample Size	**1,088**	**286**	**239**	**236**	**197**	**130**		**205**	**834**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

TABLE VIII.8B

HEALTH INSURANCE COVERAGE AT 18 MONTHS, BY RACE
(Percentage of Respondents)

		Racial Groups		
	Total	White, Non-Hispanic	African American and All Other	
Respondent Not Covered by Any Insurance	55.0	55.3	54.9	
Children Not Covered by Any Insurance	16.6	13.4	17.6	
Someone Medicaid Only	68.9	71.2	68.2	
Someone in Family Private Insurance	6.1	7.1	5.7	
Informed Transitional Medicaid Available	77.9	85.3	75.5	***
Stayed on Medicaid After Case Closed	87.2	90.6	86.1	*
Anyone in Family Insured at 6-Month Interview	80.7	84.7	79.3	***
Anyone in Family Insured at 18-Month Interview	86.4	88.6	85.7	
Health Limits or Prevents Work or Participation in School/Training Activities	19.5	31.6	15.4	***
Sample Size	**1,088**	**284**	**804**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

2. Health Problems

Respondents from the Western Region and from rural areas in general were significantly more likely than respondents from other locations to indicate at the time of the 18-month interview that a health problem limited or prevented their employment or training activities. Not surprisingly, given their different locations, white respondents were also more likely than nonwhite respondents to report a health problem of that nature. It is unclear whether health status actually differed among these groups or whether the jobs readily available to time limit families in rural areas require more physical effort than those in metropolitan areas so that physical problems would be a greater barrier to employment.

IX. RESPONDENTS' VIEWS OF THEIR SITUATION

Previous chapters have shown (1) that most respondents worked after their TANF cases closed because of the time limit, and (2) that their earnings and income increased over time. This chapter shifts the focus to respondents' personal perceptions of their situation and how well they and their families have coped since leaving TANF. Overall, respondents were more positive about their situations 18 months after their case closed than they had been 6 months after case closure. In particular:

- ***Three-quarters reported their overall situation to be the same as or better than when they received TANF, and approximately one-third of the sample gave a more positive response concerning their situation at the 18-month interview than at the 6-month interview.*** Only 25 percent reported that they were worse off, substantially down from 38 percent at the 6-month interview.
- ***Those who reported that their lives were better most often cited job-related factors as the reason,*** but many also cited improved feelings of self-worth or independence and having more money. Most who felt things were better believed their success was related to leaving TANF.
- ***Those who reported that their lives were worse since leaving TANF most often cited money problems.*** Most of this group attributed their problems to their loss of TANF benefits.

In general, respondents' subjective views of their situations are consistent with the results concerning employment and income presented in chapters IV and V, which suggest that many respondents had achieved better jobs and higher incomes over time and felt good about their transition from TANF to work.

A. HOW DID RESPONDENTS ASSESS THEIR SITUATION?

In the 18-month interview, respondents were asked, "Finally, I'd like to get your thoughts on what it's been like since your TANF case closed in (month/year). How well have you and your

family been coping since then? Are things better, worse, or about the same?" Overall, 75 percent of respondents thought their situation was the same as or better than before their TANF case closed (Figure IX.1). A third (35 percent) thought their situation was better, and 39 percent thought things were about the same.

As would be expected, a positive outlook was more common among employed than unemployed respondents. Those who were employed at the time of the interview were much more likely to report that things were better and much less likely to report that things were worse. These differences were statistically significant (Figure IX.2).

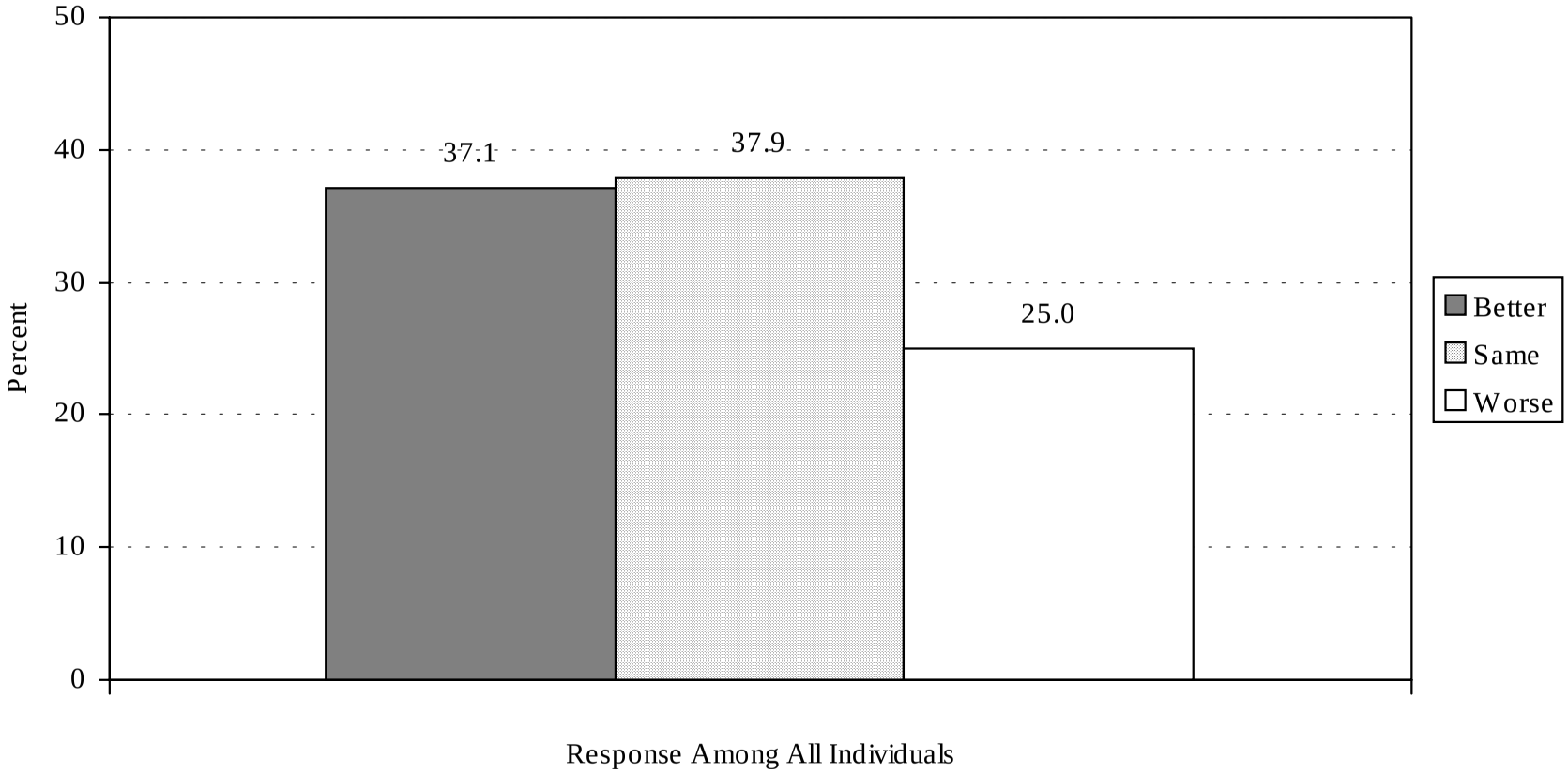
B. CHANGES IN OUTLOOK SINCE THE 6-MONTH INTERVIEW

The same question concerning changes since the case closed was asked in the 6-month and 18-month interviews, and overall, respondents who completed both interviews gave much more positive responses at the 18-month interview (Table IX.1). The percentage of respondents who believed their situation to be better than when they were on TANF had increased from 25 percent at 6 months after case closure to 36 percent at 18 months after case closure. The percentage who believed things were worse had dropped from 38 percent at 6 months to 25 percent by the 18-month interview. Overall, about 35 percent of the sample reported a more positive outlook at the 18-month interview than at the 6-month interview (that is, their responses had changed from "worse" to "better" or "same," or from "same" to "better"). Only 16 percent of the sample reported a less positive outlook (responses had changed from "same" to "worse" or from "better" to "same" or "worse").

Respondents' perceptions seem generally consistent with their reported employment and income. At the 6-month interview, average incomes of respondents had increased only slightly.

FIGURE IX.1

HOW ARE THINGS SINCE TANF CASE CLOSED
(Percentage Distribution)

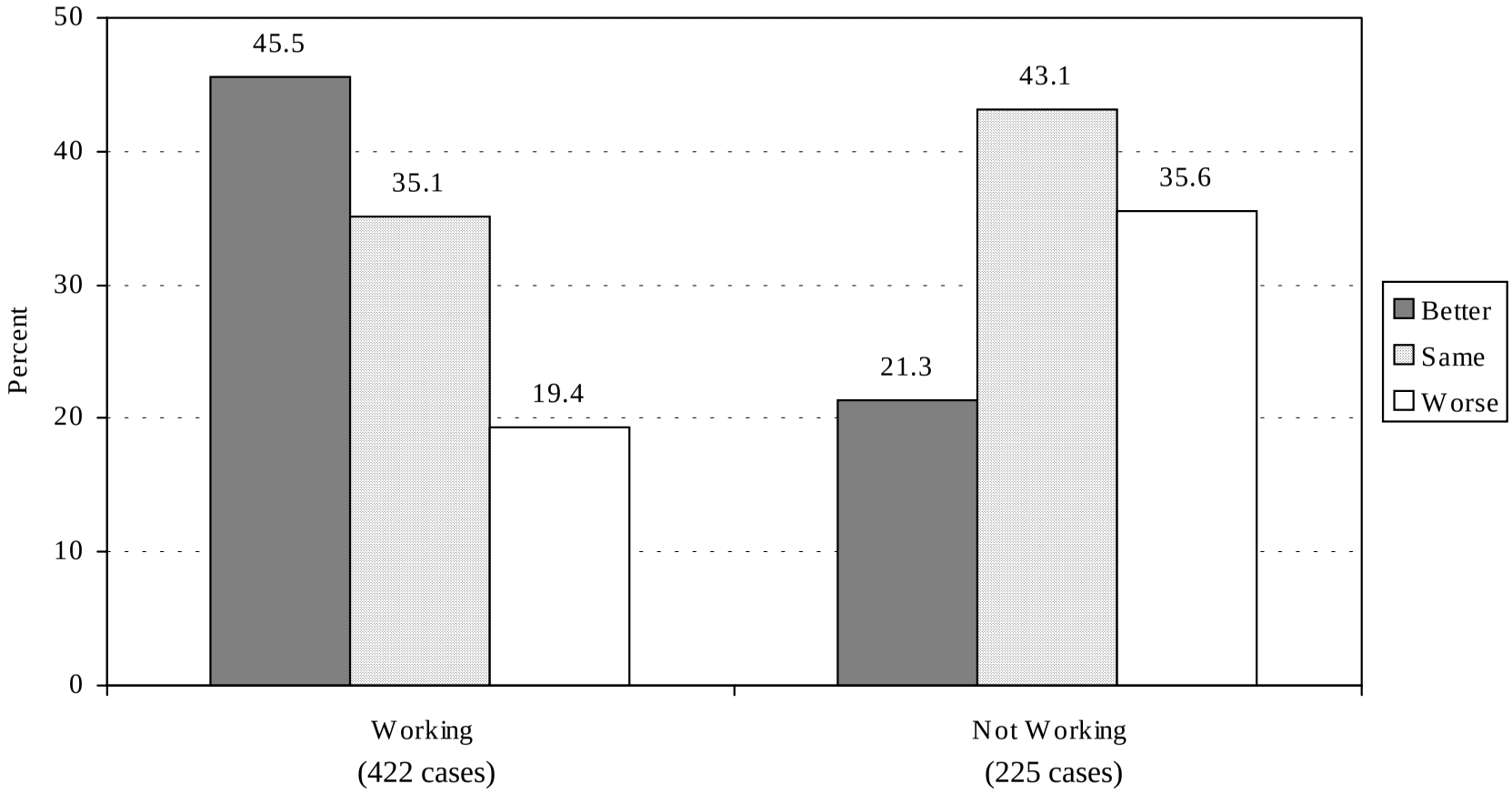


SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: Sample includes all cases with an 18-month interview.

FIGURE IX.2

"HOW ARE THINGS?" BY CURRENT EMPLOYMENT STATUS



SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: Samples include all cases with an 18-month interview. Differences between those working and not working are statistically significant.

TABLE IX.1

RESPONDENTS' OUTLOOK AT 6 MONTHS COMPARED TO 18 MONTHS
(Percentages)

Outlook	6-Month Interview	18-Month Interview
How Are Things Since Your TANF Case Closed?		
Better	25.2	35.6
Worse	37.7	24.8
About the same	37.1	39.7
Sample Size	**981**	**981**
Change in Outlook Between 6- and 18-Month Interviews		
Improved (worse to same or better, same to better)		34.8
Same		49.2
Declined (better to same or worse, same to worse)		16.0
Sample Size		**981**

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews. Only cases that responded to both questions were included in this table.

By the 18-month interview, however, average earnings and hours had increased, which resulted in a substantial increase in average income overall (Chapter IV).[1]

We cannot attribute changes in respondents' situations to the VIEW program or time limit policies, because we lack a comparison group that is similar to the time limit sample except for the policies faced. Many other factors affected respondents' lives, including the economic climate during the period of the surveys—strong for cohorts 1 and 2, and weaker for cohort 3, the availability of other services in the community, and changes in family situations. The next two sections examine respondents' views on why things had changed, focusing first on those who felt things were better since leaving TANF and then on those who felt things were worse.

C. WHY SOME THOUGHT THINGS WERE BETTER

For a better understanding of respondents' views of their situations, those who said, in the 18-month interview, that they saw their situation as better than when they were on TANF were asked an open-ended question on why they felt the way they did (Table IX.2). Most commonly these respondents cited job-related successes, such as obtaining a job, finding a better job, or getting a promotion (37 percent). Many also mentioned an increased sense of independence or self-worth (29 percent) or having more money (23 percent). Only 3 percent mentioned that things were better because they did not to have to deal with inconvenient aspects of TANF, such as paperwork and questions from caseworkers.

[1]Despite changes in the economic climate during the cohort 3 follow-up period and subsequent lower employment rates in cohort 3 compared to cohorts 1 and 2, cohort 3 respondents were no more likely than their cohort 1 and 2 counterparts to report that things were worse since leaving TANF or to report a decline in outlook between 6 and 18 months.

TABLE IX.2

REASONS THAT THINGS ARE BETTER FOR RESPONDENT SINCE CASE CLOSED

	Percentage of Those Reporting Things Are Better
Reasons	
Job-related successes	37.0
Gained independence, self-esteem	28.5
Has more money	23.0
Relationships/family successes	6.6
Managing, doing my best	5.5
No longer has to deal with TANF paperwork, caseworkers	3.0
Getting more education	1.4
Housing/neighborhood	1.1
Respondent Thinks Change Is Related to Leaving TANF	76.7
Sample Size	**356**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: Samples include only those cases with both 6- and 18-month interviews. More than one response was allowed. Some cases that reported things to be better since their case closed did not provide a reason. The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000.

Although many things may account for these changes, most respondents, when asked directly, reported that they believed their improved situation was related to leaving TANF (77 percent).

D. WHY SOME THOUGHT THINGS WERE WORSE

Respondents who reported at the 18-month interview that their situation was worse than when they were on TANF were asked what they thought the reasons were, and they also were asked if they saw the changes as related to leaving TANF. More than half of those who felt that things were worse reported some type of financial problem (60 percent), mostly concerning paying bills or otherwise making ends meet (14 percent) (Table IX.3). A quarter of respondents who felt that things were worse cited job-related reasons (28 percent), such as difficulty finding or keeping a job.[2]

As with those who thought things were better in the months since case closure, most attributed the change to leaving TANF (47 percent).

E. SUBGROUP ANALYSES

Analyses of data from the time limits survey 6- and 18-month interviews show that respondents' outlooks were very similar across the five regions and by metropolitan status and race, which suggests that despite significant and sometimes substantial differences among subgroups (described in earlier chapters in terms of employment rates, wages, job characteristics, or housing situations), members of the different subgroups actually have similar perceptions of their overall situation. In particular:

[2]The percentage of respondents who mentioned that things were worse because of job-related reasons or difficulty making ends meet was higher in cohort 3 than in cohorts 1 and 2.

TABLE IX.3

REASONS THAT THINGS ARE WORSE FOR RESPONDENT SINCE CASE CLOSED

	Percentage of Those Reporting Things Are Worse
Reasons	
Money problems (unduplicated subtotal)	59.5
Paying bills, making ends meet	13.6
Paying for health care	6.6
Paying for other necessities	5.4
Buying food, feeding family	3.8
Paying for housing	2.8
Buying extras/things kids want	2.1
Pays for child care	2.2
Job-Related Problems	27.8
Relationship/Family Problems	5.8
Health Problems	2.9
Respondent Thinks Change Is Related to Leaving TANF	79.3
Sample Size	**245**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples include only those cases with both 6- and 18-month interviews. More than one response was allowed.

- ***There were generally no significant differences by where time limit parents lived in their assessment of their situation since leaving TANF, any change in outlook between interviews, and whether they attributed any change in circumstance to no longer receiving TANF.*** The only significant difference was that unemployed rural respondents had a more positive outlook than unemployed urban respondents.
- ***White and nonwhite time limit parents were equally likely to have a positive (or negative) impression of their life since reaching the time limit.*** Nonwhite parents, however, were more likely than white parents to attribute positive changes to leaving TANF.

Despite myriad significant differences in job availability, wages, and housing by region and metropolitan status, respondents' views of their situation after leaving TANF were generally positive in all five regions (Table IX.4A). Respondents in the economically dynamic Northern Region were the most likely to report that things were better at the 18-month interview, but this difference was not statistically significant. Respondents across the five regions were equally likely to report that their situation was better (or worse) than before their TANF case closed. There were also no regional differences in the percentage of respondents who reported a more positive outlook at the 18-month interview than at the 6-month interview; across the regions, approximately a third reported a more positive outlook, and less than 15 percent of the samples in each region except the Eastern Region reported a less positive outlook. Of those who reported that their lives had improved after case closure, there were also no significant regional differences in whether respondents attributed changes in their situation to leaving TANF.

The only significant difference by metropolitan status was among unemployed respondents. Nonworking rural residents were more optimistic about their situation than their urban counterparts. Since rural respondents more often had a spouse or other adult living with them (Chapter VII) and more often had another household member who was employed (Chapter V), it may be that unemployed rural respondents had more family resources on which they could draw and were, therefore, more positive in their outlook.

TABLE IX.4A

RESPONDENTS' OUTLOOK, BY REGION AND METROPOLITAN STATUS
(Percentage of Respondents)

		Region					Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western	Nonmetro	Metro	
Percentage of Respondents Who Believe Things Are Better Since Case Closed									
At 6 months	25.2	22.4	28.5	26.0	24.2	22.0	23.7	25.6	
At 18 months	35.6	36.2	34.0	42.1	32.7	33.0	34.8	35.8	
Percentage of Respondents Who Believe Things Are Worse Since Case Closed									
At 6 months	37.7	37.5	34.0	39.1	41.8	40.7	41.8	36.7	
At 18 months	24.8	23.4	25.0	24.7	26.4	24.8	20.6	25.8	
Change in Outlook Between 6 and 18 Months									
Improved	34.8	34.4	34.4	37.7	33.8	33.8	37.8	34.0	
Declined	16.0	15.1	20.3	14.5	13.2	12.3	13.3	16.7	
Percentage Who Believe Things Are Better Since Leaving TANF (18-Month Interview)									
Working respondents	43.9	48.3	41.5	49.4	40.3	37.6	38.9	46.4	
Unemployed respondents	21.9	21.0	20.6	23.9	22.5	24.2	29.3	19.5	**
Percentage Who Believe Things Are Worse Since Case Closure (at 18-Month Interview)									
Working respondents	17.6	11.3	16.3	20.6	22.9	21.2	17.2	17.5	
Unemployed respondents	36.6	37.6	39.3	39.8	31.1	31.9	24.4	38.5	**
Change in Outlook Is Related to Going off TANF									
Respondents who believe life is better	76.7	73.9	83.2	73.8	79.4	66.1	72.4	77.7	
Respondents who believe life is worse	79.3	74.4	81.9	77.3	79.8	83.5	83.2	78.5	
Sample Size	**981**	**282**	**238**	**232**	**194**	**129**	**203**	**824**	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: Samples include only those cases with both 6- and 18-month interviews. Data are weighted to represent all time limit cases in Virginia. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

Again, despite significant differences in employment, housing, and health among white and nonwhite families detailed in earlier chapters, there were few significant differences by race in perception of life after TANF; white and nonwhite respondents were equally likely to report that their situation was the same as or better than before their case closed. Both white and nonwhite parents reported a more positive outlook at the 18-month interview than at the 6-month interview; however, nonwhite parents were more likely than white parents to report a more pessimistic outlook (in which responses had changed from "same" to "worse" or from "better" to "same" or "worse") (Table IX.4B). Of those who reported that their lives had improved after case closure, nonwhites were more likely than whites to attribute the positive changes to leaving TANF (80 percent of nonwhites compared to 66 percent of whites). There were also no significant differences between whites and nonwhites in the outlook of employed and unemployed respondents.

TABLE IX.4B

RESPONDENTS' OUTLOOK, BY RACE
(Percentage of Respondents)

	Total	Racial Groups: White, Non-Hispanic	Racial Groups: African American and All Other	
Percentage of Respondents Who Believe Things Are Better Since Case Closed				
At 6 months	25.2	22.0	26.3	
At 18 months	35.6	35.6	35.6	
Percentage of Respondents Who Believe Things Are Worse Since Case Closed				
At 6 months	37.7	40.8	36.7	
At 18 months	24.8	26.7	24.1	
Change in Outlook Between 6 and 18 Months				
Improved	34.8	33.4	35.3	
Declined	16.0	11.6	17.5	**
Percentage Who Believe Things Are Better Since Case Closed (18-Month Interview)				
Working respondents	43.9	42.3	44.3	
Unemployed respondents	21.9	20.9	22.3	
Percentage Who Believe Things Are Worse Since Case Closed (at 18-Month Interview)				
Working respondents	17.6	23.0	15.9	
Unemployed respondents	36.6	39.0	35.7	
Change in Outlook Is Related to Going off TANF				
Respondents who believe life is better	76.7	65.7	80.4	***
Respondents who believe life is worse	79.3	81.4	78.5	
Sample Size	**1,075**	**282**	**793**	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: Samples include only those cases with both 6- and 18-month interviews. The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

X. CHILD CARE

An important factor affecting a former TANF recipient's ability to work after reaching the TANF time limit is whether the family can find quality child care at an affordable price. Time limit parents who are employed at the time their case is closed are eligible for transitional child care benefits for a maximum of one year. Families may also qualify for the state's child care fee-assistance program or participate in a locally funded child care subsidy program.[1] In contrast to child care subsidies available for families receiving TANF, these programs require copayments that are tied to family income.[2]

This chapter investigates the child care arrangements survey respondents used, the extent to which time limit families were assisted by child care subsidies during the 18 months or more after case closure, reasons that some did not use subsidies, and their out-of-pocket costs for this care. The first section discusses receipt of child care subsidies as reported in state administrative data, and later sections use the time limits survey data to examine child care subsidies, costs, and arrangements for respondents who were working or in training at the 18-month interview and had children under 13 years of age (identified as "respondents with child care needs").

The data indicate the following:

- ***The percentage of all time limit families receiving a child care subsidy from a state program fell from 30 percent in their last month on TANF to 7 percent 18 months later.*** Not all of these families, however, needed or used paid child care.
- ***Less than half the respondents with child care needs reported they had used child care subsidies after their TANF case closed.*** Forty percent of the respondents had

[1]The fee-assistance program is funded through both state funds and federal block grants.

[2]The copayment for transitional and fee-assisted child care is 10 percent of gross family income.

received a subsidy at some point between case closure and the 18-month interview. Two-thirds of those who had never received a subsidy were aware that subsidies were available but chose not to participate.

- ***Among respondents who needed child care at the 18-month interview, 17 percent received a child care subsidy 18 months after case closure, as reported in either the survey or administrative data.***

- ***A third of respondents who no longer received a child care subsidy at the end of the follow-up period reported that they had "used up" their months of eligibility.***[3]

- ***Aside from school, most children were in only one child care arrangement. Almost twice as many children (45 percent) received care from relatives than through more formal types of care (28 percent).*** Child care centers were the most common type of formal arrangement used, and grandparents were the relatives most likely to care for the children of time limit parents.

- ***Over 60 percent of time limit parents with child care needs paid no money for their child care.*** Parents with no out-of-pocket child care expenses at the 18-month interview either worked only while their child was in school, received free care from relatives or friends, or had fully subsidized care.

A. USE OF CHILD CARE ASSISTANCE, AS RECORDED IN ADMINISTRATIVE DATA

Child care subsidies administered by the state, including both transitional child care and fee-assisted child care, can be tracked in state administrative data. We use these data, which are not subject to recall error or respondent confusion, to provide the most reliable information on the subsidies received by the time limit families in our study.

In their final month on TANF, state administrative data show that a third of the time limit parents in our study received subsidized child care (Table X.1).[4] At the 18-month interview, the

[3]Respondents were most likely referring to transitional child care eligibility, as eligibility for fee-assisted care is not time-limited. These respondents may not have understood that they were potentially eligible for fee-assisted care after exhausting their eligibility for transitional care, they may have misunderstood why they were not eligible for fee-assisted care, or they may have been in a locality with a waiting list for such care.

[4]The families do not receive the payment. The payment is made on their behalf to the child care provider.

TABLE X.1

SUBSIDIZED CHILD CARE PARTICIPATION AND PAYMENTS
(Percentages and Dollars)

	Percentage or Mean	Change Since Final Month on TANF
Participation in Subsidized Child Care Among All Cases (n=1,567)		
Final month on TANF	29.9	
18 months after case closure	7.4	–22.5
Mean Child Care Subsidy, in Dollars, Among Cases with a Subsidy That Month[a]		
Final month on TANF (n=485)	599	
18 months after case closure (n=120)	668	+69.0
Mean Child Care Subsidy, in Dollars, Among Cases with a Subsidy in Both Months (n=94)[a]		
Final month on TANF	758	
18 months after case closure	684	–74.0

SOURCE: VDSS Administrative Data.

[a]We did not adjust these dollar figures for inflation, so any increase in subsidy received over time is slightly overstated in real dollars and any decrease is understated. The average increase in the CPI for the follow-up period was about 2 percent per year.

percentage of families receiving such a subsidy had dropped to 7 percent.[5] These rates are low at both points, in part because they are based on the full sample, which includes some parents who did not need child care, either because they were not employed or because they did not have a child under 13. The full sample also includes parents who always used child care solutions other than paid care or preferred not to participate in a subsidy program. The drop in participation in subsidized care over time is not likely to be related to work status, as employment rates were fairly steady. However, average income did increase across the follow-up period, which probably made more families ineligible for assistance.

The decrease in subsidy participation may reflect a change in the use of paid child care when children enter school. As children grew older during the 18-month data collection time frame and entered school, parents may have decreased the number of hours in paid care to time before and after school or discontinued any paid care and relied on school as their only child care arrangement. The decrease in participation may also be related to findings from the survey data suggesting that some families have difficulty negotiating the change from TANF transitional child care to the fee-assisted child care program. Later sections discuss in more detail the reasons parents no longer received subsidies.

The average child care subsidy among families who received a subsidy increased about 12 percent over the follow-up period, from $599 in their last month on TANF to $668 18 months later (Table X.1).[6] Among families who received subsidies in both their last month on TANF and at the 18-month interview, the mean subsidy decreased about 10 percent, from $758 to $684.

[5]Among the 120 families who received the subsidy 18 months after their case closed, there were 26 who had not been receiving a subsidy when their case closed.

[6]We did not adjust these figures for inflation, so the change in subsidy received over time is slightly overstated in real dollars. The average increase in the CPI for the follow-up period was about 2 percent per year (Bureau of Labor Statistics 2003).

This decrease may reflect increases in families' incomes over the follow-up period, which would have increased the 10 percent copayment that families generally pay for child care after leaving TANF, thereby reducing the amount of the subsidy received.

B. USE OF CHILD CARE SUBSIDIES, AS REPORTED IN THE SURVEY

Forty percent of the parents who were working at the 18-month interview and had children under age 13 reported receiving a government child care subsidy at some time after leaving TANF (Table X.2). At the time of the 18-month interview, 15 percent received assistance, and another 24 percent had received a child care subsidy at some point during the follow-up period but were no longer doing so.

TABLE X.2

USE OF CHILD CARE SUBSIDIES REPORTED BY RESPONDENTS WITH CHILD CARE NEEDS AT THE 18-MONTH SURVEY

	Percentage of Respondents
Ever Received Subsidy after TANF	39.6
Currently receiving (at interview)	15.3
Not currently, but received at some time after leaving TANF	24.3
Never Received Subsidy after TANF	60.4
Sample Size	**592**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Table includes respondents who were working or in training at the 18-month interview and had children under 13, but 5 had missing data.

A comparison of receipt of child care subsidies in the survey and administrative data for individual respondents shows that the two data sources are mostly consistent; however, we find some differences. Eleven percent of families potentially needing child care received a subsidy, as recorded in both the survey and the administrative data (Table X.3). Another 4 percent reported receiving a subsidy during the interview, but the administrative data do not show a subsidy in the 18th month after case closure. These families may have participated in a locally funded child care program that would not be recorded in state data on child care subsidies.[7] They may also have been interviewed more than 18 months after case closure and received a subsidy during that month but not the 18th month. Two percent of families potentially needing child care did not report receipt of a government subsidy in the survey, but administrative data did show a payment from one of the state child care programs. Because the state pays the provider directly, these respondents may have forgotten that their child care was subsidized (or may never have understood this), or they may have preferred not to report that they were still receiving government assistance. They also may no longer have had the subsidy at the interview, which could have been later than 18 months after case closure.

Based on a combination of administrative data and survey responses, we estimate that about 18 months after case closure, 17 percent of the working families with a child younger than 13 received child care assistance from either a state or a local government source.

C. REASONS FAMILIES NEVER RECEIVED A SUBSIDY AFTER CASE CLOSURE

Almost all time limit families with child care needs who had not received assistance were aware that subsidies existed; only 12 percent said they were not aware that child care assistance

[7]Local programs could include before- and after-school child care programs administered by the local school system and "local only" child care. A local DSS office sometimes uses non-state funds to provide such child care.

TABLE X.3

USE OF CHILD CARE SUBSIDIES 18 MONTHS AFTER CASE CLOSURE AMONG RESPONDENTS WITH CHILD CARE NEEDS

	Percentage of Respondents
Subsidy Reported in Both Survey and Administrative Data	11.4
Subsidy Reported in Survey but Not in Administrative Data: May Have Been from a Local Source or Result of Interview and Administrative Data from Different Months	3.9
Subsidy Reported in Administrative Data but Not Survey	1.6
Total with Government-Assisted Child Care (in Survey or Administrative Data)	16.9
Sample Size	**592**

SOURCE: VDSS Administrative Data and Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The survey data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Respondents with child care needs include 597 respondents who were working or in training at the interview at the 18-month interview and had children under age 13, but 5 had missing data on this question.

was available (Table X.4). Two-thirds of the respondents who had never received a child care subsidy were aware that subsidies were available but elected not to participate. The most common reason these parents cited for not participating was that they did not need or want assistance.

Fifteen percent of families with child care needs not using subsidies had circumstances indicating that they were not eligible (for example, they had stopped working, their incomes were too high, or they had been told they were ineligible); 5 percent believed they were not eligible; and 2 percent were in the process of applying for assistance.

D. REASONS NO LONGER USING SUBSIDIES

The previous section showed that most respondents with child care needs at the 18-month interview who had never used subsidies after case closure elected not to participate. This section considers why families who had received a subsidy at some point since case closure were no longer receiving one at the 18-month interview. Among this group of respondents, nearly two-thirds reported they were no longer eligible, including 33 percent who reported they had "used up" their months of eligibility (Table X.5). It is not clear why respondents in this group had not moved from the 12-month transitional child care subsidies to fee-assisted care, which has no time limit. Fee-assisted care is available to low-income working families who are not on TANF. It has copayments and rules similar to those of the transitional child care program. However, in some localities, former TANF clients need to fill out a new application form to move to fee-assisted care. The respondents who thought their eligibility had run out may not have understood they were still potentially eligible for fee-assisted care, or may have chosen to not apply. A few may have been ineligible for fee-assisted care for another reason, but thought it was because they had exhausted their months of eligibility. In addition, some may have been in a locality with a

TABLE X.4

REASONS NEVER RECEIVED CHILD CARE SUBSIDY AFTER CASE CLOSURE REPORTED BY RESPONDENTS WITH CHILD CARE NEEDS WHO DID NOT RECEIVE A SUBSIDY

	Percentage of Respondents
Never Received for Following Reason:	
Aware of program, but chose not to participate (unduplicated count of four reasons listed below)	66.8
Didn't need or want assistance	48.4
Receive care for free[a]	13.6
Too much hassle to apply	3.8
Doesn't want others to care for child	0.9
Not eligible[b]	15.0
Not aware of subsidy program	12.0
Respondent doesn't think she is eligible	4.5
Applied/paperwork not completed	1.7
Sample Size	**327**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Table includes respondents who were working or in training at 18-month interview and had children under 13 but never received a child care subsidy.

[a]Includes those who receive care for free from a relative or another provider.

[b]Includes respondents who indicated "told not eligible," "stopped working," or "had too much income."

TABLE X.5

REASON NO LONGER USING CHILD CARE SUBSIDIES REPORTED BY RESPONDENTS WITH CHILD CARE NEEDS WHO HAD RECEIVED SUBSIDY

	Percentage of Respondents
Reason No Longer Receiving Subsidy	
Ineligible (unduplicated count of four reasons listed below)	60.6
Months of eligibility were used up[a]	32.7
Income too high	7.7
No longer eligible for other reasons	13.7
Stopped working	6.5
Didn't want/need any more[b]	20.2
Changed providers or relative/friend provided care for free	8.6
Other	10.6
Sample Size	**148**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Table includes respondents who were working or in training at the 18-month interview and had children under 13 but no longer received a child care subsidy.

[a]Although these respondents reported they had used up their months of eligibility, there is no maximum number of months of eligibility for fee-assisted care. They may have been referring to transitional child care or may not have understood why they were not eligible for fee-assisted care.

[b]No specific reasons were given.

waiting list for fee-assisted care, although such lists have been rare in the past few years, as funding has increased.

E. CHILD CARE ARRANGEMENTS

The survey included questions on the child care arrangements of the 1,229 children under age 13 of respondents who were working or in training at the 18-month interview. Respondents who worked or attended school or training were asked to identify all current child care arrangements for each child, including school, if the child was in school while the respondent worked. We looked at the child care arrangements these children experienced, whether they had multiple caregivers, and whether young children were left alone to care for themselves.

As in findings from other national studies of families leaving welfare, children of time limit parents in Virginia received care more often from relatives than through formal arrangements such as day care centers, before- and after-school programs, or family day care homes (Table X.6) (Fuller et al. 2002; and Schumacher and Greenberg 1999). Specifically, relatives cared for 45 percent of children, formal providers for 28 percent. Respondents themselves cared for 8 percent of children while working. Only 2 percent of children, ranging in age from 6 to 12 years old, had no adult care; they either cared for themselves or were cared for by a sibling who in some cases was under age 13.

Children in formal programs were most often in child care centers (9 percent of all children) or family day care programs (7 percent of all children). When relatives cared for children, grandparents (19 percent of all children) and nonsibling/nonparent relatives (19 percent of all children) were most often relied upon for care. Siblings (11 percent of all children) and the child's other parent (7 percent of all children) also provided child care.

Arrangements varied somewhat by the child's age. As in national studies, we find that infants and toddlers (children under two years) received care much more often by relatives

TABLE X.6

CURRENT CHILD CARE ARRANGEMENTS,
BY AGE OF CHILD
(Percentage of Children)

Type of Child Care[a]	Age 0–2	Age 3–5	Age 6–12	Total
Kindergarten/Elementary School	NA	51.7	75.9	66.4
Formal Program (Unduplicated Total)	26.8	43.2	23.9	27.6
Child care center/preschool/nursery school	16.4	19.8	5.5	8.8
Nonrelative family day care	6.5	6.9	6.6	6.7
Nonrelative in-home provider (babysitter)	4.2	7.1	6.5	6.4
Before- or after-school program	NA	7.2	5.3	5.3
Head Start	NA	3.4	NA	0.6
Relative Care (Unduplicated Total)	63.0	45.8	43.5	45.2
Grandparent	35.1	22.2	16.6	18.9
Sibling/half-sibling	1.9	3.7	9.3	11.1
Other biological parent	9.2	7.8	5.6	7.1
Stepparent	2.7	1.7	2.5	2.4
Other relative	14.9	10.7	10.8	18.9
Other (Unduplicated Total)	8.0	4.1	12.3	10.5
Respondent while working	8.0	3.8	9.1	8.1
No one/child cares for self	0.0	0.0	3.2	2.4
Summer school	NA	0.3	0.2	0.2
Sample Size (Children)	**80**	**225**	**924**	**1,229**
Number of Nonschool Arrangements[b] (Among Those with Any)				
1	91.0	86.5	81.1	83.0
2	8.2	12.3	17.8	15.9
3	0.8	1.1	1.1	1.1
Sample Size (Children)	**78**	**192**	**704**	**974**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Table includes children under age 13 of respondents who were working or in training at the 18-month interview.

[a]Sums to more than 100 percent, as respondents identified all current arrangements for each child.

[b]Children for whom school was their only child care arrangement were not included in this analysis.

(63 percent) than through formal programs (27 percent) (Ehrle et al. 2001). Arrangements for Virginia time limit parents' three- to five-year-olds differed somewhat from national trends, which show that preschoolers are more often cared for in formal programs than by relatives. In this study, relatives cared for 46 percent of three- to five-year-old children, and 43 percent were in more formal programs. Almost all children in a non-school arrangement (83 percent) received care from a single provider. Only 1 percent of the children in a non-school setting had more than two non-school arrangements.

On average, children spent 21 hours a week in child care (Table X.7). Before and after school, 6- to 12-year-old children were in child care an average of 19 hours a week. Three- to five-year-olds, including those who may have attended half-day kindergarten, were in care 24 hours a week on average. Since they do not attend school, children under age two were in child care for more hours than those in the other age groups, attending an average of 34 hours each week. No time limit parents reported using child care for more than 60 hours a week.

F. CHILD CARE COSTS

At the 6-month interview, more than half (56 percent) of time limit families with child care needs did not pay out-of-pocket for child care (Table X.8). At the 18-month interview, this had increased to 62 percent. The increased percentage of families with no out-of-pocket child care costs may reflect children moving into school-age years over the follow-up period. It may also reflect that families may have found free care more suitable to their needs, or families who no longer received subsidies may have needed to find free care with relatives or friends. Most often, families with free care did not use caregivers outside the immediate family. This was because (1) parents worked only during hours their children were in school, (2) the respondent cared for the children while working, or (3) the child cared for him- or herself. Twenty-nine

TABLE X.7

NUMBER OF HOURS PER WEEK IN CHILD CARE, BY AGE
(Percentage of Children in Child Care)

	Age 0–2	Age 3–5	Age 6–12	Total
Number of Hours				
1 to 10	7.2	26.9	41.8	35.6
11 to 20	10.1	22.3	22.9	21.7
21 to 30	21.7	16.6	16.9	17.3
31 to 40	49.3	25.1	15.0	20.1
41+	11.6	9.1	3.4	5.3
Mean Hours per Week	33.8	24.3	18.5	21.1
Sample Size (Children)	**67**	**174**	**570**	**811**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Table includes children in child care under age 13 of respondents who were working or in training at the 18-month interview.

TABLE X.8

OUT-OF-POCKET MONTHLY CHILD CARE EXPENSE FOR TIME LIMIT FAMILIES WITH CHILD CARE NEEDS
(Percentage of Respondents or Mean Value)

	6-Month Interview	18-Month Interview
Monthly Out-of-Pocket Child Care Expenses	(n=565)	(n=584)
No cost (total)	55.9	61.9
Used only school, self-care, or parental care	27.0	30.2
Free care from relatives or others	25.1	29.2
Fully subsidized	3.8	2.5
$1 to $100	12.1	6.8
$101 to $200	16.8	14.1
$201 to $300	7.4	8.0
$301 to $400	4.0	3.1
$401 or more	3.9	6.0
Average Cost Among Those Paying for Care or Receiving Government Subsidy[a]	$175 (n=275)	$215 (n=240)
Percentage of Monthly Household Income	NA	20 (n=218)
Average Cost Among Those Receiving a Government Subsidy[b]	$154 (n=144)	$170 (n=89)
Percentage of Monthly Household Income	NA	14 (n=80)
Average Cost Among Those Paying for Care but Not Receiving a Government Subsidy[c]	$197 (n=131)	$243 (n=149)
Percentage of Monthly Household Income	NA	24 (n=136)

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Table includes respondents who were working or in training at the 18-month interview and with children under age 13 (families with child care needs). We did not adjust dollar figures for inflation, so changes in dollar amounts over time are slightly overstated in real dollars. The average CPI increase for the follow-up period was about 2 percent per year. Household income is missing for some cases.

[a]Sample includes only those who reported some out-of-pocket costs or received a government subsidy. It excludes those who received free care from relatives or friends or those whose children were cared for exclusively in school, in self-care, or by the respondent while working.

[b]Sample includes only those who received a subsidy from a government assistance program.

[c]Sample includes all who paid some out-of-pocket expenses but received no government subsidy.

percent of families received child care for free from relatives or others, and a small percentage (3 percent) reported having no child care costs because they received a full subsidy.[8]

Among the families who did pay out-of-pocket for child care costs, the average monthly expenses at the 18-month interview were $215, or an average of 20 percent of their household income. Families who reported receiving a partial or full government subsidy paid $170 a month on average, or 14 percent of their household income. As might be expected, families who did not receive child care subsidies paid more for child care than those who did. Specifically, at the 18-month interview, families with no subsidy paid $243 a month on average for child care, or 24 percent of their income.

Findings at the 18-month interview are similar to those at a national level regarding the extent to which families have zero child care costs, but are somewhat different regarding the cost of child care for low-income families who do pay for care. The National Survey of America's Families (NSAF) reported that 60 percent of low-income families with preschool children did not have out-of-pocket child care costs, comparable to the 62 percent found here (Ginnarelli and Barsimanto 2000). However, the NSAF also reports that the 40 percent of low-income families who do pay out-of-pocket child care costs paid 16 percent of their income for child care, less than the 20 percent found for Virginia time limit families (Ginnarelli and Barsimanto 2000).

Child care costs increased between the 6- and 18-month interviews for those paying for care. Among the families who had out-of-pocket child care expenses, costs increased on average from $175 a month at the 6-month interview to $215 a month at the 18-month interview. However, fewer families paid for care. Averaged across all families with child care needs, the amount paid

[8]The state child care subsidy program requires a copayment of 10 percent of household income after families leave TANF. However, some providers waive the copayment for families. Families reporting fully subsidized child care probably had their copayment waived.

for care was $84 a month at the 6-month interview and $87 a month at the 18-month interview (not shown in tables). When child care assistance ended, some families may have found less expensive care or free care, while others paid more. As a result, the average amount paid per month for all families with child care needs did not change noticeably between the 6- and 18-month interviews.

G. SUBGROUP ANALYSES

Significant differences were found in the use of child care assistance, cost of care, and type of arrangements by regional residence, metropolitan status, and race. In particular:

- ***Children in the Northern Region were most likely to receive care in formal settings and least likely to receive care by relatives.*** This may be related to regional differences in the availability of extended family members to help with child care.
- ***Use of child care assistance differed among the five regions and by metropolitan status.*** Families with child care needs in the Northern Region were the most likely to receive a subsidy. Respondents in rural areas were less likely than respondents in metropolitan areas to receive a subsidy. This is likely related to a number of factors including regional differences in type of child care arrangements, employment rates, and costs of living.
- ***Use of child care subsidies was essentially the same among white and nonwhite time limit parents in Virginia.*** However, among parents receiving a subsidy, nonwhite parents received significantly larger subsidies than white parents both in their final month on TANF and 18 months later. This is most likely related to the regional differences in type of arrangements and cost of care.
- ***Child care costs differed by region and metropolitan status*.** Costs of child care among those who paid for care were highest for those in the Northern Region and lowest for respondents in the Central Region, reflecting different costs of living and the type of care used (as formal care, which was used most in Northern Virginia, is more expensive).

1. Type of Arrangements

The type of child care arrangements time limit parents used differed by region, which may reflect regional differences in the availability of extended family to assist with child care. A larger percentage of respondents in the Northern Region (38 percent) and a smaller percentage in

the Eastern Region (21 percent) used formal child care arrangements in comparison to respondents in other regions (31 to 33 percent) (Table X.9A). A larger percentage of respondents in the Piedmont Region (51 percent) and a smaller percentage in the Northern Region (30 percent) used relative care than respondents in other regions (34 to 47 percent).

2. Child Care Assistance

There was substantial regional variation in use of child care assistance, primarily because of the type of child care used and the differential costs of living across the five regions. Time limit parents in the expensive Northern Region, in which paid formal child care arrangements were more frequently used than in other regions, were the most likely to receive child care assistance. Over a third (37 percent) of all time limit parents from the Northern Region received a subsidy during their last month on TANF, compared to 24 to 32 percent of families in the other regions (Table X.9A). Among survey respondents with child care needs, Northern Virginia families were twice as likely to receive assistance at the 18-month interview than families in other regions. Also among survey respondents with child care needs, more than half (52 percent) of Northern Region parents received a subsidy at some point during the follow-up period, compared to 32 to 41 percent of parents in the other regions. These differences stem from the higher cost of child care (due partly to significant use of expensive formal care programs) and high employment rates of Northern Region parent. Use of subsidies was also higher in metropolitan than nonmetropolitan areas, probably for similar reasons.

Use of child care subsidies was essentially the same among white and nonwhite time limit parents in Virginia; the only statistically significant difference between the groups was in the dollar amount of subsidies received (Table X.9B). This is most likely accounted for by regional differences in where white and nonwhite families lived (as discussed in next paragraph). About

TABLE X.9A

CHILD CARE ASSISTANCE, BY REGION AND METROPOLITAN STATUS
(Percentage of Respondents, Percentage of Children, or Mean Dollar Amount)

		Region						Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
Participation in Subsidized Child Care										
Final month on TANF	29.9	32.0	29.2	36.5	24.1	24.2	**	20.9	32.1	***
Sample Size	**1,567**	**409**	**340**	**373**	**261**	**184**		**291**	**1,276**	
18 months after case closure	16.9	13.1	15.0	30.8	10.3	14.8	***	12.1	18.0	
Ever received subsidy	39.6	45.1	31.9	52.3	33.7	40.8	***	39.1	42.9	**
Sample Size	**592**	**143**	**139**	**143**	**108**	**59**		**100**	**492**	
Mean Child Care Subsidy (Cases With a Subsidy That Month)										
Final month on TANF	$599	$621	$548	$787	$482	$408	***	$420	$626	***
Sample Size	**485**	**129**	**99**	**142**	**63**	**52**		**62**	**423**	
18 months after case closure	$668	$760	$654	$830	$309	$443	***	$599	$678	
Sample Size	**120**	**17**	**21**	**51**	**13**	**18**		**16**	**104**	
Used Formal Child Care Program	30.9	31.8	21.2	38.0	32.9	31.4	***	30.9	27.0	
Used Relative Child Care	45.3	43.5	46.6	29.8	51.3	33.7	***	45.6	45.2	
Sample Size (Children <13 with Working Parent)	**1,227**	**308**	**297**	**292**	**225**	**105**		**188**	**1,039**	
Average Monthly Cost Among Those Paying for Care or Receiving Government Subsidy[a]	$215	$167	$229	$266	$192	$173	*	$186	$220	
Sample Size (Respondents)	**240**	**61**	**55**	**68**	**39**	**17**		**37**	**203**	
Have Free Child Care or Use School or Self Care	59.3	56.7	60.8	49.5	64.0	73.1	**	65.3	58.2	
Sample Size (Respondents)	**584**	**141**	**140**	**139**	**107**	**57**		**99**	**485**	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys and VDSS Administrative Data.

NOTE: The survey data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. We did not adjust dollar figures for inflation, so changes in dollar amounts over time are slightly overstated in real dollars. The average increase in the CPI for the follow-up period was about 2 percent per year. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

TABLE X.9B

CHILD CARE ASSISTANCE, BY RACE
(Percentage of Respondents, Percentage of Children, or Mean Dollar Amount)

		Racial Groups		
	Total	White, Non-Hispanic	African American and All Other	
Participation in Subsidized Child Care				
Final month on TANF	29.9	28.9	30.3	
Sample Size	**1,567**	**384**	**1,183**	
Ever received subsidy	39.6	44.8	37.9	
18 months after case closure	16.9	19.4	16.1	
Sample Size	**592**	**155**	**437**	
Mean Child Care Subsidy (Cases With a Subsidy That Month)				
Final month on TANF	$599	$477	$635	***
Samples Size	**485**	**120**	**365**	
18 months after case closure	$668	$505	$726	**
Samples Size	**120**	**33**	**87**	
Used Formal Child Care Program	30.9	30.8	30.9	
Used Relative Child Care	41.6	39.5	42.3	
Sample Size (Children <13 with Working Parent)	**1,227**	**312**	**915**	
Average Monthly Cost Among Those Paying for Care or Receiving Government Subsidy[a]	$215	$248	$205	
Sample Size (Respondents)	**240**	**57**	**183**	
Have Free Child Care or Use School or Self-Care	59.3	61.3	58.7	
Sample Size (Respondents)	**584**	**152**	**432**	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys and VDSS Administrative Data.

NOTES: The survey data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. We did not adjust dollar figures for inflation, so changes in dollar amounts over time are slightly overstated in real dollars. The average increase in the CPI for the follow-up period was about 2 percent per year.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

[a]Sample includes only those who reported some out-of-pocket costs or received a government subsidy. It does not include those who received care for free from relatives or friends or those whose children were cared for exclusively in school, in self-care, or by the respondent while working.

a third of both white and nonwhite parents received a subsidy during their final month on TANF, compared to 8 percent of white parents and 7 percent of nonwhite parents 18 months later.

The average subsidy received was higher in metropolitan than nonmetropolitan areas, and it was highest for parents in Northern Virginia: $787 per month compared to $408 to $621 in the other regions in their last month on TANF, and $830 compared to $309 to $760 in the other regions 18 months later. Subsidy amounts were lowest in the relatively rural Piedmont and Western regions. These differences reflect the high cost of living and greater use of more expensive formal child care arrangements in the Northern Region and the relatively low cost of living and greater use of less expensive relative care in the Piedmont and Western regions.

3. Cost of Child Care

As expected, the average monthly cost of care among those who paid for care was highest for families in the Northern Region ($266) and lowest for those in the Central Region ($167). Almost three-quarters of families in the Western Region (73 percent) and half in the Northern Region (50 percent) had free child care or used school or self–care; other regions fell in between these extremes. This may reflect regional differences in the availability of family members to assist with child care.

[9]As discussed earlier, nonwhite families tend to have somewhat more children and thus might have had more children in child care and, therefore, a higher subsidy. To test that hypothesis, we determined the number of children in families receiving subsidies. Nonwhite families receiving a subsidy in their last month on TANF did have more children, but 18 months later the white families receiving a subsidy had more children. Note that the data available were for the number of children in the household, which was not necessarily the number of children in child care.

XI. CHILD WELL-BEING

Policymakers have voiced opposing views about the effects that TANF might have on the well-being of children in families who have reached the time limit. Some have argued that TANF time limit provisions could increase stress among parents and increase poverty by forcing families off welfare before they had become self-sufficient. Others have argued that work requirements would increase income and allow parents to purchase needed resources, including health care for their children, and that provisions strengthening child support enforcement were expected to increase noncustodial parents' involvement with their children. This chapter takes a closer look at the children living in families who have reached the time limit, particularly at the characteristics of children in time limit families, their interactions with noncustodial parents, the extent to which they received support from noncustodial parents, their access to health care, and their overall health status. The findings indicate:

- ***Two-thirds of the children in time limit families were of elementary school age (5 to 12 years old).*** Because of VIEW exemptions for parents with children under 18 months of age, only 2 percent of time limit families' children were infants.
- ***Almost all time limit children had one parent who lives elsewhere. Only 13 percent of these children had regularly scheduled contact with the noncustodial parent;*** however, one-quarter saw the noncustodial parent at least once a month, even if the contact was not regular. More than half the children had no contact with their noncustodial parent in the previous year.
- ***About one-fourth of the children received informal assistance from noncustodial parents,*** most commonly in the form of clothing and toys.
- ***Most children went to a private physician's office for their health care, and more than three-fourths had a well-child checkup in the last year,*** higher than the national average.
- ***Parents reported that just 10 percent of the children were in fair or poor health.*** This percentage is similar to findings of national studies reporting that 8 percent of children in families that recently left TANF and nine percent of children in other low-income families were in fair or poor health.

A. CHARACTERISTICS OF CHILDREN

The 1,088 respondents had 2,508 children under the age of 18 living with them at the time of the 18-month interview (Table XI.1). Two-thirds of the children were elementary school-age, (between 5 and 12 years old), and 22 percent were middle- and high-school age (ages 13 to 17). Only 2 percent were infants less than 1 year old, and 9 percent were preschool age (1 to 4 years old). Since families with children younger than 18 months old are exempt from VIEW, it is not surprising that families who reach the VIEW time limit have few infants or preschool-age children.

Nearly all children (99 percent) were the biological or adopted children of the respondents, and most children (92 percent) had a parent living elsewhere, generally a father (Table XI.1).

B. INTERACTION WITH AND SUPPORT FROM NONCUSTODIAL PARENTS

In the year before the 18-month interview, few children who had a parent living elsewhere had regularly scheduled contact with that noncustodial parent (Table XI.2). Most children (87 percent) did not have contact with their noncustodial parent on a regular basis, and more than half (56 percent) had no contact at all. However, one-quarter of children saw their noncustodial parent more than once a month, even if the contact was not considered to be regularly scheduled. Eighteen percent had contact once a month or less (usually less).

In addition to any formal child support families may have been receiving, 24 percent of the children received some other type of assistance from their noncustodial parent in the year before the 18-month interview.[1] Children most often received clothing (19 percent) or toys (17 percent). Only 13 percent received food, and 12 percent babysitting.

[1]See discussion of child support received in Chapter V.

TABLE XI.1

CHARACTERISTICS OF CHILDREN
(Percentage of Children or Mean Value)

Characteristic	Percentage or Mean Value
Age	
Infants (less than 1 year)	2.4
Preschoolers (1 to 4 years)	9.4
Elementary school age (5 to 12 years)	66.3
Adolescents (13 to 17 years)	21.9
Mean Age (in Years)	9.0
Gender	
Male	51.3
Female	48.7
Relationship to Respondent	
Biological/adopted	98.9
Stepchild	0.9
Other custodial/foster child	0.2
Family Structure	
One parent lives elsewhere	92.0
Two-parent household	8.0
Sample Size	**2,508**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all biological, adopted, or stepchildren under age 18 living with respondents at the 18-month interview.

TABLE XI.2

NONCUSTODIAL PARENTS' INTERACTION WITH AND SUPPORT FOR THEIR CHILDREN
(Percentage of Children)

	Last Year
Regularly Scheduled Contact	(n=2,192)
No	87.3
Yes	12.7
Frequency of Contact	(n=2,142)
Never	56.4
More than once a month	23.1
Every day	4.1
More than once a week, less than every day	4.7
Once a week or every weekend	7.2
More than once a month, less than once a week	7.1
Once a month or less	17.6
Once a month	3.6
Less than once a month	5.1
One to five times in last year	3.3
Holidays and special occasions only	4.5
Seldom and/or only short periods of time (hours)	1.1
Other	3.0
Informal Assistance from Noncustodial Parent	(n=2,196)
Clothing	18.6
Toys	17.4
Food	12.5
Babysitting	11.7
Medicine	11.3
Money other than formal child support	9.0
Household items	8.4
Miscellaneous	1.8
Received Any Assistance (One or More of Above)	23.8

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Surveys.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all biological, adopted, or stepchildren under age 18 living with respondents at the 18-month interview.

C. CHILDREN'S ACCESS TO HEALTH CARE

Almost all the families had a regular source of health care for their children. Most parents (71 percent) had a private physician as their children's primary health care provider (Table XI.3). Other sources of care were community clinics or the local health department (22 percent) or the emergency room or hospital (7 percent). Only 1 percent used some other source of care or had no regular place of care.

As would be expected, we find significant differences in the usual source of health care between families with health insurance for their children, whether government or private, and families without health insurance. Those with insurance used a private physician much more often than those without (76 percent compared to 44 percent). Families without insurance used a clinic or health department (31 percent compared to 20 percent) or an emergency room or hospital more often than those with insurance (21 percent compared to 4 percent).

TABLE XI.3

SOURCE OF HEALTH CARE FOR CHILDREN
(Percentage of Respondents)

Parents' Usual Source of Care for Children	With Insurance	No Insurance	Total
Private Physician's Office	75.9	44.3	70.8
Clinic or Health Department	19.9	30.5	21.6
Emergency Room or Hospital	3.8	20.7	6.5
Other or No Regular Place	0.4	4.6	1.1
Sample Size	**896**	**180**	**1,076**

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000.

Difference between those with and without insurance is statistically significant at the .01 level, using a chi-squared test.

D. CHILDREN'S HEALTH STATUS

Respondents reported their children's health in positive terms (Table XI.4). Nine out of 10 children were reported to have good, very good, or excellent health. The number of children reported to be in very good or excellent health (60 percent) was lower than the 70 percent of children in families below the poverty line reported to be in very good or excellent health by parents in the National Health Interview Survey (NHIS) (Federal Interagency Forum on Child and Family Statistics 2001). However, reports of fair or poor health were similar to national data. Among families in the NSAF, former welfare parents reported 8 percent of their children to be in fair or poor health and other low-income families reported 9 percent of their children to be in fair or poor health, compared to 10 percent of Virginia's time limit children (Tout et al. 2002).

More than three-fourths of the children (81 percent) received a well-child checkup in the preceding year, a higher rate than reported in the PSID (Hofferth 1998). Most children (90 percent) saw a physician at least once in the previous year. Three-quarters saw a physician between one and five times. Six percent of time limit children saw a physician at least once a month during the prior year.

Children in Virginia time limit families had a similar, although slightly higher, rate of hospitalization (6 percent) than the national average (4 percent) (Hofferth 1998). While the causes of hospitalization among time limit children varied considerably, the most frequent causes were asthma or other respiratory problems (31 percent of hospitalizations). These data are consistent with national data showing the most frequent reason for hospitalization of children under age 15 to be respiratory disease (Hall and Owings 2002).

In the year between the 6- and 18-month interviews, one-fifth of time limit children in Virginia had a chronic health problem, and 12 percent experienced an accident, injury, or

TABLE XI.4

CHILDREN'S HEALTH AND BEHAVIOR
(Percentage of Children)

	With Insurance	No Insurance	Total
Health at 18-Month Interview	(n=2,173)	(n=325)	(n=2,498)
Excellent	38.2	39.3	38.3
Very good	22.1	15.4	21.3
Good	29.7	33.0	30.1
Fair	8.6	11.0	8.9
Poor	1.4	1.3	1.4
Well-Child Checkup Past Year***	(n=2,168)	(n=324)	(n=2,492)
	81.8	71.7	80.5
Doctor's Visits in Past Year***	(n=2,145)	(n=322)	(n=2,467)
0 times	9.5	15.7	10.3
1 to 5 times	72.9	73.9	73.0
6 to 10 times	11.1	6.0	10.5
11 to 15 times	3.9	2.5	3.7
More than 15 times	2.6	1.9	2.5
Hospitalized in Past Year	(n=2,175)	(n=324)	(n=2,499)
	5.9	5.0	5.8
Reason for Hospitalization	(n=123)	(n=15)	(n=138)
Asthma, respiratory	31.1	33.3	31.4
Surgery	27.4	8.3	25.4
Injury	10.4	25.0	11.9
Had baby	4.7	8.3	5.1
Other	26.4	25.0	26.3
Health or Behavioral Problems in Past Year	(n=2,174)	(n=325)	(n=2,499)
Chronic health problem	19.5	17.9	19.3
Accident, injury, or poisoning requiring health care	11.7	11.3	11.7
Needed help for emotional, mental, or behavioral problem**	14.7	10.7	14.2
Received help for emotional, mental, or behavioral problem***	10.5	5.3	9.8
Suspended or Expelled from School			
School age (6- to 17-year-olds)	(n=1,713)	(n=280)	(n=1,993)
	15.6	15.2	15.5
Adolescents (12- to 17-year-olds)	(n=604)	(n=117)	(n=721)
	26.2	27.0	26.3

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level. Sample includes all biological, adopted, or stepchildren under age 18 living with respondents at the 18-month interview.

poisoning that required health care.[2,3] Fourteen percent needed help for an emotional problem, and 10 percent received care for one.

Sixteen percent of time limit school-age children (ages 6 to 17) and 26 percent of adolescents (ages 12 to 17) had a behavioral problem severe enough to cause suspension or expulsion from school. Adolescents in time limit families had a substantially lower rate of suspension or expulsion than found in other national studies. For example, 43 percent of 12- to 17-year-olds in the NSF study of former welfare families had been suspended or expelled in the previous year (Tout et al. 2002).

As would be expected, the health care and health status of time limit children varied by whether they were covered by health insurance. Children with health insurance were more likely than uninsured children to have had a well-child checkup (82 percent compared to 72 percent), and insured children visited the doctor more frequently. Eighteen percent of children with insurance had six or more doctor's visits per year, compared to 10 percent of children without

[2]Parents were asked if a health professional had ever told them that their child had a health problem requiring ongoing treatment such as asthma, diabetes, anemia, or hearing problems.

[3]Limited data are available to allow comparison of the incidence of chronic illness among children in Virginia time limit families to national averages. Both the Child Development Supplement of the PSID (Hofferth 1998) and the NHS (Federal Interagency Forum on Child and Family Statistics 2001) report findings by age group (which differ from each other) and do not cite an average among all children under 18 years. The definition of chronic condition also varies among national studies. The NHIS reported incidence of chronic illness among children 5 to 17 years of age for families living below poverty to be 11 percent and among children in families above poverty to be 7 percent. The definition of chronic condition in this study was very narrow, including only chronic conditions that limited children's activity level. PSID data reported by Hofferth (1998) grouped children 5 to 12 years of age and found a rate of 6 percent of children for conditions that limited children's activities. However, using a much broader definition of chronic condition, 47 percent of children between the ages of 5 and 12 years were reported to have a chronic condition (Hofferth 1998). Among 5- to 12-year-olds in the Virginia time limit study, 19 percent were reported to have a chronic health problem. However, it is not possible to compare this finding to national data, because the criteria for identifying a chronic health problem differed so greatly among the various studies.

insurance. The parents of insured children were no more likely than the parents of uninsured children to report that their children were unhealthy. Insured children were more likely than uninsured children to need help for an emotional, mental, or behavior problem (15 percent compared to 11 percent), which suggests that problems are more likely to be diagnosed when care is available. Twice as many time limit children with insurance received care for a diagnosed emotional problem than time limit children without health insurance (11 percent compared to 5 percent).

E. SUBGROUP ANALYSES

The well-being of time limit parents' children, particularly their interaction with noncustodial parents, their access to health care, and their health status, differed by their regional residence, metropolitan status, and race. Many of these differences were statistically significant. In particular:

- ***Children in metropolitan areas and the most metropolitan (Central, Eastern, and Northern) regions were more likely than those in rural areas and the more rural (Piedmont and Western) regions to have had regular contact and to have received assistance from a noncustodial parent.*** Differences in contact may reflect transportation differences in urban and rural areas. Research suggests contact and assistance are related: non-custodial parents who have more contact with their children are more likely to provide assistance.
- ***Nonwhite children were more likely to have had contact with and received assistance from their noncustodial parent than were white children,*** which reflects largely the overlap between metropolitan status and race of time limit families.
- ***In each region, most time limit families' usual source of health care for their children was a private physician.*** Children in the Piedmont Region were the least likely to receive care from a private physician and were also the least likely to receive preventive health care. However, Piedmont parents reported their children to be as healthy as those in other regions.
- ***There were significant racial disparities in children's source of health care and their health status***. Consistent with national trends**,** white children were more likely to receive care from a private physician and more likely to be in excellent or very good health than children in nonwhite families.

1. Noncustodial Parent Child Interaction

There were significant differences by metropolitan status, region, and race in children's interaction with their noncustodial parents (Table XI.5A). Consistent with findings of regional differences, children living in metropolitan areas were more likely to have a parent living outside the household (94 percent) than children in nonmetropolitan areas (83 percent). Among the children with a parent living outside their household, those in metropolitan areas were more likely to receive assistance from their noncustodial parent (25 percent compared to 18 percent of children in nonmetropolitan areas).

Consistent with regional differences in marital status described in Chapter VII, a larger percentage of children in the Central, Eastern, and Northern regions (94 to 95 percent) had a parent living outside the household than those in the Piedmont (88 percent) and Western regions (79 percent). Children in the Central Region with a parent living outside the household were more likely than children in other regions to have regularly scheduled contact with their noncustodial parent (16 percent compared to 10 to 13 percent among other regions). Children in the Western Region with a parent living outside the household were significantly less likely to receive assistance (not counting child support) from the noncustodial parent (11 percent) than children in other regions (21 percent to 26 percent).

Similar to findings of national studies, we find significant racial differences in noncustodial parents' interactions with their children and the informal assistance they provided when not living in the household (Halle and Menestrel 1999). A larger percentage of nonwhite children had a parent living outside the household (94 percent) than did white children (85 percent). Among the children with a parent living outside the household, nonwhite children were more likely than white children to have regularly scheduled contact and more likely to receive assistance from their noncustodial parent. Fourteen percent of nonwhite children had regularly

TABLE XI.5A

CHILD WELL-BEING, BY REGION AND METROPOLITAN STATUS
(Percentage of Respondents or Percentage of Children)

		Region						Metropolitan Status		
	Total	Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
One Parent Lives Outside Household	92.1	94.0	95.0	94.9	87.8	78.5	***	83.3	93.8	***
Sample Size (Children)	**2,495**	**686**	**578**	**540**	**441**	**250**		**421**	**2,074**	
Have Regularly Scheduled Contact with Noncustodial Parent	12.7	16.3	12.5	11.8	9.9	9.8	**	11.8	12.8	
Received Assistance from Noncustodial Parent	23.8	25.6	26.0	25.8	20.7	10.7	***	17.8	24.9	***
Sample Size (Children)	**2,192**	**608**	**529**	**487**	**373**	**195**		**341**	**1,851**	
Usual Source of Health Care:							***			
Private physician	70.8	71.7	70.9	78.0	55.7	78.0		75.7	69.6	
Clinic or health department	21.6	20.1	22.6	14.8	33.5	16.3		19.2	22.2	
Emergency room or hospital	6.4	7.9	5.9	5.5	9.0	3.3		3.7	7.2	
No regular source or receive from other source	1.1	0.4	0.6	1.6	1.8	2.4		1.4	0.9	
Sample Size (Respondents)	**1,076**	**283**	**237**	**235**	**194**	**127**		**209**	**867**	
Saw Health Care Provider for Preventive Health Care Visit in Previous Year	80.5	82.3	82.3	81.7	73.2	78.6	***	75.1	81.6	***
Sample Size (Children)	**2,518**	**616**	**863**	**416**	**385**	**238**		**413**	**2,105**	
Child's Health Reported by Mother to Be:										
Excellent	38.3	36.4	39.4	39.7	37.0	39.2		33.3	39.3	
Very good	21.3	18.4	20.4	24.8	22.5	23.8		22.5	21.0	
Good	30.2	33.0	30.7	26.2	30.3	27.5		30.7	30.0	
Fair	8.9	10.0	8.1	8.7	9.3	8.3		12.8	8.1	
Poor	1.3	2.1	1.4	0.7	0.8	1.3		0.7	1.5	

TABLE XI.5A *(continued)*

	Total	Region						Metropolitan Status		
		Central	Eastern	Northern	Piedmont	Western		Nonmetro	Metro	
Sample Size (Children)	**2,523**	**618**	**863**	**416**	**386**	**240**		**414**	**2,110**	
Has Chronic Health Problem	19.2	23.5	16.7	19.5	17.3	20.1	**	19.8	19.2	
Hospitalized in Past Year	5.8	6.5	3.9	7.5	6.2	7.1	*	5.3	5.9	
Had Accident, Injury/Poisoning Requiring Health Care in Past Year	11.7	9.0	10.6	12.5	13.7	18.0	***	14.2	11.2	*
Needed Help for Emotional/Mental, Behavioral Problem in Past Year	14.2	14.1	15.1	10.8	14.9	16.0		15.7	13.9	
Sample Size (Children)	**2,525**	**620**	**863**	**416**	**387**	**239**		**415**	**2,109**	

SOURCE: Virginia Time Limit Study, 6- and 18-Month Follow-Up Surveys.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Significantly different at the *.10 level, **.05 level, ***.01 level. Sample includes all biological, adopted, or stepchildren under age 18 living with respondents at the 18-month interview.

Statistical tests are descriptive only and do not control for other background characteristics. Regional differences, for example, may reflect differences in the urbanicity of the regions.

TABLE XI.5B

CHILD WELL-BEING, BY RACE
(Percentage of Respondents or Percentage of Children)

		Racial Groups		
	Total	White, Non-Hispanic	African American and All Other	
One Parent Lives Outside Household	92.1	85.4	94.0	***
Sample Size (Children)	**2,495**	**597**	**1,898**	
Have Regularly Scheduled Contact with Noncustodial Parent	12.7	9.3	13.7	***
Received Assistance from Noncustodial Parent	23.8	16.5	25.9	***
Sample Size (Children)	**2,194**	**500**	**1,695**	
Usual Source of Health Care:				***
Private physician	70.8	81.3	67.4	
Clinic or health department	21.6	14.9	23.9	
Emergency room or hospital	6.4	1.9	7.9	
No regular source or other	1.1	1.9	0.9	
Sample Size (Respondents)	**1,076**	**279**	**797**	
Saw Health Care Provider for Preventive Health Care Visit in Previous Year	80.5	79.2	80.9	
Sample Size (Children)	**2,492**	**594**	**1,898**	
Child's Health Reported by Parent to Be:				***
Excellent	38.3	42.9	36.9	
Very good	21.3	23.2	20.7	
Good	30.2	23.2	32.3	
Fair	8.9	9.2	8.8	
Poor	1.3	1.5	1.3	
Sample Size (Children)	**2,498**	**595**	**1,903**	
Has Chronic Health Problem	19.2	19.9	19.1	
Hospitalized in Past Year	5.8	7.8	5.2	**
Had Accident, Injury/Poisoning Requiring Health Care in Past Year	11.7	19.1	9.4	***
Needed Help for Emotional/Mental, Behavioral Problem in Past Year	14.2	18.7	12.8	***
Received Help for Emotional/Mental, Behavioral Problem in Past Year	9.8	12.9	8.9	***
Sample Size (Children)	**2,499**	**587**	**1,905**	

SOURCE: Virginia Time Limit Study, 18-Month Follow-Up Surveys.

NOTES: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Sample includes all biological, adopted, or stepchildren under age 18 living with respondents at the 18-month interview. Significantly different at the *.10 level, **.05 level, ***.01 level.

Statistical tests are descriptive only and do not control for other background characteristics. Racial differences, for example, may reflect differences in the regions where white and nonwhite time limit families live.

scheduled contact, compared to 9 percent of white children. A quarter (26 percent) of nonwhite children received some type of assistance (other than child support) from their noncustodial parent, compared to 17 percent of white children.

2. Children's Access to Health Care

In each of the five regions, most time limit families' usual source of health care for their children was a private physician. However, children in the Piedmont Region were much less likely to receive care from a private physician (56 percent) than children in other regions (71 to 78 percent). Piedmont parents disproportionately relied on a clinic or health department for their children's care: 34 percent, compared to 15 to 23 percent of respondents in other regions. This may simply reflect differences in relative availability across regions of clinics, emergency rooms (ERs), and private physicians who take low-income patients. As would be expected with differences in urban and rural infrastructure, rural respondents were more likely to rely on a private physician and less likely to use a clinic or ER than respondents who live in metropolitan areas.

Rural children were less likely than their metropolitan counterparts to have had a well-child checkup in the past year (75 percent compared to 82 percent). In keeping with these findings, children in the rural Piedmont and Western regions were also slightly less likely than children in other regions to have received preventive care in the past year. This may reflect transportation barriers or smaller numbers of available providers in rural areas.

Children's usual source of health care also differed by race. White time limit families more often obtained care from a private physician for their children (81 percent) than nonwhite families (67 percent), and nonwhite families were more likely to use clinics or community health departments as their children's usual source of care (24 percent) than were white families (15 percent). A larger percentage of nonwhite families also used the ER or hospital (8 percent)

as their child's usual source of care than did white families (2 percent). This difference is not due to differential health insurance coverage, as similar percentages of white and nonwhite respondents had government or private health insurance. Rather, it likely reflects differences in the availability of health care where white and nonwhite time limit parents lived.

3. Children's Health Status

Ratings of children's health status, as reported by their time limit parents, did not differ across the five regions, but parents living in metropolitan areas reported slightly healthier children than did their rural counterparts.

Although we find statistically significant differences by region in reported incidence of children's health problems, the differences were generally small. For example, fewer children in the Eastern Region had been hospitalized (4 percent compared to 6 to 8 percent in other regions), but the size of the difference is quite small. Children in the Piedmont and Eastern regions were less likely to have had chronic health problems (17 percent) than children in other regions (20 to 24 percent). Children living in rural areas were more likely to have had an accident, injury, or poisoning as reported by their parents (14 percent) than children living in metropolitan areas (11 percent). Likewise, the largely rural Western Region has the highest rate of children's accidents, injuries, or poisonings.

For each of the regions, 11 to 16 percent of the children needed help with mental health problems in the past year, as reported by their parents. Although there were no statistically significant regional differences in the need for help with mental problems, there were differences in receipt of help. A larger percentage of children in the Piedmont Region received help with mental health problems (13 percent) than did children in other regions (7 to 11 percent) (not shown). Children in nonmetropolitan areas were more likely to have received help for mental health problems (12 percent) than children living in metropolitan areas (9 percent).

Parents reported a larger percentage of white children (66 percent) than nonwhite children (58 percent) were in excellent or very good health. However, the percentage of children in fair or poor health was similar for white children (11 percent) and nonwhite children (10 percent).

In spite of white parents' reporting more optimistically on their children's health, a greater share of white children than nonwhite children had been hospitalized or had experienced a specific health problem in the past year. White children were twice as likely to have had an accident, injury, or poisoning requiring health care (19 percent) than their nonwhite counterparts (9 percent). White children (19 percent) were also more likely than nonwhite children (13 percent) to have needed help for an emotional, mental, or behavior problem. White children's higher health ratings, in spite of higher reported incidences of hospitalizations and illnesses, may be related to the nature of the specific health problems and the reasons for the hospitalization (not shown in table). Among the children who were hospitalized, white children more often had surgery (usually an appendectomy or tonsillectomy). Nonwhite children were most often hospitalized for asthma or respiratory problems, more chronic health conditions. Parents of white children may not have considered a one-time health problem or a single injury or accident when rating their children's health status overall. However, parents of children with asthma or other respiratory problems may have been more likely to consider this when rating their child's general health. It is noteworthy that, in spite of more frequent hospitalizations for respiratory disorders, the incidence of chronic health problems was similar for nonwhite and white children.

XII. CONCLUSION

This fourth and final report on the experiences of Virginia TANF families that reached the time limit presents data for at least 18 months after case closure for three cohorts of time limit cases—those who reached the time limit in the first half of the years 1998 to 2000. Because of the phased implementation of VIEW, larger areas of the state were included in each cohort, until the final cohort included cases drawn from the entire state.

Key findings include:

- Most parents in time limit families worked, and more than half of those who worked did so steadily over the months between case closure and the 18-month interview.[1] On average, their earnings increased over time, particularly between the 6- and 18-month follow-up interviews.
- The incomes of time limit parents increased over time as earnings, child support, and, for a small percentage, public assistance monies replaced the TANF grant and as parents increasingly lived with other earners. However, for most families, total household income remained below the poverty level.
- Families decreased their use over time of other sources of assistance, including food stamps, Medicaid, and child care subsidies. For food stamps and child care, most families who stopped receiving assistance appear to have remained income-eligible but either lost eligibility for other reasons, chose not to continue in the program, or were not aware of their continued eligibility. Unfortunately, the survey data do not always make clear the real reasons. The loss of Medicaid coverage for most adults is probably a result of the limited transitional eligibility period, but may also be due to other factors. The decline in Medicaid participation over time was lower for the third cohort than for earlier cohorts.
- Members of subgroups experienced the time limits differently, mostly as a result of differences in the economies or costs of living in different regions of the state. In the state as a whole, nonwhites had higher rates of employment than whites, although the average earnings of workers in the two groups were equal. Nonetheless, the household income of white time limit families was 15 percent higher, on average, than that of nonwhites. This difference was driven by the greater percentage of white

[1]Steady work is defined as work in 75 percent of months or more.

time limit households in which another adult was employed and differences in where the two groups lived.

The rest of this chapter presents some early results concerning returns to TANF by time limit cases in the study, to provide a longer-term perspective, and then concludes by summarizing how the study results fit in with other studies of TANF time limits.

A. LONG-TERM FOLLOWUP WITH TIME LIMIT PARENTS: RETURNS TO TANF TWO TO FOUR-AND-A-HALF YEARS AFTER CASE CLOSURE

Over the course of this study, enough time elapsed so that many of the time limit families in the sample became eligible to reapply for benefits. VIEW requires a family that reaches the time limit to spend 24 months without assistance before they can requalify for TANF benefits. A family that did not receive any transitional benefits could reapply 24 months after their case closed. A family that received transitional benefits would have to wait until two years had passed since receiving those benefits, at most 36 months after case closure for those receiving a full 12 months of transitional assistance. Of course, even after those time periods have passed, families need to meet the standard eligibility requirements for TANF; it is not possible with the data available to determine what proportion of families would have been TANF-eligible.

1. Number and Timing of Returns to TANF

As of November 2002—two to four-and-a-half years after parents in our study reached the time limit—15 percent of time limit families had returned to TANF at some point, and

70 percent of those who returned were still receiving benefits (Table XII.1).[2] One-fifth (19 percent) of cohorts 1 and 2, and 8 percent of cohort 3, had returned for some period of time. The difference between the cohorts results from the difference in case closure dates: cohorts 1 and 2 reached the time limit in 1998 and 1999, cohort 3 cases not until 2000. By the first half of 2002, all families in cohorts 1 and 2 had spent at least 24 months without benefits, even if they received a full 12 months of transitional benefits, and thus all were potentially eligible to reapply for TANF. In fall 2002, only those cohort 3 families that did not receive transitional benefits or received them for just a few months would have been able to apply again. If return rates in cohort 3 are ultimately similar to those in the earlier groups, fewer than half the cohort 3 cases that will return eventually had done so by November 2002.

Data for the first two cohorts suggest that families that are going to reapply for benefits tend to do so fairly soon after they become eligible. A little over half the returning cases (56 percent) returned to TANF fewer than 36 months after case closure (apparently returning as soon as or nearly as soon as possible) (Table XII.1). Differences between the cohorts correspond to the different dates that cases in each cohort reached the time limit; only cohort 1 cases had closed

[2]Results for the full sample in tables XII.1 and XII.2 are actual numbers and are not weighted as in the rest of the report. The reason is that return results for cohort 3 are incomplete at this time. Since cohort 3 cases are heavily weighted compared to the other cohorts, results that included that weighting would distort the findings. In addition to the cases shown as returnees, there were 13 cases that returned briefly to TANF. Ten cases were excluded because they closed the next month. The case closure reasons suggested that full information had probably not been available when the case was initially found to be eligible and most likely they should not have been approved. To exclude such cases, a recipient was counted as having returned to TANF only if the case remained open for at least two months. Another three cases returned before a full 24 months without benefits had elapsed and then closed again before reaching the end of the 24-month waiting period. Presumably, those cases were also approved in error. Eleven of the cases included among the returnees had their initial return to TANF discounted and their second return counted as the initial return. The reasons for discounting the first returns were as follows: three closed the next month; six had a case closure reason of "approved in error"; and two returned before the end of the 24-month waiting period.

TABLE XII.1

RETURNS TO TANF, TIME FROM CASE CLOSURE UNTIL RETURN TO TANF, AND REASONS FOR SECOND CASE CLOSURE, BY COHORT
(Percentage of Time Limit Families)

	Cohort 1	Cohort 2	Cohort 3	Full Sample[a]
Percentage of Time Limit Cases That Returned to TANF as of November 2002	19.2	19.3	7.7	14.7
Cases That Remained Open as of November 2002	9.8	14.8	6.4	10.5
Sample Size	**328**	**628**	**611**	**1,567**
Time from Case Closure Until Return to TANF (of Cases That Returned to TANF)				
Less than 36 months	31.8	52.0	100.0	56.2
36 to 47 months	55.6	47.9	0.0	40.3
48 months or more	12.7	0.0	0.0	3.5
Percentage of Return Cases That Closed Again	50.8	24.0	17.0	29.9
Reason Case Closed Again (Only Cases That Closed, n=74)				
Refused cooperation	22.9	41.2	20.0	31.1
Excess income or resources	20.0	38.2	60.0	31.1
Recipient request	17.1	17.6	20.0	17.6
Child not eligible	17.1	2.9	0.0	9.5
Time limit	11.4	0.0	0.0	5.4
Moved	11.4	0.0	0.0	5.4
Sample Size	**63**	**121**	**47**	**231**

SOURCE: VDSS Administrative Data.

[a]These data are not weighted.

long enough ago so that four or more years could have passed before they reapplied for benefits. None of the cohort 3 cases had been closed for as long as 36 months.

About 70 percent of returning cases still received TANF in November 2002: 10 percent of all cohort 1 cases, 15 percent of cohort 2 cases, and 6 percent of cohort 3 cases (Table XII.1). Other returned cases had closed again. Fifty-one percent of cohort 1 returnees, 24 percent of cohort 2 returnees, and 17 percent of cohort 3 returnees had left TANF again by November 2002. As is true for closed cases in general, almost a third closed because the client refused to cooperate in some way, for instance, by failing to appear for an interview, provide required documentation, or sign the APR.[3] Almost a third closed because the client's income or resources exceeded eligibility guidelines. The next most frequent reason was "recipient request," which can occur for a number of reasons, including a decision to bank time in order to leave open the possibility of returning in the future. In some cases, the child was no longer eligible or the family had moved. Eleven percent of cohort 1 returnees (about 1 percent of the full cohort 1 sample) reached the time limit again and had their case closed for that reason.

2. Characteristics of Returned Cases

Cases that returned to TANF differed in several ways from cases that did not. In evaluating these differences, however, one must remember that other cases will, ultimately, return to TANF, particularly from cohort 3. We decided to present data on characteristics of returnees only for the first two cohorts, since families in those cohorts have had the greatest opportunity to return, and those who have already returned are likely to be representative of most returnees from those

[3]A client could return to TANF without initially signing the APR if he or she was exempt at the time of reapplication, for instance, for medical reasons or for having a child under 18 months of age. Once the exemption no longer applied, the client would have been mandatory for VIEW and required to sign an APR to continue on TANF.

cohorts. Since only with the addition of cohort 3 did the time limit sample become statewide, these findings should be viewed as preliminary. Discussed next are those parent and family characteristics that have a statistically significant relationship to whether cases returned to TANF.

a. Sociodemographic Characteristics

Time limit parents most likely to return to TANF were those who were under 30 when their case closed, without a high school education, with a child under age five, or in single-parent households (Table XII.2). Nonwhite families were also more likely than white families to return. Because these family characteristics substantially overlap, in each case we controlled for related variables to determine whether the relationship between a characteristic and returning to TANF still applied.

One might expect that younger parents returned more often to TANF than older parents largely because they were more likely to have children under age five. However, parents under age 30 returned more often than did older parents even after controlling for their children's ages.[4] On the other hand, the difference in rates of return between white and nonwhite parents was no longer statistically significant when we controlled for age (nonwhite parents are younger) or for the presence of a child under five (more nonwhite parents had a child under age five). The higher return rate among parents without a high school education suggests that less-educated parents are less able to become economically self-sufficient. Juggling family and work tends to be more difficult with younger children and may interfere with consistent employment, and the presence of a spouse may mean additional income or other kinds of support that make it easier for the family to be self-sufficient.

[4]Younger parents were also more likely to be without a high school credential, but they returned to TANF more often than older parents even when we control for level of education.

TABLE XII.2

CHARACTERISTICS OF RETURNED CASES
(COHORTS 1 AND 2)

	Percentage of Time Limit Cases That Returned to TANF
Age when Case Closed***	
Under 30	25.7
30 to 39	16.9
40 or older	10.5
Education*	
Less than high school	22.6
High school or GED	17.0
Some postsecondary	16.4
Race*	
White	15.5
Nonwhite	20.6
Child Under Age 5 in Household 18 Months After Case Closure**	
Yes	27.2
No	18.2
Recipient Has a Spouse 18 Months After Case Closure*	
Yes	10.5
No	20.8
Total Number of Quarters on TANF**	
16 or fewer	14.1
17 to 24	18.7
25 or more	23.1
Any VIEW Sanction***	
Yes	25.2
No	16.5
Received Food Stamps 18 Months After Case Closure***	
Yes	24.6
No	11.5

TABLE XII.2 *(continued)*

	Percentage of Time Limit Cases That Returned to TANF
Number of Quarters Employed After Case Closure***	
None	16.1
1 to 3 quarters	27.0
4 or 5 quarters	16.9
Wages in Quarter 18 Months After Case Closure***	
No wages	20.7
Less than $1,500	27.7
$1,500 or more	14.7

SOURCE: VDSS Administrative Data.

NOTES: Data are not weighted. Significantly different at the *.10 level, **.05 level, ***.01 level.

Samples sizes are 956 for variables from VDSS administrative data and 657 for variables from the survey 18 months after case closure. Survey variables are: Child Under Age 5 in Household 18 Months after Case Closure and Recipient has a Spouse 18 Months after Case Closure.

b. TANF History and Receipt of Other Benefits

Parents with a longer history of welfare dependency and those who had been sanctioned under VIEW were more likely to return to TANF when again eligible (Table XII.2). The longer the time limit family's previous TANF enrollment, the more likely they were to return to the rolls. Participants who had been sanctioned for failing to comply with VIEW requirements returned more often than those who had not been sanctioned. Since VIEW sanctions generally involved failure to meet various work requirements, these findings suggest that clients who had difficulty with employment while on TANF also tended to have difficulty afterwards and were consequently more likely to need further assistance. Clients who received food stamps 18 months after case closure returned to TANF more frequently than those who did not. Families receiving food stamps may have been in more difficult financial circumstances than other families and, therefore, more likely to reapply for TANF when they became eligible.

c. Employment Measured in VEC Wage Records

As expected, VEC wage records reveal that parents with a longer and more consistent employment history were less likely to return to TANF than those with a less steady work history (Table XII.2). Parents who were employed during four or five of the quarters following case closure returned less often to TANF (17 percent) than those employed for three or fewer quarters (27 percent). Parents with longer work histories who lost their jobs may have been able to qualify for unemployment insurance instead of seeking TANF. Families with higher incomes in the quarter 18 months after case closure returned to TANF less often than those with lower incomes, which is also not surprising.

Parents with no VEC-recorded employment or wages had a lower return rate than those with one to three quarters of employment. As discussed in Chapter IV, some of these parents may

actually have been employed, but in locations or types of employment that are not recorded in VEC data. In addition, many parents who truly had no employment must have found other sources of income to support their families and thus did not need or choose to reapply.

B. COMPARISON TO OTHER TIME LIMIT STUDIES

Because of complex differences in the requirements of states' welfare programs, the structure of their time limits, and the study methodologies used, it is challenging to compare the outcomes of time limit families in Virginia with those studied in other states. Comparing our findings to those of the ubiquitous TANF "leavers" studies is even more problematic, because such studies include mostly cases that exited TANF for reasons other than time limits.

Of the 13 state time limit studies summarized in the Bloom et al. (2002) study of state time limit policies and their effects on families, Connecticut and Florida have programs most similar to Virginia's VIEW program. Like Virginia's VIEW participants, Connecticut and Florida recipients are required to participate in work activities aimed at rapid employment. Both programs include sanctions. Both have an earned income disregard.[5] Connecticut and Florida recipients are limited to 21 and 24 months of benefits, respectively. Florida, like Virginia, is a relatively low benefit state; Connecticut, however, is a relatively high benefit state. Still, the programs, populations, and local economies differ considerably, and the studies, while all based on respondent follow-up surveys, survey families at different follow-up points and use slightly different questions and methods. Comparisons must be made with caution and used only to place our findings within a very general nationwide context.

[5]In Connecticut, like Virginia, all earned income is disregarded as long as earnings are below the federal poverty level. In Florida, the first $200 plus a percentage of any remaining earnings is disregarded (Bloom et al. 2002).

That said, it remains interesting to place some key findings from Virginia in the context of these other studies. In particular:

- Most studies of other states' time limit families also found modest employment gains over the follow-up period because so many respondents already worked before losing TANF. Virginia's rates of employment of time limit families are between those of Connecticut and Florida and are higher than those of several other time limit populations studied (Bloom et al. 2002).
- Other studies of time limit families have found generally higher rates of Medicaid coverage for adults than were found in Virginia, though rates of coverage in cohort 3 are more consistent with those in other states (Bloom et al. 2002).
- Virginia's time limit families may be unique in their reported income gains after leaving TANF; Bloom et al. (2002) found that most time limit families reported declines in income following case closure in Connecticut, South Carolina, North Carolina, Massachusetts, and Utah. However, many of the other studies had followed time limit families over shorter periods. Income declines in some other studies may also result from different limits on earnings while on TANF.
- Findings that about three-quarters of time limit families are aware of the EITC, but that fewer than half had received it, are very similar to those reported in other studies, as is the finding in Virginia that whites are more aware of the EITC than nonwhites (Richardson 2002).

Although most families affected by Virginia's time limit continue to receive some government assistance, most have a working parent and somewhat higher incomes, on average. At the same time, some have very low incomes and more serious struggles. It is not possible for this study to determine how these families would have fared without a time limit on TANF benefits, because there is no control or comparison group not subject to the time limit. Nonetheless, the study provides insight into what groups are most at risk for reaching the time limit, what families' typical experiences are after losing benefits, and how those experiences vary across Virginia's regions and demographic groups.

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APPENDIX A

COMPARISON OF SURVEY RESPONDENTS AND NONRESPONDENTS

TABLE A.1

COMPARISON OF RESPONDENTS AND NONRESPONDENTS TO THE 6-MONTH SURVEY

	Respondents	Nonrespondents	Full Sample
Age		***[a]	
20 to 29	37.7	34.6	37.0
30 to 39	48.6	41.5	47.1
40 or older	13.7	23.9	15.9
Mean Age	32.8	33.9*	33.0
Sex			
Female	97.3	95.1	96.9
Male	2.7	4.9	3.1
Race/Ethnicity		***[a]	
African American, non-Hispanic	69.5	64.4	68.4
White, non-Hispanic	27.0	23.9	26.4
Asian	1.3	7.3	2.6
Hispanic	2.1	3.9	2.5
American Indian	0.0	0.5	0.1
Education Level			
8th grade or less	6.4	8.3	6.8
9th grade to 11th grade	37.9	39.0	38.2
12th grade	41.9	38.5	41.2
GED	6.5	2.4**	5.6
1 to 2 years college	5.2	4.4	5.0
3 to 4 years college	0.3	1.0	0.4
College graduate	0.1	1.5	0.4
Other postsecondary	1.2	1.0	1.2
Missing	0.4	3.9	1.2
Number of Children in Case			
0	0.5	0.0	0.4
1	28.4	32.2	29.2
2	34.4	33.7	34.2
3	25.7	20.0	24.5
4+	11.1	14.2	11.7
Mean	2.2	2.2	2.2

TABLE A.1 *(continued)*

	Respondents	Nonrespondents	Full Sample
Mean TANF Benefit (Closing Month, All Cases)	$276	$262	$273
Mean TANF Benefit in Month of Closing (Closing Month, Cases with Benefits, n=866)	$299	$310	$301
No Benefit in Month of Closing (Percentage of Cases)	7.7	15.6***	9.4
VIEW Sanction in Month of Closing	7.1	13.2***	8.4
Any VIEW Sanction	30.1	37.1*	31.6
Economic Development District (EDD) (Percentage of Cases)			
2 Bristol/Galax	12.6	11.2	12.3
5 Winchester	2.0	2.0	2.0
6 Northern Virginia	28.2	35.6	29.8
7 Culpeper	1.3	2.4	1.6
9 Lynchburg	13.4	11.2	13.0
10 Danville	7.5	6.8	7.3
12 Richmond	25.4	19.0	24.1
16 Petersburg	6.1	8.8	6.7
18 Eastern Shore	2.4	2.9	2.5
Other EDDs (Movers)[a]	0.9	0.0	0.7
Sample Size	**751**	**205**	**956**

SOURCE: VDSS administrative data.

NOTE: Statistical tests for differences between respondents and nonrespondents were conducted for all variables. Chi-squared tests of differences in distributions were used for all categorical variables except the educational variables, for which pair-wise tests were used. Significantly different at the: *.10 level, **.05 level, ***.01 level.

[a]A few families had moved to a different locality at the time their case closed, but remained subject to the time limit. These localities did not have cases reaching the time limit during the periods when our samples were selected, except for these movers.

TABLE A.2

COMPARISON OF RESPONDENTS AND NONRESPONDENTS
TO THE 18-MONTH SURVEY

	Respondents	Nonrespondents	Full Sample
Age		***[a]	
20 to 29	39.6	31.2	37.0
30 to 39	46.6	48.1	47.1
40 and older	13.8	20.7	15.9
Mean Age	32.54	34.0**	33.0
Sex			
Female	97.9	94.6	96.9
Male	2.1	5.4	3.1
Race/Ethnicity		***[a]	
African American, non-Hispanic	69.9	65.1	68.4
White, non-Hispanic	28.0	22.7	26.4
Asian	0.6	7.1	2.6
Hispanic	1.5	4.7	2.5
American Indian	0.0	0.3	0.1
Educational Level			
8th grade or less	5.4	9.8**	6.8
9th grade to 11th grade	40.8	32.2**	38.2
12th grade	41.1	41.4	41.2
GED	6.8	3.1**	5.6
1 to 2 years college	3.9	7.5**	5.0
3 to 4 years college	0.3	0.7	0.4
College graduate	0.2	1.0	0.4
Other postsecondary	1.1	1.4	1.2
Missing	0.3	3.1	1.2
Number of Children in Case			
0	0.5	0.3	0.4
1	28.9	29.8	29.2
2	35.4	31.5	34.2
3	25.1	23.1	24.5
4+	10.1	15.3	11.7
Mean	2.2	2.3	2.2

TABLE A.2 *(continued)*

	Respondents	Nonrespondents	Full Sample
Mean TANF Benefit (Closing Month, All Cases)	$269	$282	$273
Mean TANF Benefit (Closing Month, Cases with Benefits, n=866)	$296	$312	$301
No Benefit in Month of Closing (Percentage of Cases)	9.4	9.5	9.4
VIEW Sanction in Month of Closing	8.5	8.1	8.4
Any VIEW Sanction	32.2	30.2	31.6
Economic Development District (EDD) (Percentage of Cases)			
2 Bristol/Galax	12.7	11.5	12.3
5 Winchester	2.1	1.7	2.0
6 Northern Virginia	26.8	36.6	29.8
7 Culpeper	1.4	2.0	1.6
9 Lynchburg	13.8	11.2	13.0
10 Danville	8.2	5.4	7.3
12 Richmond	24.1	24.1	24.1
16 Petersburg	7.1	5.8	6.7
18 Eastern Shore	3.0	1.4	2.5
Other EDDs (Movers)[a]	0.9	0.3	0.7
Sample Size	**661**	**295**	**956**

SOURCE: VDSS administrative data.

NOTE: Statistical tests for differences between respondents and nonrespondents were conducted for all variables. Chi-squared tests of differences in distributions were used for all categorical variables except the educational variables, for which pair-wise tests were used. Significantly different at the: *.10 level, **.05 level, ***.01 level.

[a]A few families had moved to a different locality at the time their case closed, but remained subject to the time limit. These localities did not have cases reaching the time limit during the periods when our samples were selected, except for these movers.

APPENDIX B

CORRELATIONS AMONG SUBGROUPS

APPENDIX TABLE B.1

STATISTICAL CORRELATION BETWEEN SUBGROUP VARIABLES
(Pearson Correlation Coefficients)

	Cohort		Region		Race Group		Metro Status		HS Grad	
Cohort	—		–0.32	***	0.12	***	–0.01		–0.03	
Region	–0.32	***	—		–0.46	***	–0.45	***	0.05	*
Race Group	0.12	***	–0.46	***	—		0.34	***	–0.03	
Metro Status	–0.01		–0.45	***	0.34	***	—		–0.08	**
HS Grad	–0.03		0.05	*	–0.03		–0.08	**	—	
Sample Size	**1,240**		**1,240**		**1,240**		**1,136**		**988**	

SOURCE: Virginia Time Limit Study, 6-Month Follow-up Survey.

NOTE: Sample include cases with a 6-month interview. Significantly different at the *.10 level, **.05 level, ***.01 level.

APPENDIX TABLE B.2

STATISTICAL CORRELATION BETWEEN SUBGROUP VARIABLES
(Percentage of Respondents at the 6-Month Interview)

	Central	Eastern	Northern	Piedmont	Western	Metro	Nonmetro	White	Nonwhite
White	10.4	9.0	27.7	24.1	86.6	17.1	53.8	—	—
Nonwhite	89.6	91.0	72.3	75.9	13.4	82.9	46.2	—	—
Metro	84.8	96.5	88.0	72.3	18.6	—	—	12.6	55.2
Nonmetro	15.2	3.5	12.0	27.7	81.4	—	—	87.4	44.8
Cohort 1	0.0	0.0	30.5	26.9	31.9	13.3	15.4	23.0	9.8
Cohort 2	54.3	2.7	39.5	29.4	8.5	22.0	16.7	19.9	26.7
Cohort 3	45.7	97.3	30.0	43.7	59.6	64.8	67.9	57.1	63.5
Sample Size	**318**	**280**	**280**	**211**	**151**	**909**	**227**	**311**	**929**

SOURCE: Virginia Time Limit Study, 6-Month Follow-up Surveys.

NOTE: Sample include cases with a 6-month interview.

APPENDIX C

SELECTED SUBGROUP TABLES, BY EDUCATIONAL ATTAINMENT

TABLE C.III.1

TIME LIMIT KNOWLEDGE AND PLANS, BY EDUCATIONAL ATTAINMENT
(Percentage or Mean)

	Total[a]	Educational Attainment			
		Less than High School Diploma	High School Graduate or GED	Some College, Technical School	
Learned About the Time Limit:					
Later in VIEW Participation Period	39.9	42.0	37.6	30.6	*
After Benefits Ended	7.6	8.6	8.0	6.5	*
Planned to Stay on TANF for Full 24 Months[b]	44.5	45.0	45.0	46.1	
Of Those Who Knew About the Time Limit Plans and Made Plans, Percentage Whose Plans Worked Out	64.3	63.7	62.6	63.5	
Plans amiss due to transportation problems[c]	5.2	7.2	5.8	5.8	
Plans amiss due to not finding job[c]	20.4	21.8	25.9	14.1	
Plans amiss due to laid off [c]	11.5	10.3	13.0	1.7	
Agreed That the Following Was Helpful in Working Toward Goals:					
VIEW job search help	53.8	55.7	51.8	31.2	**
VIEW job placement help	34.1	32.8	27.5	10.9	**
VIEW transportation assistance	50.4	47.3	50.2	50.0	
VIEW job training	31.9	32.8	33.0	12.3	**
Sample Size	**1,239**	**518**	**330**	**140**	

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

TABLE C.III.1 *(continued)*

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples responding for specific items ranged from 134 to 518 for less than high school graduates, 88 to 330 for high school graduates, and 35 to 140 for those with college or technical school. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Total refers to the full sample, as presented in Chapter III. Due to cases for which we do not have data on educational attainment, tabulations by education are based on a slightly smaller sample of cases.

[b]Of those who knew about the time limit before their cases closed.

[c]Of those whose plans did not work out.

TABLE C.IV.1

EMPLOYMENT RATES AND JOB CHARACTERISTICS,
BY EDUCATIONAL ATTAINMENT
(Percentage or Mean)

		Educational Attainment			
	Total[a]	Less than High School Diploma	High School Graduate or GED	Some College, Technical School	
Employed at Case Closure	57.4	52.7	61.5	66.5	***
Employed at 6-Month Interview	59.3	53.5	64.0	70.9	***
Employed at 18-Month Interview	59.8	55.3	64.9	66.3	***
Ever Employed Between Case Closure, 18-Month Interview	88.4	86.9	88.8	94.5	**
Average Percentage of Total Months Worked[b]	70.8	66.8	72.3	73.6	***
Stayed at Same Job (Case Closure Through 18 Months)[b]	25.1	19.4	24.5	26.4	
Not Worked Due to Health[c]	22.1	24.5	11.7	36.4	***
Not Worked Due to Unable to Find Job[c]	24.1	24.4	26.1	15.0	
Not Worked Due to Transportation Problem[c]	12.6	13.2	9.0	17.9	
Of Those Who Left Their Job, Percentage Quit[c]	54.1	50.8	52.6	67.2	*
Average Monthly Earnings at 18-Month Interview[d]	$1,132	$1,094	$1,127	$1,267	***
Average Hours at 18-Month Interview[d]	37.3	37.2	36.9	37.9	
Average Wage at 18-Month Interview[d]	7.05	6.81	7.03	7.80	***

TABLE C.IV.1 *(continued)*

	Total[a]	Educational Attainment		
		Less than High School Diploma	High School Graduate or GED	Some College, Technical School
Health Benefits Available at 18-Month Interview[e]	45.1	44.3	45.2	47.6
Sick Leave Available at 18-Month Interview[e]	34.6	36.5	30.4	38.3
Vacation Available at 18-Month Interview[e]	44.9	46.2	42.3	47.0
Sample Size	**943**	**487**	**317**	**134**

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples responding for specific items ranged from 191 to 487 for less than high school graduates, 111 to 317 for high school graduates, and 60 to 134 for those with college or technical school. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Total refers to the full sample, as presented in Chapter IV. Due to cases for which we do not have data on educational attainment, tabulations by education are based on a slightly smaller sample of cases.

[b]Of those who ever worked between case closure and the 18-month interview.

[c]Of respondents who had left a job since the 6-month interview.

[d]Of those employed at the 18-month interview.

[e]Of those employed at both the 6-month interview and the 18-month interview.

TABLE C.V.1

INCOME SOURCES, BY EDUCATIONAL ATTAINMENT
(Percentage or Mean)

	Total[a]	Educational Attainment			
		Less than High School Diploma	High School Graduate or GED	Some College, Technical School	
Received Food Stamps at 18-Month Interview[b]	65.6	73.6	69.9	54.2	***
Received SSI/SSDI at 18-Month Interview	12.5	15.9	13.7	7.3	*
Received UI at 18-Month Interview	2.3	2.8	1.5	1.5	
Received Child Support at 18-Month Interview[b]	34.3	31.1	30.0	30.2	
Average Food Stamp Benefit at 18-Month Interview (Among Cases with a Benefit)[b]	$303	$351	$315	$299	**
Average Amount of Child Support at 18-Month Interview (Among Cases with Child Support)[b]	$232	$170	$218	$177	
Average Total Monthly Household Income	$1,007	$961	$1,035	$1,131	**
Employed respondents	$1,185	$1,162	$1,148	$1,340	***
Unemployed respondents	$739	$713	$826	$673	
Income Increased more than 10 Percent over Follow-Up Period	47.5	47.0	49.3	46.5	
Income Decreased more than 10 Percent over Follow-Up Period	38.8	38.9	39.9	36.0	
Percentage Below Poverty Line	80.8	84.2	80.1	66.6	***
Employed respondents	72.9	75.2	77.9	54.7	***
Unemployed respondents	92.1	95.5	84.1	92.6	***

TABLE C.V.1 *(continued)*

	Total[a]	Educational Attainment			
		Less than High School Diploma	High School Graduate or GED	Some College, Technical School	
Another Household Member Is Employed	23.2	23.9	21.7	25.1	
Knew About EITC	72.2	66.8	73.4	91.8	***
Knew About and Received EITC Refund	65.1	62.3	66.5	71.2	
Sample Size	**1,079**	**581**	**357**	**145**	

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples responding for specific items ranged from 248 to 581 for less than high school graduates, 124 to 357 for high school graduates, and 44 to 145 for those with college or technical school. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Total refers to the full sample, as presented in Chapter V. Due to cases for which we do not have data on educational attainment, tabulations by education are based on a slightly smaller sample of cases.

[b]From VDSS Administrative Data.

SSI = Supplemental Security Income; SSDI = Social Security Disability Insurance; UI = Unemployment Insurance.

TABLE C.VII.1

HOUSING, BY EDUCATIONAL ATTAINMENT
(Percentage or Mean)

		Educational Attainment			
	Total[a]	Less than High School Diploma	High School Graduate or GED	Some College, Technical School	
Own Home at 18 Months	5.4	4.3	5.7	8.9	*
Average Monthly Housing Cost at 18 Months (Includes Those with Zero Housing Costs)	$204	$202	$200	$218	
Average Monthly Housing Cost for Renters at 18 Months (Those with Positive Housing Costs Only)	$244	$242	$247	$251	
Average Monthly Housing Cost for Owners at 18 Months (Those with Positive Housing Costs Only)	$401	$285	$479	$483	*
Receive Housing Subsidy at 18 Months	13.2	10.1	15.0	20.6	***
Live in Public Housing at 18 Months	42.0	47.9	39.0	26.7	***
Ever Homeless Between Case Closure and 18 Months	4.2	4.9	2.6	5.0	
Sample Size	**990**	**512**	**329**	**137**	

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. We did not adjust the figures for inflation, so the change in housing costs over time may be overstated in real dollars. The average increase in the Consumer Price Index for the follow-up period was about 2 percent a year for all goods and 3 percent a year for housing. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Total refers to the full sample, as presented in Chapter VII. Due to cases for which we do not have data on educational attainment, tabulations by education are based on a slightly smaller sample of cases.

TABLE C.VIII.1

HEALTH INSURANCE COVERAGE, BY EDUCATIONAL ATTAINMENT
(Percentage or Mean)

		Educational Attainment			
	Total[a]	Less than High School Diploma	High School Graduate or GED	Some College, Technical School	
Respondent Not Covered by Any Insurance	55.0	52.9	61.8	47.3	***
Children Not Covered by Any Insurance	16.6	18.0	15.5	13.7	
Someone Medicaid Only	68.9	70.5	72.1	54.6	***
Someone in Family Private Insurance	6.1	4.0	4.6	18.0	***
Informed Transitional Medicaid Available	77.9	74.4	81.6	85.0	***
Stayed on Medicaid After Case Closed	87.2	87.1	88.1	85.0	
Anyone in Family Insured at 6-Month Interview	80.7	79.8	81.2	82.7	
Anyone in Family Insured at 18-Month Interview	86.4	84.9	86.8	91.9	*
Sample Size	**1,088**	**581**	**357**	**145**	

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples responding for specific items ranged from 495 to 581 for less than high school graduates, 310 to 357 for high school graduates, and 121 to 145 for those with college or technical school. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Total refers to the full sample, as presented in Chapter VIII. Due to cases for which we do not have data on educational attainment, tabulations by education are based on a slightly smaller sample of cases.

TABLE C.IX.1

RESPONDENTS' OUTLOOK, BY EDUCATIONAL ATTAINMENT
(Percentage or Mean)

	Total[a]	Educational Attainment			
		Less than High School Diploma	High School Graduate or GED	Some College, Technical School	
Percentage of Respondents Who Believe Things Are Better Since Case Closed					
At 6 months	25.2	26.0	24.6	23.9	
At 18 months	35.6	35.0	31.7	46.9	**
Percentage of Respondents Who Believe Things Are Worse Since Case Closed					
At 6 months	37.7	38.0	37.3	38.4	
At 18 months	24.8	25.4	24.4	22.2	**
Change in Outlook Between 6 and 18 Months					
Improved	34.8	32.0	36.4	42.2	
Declined	16.0	52.1	46.0	46.0	
Percentage Who Believe Things Are Better Since Case Closed (18-Month Interview)					
Working respondents	43.9	43.8	37.0	60.1	***
Unemployed respondents	21.9	21.3	22.7	22.9	
Percentage Who Believe Things Are Worse Since Case Closed (at 18-Month Interview)					
Working respondents	17.6	15.6	21.1	15.9	***
Unemployed respondents	36.6	38.2	32.6	36.3	

TABLE C.IX.1 *(continued)*

	Total[a]	Educational Attainment		
		Less than High School Diploma	High School Graduate or GED	Some College, Technical School
Change in Outlook Is Related to Going Off TANF				
Respondents who believe life is better	76.7	79.7	73.9	73.2
Respondents who believe life is worse	79.3	80.1	80.0	77.8
Sample Size	**1,075**	**576**	**352**	**144**

SOURCE: Virginia Time Limit Study, 6-Month Follow-Up Survey.

NOTE: The data have been weighted to represent Virginia cases that reached the time limit in the first half of the years 1998 to 2000. Samples responding for specific items ranged from 508 to 576 for less than high school graduates, 322 to 352 for high school graduates, and 139 to 144 for those with college or technical school. Significantly different at the *.10 level, **.05 level, ***.01 level.

[a]Total refers to the full sample, as presented in Chapter IX. Due to cases for which we do not have data on educational attainment, tabulations by education are based on a slightly smaller sample of cases.