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**Comparing the Progress of
Long-term versus Short-term Recipients
Post Welfare Reform in South Carolina**

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Introduction

When South Carolina's TANF program, Family Independence, was implemented in October 1996, 46,228 cases were receiving welfare, of which 24,093 (52%) were "mandatory". Mandatory cases have at least one adult required to work or participate in work-related activities, are subject to time limits of 24 months in ten years, and are subject to whole-family sanctions for non-compliance with program requirements. The non-mandatory cases are primarily "child-only", or are those in which the clients for some reason cannot work (e.g., have an infant, are physically or mentally disabled, or have other disabled family members to care for).

The Family Independence (FI) program requires mandatory clients to participate in employment and training activities, and provides them with support in transportation, child care, and other work-related activities. Partly due to the new welfare policy in South Carolina, the welfare caseload, mostly mandatory cases,

has declined rapidly. Of the 24,093 mandatory cases receiving benefits in October 1996, approximately 66% were off the rolls by December 1997.

A significant proportion of the pre-TANF caseload had persistently relied on welfare as a main source of income. Studies show that longer-term clients tend to have low basic skills (Pavetti, 1993), to have serious personal and family problems (Olson & Pavetti, 1998), and not to become self-sufficient in the short run (Caputo, 1997).

This does not necessarily mean that all long-term clients will be unable to obtain and sustain employment. The Family Independence Program distinguishes among adult clients based on the severity of their employment barriers, and mandates or exempts them from participating in the FI Program accordingly.

Mandatory clients, either those who were traditionally dependent on welfare or those who recently came on the rolls, are deemed capable of obtaining employment, or education and training. Nevertheless, there is good reason to believe that the long-term cases will have more difficulty leaving welfare, will be more likely to return, and will fare less well after leaving welfare, compared with those with shorter welfare histories. Long-term clients (see Tables 6 and 7) are more disadvantaged; they have less work experience, (lower "labor force attachment"), less education, and more children, than shorter-term clients.

Although ending welfare dependency has been a major goal of welfare reform, little is known about the exit and recidivism patterns of long-term recipients and how well they are able to support themselves and their families without welfare. The purpose of this study is to compare the long-term mandatory cases with those that have shorter welfare histories on: 1) exit and returning rates; 2) family and personal characteristics; and 3) experiences and general well-being after leaving welfare.

Methods

Data Sources

Our study was based on two sources of data. The first is the agency administrative database from which we were able to obtain information on: 1) the beginning and ending dates of each episode for cases going back to 1988, 2) monthly benefits since 1983, 3) the closing reason for each spell, and 4) demographics for the participating clients. We accessed these data for the 24,094 mandatory cases on

welfare at the start of the Family Independence Program in October, 1996 and obtained exit and reentry information for these cases.

Our second data source is the closed-case survey conducted by the South Carolina Department of Social Services of 2,026 randomly selected former clients. These 2,026 respondents were interviewed in five consecutive surveys, beginning with the first quarter of TANF leavers, October - December 1996. Data were collected through telephone interviews (for most of the respondents) and home interviews (for respondents unable to be contacted by phone), usually within 9-12 months after case closure. Ex-recipients were not interviewed if they had returned to the welfare. The response rates for the five samples ranged from 76% (the 3rd and the 4th samples) to 80% (the 5th sample).

The 24,094 cases which closed between October 1996 and December 1997 were in the sampling frame for the closed-case survey. All 2,026 cases included in the five survey samples were not necessarily in the October 1996 cohort. This is because about 10% of the surveyed cases started welfare after November 1996, and not every mandatory case closed between October 1996 and December 1997 was active or in mandatory status in October 1996.

Definition of Welfare History

Agency administrative data were used to define lengths of welfare receipt for both the October 1996 cohort and the surveyed cases. Specifically,

Long-term Cases: Received welfare benefits for 61 months or more out of 96.

Intermediate-term Cases: Received welfare benefits for 25-60 months out of 96.

Short-term Cases: Received welfare benefits for 24 months or less out of 96.

Since the surveyed cases closed at different points of time between October 1996 and December 1997, to ensure comparability the ending point of the 96 months was the date of case closure. For all cases in the October 1996 cohort, the 96 months was counted back from October 30, 1996. The benefit months include all months, whether in one continuous episode or in separate episodes, of welfare participation during the 96 months.

Measures of long-term welfare dependence have varied, but we have followed the guidance of Gottschalk and Moffitt (1994). Gottschalk and Moffitt (1994:38) support our methodology in combining separate spells, "In the presence of a population that has high entry, high exit, and high reentry rates onto and off of

welfare, a better measure of welfare dependence is one that measures an individual's *total time on welfare in a fixed time interval.*"

Adjustment for Disproportionate Sampling

Although the five survey samples are similar in size, they represent different numbers of closed cases. The number of closures was the largest in the first quarter of the Family Independence Program, October – December 1996. After that, the pools of closed cases from which the latter samples were drawn decreased over time. As a result, whenever measures are reported across all five samples, weights were applied to compensate for disproportionate sampling.

Results

Case Composition at the Inception of the Family Independence Program

Table 1 presents the distribution of the October 1996 cohort according to each case's total months on welfare in the eight years before October 1996. Cases with welfare receipt of 61 months or more (long-term) constituted slightly less than one-third of the group. Cases that had received welfare benefits for 25 to 60 months (intermediate term) and for 24 months or shorter (short term) also each constituted about one-third of the total.

Table 1
Months of Welfare Receipt in the Eight Years Prior to October 1996
For Welfare Cases Subject to Time Limits in October 1996

Months Receiving Benefits In Eight Years	Number of Cases	Percent of the Oct'96 Cohort	Percent of the Oct'96 Cohort
1-12	4,859	20%	35%
13-24	3,627	15%	
25-36	2,766	12%	33%
37-48	2,530	11%	
49-60	2,402	10%	
61-72	2,208	9%	32%
73-84	2,004	8%	
85+	3,698	15%	
Total	24,094	100%	100%

Table 2 shows the years in which the cases in the cohort first started welfare. All long-term cases started welfare on or before 1991. Sixty-four percent of the intermediate-term cases started between 1992 and 1994, and 78% of the short-term cases started between 1995 and October 1996. Because the observation time for those who came on welfare later was censored, we can only speculate on how many of the intermediate and short-term cases would become long-term cases. Based on exit patterns of earlier cohorts, it is estimated that at least half of the short-term cases and higher proportions of the intermediate and long-term cases would still be on the rolls two years later.

Table 2
Year Cases Started By Length of Welfare Receipt
For Cases Subject to Time Limits in October 1996

Year the Cases First Started	Months Receiving Benefits in Eight Years		
	1-24	25-60	61+
1991 or Earlier	4%	36%	100%
1992-1994	18%	64%	0%
1995-Oct'96	78%	0%	0%
Total	100%	100%	100%

South Carolina is one of the five states with the lowest monthly welfare benefits in the nation. Table 3 confirms that on average, mandatory cases in South Carolina received only \$173 in welfare and \$281 in food stamps per month. The average monthly welfare check was less than a person's weekly earnings if she worked at minimum wage for about 35 hours per week.

Table 3
Welfare and Food Stamp Income for the October 1996 Cohort
By Length of Welfare Receipt

	Months of Welfare Receipt						All Cases (N=24,094)	
	<=24 (N=8,486)		25-60 (N=7,699)		61+ (N=7,909)			
	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Welfare Income	\$153	\$ 58	\$171	\$65	\$194	\$ 75	\$173	\$ 67
Food Stamps	\$247	\$ 91	\$281	\$92	\$317	\$109	\$281	\$ 98

Exit and Reentry of the October 1996 Cohort since the Beginning of Time Limited Welfare

As in the rest of the country, the welfare caseload in South Carolina has declined significantly since the inception of welfare reform. Table 4 provides exit information for the long, intermediate, and short-term cases for the October 1996 cohort. The numbers show that long-term cases exited more slowly than the intermediate-term cases, which in turn exited more slowly than the short-term ones. By December 1997, the caseload had reduced by 59% for the long-term cases, by 66% for the intermediate-term cases, and by 73% for the short-term cases.

Table 4
Reduction in Caseload by Length of Welfare Receipt
For Cases Subject to Time Limits in October 1996

	Months of Welfare Receipt in Eight Years					
	<=24		25-60		61+	
	Caseload	Change Since Oct'96	Caseload	Change Since Oct'96	Caseload	Change Since Oct'96
Oct 1996	8,486		7,698		7,910	
Dec 1996	6,768	-20%	6,107	-16%	6,362	-20%
Mar 1997	4,792	-44%	4,713	-39%	5,249	-34%
Jun 1997	3,457	-59%	3,619	-53%	4,211	-47%
Sep 1997	2,800	-67%	2,992	-61%	3,638	-54%
Dec 1997	2,274	-73%	2,587	-66%	3,213	-59%

Of the 24,094 cases subject to time limits in October 1996, 17,507 left welfare at least once and for at least one month between October 1996 and December 1997. Records indicating any new involvement of these cases with the system within one year following the case closures revealed that 76% managed to remain off, 12% returned and exited again, and 12% returned and stayed on. The percentages for the long-term closed cases are 74%, 13%, and 13% respectively. Cases with longer welfare histories appeared slightly more likely to come back after exiting compared with cases that had been on welfare for shorter time periods.

Table 5
 Recidivism Information by Length of Welfare Receipt:
 Oct'96 Cohort Closed between October 96 - December 97

	Months of Welfare Receipt			All Cases (N=17,507)
	<=24 (N=5,801)	25-60 (N=5,924)	61+ (N=5,782)	
Closed, Remained Off One Year after Closure	79%	75%	74%	76%
Closed, Returned within One Year, and Closed Again	11%	13%	13%	12%
Closed, Returned within One Year, and Remained	10%	12%	13%	12%
Total	100%	100%	100%	100%

Even though the long-term clients did not exit quite as fast and came back slightly more often compared with others, they nonetheless left in a manner not seen before. Among the October 1996 cohort that exited and remained off for at least one year, 49% of the long-term cases and 41% of the intermediate cases had not left the rolls since they started welfare.

Their leaving was reflected not only in caseload reduction, but also in its composition. In October 1996, long-term cases constituted 32% of the 24,094 mandatory cases. By October 1998, long-term cases dropped to only 22% of a caseload of 7,165. The proportion of short-term cases, many of them new cases under the Family Independence Program, increased from about one-third in October 1996 to 52% in October 1998. For adults with the potential to work, the welfare system is becoming a safety net for short-term support rather than a program supporting long-term dependency.

Demographic Characteristics of Long vs. Short-term Cases

Table 6 provides information on several demographic characteristics of the October 1996 cohort. Comparisons of these characteristics by lengths of welfare receipt confirmed the risk factors traditionally associated with welfare dependency. A greater proportion of the long-term cases were found to have lower levels of education, to be headed by non-whites, to be unmarried, to be in higher age groups, and to have more children, compared with cases with shorter welfare receipt.

If the more disadvantaged cases of the October 1996 cohort exited welfare at the same rate as the less disadvantaged, one would expect that profiles of the October 1996 cohort would look similar to the surveyed cases. Tables 6 and 7, however, show that the closed cases were headed more often by clients who had more years of education, had fewer children, and were white. Thus, cases with these characteristics left welfare faster and sooner. Further, the data show the effect of these demographic characteristics on exits were the same across short, intermediate, and long-term cases.

Table 6
Demographic Characteristics of the October 1996 Cohort
By Length of Welfare Receipt
(N=24,094)

	Months of Welfare Receipt			All Cases (N=24,094)
	<=24 (N=8,486)	25-60 (N=7,699)	61+ (N=7,909)	
Years of Education of Case Head				
8 or fewer	6%	6%	7%	6%
9-11	35%	40%	48%	41%
12	41%	40%	36%	39%
13+	18%	14%	8%	14%
Ethnicity of Case Head				
Black	68%	80%	91%	79%
White	31%	19%	9%	20%
Other	1%	1%	-	1%
Marital Status of Case Head				
Married	9%	7%	5%	7%
Not Married	58%	63%	65%	62%
Separated	20%	19%	20%	20%
Divorced	9%	9%	8%	9%
Other	4%	2%	2%	2%
Age of Case Head				
<29	64%	57%	33%	51%
29-<39	27%	33%	48%	36%
39-<49	8%	9%	16%	11%
49+	1%	1%	3%	2%

Table 7
Demographic Characteristics of Surveyed Cases
By Length of Welfare Receipt before Case Closure
(n=2,026)

	Percentage of the Surveyed Cases			
	Months of Welfare Receipt			All Cases (n=2,026)
	<=24 (n=796)	25-60 (n=625)	61+ (n=605)	
Years of Education of Case Head				
8 or fewer	5%	4%	5%	5%
9-11	31%	33%	43%	35%
12	42%	46%	41%	43%
13+	22%	17%	11%	17%
Ethnicity of Case Head				
Black	63%	77%	90%	75%
White	35%	22%	10%	24%
Other	2%	1%	-	1%
Marital Status of Case Head				
Married	10%	7%	4%	7%
Not Married	56%	62%	64%	60%
Separated	23%	19%	21%	22%
Divorced	9%	10%	9%	9%
Other	2%	2%	2%	2%
Age of Case Head				
<29	58%	56%	32%	50%
29-<39	29%	34%	50%	37%
39-<49	11%	9%	15%	11%
49+	2%	1%	3%	2%
Number of Children in Household				
1	54%	39%	24%	41%
2-3	41%	55%	61%	51%
Four or more	5%	6%	15%	8%

Life after Leaving the Family Independence Program

In order to track the well-being of former clients, the South Carolina Department of Social Services conducted survey interviews with representative samples 9-12 months after their cases were closed. For inclusion in the survey, cases must have at least one mandatory adult client, and must not have returned to welfare by the time of the interview. The following sections report the survey results, focusing on

issues related to the well-being of the long, intermediate, and short-term cases closed between October 1996 and December 1997.

Employment since leaving welfare

Respondents were asked whether they were currently employed and for those that were not, whether they had been employed at some point since leaving welfare. Table 8 compares the working status of survey respondents by lengths of welfare receipt. At the time of interview, 56% of the long-term cases, 64% of the intermediate-term cases, and 64% of the short-term cases reported that they were working. The proportion of the long-term cases employed was significantly lower than that of the intermediate and short-term cases ($X^2=11.4$, $df=2$, $p<0.003$).

Table 8
Working Status at the Time of Interview
By Length of Welfare Receipt before Case Closure:
Cases Closed between October 1996 and December 1997

Working Status	Months of Welfare Receipt			All Cases (n=2,026)
	<=24 (n=796)	25-60 (n=625)	61+ (n=605)	
Working at Time of Interview	64%	64%	56%	62%
Formerly Worked	24%	25%	27%	25%
Never Worked	12%	11%	17%	13%

About a quarter of the survey respondents (27% of the long-term, 25% of the intermediate-term, and 24% of the short-term) once had jobs after leaving welfare. When asked what stopped them from working for pay, the reasons given were: laid off (20%), fired (6%), quit (6%), had problems with child care (18%), had problems with transportation (17%), could not find jobs (12%), sick or injured (14%), family member was sick or injured (5%), and/or got pregnant (7%). Of these reasons, the only instance where the long-term cases differed significantly from both the intermediate and short-term cases was that of pregnancy ($X^2=16.0$, $df=2$, $p<0.001$) since none of the long-term respondents listed it as the reason for job loss.

Seventeen percent of the long-term cases, 11% of the intermediate-term cases, and 12% of the short-term cases reported that they had not worked at all after leaving welfare. Problems with child care (19%) and transportation (18%), inability to find jobs (22%), disability of self (26%) or family members (10%), desire to stay at home with children (9%), and pregnancy (4%) were reported as the major reasons

for being unemployed. The probabilities of experiencing these problems were about the same for the long, intermediate, and short-term cases except that long-term cases were more likely to have difficulties finding jobs, whereas the short-term cases more often wanted to take care of their children at home.

Earnings

Among the employed clients, those who had been on welfare longer on average worked fewer hours per week (34.1 hours for the long-term, 35.4 hours for the intermediate term, and 36.0 hours for the short term), and earned less per hour (\$5.70 for the long-term, \$6.20 for the intermediate term, and \$6.40 for the short term). Table 9 displays the distribution of hourly wages by length of welfare receipt.

Table 9
Hourly Wage of Employed Clients
By Length of Welfare Receipt before Case Closure:
Cases Closed between October 1996 and December 1997

Hourly Wage	Months of Welfare Receipt			All Respondents
	<=24	25-60	61+	
\$1-<\$5	6.5%	6.9%	9.0%	7.3%
\$5-<\$6	23.5%	30.4%	42.3%	30.9%
\$6-<\$7	29.7%	29.4%	25.4%	28.4%
\$7-<\$8	17.9%	15.3%	14.2%	16.0%
\$8+	22.4%	18.0%	9.1%	17.4%
Total	100%	100%	100%	100%

Types of occupations

During the interviews, employed respondents were asked to describe their jobs. To obtain a picture of the ex-recipients' occupations, all jobs were coded into categories and subcategories (as seen in Table 10) which generally followed a classification scheme of the Bureau of Labor Statistics. The best paid jobs were protective services, managerial, paraprofessional, and technical occupations, and office and administrative support occupations. The worst paid jobs were cleaning and food services.

Table 10
Occupations of Clients Who Worked after Leaving Welfare by Length of Welfare Receipt:
Cases Closed between October 1996 and December 1997

Job Category	Months of Welfare Receipt		
	<=24	25-60	61+
Cleaning and Building/Ground Maintenance	8%	14%	23%
<i>Private households, building, ground</i>	5%	8%	14%
<i>Hotel, motel</i>	3%	6%	9%
Food Service	19%	15%	21%
<i>Cooks</i>	6%	4%	10%
<i>Waiters, waitresses, counter/kitchen workers</i>	13%	11%	11%
Personal Care and Service	8%	7%	8%
<i>Child/adult care workers</i>	4%	3%	5%
<i>Barbers, cosmetologists</i>	1%	2%	1%
<i>Vehicle drivers, attendants, and other related</i>	2%	2%	2%
<i>Entertainment attendants and other-related</i>	1%	0%	0%
Sales and Related Occupations	16%	16%	11%
<i>Sales persons/representatives/agents</i>	5%	3%	2%
<i>Packing, delivery, stocking workers</i>	1%	2%	1%
<i>Cashiers, clerks</i>	10%	11%	8%
Office and Administrative Support Occupations	12%	12%	6%
<i>Administrative assistants, secretaries</i>	4%	2%	1%
<i>Customer service representatives, receptionists, tellers</i>	3%	5%	0%
<i>Cashiers, clerks, and other support workers</i>	5%	5%	5%
Health Service--nurse, nursing/home health aids	6%	8%	6%
Protective Service --security guards, correctional officers	2%	1%	2%
Managerial, Paraprofessional, Technical Occupations	8%	6%	6%
<i>Managers, assistant managers, supervisors</i>	3%	3%	1%
<i>Teachers, teacher's aids, counselors, librarians</i>	3%	2%	4%
<i>Technicians, and other technical occupations</i>	2%	1%	1%
Production, Operation, and Maintenance Occupations	21%	21%	17%
<i>Industrial, constructional</i>	7%	7%	6%
<i>Sewing, clothing, furnishing</i>	5%	5%	4%
<i>Food industry</i>	1%	4%	2%
<i>Farming -- plant, animal, fish, forest</i>	1%	1%	1%
<i>Inspectors, helpers, laborers, handlers</i>	3%	1%	0%
<i>Installation, repair, maintenance workers</i>	4%	3%	4%
All Occupations	100%	100%	100%

Overall, the five types of occupations that employed the greatest number of former welfare recipients were: production, operation, & maintenance (20%), food services (18%), sales (15%), cleaning services (14%), and office/administrative support (10%). The long-term clients, who tended to be older and less educated, were more likely to be employed in cleaning services (23%) and food services (21%), and less likely to work as office/administrative support persons (6%).

Other types of income/assistance

About twelve percent of the survey respondents reported other adults with earned income living with them. These other working adults on average worked 38 hours per week and made \$7.83 per hour. Since about 80% of these working adults were the husbands or partners of the clients, there is good reason to believe that their income was significant in providing for household needs. The long-term respondents were again more disadvantaged because they were only half as likely (7% vs. 14%) to have other working adults living with them ($X^2=16.5$, $df=2$, $p<0.001$).

Probably because of their greater familiarity with service programs, long-term clients were better able to avail themselves of other types of income and assistance, as indicated in Table 11.

Table 11
Percent of Former Clients Receiving Other Types of Assistance/Income
By Length of Welfare Receipt before Case Closure:
Cases Closed between October 1996 and December 1997

Working Status	Months of Welfare Receipt			All Cases
	<=24	25-60	61+	
Food Stamps	51%	62%	73%	61%
Child Support	28%	37%	44%	35%
Social Security	8%	8%	10%	8%
SSI	8%	13%	17%	12%
Medicaid	75%	79%	81%	78%
Private Medical Insurance	22%	18%	18%	19%
Any Medical Insurance	84%	86%	84%	85%
Free Housing from Parents/Relative	14%	11%	8%	12%
Rent Subsidy	18%	26%	29%	24%
Someone in home helps to pay bills	11%	10%	9%	10%
Someone outside home helps to pay bills	13%	13%	16%	14%

Note: Shaded cells within a row indicate the long-term cases were statistically different from the intermediate and/or short-term cases at $p\leq 0.05$.

Compared to intermediate and short-term cases, a greater proportion of the long-term cases received food stamps, child support from the absent parent, Supplementary Security Income (SSI) for disabled family member(s), and/or Medicaid coverage, post-welfare. More long-term families continued to receive food stamps post welfare because their income was not as likely to exceed the income limits for food stamps compared to other cases.

Long-term clients received more child support income. This appears to be the result of increased need, because on average they had more children, and were more often without a partner at home. Although SSI provides an additional source of income, in some long-term cases receipt of SSI can reduce the family's total income. This occurs when able-bodied family members are unable to work because they are caring for disabled SSI recipients in the home. About 8% of the closed cases had social security income, and this percentage was similar for cases with long and short welfare history.

More long-term cases were covered by Medicaid whereas more short-term cases were covered by private insurance. When considering the percentage of families with any kind of insurance for any family member, the long, intermediate, and short-term cases ended up to be similar (84%-86%). In terms of housing, the long-term cases were far less likely to be living for free with their parents or relatives than the short-term and intermediate-term cases, but were more likely to be receiving rent subsidies.

A small percentage of the respondents said they had someone inside the home (10%) or outside the home (14%) to help them pay the bills. No significant differences were found between respondents based on their length of welfare receipt.

Deprivations while on welfare, and after leaving

Questions were asked about deprivations experienced by survey respondents during or after receipt of welfare. The deprivations respondents were questioned about included: means to purchase food, ability to pay bills (utilities, rent, telephone, child care, and transportation), access to medical care, repossession of vehicles, stays in homeless shelters, and having to place children with someone else because the parent had no means to care for them.

Table 12
 Percentages of Respondents Reporting Incidences of Deprivations
 While on and after Leaving Welfare
 By Length of Welfare Receipt before Case Closure:
 Cases Closed between October 1996 and December 1997

	Percentage of Surveyed Cases			
	Months of Welfare Receipt before Closing			All Cases (n=2,026)
	<=24 (n=796)	25-60 (n=625)	61+ (n=605)	
Had problem buying food				
On, not after	6%	7%	4%	6%
After, not on	13%	15%	12%	13%
On and after	4%	4%	3%	4%
Had problem paying for medical care				
On, not after	3%	2%	2%	2%
After, not on	9%	9%	11%	9%
On and after	2%	2%	1%	2%
Got behind paying rent/house payment				
On, not after	11%	12%	10%	11%
After, not on	17%	18%	16%	17%
On and after	10%	10%	9%	10%
Got behind paying utility bills				
On, not after	15%	15%	16%	15%
After, not on	18%	19%	16%	18%
On and after	10%	13%	14%	12%
Had to go without electricity				
On, not after	5%	6%	10%	7%
After, not on	8%	7%	9%	8%
On and after	2%	3%	3%	3%
Had phone cut off				
On, not after	11%	16%	15%	14%
After, not on	15%	16%	15%	16%
On and after	6%	7%	7%	6%
Had problem finding child care				
On, not after	8%	7%	7%	7%
After, not on	11%	12%	9%	11%
On and after	11%	12%	9%	11%
Had problem paying for child care				
On, not after	10%	12%	10%	10%
After, not on	12%	13%	7%	11%
On and after	12%	13%	7%	11%

The most challenging problems reported, either due to changes related to case closure or prevalence after welfare, were no money for food, inability to pay for health care, inability to pay bills, and inability to find and/or pay for child care. Table 12 reports percentages of respondents who experienced these problems (1) on welfare, (2) after welfare, and (3) both while on and after welfare. The difference between (1) and (2) can be used to find out whether the percentage of closed cases experiencing a deprivation had changed pre and post welfare, while summing (2) and (3) gives the percentage of closed cases experiencing the deprivation after welfare.

Our analyses of the deprivations reported in Table 12 focused on two questions. First, were cases with longer welfare histories more likely to experience deprivations after leaving welfare? Second, which of the deprivations became more or less of a problem after welfare and, if there were changes, did they affect the long, intermediate, and short-term cases differentially¹?

Chi-square tests identified no differences in proportions of long, intermediate, and short-term cases reporting deprivations after welfare except for one. Apparently because fewer long-term cases had young children who needed child care, paying for child care was not as significant a problem for the long-term cases as for the intermediate and short-term cases ($X^2=15.6$, $df=2$, $p=0.001$).

Results from repeated measure analyses showed more survey respondents reported problems with buying food, paying for medical care, paying rent/house payment, paying utility bills, and paying for child care after leaving welfare than while on welfare. These findings may paint a bleaker picture than actually exists.

For example, among those having problems with buying food, 52% told the interviewers that they still received food stamps assistance and 58% agreed that life was better after leaving welfare. Part of the problem, therefore, is perhaps the result of difficulties with planning and budgeting. Nonetheless, it is not surprising that families experiencing deprivations after leaving welfare were disproportionately represented by those in which the mandatory clients did not work, and those who did not access food stamp benefits, and/or Medicaid coverage.

If a problem was found to have affected more families after welfare than before, usually the percentage differences for the long, intermediate, and short-term cases

were very similar. Length of welfare receipt was not associated with the likelihood of becoming more deprived after welfare.

Sense of Independence

The South Carolina survey also assessed respondents' sense of independence using items presented in Table 13. Confidence in one's independence was indicated by disagreeing that life was better on welfare, and in agreeing that the respondent had more money now, could buy extras without worrying about pennies, hardly worried about money any more, and was pretty sure of not needing welfare in the future.

Table 13
Sense of Independence by Length of Welfare Receipt:
Cases Closed between October 1996 and December 1997

	Percentage of Respondents Who Agreed			
	Months of Welfare Receipt			All Cases (n=2,026)
	<=24 (n=796)	25-60 (n=625)	61+ (n=605)	
Life was better when you were getting welfare	25%	26%	28%	26%
You have more money now than when you were getting welfare	56%	66%	53%	58%
You buy little extras for yourself and your family without worrying about every penny	50%	56%	58%	54%
You hardly worry about money any more	25%	27%	27%	26%
You are pretty sure that you will not need to be on welfare again	51%	53%	49%	51%

More than half of the respondents reported having more money after leaving welfare (58%) and could buy extras without worrying about pennies (54%). Three quarters (74%) did not think life was better while on welfare, and about half (51%) believed they would not need welfare again. The long-term cases were less likely to have more money post welfare compared to those with shorter welfare histories, but they reflected more confidence in their ability to buy things for themselves and their families. Regardless of their welfare history, respondents generally believed

that their lives had improved, but many reported uncertainty about future economics and stability.

Discussion

Under South Carolina's Family Independence Program, welfare assistance is limited to two years in ten years and five years in a lifetime. In October 1996 when the time-limited program began in South Carolina, one third of the mandatory caseload had already received welfare for more than five years in the past eight years, and another third had received welfare for two to five years. The success of the new welfare program thus depended to a large extent on whether these long-term cases could move off and stay off welfare assistance, yet not face hardships as a result.

This study found the long-term clients were capable of achieving self-sufficiency similar to clients with shorter welfare histories. Although cases with long welfare histories had below-average exit rates and above-average recidivism rates, the most meaningful comparison for the long-term cases, however, is with themselves. Fifteen months after the new policy took effect, about 60% of the long-term cases had left welfare. Considering that half of these long-term cases had not left even once since their cases opened during or before 1991, the change is remarkable.

Ex-recipients who had been on welfare long-term expressed similar levels of confidence in their financial situations as the shorter-term ex-recipients. Most long-term clients felt life was better after welfare, slightly over half had more money than while on welfare, and about half were sure they would not need welfare any more. More long-term recipients reported being able to buy extras than the short and intermediate-term clients did, perhaps because the former tended to be more experienced at budgeting than the latter and more were accessing food stamps.

The long-term cases were also no more likely to experience deprivations after welfare compared to cases with shorter welfare histories. Although, overall, more clients reported having problems with buying food, paying for utility bills, and paying for medical care, there was not enough evidence to conclude that deprivations had become more widespread or more extreme, or had affected the long-term cases more than others.

Although the intent of welfare reform was to promote and support the move toward economic self-sufficiency for all welfare clients, some were less successful than others. About two in five of the former clients were not working due to reasons such as low jobs skills, transportation and child care problems, and other personal and family barriers; about one in four felt life was better on welfare.

Characteristics that disposed clients to long-term welfare dependency, such as poor education, poor basic skills, and little prior work experience continued to put the long-term cases at greater disadvantage post welfare. They had below average job retention rates and above average unemployment rates. Of those long-term clients who ever worked, a disproportionately higher percentage worked in low-skilled, low-paying jobs. Even though they more often have other income and assistance from public or private sources, it is unlikely that these other sources can bring their total income to a level comparable to that of less disadvantaged cases.

This study identified several areas in which the long-term cases require more support to become self-sufficient post-welfare. First, the long-term cases should be given a head start in job-related training and education. In the earlier stage of welfare reform, clients likely to leave sooner -- the young and the more educated -- had greater access to employment-focused programs, which enabled them to find stable higher-skill jobs. The fact that many long-term clients desiring to work were caught between the most unstable jobs and no jobs points to the need to teach them the skills necessary to enter into the work force and for moving up. There is no evidence that the long-term clients were less motivated. More effort should be made to help them catch up.

Second, former clients should be encouraged to access post-welfare employment support services. The take-up rates of child care and transportation subsidies, and other supportive services were significantly higher among clients who left for employment and informed the welfare agency as such at the point of exit. Many clients did not use these services, even in times of difficulty and/or emergency, because they were not aware of their eligibility.

Clients especially likely to be left out are those whose cases closed for reasons such as voluntary withdrawal, sanction, and failure to provide information, even though many of them had found jobs on their own. Long-term cases made less use of post-welfare assistance and services because their cases closed more often due to reasons other than employment. It appears that some were unaware that post-welfare support services hinged on case closure due to employment.

Third, in order to encourage former clients to use the welfare agency as a resource for post-welfare problem solving, welfare service providers should intensify post-welfare case management. For long-term cases with multiple barriers and other hard-to-serve cases, expectations should be realistic, and services customized.

In summary, this study found long-term cases closed after TANF were more similar than different from their shorter-term counterparts. Compared with where they had been, their success was significant. For cases that may take longer and need more assistance to achieve independence, good post-welfare support is essential.

Endnote:

The first question was dealt with using Chi-square test of independence. The second questions was addressed using a repeated measure design with one within subject factor and one between subject factor. The within subject factor has two levels, one for the measurement of deprivation before welfare and one for the measurement after welfare. The between subject factor is the lengths of welfare receipt which had three levels: long, intermediate, and short. The analyses were performed through a main effect test on the within subject factor and a test of interaction between the within subject factor and between subject factor.

Abstract

This study used administrative data to document exit and recidivism information of the long-term vs. short-term cases subject to time limit in October 1996, and used survey data to describe the experiences of the long-term vs. short-term cases after they left welfare. Although compared to the shorter-term cases those who had been on welfare long term tended to exit later and come back oftener, a substantial proportion of the long-term recipients left welfare and remained off. Long-term ex-recipients expressed similar level of confidence in their ability to support their families as their shorter-term counterparts.