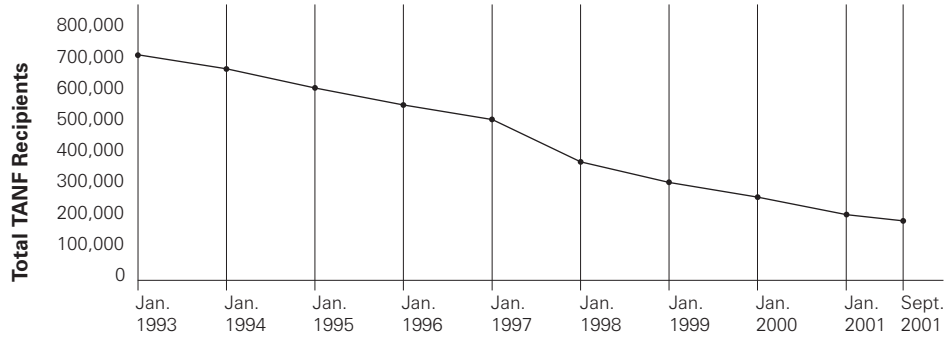


TITLE	<b>WELFARE TO WORK: WHAT HAVE WE LEARNED?</b>								
SUBJECT	<b>FINDINGS FROM RESEARCH ON WELFARE REFORM IN ILLINOIS, INDIANA, IOWA, MICHIGAN, MINNESOTA, OHIO, &amp; WISCONSIN</b>	<b>3-2002</b>							
	<table border="1"><tr><td>IL</td><td>IN</td><td>IA</td><td>MI</td><td>MN</td><td>OH</td><td>WI</td></tr></table>	IL	IN	IA	MI	MN	OH	WI	
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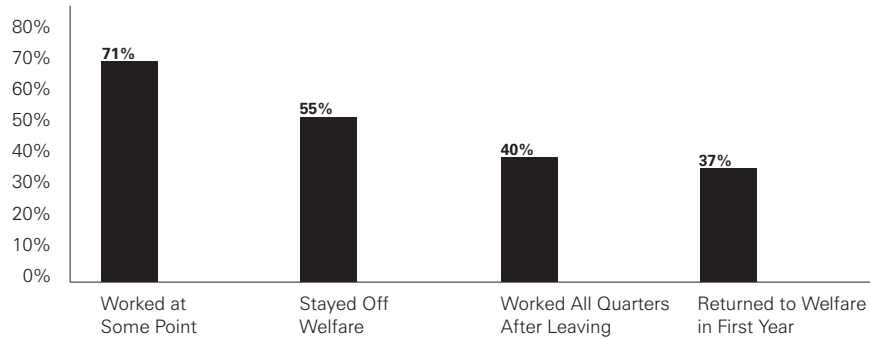
The Joyce Foundation    70 West Madison Street, Suite 2750    Chicago, IL 60602  
P 312 782 2464    F 312 782 4160    info@joycefdn.org    www.joycefdn.org

# OHIO IN BRIEF

## Welfare caseloads have dropped dramatically.



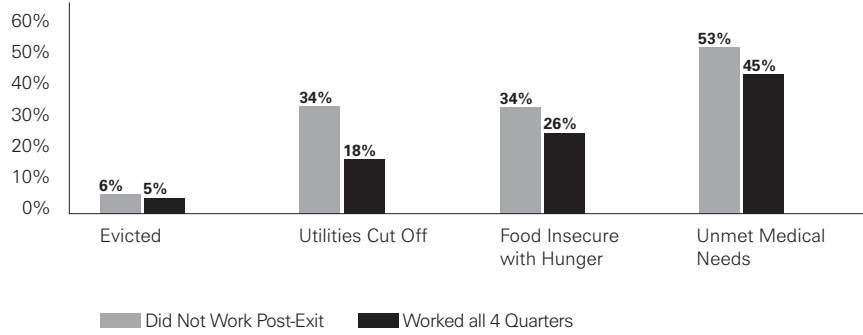
## Most leavers work but many return to welfare.



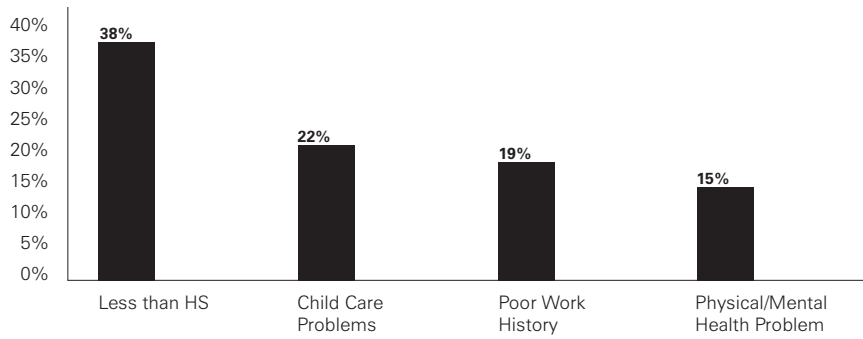
## Low earnings leave many near poverty.

	CUPSC	PDUC	Two-Person Poverty	Three-Person Poverty
Monthly Earnings	\$933	\$1,056	\$968	\$1,223
Annual Earned Income	\$11,196	\$12,672	\$11,610	\$14,630

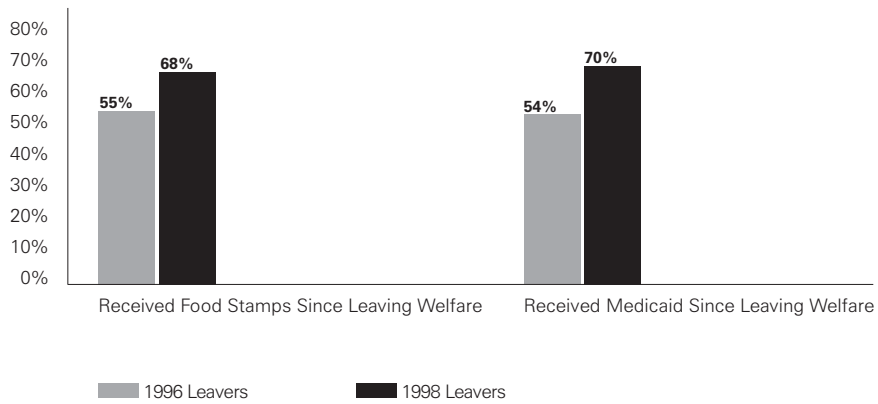
**Families experience hardship.**



**Families leaving welfare face barriers to work.**



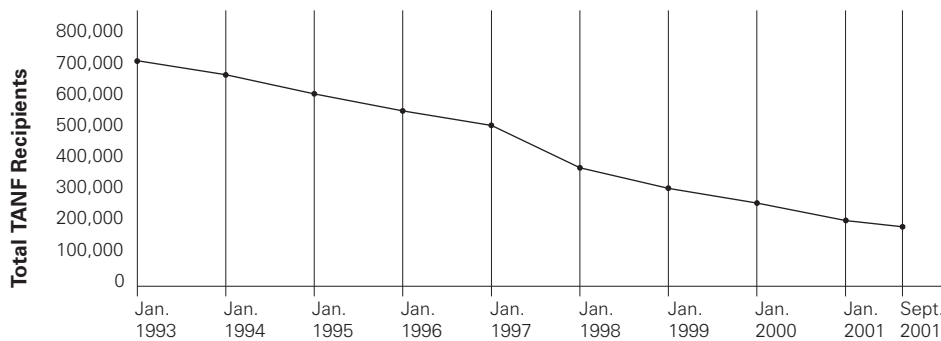
**Families still need government assistance.**



# WELFARE REFORM IN OHIO

Ohio's experiments with reforming its welfare system began only shortly before the passage of PRWORA. In July 1995, then Governor George Voinovich signed into law a welfare reform package called Ohio First. Ohio First introduced several changes, including earnings disregards, a time limit, job-search requirements, and new sanctions. After PRWORA was passed, the state began implementing Ohio Works First (OWF), which included more changes, including increased benefits levels and more generous earnings disregard policies. OWF also increased requirements for job search and work and made sanctions tougher.<sup>1</sup> One result of these changes has been a substantial drop in welfare caseloads, from 549,312 in August of 1996 to 190,459 as of September 2001.<sup>2</sup> This drop of 65.3% is greater than the 56% decline nationally during this period and ranks third among the seven states in the region. From January to September 2001 the welfare caseload declined 7.2%, making Ohio one of only two states in the region that did not experience an actual increase in the number of welfare recipients during 2001.<sup>3</sup>

**FIGURE 1** NUMBER OF OHIO WELFARE RECIPIENTS: JANUARY 1993 TO SEPTEMBER 2001



Data Source: U.S. Department of Health and Human Services, Administration for Children and Families.

Even with this recent deceleration in caseload decline, the overall decrease in the number of individuals receiving welfare in Ohio has been dramatic. It may not all be attributable to OWF, however; certainly the strong state economy has helped to facilitate the movement of thousands of families from welfare to work. As of August 2001, Ohio's monthly seasonally adjusted unemployment rate stood at 4.2%, only 0.1% higher than a year earlier and 0.7% lower than the national rate of 4.9%. Declining caseloads and low unemployment are not the whole picture, however, as the following pages show.

1 Street, Paul. *The Recent History and Future of Welfare Reform in Six Midwestern States*. Office for Social Policy Research Northern Illinois University. 1997.

2 Latest available figures from U.S. Department of Health and Human Services, Administration for Children and Families.

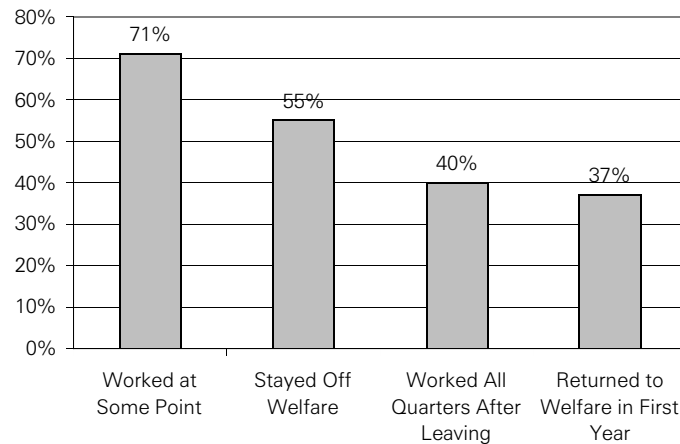
3 As of September 2001.

## WHAT THE RESEARCH TELLS US

### Most people who left welfare went to work, but the jobs did not always last.

Looking at the employment rates of those who left welfare in Ohio is one way to assess the success of Ohio's TANF program, Ohio Works First (OWF). By this measure, welfare reform in Ohio has had mixed success. On the positive side, welfare leavers in Ohio work at a high rate (71%) and the rate of leaving welfare increased between 1996 and 1998. In quarter three of 1996, about 2,794 single-female-headed families left cash assistance, accounting for approximately 10% of the single-female-headed caseload in the quarter. In quarter three of 1998, 3,357 AFDC/TANF cases left cash assistance; and since the size of the cash welfare caseload in 1998 was appreciably smaller, the exit rate rose to 17%.<sup>4</sup> However, less than half of those who left welfare worked a full year and nearly as many returned to welfare within a year of leaving<sup>5</sup> (see Figure 2).

**FIGURE 2** WELFARE LEAVERS AND WORK



Leete, Laura; Bania, Neil, and Coulton, Claudia. *Employment Dynamics in the Welfare-to-Work Transition in Cuyahoga County*. 1999.

Findings on the stability of the jobs that welfare leavers obtain suggest reasons for both optimism and concern. According to employers who had hired welfare recipients, 75% were still employed, and over 50% of pre- and post-TANF leavers worked three or more quarters in the year following exit.<sup>6</sup> However, this clearly indicates that nearly half of leavers had less than year-round employment. They also often change jobs even within the first year after leaving.

- 53% percent of exiters work for two or more employers.
- 5% percent work for five or more employers.

4 PDUC: *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring?*

5 CUPSC: *Employment Dynamics in the Welfare-to-Work Transition in Cuyahoga County*.

6 PDUC: *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring?*

The first year of employment seems to be the most tenuous. The average number of quarters worked with the first employer is only 2.2; 35% of employed leavers work only one quarter with the first employer. This has implications for welfare recidivism.<sup>7</sup>

- 38% of the post-TANF leavers returned to welfare at least once after being off cash assistance for at least two consecutive months.
- 49% of those who returned to welfare reported doing so because they lost or could not find a job or the job did not pay enough.
- Those not continuously employed were almost five times more likely to return to OWF than those who were continuously employed.

**Many families who have moved from welfare to work remain poor because they earn low wages.**

In order to achieve true economic self-sufficiency it is crucial for former welfare recipients to work. We know that the majority of former recipients in Ohio do work, albeit often in unstable jobs. Transitioning off of welfare and into work however, is not the same as achieving self-sufficiency. Another measure of success is whether work lifts a family out of poverty. Based on monthly earnings data, a family head working full-year can earn from \$11,000 to nearly \$13,000 per year (see Table 1). This would leave a single mother with one or two children below or near poverty. Families living below the poverty threshold were more likely to have returned to welfare at some point and were more likely to be relying on public assistance than on earnings.<sup>8</sup> Finally, although employment rates for welfare leavers increased between 1996 and 1998 (see above), earnings declined. By the fourth quarter after leaving welfare, the median quarterly earnings of the 1998 leavers were about \$127 lower than the earnings for the 1996 leavers.<sup>9</sup> This may indicate that individuals entering the workforce in more recent years are increasingly less job-ready and thus less able to earn high wages.

<sup>7</sup> PDUC: *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring?* and CUPSC: *How Are They Managing? A Six-Month Retrospective of Cuyahoga County Families Leaving Welfare.*

<sup>8</sup> PDUC: *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring?*

<sup>9</sup> Ibid.

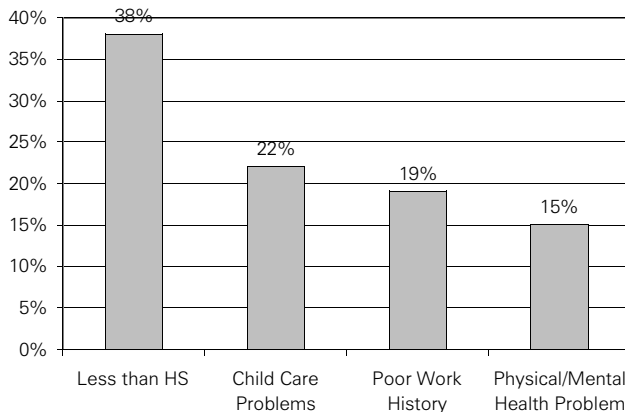
**TABLE 1** WELFARE LEAVERS' INCOME<sup>10</sup>

	CUPSC <sup>a</sup>	PDUC <sup>b</sup>	2001 2-Person Poverty	2001 3-Person Poverty
Monthly Earnings	\$933	\$1,056	\$968	\$1,223
Annual Earned Income (monthly earnings x 12)	\$11,196	\$12,672	\$11,610	\$14,630

a- Coulton, Claudia, and Verma, Nandita. *Employment and Return to Public Assistance Among Single, Female-Headed Families Leaving AFDC in Third Quarter, 1996, Cuyahoga County, Ohio*. WP-99-01. May. 1999. CUPSC: Center on Urban Poverty and Social Change. b- Verma, Nandita, and Coulton, Claudia. *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring?* April 2001. PDUC: Project on Devolution and Urban Change.

### Health problems, child care, lack of education, and other problems prevent some welfare recipients from getting jobs, and make it hard for others to stay employed.

For many families personal and structural barriers impede work. Sixty-three percent of leavers in Cuyahoga County reported at least one barrier to work and nearly a third have at least two barriers. Lacking a good education, having a poor work history, and problems with child care and health were cited most frequently (see Figure 3).

**FIGURE 3** PREVALENCE OF WORK BARRIERS AMONG LEAVERS

Verma, Nandita and Coulton, Claudia. *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring?* April 2001.

These barriers directly affect employment prospects. Leavers who worked in all four quarters were less likely to report a barrier to work, and those who did not work were more likely to report multiple barriers. Poor education is directly related to lower work rates. Of women who worked four quarters after leaving welfare, 31% had less than a high school diploma, while 40% of those who left but were not working lacked a diploma.<sup>11</sup>

<sup>10</sup> Poverty levels are for 2001. 1998 thresholds are \$11,234 and \$13,133.

<sup>11</sup> PDUC: *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How are They Faring?*

Child care often poses a substantial barrier. Of non-working leavers, 33% reported child care problems, while only 13% of the workers did. Of greater concern is the fact that among women who worked the full year after leaving, only 34% were currently receiving help paying for child care costs. Even among this group, 17% reported that some or all of their children take care of themselves on a regular basis.<sup>12</sup> It is not surprising that the most frequent reason given by employers for former welfare recipient workers to be absent is child care problems.<sup>13</sup>

Health problems also present a major obstacle to employment. One third (32%) of non-working leavers report physical or mental health problems, while only 11% of those who worked the full year after leaving had such problems.<sup>14</sup> Again, it is not surprising then that 14% of employers cited worker health problems as a reason for being absent.<sup>15</sup>

Transportation problems also present significant obstacles for those looking for work. Public transit commutes in the Cleveland area generally take twice as long as automobile commutes of the same distance, and only 40% of leavers reported driving their own car.<sup>16</sup> Thus even when jobs are available, lack of adequate and dependable transportation may impede welfare leavers from getting or holding onto them. Employers who hire welfare recipients cite transportation as the second most frequent reason former welfare recipients miss work.<sup>17</sup>

Finally, despite low unemployment rates, 32% of families who left welfare in Cuyahoga County were not working six months after leaving; 22% of these cited inability to find a job as the primary reason for not working.<sup>18</sup> In rural Ohio, welfare recipients face a poor job environment. Of 20 Ohio counties that were declared labor surplus areas in 1999, 16 were located in rural southeastern Ohio.<sup>19</sup> This slack labor market has only gotten worse recently as layoffs have hit levels not seen in a decade and former welfare recipients often work in the jobs that are the first to be cut. In Cleveland, 39% of welfare recipients worked in the service industry, 21% worked in sales, and 14% worked as operators or laborers.<sup>20</sup> The Labor Department reported in September 2001 that the number of service jobs has not increased since March 2001 and retail trade employment declined for the second straight month. Manufacturing, which lost 93,000 jobs nationwide, had been losing jobs for the past 14 months.<sup>21</sup>

12 Ibid.

13 Holzer-Stoll-Wissoker

14 PDUC: *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring?*

15 Holzer-Stoll-Wissoker

16 CUPSC: *Distance and Commute Times to Work for Welfare Exiters; and How Are They Managing? A Six-Month Retrospective of Cuyahoga County Families Leaving Welfare.*

17 Holzer-Stoll-Wissoker

18 CUPSC: *How Are They Managing? A Six-Month Retrospective of Cuyahoga County Families Leaving Welfare.*

19 According to the U.S. Department of Labor an LSA has an average unemployment for the two-year period January 1998 through December 1999 of at least 6.0 percent.

20 Holzer Ch. 4.

21 U.S. Department of Labor: *The Employment Situation: September 2001.*

**Some families are being forced off the welfare rolls, either for failure to comply with program rules or for other reasons.**

As noted earlier, the majority of former welfare recipients work at some point after leaving, and indeed the majority (57%) of respondents said work was the primary reason they exited in the first place. However, the second most cited reason (15% of 1998 leavers) was sanction or failure to comply with agency regulations. Other reasons include changes in family or household composition, getting benefits from another program, and not wanting or needing welfare.<sup>22</sup>

**Families experience hardships.**

Low earnings and unstable jobs mean that families leaving welfare in Ohio experience various forms of hardship. Three-quarters of leavers had experienced at least one hardship by the sixth month after exit, and 39% reported that someone in the family needed to see a doctor or go to the hospital but could not, because they lacked money or insurance.<sup>23</sup> Additional hardships reported by families who left welfare are listed in Table 2.

**TABLE 2** HARDSHIPS ENDURED BY LEAVERS WITHIN SIX MONTHS OF EXITING

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Paid more than 1/3 of income for housing	60%
Not enough food	28%
Lost utilities	15%
Evicted	5%

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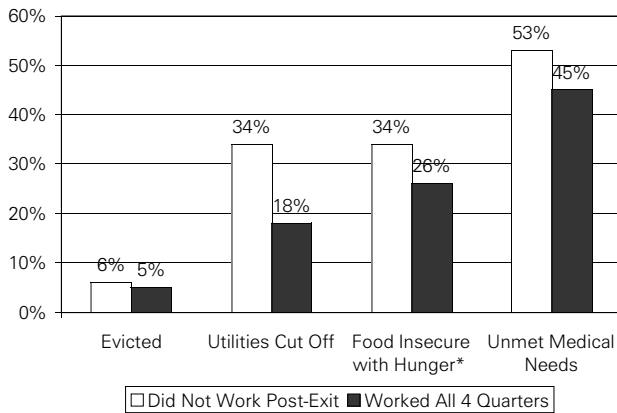
Coulton, Claudia; Pasqualone, Cara; et al., *How are They Managing? A Six Month Retrospective of Cuyahoga County Families Leaving Welfare*. January 2000.

Not surprisingly, steady work helps to decrease the rate at which families who leave welfare experience hardship. However, it's clear that even leavers who worked all four quarters after exiting had difficulty affording housing, utilities, food and medical care (see Figure 4).

22 PDUC: *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring?*

23 CUPSC: *How Are They Managing? A Six-Month Retrospective of Cuyahoga County Families Leaving Welfare*.

**FIGURE 4** WORK, UNEMPLOYMENT AND HARDSHIP



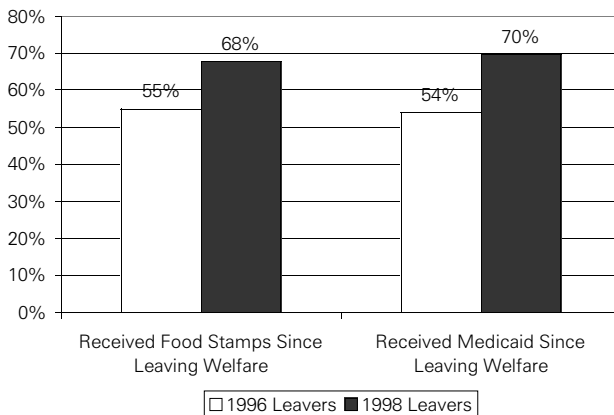
Verma, Nandita and Coulton, Claudia. *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring?* April 2001.

\*Based on the U.S. Department of Agriculture Food Security Scale which classifies respondents into three categories of food security: food secure, food insecure, and food insecure with hunger.

**Many families continue to rely on food stamps, Medicaid, and other forms of government assistance to get by.**

While a primary goal of the original PRWORA law was to reduce dependency on government assistance, many Ohio welfare leavers were not able to live solely on their own earnings; 37% of the pre-TANF (1996) leavers and 38% of the post-TANF (1998) leavers returned to welfare at least once after being off cash assistance for at least two consecutive months. Again, job instability is a problem; among leavers in both the 1996 and 1998 groups, those who did not work in all four quarters after exiting were more likely to return to welfare.<sup>24</sup> However, the proportion who stayed off welfare but received Medicaid and Food Stamps rose between 1996 and 1998 (see Figure 5). Clearly these programs remain important for meeting basic needs.

**FIGURE 5** USE OF FOOD STAMPS AND MEDICAID BY 1996 AND 1998 LEAVERS



Verma, Nandita and Coulton, Claudia. *Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring.* April 2001.

## Like other Americans, welfare recipients are optimistic about work and welfare reform.

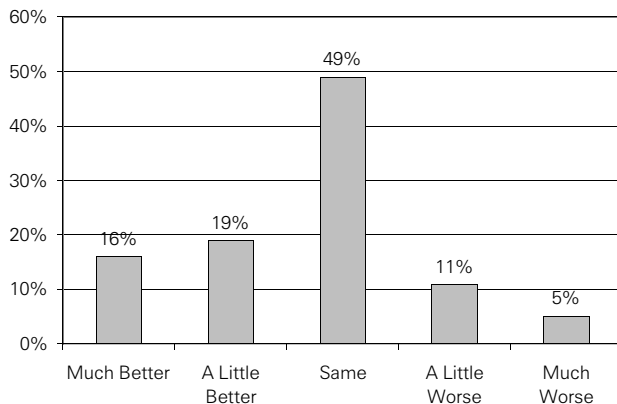
Many welfare recipients who were interviewed as the new rules were being implemented expressed quite positive views of the changes. Welfare recipients in Cuyahoga County generally assumed that they would find living-wage employment by the time they reached their time limits, although many did not have a clear sense of how they would go about finding jobs with adequate pay. They also expressed positive attitudes toward job search requirements, often saying that the new requirements would give them the push they needed to do what they had long wanted to do. At the same time they felt that the stricter rules would help identify those who were undeserving of welfare and force them to work or leave the rolls.<sup>25</sup>

Critics of the old welfare system believed that recipients had become dependent on government “handouts” and lacked both work skills and a work ethic. Many welfare recipients, however, said they were looking forward to entering the workforce, but some employers of welfare recipients did in fact cite poor workplace norms and skills as a problem.

- 18% reported problems with their recipients’ attitudes toward work.
- 15% said they had trouble relating to co-workers.
- 12% reported problems with basic skills.
- 9% reported problems with job skills.

However, despite these skill deficiencies, these same employers said that 85% of the welfare leavers were the same as or better than the “typical worker”<sup>26</sup> (See Figure 6).

**FIGURE 6** RATING OF LEAVERS COMPARED TO OTHER WORKERS



Holzer, Harry; Stoll, Michael, and Wissoker, Douglas. *Job Performance and Retention among Welfare Recipients*. June 2001.

25 CUPSC: *Big Cities and Welfare Reform: Early Implementation and Ethnographic Findings from the Project on Devolution and Urban Challenge*.

26 Holzer-Stoll-Wissoker.

**Welfare recipients know that they face time limits, but understanding of other rules remains sketchy.**

Many leavers who did not retain Medicaid and food stamps at the time they left welfare said that they had received a notice in the mail that they were cut off all of their benefits.<sup>27</sup> (Cuyahoga County has since reversed this policy, and has worked to increase enrollment in food stamps and Medicaid; those who left welfare in 1998 were more likely to receive both forms of assistance than those who left earlier, in 1996.) Recipients also reported that information they learned about welfare reform from official sources, such as caseworkers, agency mailings and flyers posted at the welfare offices, sometimes conflicted with what they heard from other sources, such as television, radio and newspaper reports, friends and family members.

Ultimately however, most recipients were familiar with the major welfare changes. They knew that a lifetime limit on welfare receipt had been imposed and that it was three years in length,<sup>28</sup> but they were much less certain about exactly what the time limit meant or how it would work. In some cases, respondents believed that after they had used up their 36 months, their children would continue to receive a reduced benefit.<sup>29</sup>

<sup>27</sup> CUPSC: *How Are They Managing? A Six-Month Retrospective of Cuyahoga County Families Leaving Welfare.*

<sup>28</sup> Families are ineligible to participate in OWF if the adult has participated in the program for thirty-six months. The family remains ineligible for twenty-four months after which they may be eligible for up to an additional twenty-four months of cash assistance. See the TANF policy section for more detail.

<sup>29</sup> PDUC: *Big Cities and Welfare Reform: Early Implementation and Ethnographic Findings from the Project on Devolution and Urban Change.*

# OHIO DEMOGRAPHIC CHARACTERISTICS

Ohio's population of over 11 million is 85% non-Hispanic white, nearly 12% non-Hispanic Black and 2% Hispanic. The population has grown by less than 5% in the past decade, smallest among the seven states covered in this report. Similarly, Ohio's per capita income has grown the slowest among the states in the region, from \$18,792 in 1990 to \$28,400 in 2000 (51%). The 1999 poverty rate for female headed households was 35.3%, third highest among the seven states reviewed here. Births to women aged 15-19 were 60.6 per 1,000, second highest among the seven states.

## Population

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Population (2000) <sup>a</sup>	11,353,000
Percent Change (1990-2000) <sup>a</sup>	4.7%
Percent Under Age 18 <sup>a</sup>	25.4%
Percent Hispanic <sup>a</sup>	1.9%
Percent Non-Hispanic Black <sup>a</sup>	11.5%
Percent White (non-Hispanic) <sup>a</sup>	85.0%
Births per 1,000 Women 15-44 (1998) <sup>b</sup>	61.2
Births per 1,000 Women 15-19 (1998) <sup>b</sup>	60.6
Percent to Unmarried Women (1997-98 avg.) <sup>b</sup>	33.9%

## Economics

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Per Capita Income (2000) <sup>c</sup>	\$28,400
Per Capita Income (1990) <sup>c</sup>	\$18,792
Percent Change in PCI (1990-2000)	51.1%
Median Income (1998-1999) <sup>a</sup>	\$39,701
Median Income 4-Person Family (1998-2000) <sup>a</sup>	\$56,237
Percent Below Poverty (1999) <sup>d</sup>	11.0%
Percent Children (< 18) Below Poverty (1999) <sup>d</sup>	15.9%
Percent Below Poverty-Fem. Fam. Head (1999) <sup>d</sup>	35.3%
Unemployment Rate (2000) <sup>e</sup>	4.1%
Unemployment Rate (2001) <sup>e</sup>	4.3%
Employment Rate (2000) <sup>e</sup>	95.9%
Total TANF Recipients August 1996 <sup>f</sup>	549,312
Total TANF Recipients September 2001 <sup>f</sup>	190,459
Percent Change <sup>f</sup>	-65.3%

**Families (2000)**

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Total Households <sup>a</sup>	4,445,000 (100%)
Family Households <sup>a</sup>	2,993,000 (67.3%)
With Own Children under 18 years <sup>a</sup>	1,409,000 (31.7%)
Married Couple Families <sup>a</sup>	2,285,000 (51.4%)
With Own Children under 18 years <sup>a</sup>	996,000 (22.4%)
Female Householder, no husband present <sup>a</sup>	536,000 (12.1%)
With Own Children under 18 years <sup>a</sup>	323,000 ( 7.3%)
Nonfamily Households <sup>a</sup>	1,452,000 (32.7%)
Householder living alone <sup>a</sup>	1,215,000 (27.3%)
Households with individuals under 18 years <sup>a</sup>	1,534,000 (34.5%)
Average Family Size <sup>a</sup>	3.04
Low-Income Uninsured Children <sup>a</sup>	5.8%

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a-U.S. Bureau of Census.

b-National Center for Health Statistics.

c-U.S. Bureau of Economic Analysis.

d-U.S. Bureau of Labor Statistics and Bureau of the Census Current Population Survey.

e-U.S. Bureau of Labor Statistics.

f-U.S. Department of Health and Human Services, Administration for Children and Families.

# STATE TANF POLICIES – OHIO

## Who is eligible?

*Families:* To be eligible for Ohio Works First (OWF), families must include a child under age 18 or a child age 18 who is a full-time student in a secondary school. A pregnant woman with no other children is eligible for assistance, beginning in her sixth month. All two-parent families are eligible for assistance based on the same eligibility criteria as single-parent families.

*Income:* Recipients are not subject to a gross income test. However, all applicants except those who have been on assistance in the prior four months are subject to a gross income test. Gross monthly income (total income with no deductions) must fall below the following amounts:

Family Size	Amount
1	\$423
2	\$537
3	\$630
4	\$750

*Asset Limits:* There is no asset test for applicants or recipients.

## What happens when they apply?

*Application:* All persons have a right to file an application for cash assistance. The same application for cash assistance is used throughout the state and is a joint application for Food Stamps, Medicaid, state disability assistance, refugee cash assistance, and refugee medical assistance. Applications must be processed within 30 days and denial or actual receipt of assistance must occur within 45 days. The agency is required to issue a written decision on applications. Ohio does not impose requirements that must be met before a family can submit an application for cash assistance. However, it does impose requirements that a family must meet while its cash assistance application is pending. Failure to meet these requirements results in denial of the application, and no applicants are exempt. Applicants and/or recipients are required to sign a personal responsibility contract, which is a standard form listing obligations based on an individualized assessment or caseworker discretions, as well as a state or county agreement to provide listed services. Applicants and recipients are not required to sign an employability plan.

*Diversion:* Cash Diversion Programs provide families with an up-front, lump sum payment in lieu of ongoing cash assistance payments. The goal is to help families meet an immediate need and to divert them from formally entering the TANF program. In Ohio, counties have discretion to decide whether to operate a formal diversion program. Current cash assistance recipients may participate in the cash diversion program. The size of a diversion payment is calculated on a case-by-case basis up to the maximum. The income and asset eligibility criteria for the diversion program differ from those applied to applicants for ongoing cash assistance. Asset and income tests vary by county. A family that receives a diversion payment may be ineligible for another diversion payment or for ongoing cash assistance for a period of time, at county discretion. A diversion payment does not count as using up any months of time-limited assistance. When a family receives a diversion payment, its child support rights are not assigned to the state. Families that receive diversion payments can get child care services if they are eligible under state rules. They may also receive case management services, employment services, education and training services, transportation and other services at county discretion. Ohio's diversion program began in October 1997.

*Declined:* An applicant who appeals under federal or state law a decision or order of a human services agency must be granted a state hearing by Ohio Department of Human Services. A state hearing decision is binding upon the agency and department, unless reversed or modified on appeal to the director of the Department, or a court of common pleas. An appellant who disagrees with a state hearing decision may make an administrative appeal to the director of the Department, who shall review it and may affirm, modify, remand, or reverse the state hearing decision.

**What do they get if approved?**

*Cash Benefits:* A recipient's benefit equals the difference between countable income and the maximum benefit. Countable income equals gross monthly income less \$250 and 50% of remaining earnings. Families can deduct out-of-pocket child care expenses up to \$200 per month for children age two and under, and up to \$175 a month for children over age two for families working full-time. For families working less than full time, the maximum child care deduction is \$120 per child. Maximum monthly benefits by family size are as follows:

Family Size	Amount
1	\$216
2	\$296
3	\$362
4	\$447

*Food Stamps:* OWF participants are eligible for participation in the Ohio Food Stamp program. Additionally, individuals leaving OWF may continue to be eligible if their income remains below 133% of the poverty level and they meet all other eligibility criteria of the Food Stamp program.

*Health Insurance:* Medicaid eligibility is aligned with eligibility for the Ohio Works First program, so that all participants have access to quality health care. Upon leaving OWF, former participants may have up to one year of extended Medicaid eligibility to help them make the transition from public assistance to self-sufficiency. Additionally, many families who are diverted or sanctioned from public assistance may still be eligible for Medicaid through the Ohio Healthy Start program.

*Child Care:* OWF participants with children under 13 years old are eligible for subsidized child care, with the subsidies varying according to the income of the assistance group. Child care is guaranteed to OWF participants and to families who leave OWF for employment for up to one year. Upon expiration of the year, families may be eligible for non-guaranteed child care (funded through the Ohio General Fund and/or the Child Care Development Fund) until their income exceeds 185% of the federal poverty level. Effective July 1, 2000, the maximum amount shall not exceed 200% of the federal poverty level.

*Emergency Assistance:* EA programs are operated at state discretion and provide funds to families to prevent such emergencies as disconnection of utilities or eviction. States no longer receive funding specifically for an emergency assistance program but they generally can use their TANF block grant dollars or state funds. Ohio provides emergency assistance to families that are receiving TANF cash assistance, families that are eligible for but not receiving TANF cash assistance, and families that are not eligible for TANF cash assistance as follows: eviction prevention; short-term rental assistance; prevent utility shutoff or restore service; emergency housing assistance; temporary shelter for homeless families, and others at county discretion.

*Transportation:* The Ohio General Assembly appropriated additional funds specifically for transportation planning and assistance. Each county will be required to submit a transportation plan, detailing how it plans to provide adequate transportation services to OWF participants.

### **How long do they get these benefits?**

*Time Limits:* A family is ineligible to participate in OWF if there is an adult who has participated in the program for 36 months. The family remains ineligible for 24 months after which they may be eligible for up to an additional 24 months of cash assistance. The additional period of eligibility requires the establishment and compliance with a new self-sufficiency contract. A Community Department of Human Services (CDHS) may exempt up to twenty percent of the

average monthly number of families receiving OWF from the time limit if they determine that the time limit is a hardship. This is not applicable unless the family has exhausted its 36 months of cash assistance.

### **What do they have to do in return?**

*Work Requirements:* A significant number of adults and minor heads of households participate in the work activities that include employment, work experience program, subsidized employment program, job search and job-readiness activities, vocational education, job skills training, education related to employment, and basic education activities. Recipients may also participate in “developmental activities” which are a special feature of the OWF program. Developmental activities serve as a supplement to the federal work activities and are performed in hours required above and beyond the work hours that are required to satisfy the work participation requirements. Examples of developmental activities include basic education, mental health counseling, or vocational rehabilitation services. Finally, in cases where traditional work activities are unsuitable and individuals are unable to fully participate in federal work activities, individuals are placed in “alternative work activities” appropriate to their specific circumstances and needs. Participants placed in alternative work are assigned to activities that may include: parenting classes and life-skills training; participating in certified alcohol or drug addiction programs; finding a home; in the case of a minor head of household or an adult with a disability, active work in an individual written rehabilitation plan with the Rehabilitation Services Commission; in the case of a minor head of household or adult who has been the victim of domestic violence, residing in a domestic violence shelter, receiving counseling or treatment related to the domestic violence, or participating in criminal justice proceedings against the domestic violence offender.

### **What if they don't follow the rules?**

*Sanctions:* Each County Department of Human Services (CDHS) establishes standards for the determination of good cause for failure or refusal to comply in full with the provisions of the self-sufficiency contract. The first failure or refusal results in OWF ineligibility for the entire assistance group for one payment month, or until compliance, whichever is longer. The assistance group may also receive a reduction in food stamp benefits. The second failure or refusal causes OWF ineligibility for the entire assistance group for three payment months or until compliance, whichever is longer. The assistance group may also receive a reduction in food stamp benefits. The third or subsequent failure or refusal results in OWF ineligibility for the entire assistance group for six payment months or until compliance, whichever is longer. For a third or subsequent failure, the individual who failed or refused to comply without good cause is also ineligible for Medicaid if it was a work-activity failure. Other assistance group members remain

eligible for Medicaid. Assistance groups who are sanctioned may remain eligible for publicly funded child care and support services. Ohio statute requires that after sanctioning an assistance group for failure to comply with a provision of the self-sufficiency contract, the CDHS continues to work with the assistance group to provide the member of the assistance group who caused the sanction an opportunity to demonstrate a willingness to cooperate.

### **What if they can't follow the rules?**

*Exemptions:* There are limited exemptions from work requirements. Child-only cases are exempt. Ohio allows counties the option to exempt a single-parent who is caring for a child under twelve months from the federal work participation requirements. For single-parent families that are exempt from the federal requirement, the county department requires the single parent to participate in developmental activities.

Source: Ohio Department of Human Services and the State Policy Documentation Project, a joint project of the Center for Law and Social Policy and the Center on Budget and Policy Priorities.

# OHIO STUDY SUMMARIES

## **Center on Urban Poverty and Social Change (CUPSC)\***

Mandel School of Applied Social Sciences, Case Western Reserve University and Manpower Demonstration Research Corporation (MDRC)

*Distance and Commute Times to Work for Welfare Exiters.* Leete, Laura; Bania, Neil, and Coulton, Claudia. Briefing Report #9908. 1999.

This report is based on an analysis of data from the monthly Income Maintenance Files (IMF) tapes for Cuyahoga County. Researchers identified 17,891 adult welfare recipients who exited welfare during calendar year 1996. Employment information for each recipient who left welfare in 1996 was obtained for the four quarters following their exit from the Ohio Bureau of Employment Services (OBES). This analysis compares the home and work locations when the exiter first became employed.

*Employment and Return to Public Assistance Among Single, Female Headed Families Leaving AFDC in Third Quarter, 1996, Cuyahoga County, Ohio.* Coulton, Claudia and Verma, Nandita. Working Paper #99-01. May 1999.

This report is based on a study of single, adult female heads of assistance groups that stopped receiving cash assistance (for at least two months) in the third quarter 1996. The primary data source was the monthly IMF files supplied by the Department of Human Services to Cuyahoga County. Recipients who stopped receiving cash benefits during third quarter 1996 were tracked for 12 months to determine whether they returned to cash assistance at any time in the interval. The adults in the exit cohort were followed for the subsequent four quarters to determine their employment and earnings. The use of public assistance benefits in the 12 months subsequent to exit was examined for the adult women and their children who left cash assistance. It also examined whether they were still receiving food stamps or medical assistance after their exit.

*Employment Dynamics in the Welfare-to-Work Transition in Cuyahoga County.* Leete, Laura; Bania, Neil, and Coulton, Claudia. Briefing Report #9906. 1999.

This report is based on an analysis of data from monthly IMF tapes for Cuyahoga County. Researchers identified all adult welfare recipients who exited welfare during calendar year 1996. Employment information for each recipient who left welfare in 1996 was obtained for the four quarters following their exit from the Ohio Bureau of Employment Services (OBES). Data from 1996 is used so that this analysis can serve as a baseline report focusing on the pre-welfare reform period.

*Factors Affecting Continued Employment and Return to Welfare Among Persons Who Left Welfare for Work in 1996, Cuyahoga County.* Coulton, Claudia; Su, Marilyn, and Bania, Neil. Briefing Report #9901. February 1999.

This report is based on analysis of monthly Income Maintenance Files (IMF) for Cuyahoga County on all adult recipients who left cash benefits during 1996. Leaving was defined as not receiving cash benefits for two consecutive months. Employment information for each recipient who left welfare in 1996 was obtained for four quarters preceding their exit and for four quarters following their exit from the Ohio Bureau of Employment Services (OBES).

*How Are They Managing? A Six Month Retrospective of Cuyahoga County Families Leaving Welfare.* Coulton, Claudia; Pasqualone, Cara; Bania, Neil; Martin, Toby; Lalich, Nina; Fernando, Margaret, and Li, Fang. Working Paper #00-01. January 2000.

This report provides interim findings from the study of families leaving welfare in Cuyahoga County. The study is designed to: monitor the status of families leaving cash assistance at multiple time points after exit; compare the experiences of exit cohorts drawn at quarterly intervals throughout the gradual process of welfare reform implementation; and describe differences in exiting families' experiences before and after time limits go into effect. The study uses a longitudinal, cohort comparison design. Each quarter, beginning in quarter four, 1998, all families that left cash assistance for at least two months are identified from agency records. Administrative records containing information on monthly welfare benefits and quarterly employment and earnings are compiled for all of the exiters for the year prior to and following the exit. This report covers exit cohorts from quarter four, 1998 and quarter one, 1999. A total of 8,263 assistance groups left cash assistance during this time period. There were 8,768 adults and 16,213 children in these groups.

### **Holzer-Stoll-Wissoker\***

Public Policy Institute of California, The Urban Institute, and UCLA

*Employers and Welfare Recipients: The Effects of Welfare Reform in the Workplace.* Holzer, Harry and Stoll, Michael. 2001.

This report is based on a detailed employer survey administered to over 3,000 employers in Los Angeles, Chicago, Cleveland, and Milwaukee. The survey, which builds on the authors' earlier work on employers and their hiring of less-educated workers, focuses on employer willingness to hire welfare recipients, the extent to which they have actually done so, and what their experiences have been with recipients. The characteristics of the jobs filled by welfare recipients, their job performance, and the demographic characteristics of those hired are all documented.

*Job Performance and Retention among Welfare Recipients.* Holzer, Harry; Stoll, Michael, and Wissoker, Douglas. June 2001.

This report is based on analysis of job performance and retention rates among hired welfare recipients. Data are from a survey of employers in several large metropolitan areas that was administered in the period of 1998-99. The survey gauged employer willingness to hire welfare recipients as well as experiences with any recipients who had recently been hired. The latter includes measures of employment duration and retention and overall performance ratings. The presence of a series of workplace problems was gauged as well. Finally, a wide range of characteristics of the recently hired welfare recipients, the employers who hired them, and the jobs that they filled were also included. The data used in this paper come from a 20-minute telephone survey administered to approximately 750 establishments in each of four large metropolitan areas: Chicago, Cleveland, Milwaukee, and Los Angeles. The survey was administered between October 1998 and May 1999.

#### **Project on Devolution and Urban Change (PDUC)\***

Manpower Demonstration Research Corporation (MDRC) and Mandel School of Applied Social Sciences, Case Western Reserve University

*Big Cities and Welfare Reform: Early Implementation and Ethnographic Findings from the Project on Devolution and Urban Change.* Quint, Janet; Edin, Kathryn; Buck, Mari; Fink, Barbara; Padilla, Yolanda; Simmons-Hewitt, Olis, and Valmont, Mary. April 1999.

This report draws on data collected during weeklong visits to each site that took place between late October 1997 and January 1998. Interviews were conducted with highly placed administrators from the welfare agency's central office, the head of the county's welfare-to-work program, the supervisors of each of the three local welfare offices in which the implementation field research effort is concentrated, and the supervisors of the welfare-to-work offices geographically linked to the three welfare offices. Between five and eight staff members typically participated in each focus group. MDRC staff members also observed client-staff interactions in such activities as orientations, intake interviews, and welfare-to-work program assessments.

Researchers also conducted focus groups with clients who were at the welfare offices. Aside from data collected during the site visits, the case studies are also based on welfare agency documents and other written materials. In addition, researchers conducted multiple, in-depth, semi-structured interviews with TANF families from three neighborhoods in each of the four Urban Change sites. The study plans to follow each family for three to five years, with extensive annual interviews and regular interim updates on the status of the women and their children. Initial

in-depth interviews took place between October 1997 and March 1998 in Cuyahoga County, between December 1997 and March 1998 in Miami-Dade County, between February 1998 and April 1998 in Los Angeles County, and between July and October 1997 in Philadelphia.

### **HHS Leavers Study**

Office of the Assistant Secretary for Planning and Evaluations, U.S. Department of Health and Human Services.

*Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring?* Verma, Nandita and Coulton, Claudia. April 2001.

This report is based on administrative data used to track welfare leavers for a total of nine quarters, including four quarters pre-exit, the quarter of exit, and four quarters post-exit. It reports post-exit experiences of two groups of welfare leavers: a pre-TANF group of leavers who exited welfare in quarter three of 1996 and a post-TANF group who exited welfare in quarter three of 1998. Outcomes were examined for approximately 6,151 adult welfare leavers. The welfare administrative records were the main source of data for selected background characteristics of welfare leavers, as well as monthly AFDC/TANF, Food Stamp, and Medicaid receipt. Wage files were obtained to examine pre- and post-exit employment rates and earnings patterns for the leavers. To supplement the administrative records analysis, in-depth interviews were conducted with a sample of 306 TANF leavers who left cash assistance in quarter three of 1998. These interviews were conducted approximately 14 to 21 months after sample members exited welfare in 1998.

### **Rural Welfare Reform Project\***

Ohio University

*Voices of Welfare Reform: Bureaucratic Rationality Versus Participant Perceptions.* Tickamyer, Ann; Henderson, Debra; White, Julie; and Tadlock, Barry. August 1999.

This report is based on data collected in four focus groups conducted from the winter of 1998 through the summer of 1999, with welfare recipients in four rural, Appalachian counties, selected for their high levels of poverty but varying capacities to implement welfare reform. The focus group data reported in this research are part of a larger study of the impacts of welfare reform and devolution in poor rural counties of Appalachian Ohio. Focus groups consisted of three to seven women who voluntarily participated at the request of human service agency officials.

\*Received financial support from the Joyce Foundation.