

## **Appendix I: State Family Cap Waiver Evaluation Findings**

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## Appendix I: State Family Cap Waiver Evaluation Findings

*State Family Cap Waiver Evaluation Findings* reports on the Center for Law and Social Policy's survey of the first 14 states to seek family cap waiver approval from the U.S. Department of Health and Human Services (DHHS). These states were required under federal waiver guidelines to evaluate their welfare demonstrations for as long as they continued their waivers. Since implementation of TANF (Temporary Aid to Needy Families) states have had the choice of terminating their evaluations. Although the *Federal Register* published an announcement in November, 1997, on proposed TANF rules describing states' ability to continue waivers and their evaluations, but the announcement does not mention that evaluation is no longer a condition of continuing waivers. The Administration on Children and Families articulated this development through various meetings and forums. Those that have evaluated their programs offer the richest perspective on the efficacy of child exclusion policies.

### HOW TO READ THIS REPORT

This report provides a state-by-state synopsis of vital background information on each of the first 14 states to implement child exclusion provisions. Each state profile provides an outline of the state's family cap waiver and policy status and key evaluation findings. Also included are both the waiver approval date and the "policy inception date". The policy inception date is the date when the policy was first implemented. Most states allow a "grace period" (most often 10 months) which begins either with:

- the policy inception date for recipients receiving benefits at the time of implementation;
- the date of application for benefits; or
- the date of first receipt of benefits

Children born during this period can still receive benefits because they were actually conceived before the families applied (or reapplied) for assistance. Children born after the grace period expires are then capped. Thus, in many cases, the first month in which any newborn child could be denied benefits would be 10 months after the inception date.

### CURRENT POLICY

This section describes the state's current child exclusion policy, identifying significant changes from its family cap waiver. It also includes notable changes to the exemptions required by DHHS under the terms and conditions of the state's waiver approval. DHHS' waiver terms and conditions required states to exempt from the family cap:

- First-born children of minor teen parents who were already included as

- dependents within their family's grant, and  
Children conceived as a result of rape or incest.

The state of New Jersey, which originally did not have these exemptions because its waiver predated DHHS' requirements, has since adopted them.

## EVALUATION

This section provides highlights of the state's evaluation of its child exclusion policy, if one was conducted, and, using findings from the noted report(s), offers information on:

- *Design:* This section describes the key research parameters of the study including the number of participants in the control and treatment groups, the period of time during which the study was conducted, and any sub-surveys performed or proposed.
- *Impact Findings:* This section highlights key findings related to the effect of family cap on birth rates.
- *Process Findings:* This section provides an overview of relevant results abstracted from states' evaluation studies on the process of implementing the cap.
- *Participant Response Findings:* In some cases, states' evaluation reports include relevant information gleaned from interviews and surveys with control and treatment group participants or from welfare agency staff and administrators. Highlights from these interviews are included here.

## CLASP SURVEY RESULTS

This section reports counts of how many children were subject to the cap based on states' responses to CLASP's family cap questionnaires.

**CURRENT POLICY**

<b>Welfare Policy Name</b>	EMPOWER
<b>Family Cap Policy Name</b>	Family Benefit Cap
<b>Policy Inception date</b>	November, 1995
<b>Status</b>	<b>Family cap policy remains in effect</b>

**FAMILY CAP WAIVER**

<b>Approval Date</b>	May, 22, 1995
<b>Status</b>	<b>Waiver still in effect</b>

**EVALUATION**

<b>Evaluator</b>	Abt Associates, Inc.
<b>Evaluation Report</b>	<i>Evaluation of the Arizona EMPOWER Welfare Reform Demonstration Interim Status Report</i>
<b>Evaluation Status</b>	<b>Evaluation continuing (7/1/97 - 6/3/02)</b>

CURRENT POLICY— continues waiver.

*Policy Provisions of Note:*

- **Incremental cash assistance is fully denied:** welfare recipients receive no additional cash assistance for children born more than 10 months after initial eligibility determination. Excluded children remain ineligible for cash assistance for a period of 60 consecutive months.
- Children born to former recipients during the period after they terminate cash assistance only become eligible for incremental benefits if their parents waited at least 60 months before re-application.
- Children who are born to “mandatory members of assistance units” who are no longer receiving cash awards because of their noncompliance or failure to meet any eligibility requirement will also be excluded from receiving incremental cash benefits.”
- No additional exemptions, beyond DHHS-approved standard waiver exemptions, have been implemented.

**EVALUATION***Design*

- Beginning in 1996, evaluators of the EMPOWER program followed 3,424 clients in the experimental group and 3,332 in the control group for a 12 month period.

**ARIZONA** (cont.)

*Impact Findings*

- The EMPOWER evaluation reports on the first five quarters of its implementation during which most births were not subject to the cap because of the 10-month window in which clients remained exempt from the provision. Therefore, there was not adequate time in which to assess the effect of the cap on birth rates. Abt Associates is currently investigating EMPOWER's impact on birth rates and plans to release an interim report.

*Process Findings*

- Most welfare agency staff who participated in the evaluation believed that the effects of the family cap provision could not be clearly assessed during the short time in which it was implemented. Many of them also thought that recipients' childbearing decisions were not affected by grant increases.

*CLASP Survey Results*

- The state of Arizona does not track unduplicated counts of the number of children who are denied benefits during the course of the year. Instead, they track the number of instances over time in which a child is denied benefits. In other words, if a recipient receives cash assistance for 14 months and bears a child during the eleventh month, there would be three instances in which a single child would be counted. From October, 1996, to June, 1997, there were 5,353 instances in which children were capped. The state has been able to provide an unduplicated monthly count, for February, 1998, during which 3,024 children were capped.

*CURRENT POLICY*

<b>Welfare Policy Name</b>	Arkansas Transitional Employment Assistance (TEA)
<b>Family Cap Policy Name</b>	Family Cap
<b>Policy Inception date</b>	July, 1994
<b>Status</b>	<b>Family cap policy remains in effect</b>

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*FAMILY CAP WAIVER*

<b>Approval Date</b>	April 5, 1994
<b>Status</b>	<b>Waiver terminated in June, 1997</b>

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*EVALUATION*

<b>Evaluator</b>	University of Arkansas at Little Rock, School of Social Work
<b>Evaluation Report</b>	<i>Arkansas Welfare Waiver Demonstration Project Final Report (June, 1997)</i>
<b>Evaluation Status</b>	<b>Final Evaluation Report Released June, 1997</b>

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CURRENT POLICY—modifies terminated waiver.

*Policy Provisions of Note:*

- **Incremental cash assistance is fully denied:** cash assistance benefits are not increased for additional children born to recipient parents.
- Children who are born to noncompliant members of recipient families, who are receiving reduced benefits due to imposed sanctions, will also be excluded from receiving incremental cash grants. Those with full family sanctions will not be considered in receipt of benefits and can count the time while they are sanctioned as months of no benefit.
- No additional exemptions, beyond DHHS-approved standard waiver exemptions, have been implemented.

*Recent Changes of Note:*

- Previously excluded children become eligible to receive incremental cash assistance if their parents reapply for cash assistance after six consecutive months of non receipt.
- Cash assistance benefits are no longer increased when children are born to minor parents who receive benefits as part of an assistance unit or as heads of households.
- The 10-month grace period, established under the demonstration, is no longer applicable.

**EVALUATION***Design*

- The evaluation of Arkansas' welfare demonstration covered the period from July, 1994 - June, 1997. 2,006 recipients were assigned to the control group and 2,021 were assigned to the experimental group.
- Evaluators believe that the conduct of the family cap experiment was problematic due to control group members learning of the cap and believing that they might be subject to it: "While most of the clients in the experimental condition understood that they were under a cap on AFDC benefits, many of the clients from the control condition also considered themselves to be under a cap. This may be due to 'bleeding' of the intervention to the control group via the social environment."

*Impact Findings*

- Evaluators concluded that there was "no statistically significant difference between the control and experimental groups with respect to the number of births that occurred after the Welfare Waiver start date."
- Only 12% of experimental and control group members added children (through birth or for caring for another's child(ren)) to their grants under the waiver. The average number of births to control group members was .14 and experimental group members averaged .16 births during the three-year waiver period spanning from July 1, 1994, to March 31, 1997. (This difference was not statistically significant.)
- Evaluators indicated a correlation between age, employment, and birth rates: "births are more likely to occur among employed women than among those unemployed throughout the waiver only for persons who are 25 years of age or younger."

*Evaluation - Participant Response Findings*

- Almost all mothers (95% of control group members and 100% of experimental group members) said that they would not have another child in order to get additional benefits.
- Most participants reported that the amount of AFDC benefits they received was not a factor in their childbearing decisions (94% of fertile experimental group members as opposed to 82% of control group mothers). Almost half of participants in both groups were unable to report how much money they would receive for each additional child they bore.



## Arkansas (cont.)

### *CLASP Survey Results*

- 1,800 children were denied benefits under the cap from June, 1995 - June, 1997.

**CURRENT POLICY**

<b>Welfare Policy Name</b>	CalWORKS
<b>Family Cap Policy Name</b>	Maximum Family Grant (MFG)
<b>Policy Inception date</b>	August 1, 1997
<b>Status</b>	<b>State implemented MFG under TANF</b>

**FAMILY CAP WAIVER**

<b>Approval Date</b>	August 19, 1996
<b>Status</b>	<b>Waiver terminated August 29, 1997</b>

**EVALUATION**

<b>Evaluator</b>	Not applicable
<b>Evaluation Report</b>	No evaluation report will be issued
<b>Evaluation Status</b>	<b>No evaluation conducted</b>

CURRENT POLICY—modifies terminated (never implemented) waiver.

*Policy Provisions of Note:*

- **Incremental cash assistance is fully denied:** The Maximum Family Grant disallows increases in cash benefits to support an additional child conceived by individuals who have continuously received Aid to Families with Dependent Children (AFDC) benefits for more than 10 months before the child is born. “Aid will be considered continuous for the ten months prior to the birth of the child unless there was at least a two-month break in aid during that period.”
- Children conceived as a result of contraceptive failure when the parent was using an intrauterine device, Norplant, or was sterilized, are exempt.

*Recent Changes of Note:*

- Children of minor teen parents who are receiving cash assistance as part of their parent’s grant are subject to the family cap.
- Children who live with families who have not received cash assistance for more than 24 months while the child lived with them are exempt from the cap.

**CLASP Survey Results**

- The state of California does not plan to evaluate its current family cap policy (and did not implement or evaluate its original waiver due to court injunctions) and does not yet have any data available on the number of children who have been denied benefits pursuant to the cap.

**CURRENT POLICY**

<b>Welfare Policy Name</b>	A Better Chance
<b>Family Cap Policy Name</b>	Family Cap
<b>Policy Inception date</b>	October 1, 1995
<b>Status</b>	<b>Family Cap policy remains in effect</b>

**FAMILY CAP WAIVER**

<b>Approval Date</b>	May 8, 1995
<b>Status</b>	<b>Waiver still in effect</b>

**EVALUATION**

<b>Evaluator</b>	Abt and Associates, Inc.
<b>Evaluation Report</b>	<i>The A Better Chance Demonstration: Report on First Year Site Visits and First Year Evaluation Progress Report (August, 1996)</i> <i>The ABC Evaluation: The Early Economic Impacts of Delaware's A Better Chance Welfare Reform Program (December, 1997)</i>
<b>Evaluation Status</b>	<b>Evaluation continuing</b>

CURRENT POLICY—continues waiver with modification:

*Policy Provisions of Note:*

- **Incremental cash assistance is fully denied:** recipient families are ineligible for incremental cash assistance benefits for children born more than 10 months after the recipients applied for AFDC.

*Recent Changes of Note:*

- A proposed policy change will render “babies born after December 31, 1998 to a teenage parent..[ineligible] for cash assistance unless the parent is married or at least 18 years of age.”

**EVALUATION***Design*

- By August, 1996, 3,466 clients were enrolled in the treatment group which was subject to the cap and 3,221 remained in the control group.

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## DELAWARE (cont.)

### EVALUATION (cont.)

#### *Design*

- Sixty-three percent of treatment group members believed that they were subject to the family cap indicating that more than one third of the group's participants were unaware that they were subject to the cap. More than one third of control group participants believed they were subject to the cap when they were not.

#### *Impact Findings*

- More treatment group members (29%) than control group members (25%) received additional income from child support, and the difference was statistically significant. However it is not clear the degree to which the child support may have been for children whom participants believed were subject to the family cap.

#### *Process Findings*

- Several caseworkers expressed some level of discomfort about discussing family planning and family cap requirements fearing that they might be perceived as promoting birth control.
- The ABC evaluation reported that staff felt that the best way to motivate clients to change their childbearing behavior was to decrease their cash assistance; however, consensus among case workers was that the cap would unlikely influence childbearing decisions because most clients had not been motivated to bear additional children when additional cash benefits were available. They believed the benefit of the cap would be in reducing government expenditures. One worker summed up clients' probable reaction to the cap by stating, "They'll still have kids. There are emotional needs there, not just money."

#### *Participant Response Findings*

- Almost one quarter of the treatment group members erroneously believed that Medicaid services would be unavailable for excluded children. In addition, 13% of control group members believed this to be the case.

#### CLASP Survey Results

- In the month of February, 1998, the unduplicated monthly count of children denied cash assistance was 23. The annual estimate based on the average number of cases counted monthly in FY1998 is 240 children. Until implementation of a new tracking system in FY1999, the state will be unable to provide historical data on the total number of children capped in previous years. The 240 figure is extrapolated from the state's FY1998 monthly estimate of 20 children.

*CURRENT POLICY*

<b>Welfare Policy Name</b>	Georgia Temporary Support Grants
<b>Family Cap Policy Name</b>	Family Cap
<b>Policy Inception date</b>	January 1, 1994
<b>Status</b>	<b>Enacted new family cap legislation in May, 1997</b>

*FAMILY CAP WAIVER*

<b>Approval Date</b>	November 2, 1993
<b>Status</b>	<b>Waiver terminated</b>

*EVALUATION*

<b>Evaluator</b>	Not Applicable
<b>Evaluation Report</b>	No evaluation report will be issued
<b>Evaluation Status</b>	<b>No evaluation conducted</b>

CURRENT POLICY—modifies terminated waiver.

*Policy Provisions of Note:*

- **Incremental cash assistance fully denied:** The policy originally denied the traditional incremental increase to children born to recipients 24 months after their parents have begun receiving welfare “if the child was conceived while the family was on welfare”. However, families which do not receive the maximum benefit for their family size prior to the birth of a capped child are able to receive a benefit increase to bring the amount of their grant up to the level permissible for the size of their family prior to the birth of the capped child. “For example, if the TANF benefit for a caretaker and one child is reduced from \$235 (family maximum benefit for two) to \$200 because of a child support payment, the birth of a second child under the cap policy may increase the benefit amount to \$235.”

*Recent Changes of Note:*

- 1997 legislative action changed the grace period to 10 months from the 24 month period previously implemented under the state’s waiver.

**EVALUATION**

*Design*

- The state welfare agency did not conduct an evaluation.

**CLASP Survey Results**

- The number of children capped in FY1997 was 6,088. The cumulative total for the time period between January, 1996 and June, 1998 was 11,193.

**CURRENT POLICY**

<b>Welfare Policy Name</b>	Partnership for Personal Responsibility
<b>Family Cap Policy Name</b>	Family Benefit Cap
<b>Policy Inception date</b>	May, 1995
<b>Status</b>	<b>Family Cap policy remains in effect</b>

**FAMILY CAP WAIVER**

<b>Approval Date</b>	December 15, 1994
<b>Status</b>	<b>Waiver still in effect</b>

**EVALUATION**

<b>Evaluator</b>	Abt and Associates, Inc.
<b>Evaluation Reports</b>	<i>The Indiana Welfare Reform Evaluation: Who is On and Who Is Off? (9/97)</i> <i>Assessing Program Implementation and Early Impacts on Cash Assistance (8/97)</i> <i>Third Quarterly Report (2/97)</i> <i>Second Quarterly Report (8/96)</i> <i>First Quarterly Report (7/96)</i>

**Evaluation Status**                      **Evaluation continuing (5/1/97 to 4/3/02)**

**CURRENT POLICY**—continues waiver with modification:

*Policy Provisions of Note:*

- **Incremental cash assistance is fully denied:** The policy originally denied incremental AFDC benefits to children born more than ten months after their parents are authorized to receive cash assistance.

*Recent Changes of Note:*

- **Proposed voucher will substitute for 50% of customary incremental benefit:** With implementation of welfare legislation, effective June 1, 1997, exemptions were expanded and the state established a voucher policy for goods or services to children subject to the cap. Fifty percent of the amount that would have been added to a family's grant prior to the cap for additional children is allowed in the form of a monthly voucher which, when authorized, can be used for "goods and services related to the general care of children who are not eligible for a cash benefit..."

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*Recent Changes of Note continued: (Exemptions)*

- The exemption of children conceived as a result of sexual assault was amended to “children conceived as a result of...rape which could be considered a crime under state law or conduct that is a crime under Indiana Code section 35-42-4-3, and which is verified by physician statement or police records.”
- An exemption to the cap was added to provide benefits to “a child who has a substantial physical or mental disability.”

**EVALUATION***Evaluation Design*

- The evaluation of Indiana’s welfare waiver spanned from April, 1995 - May, 1996, and followed 8,567 treatment group members and 2,130 control group members.

*Impact Findings*

- While only 1% of the total population of child AFDC recipients were capped one year after implementation, the evaluators note that this group actually represented 10% of all child AFDC recipients *conceived* since cap implementation. Evaluators expect this percentage to increase over time but acknowledge that “the extent to which the family cap will ultimately serve as a deterrent to subsequent births to AFDC mothers remains unknown.”

*Process Findings*

- In random observations of eligibility interviews performed by evaluators at Abt, “staff spent an average of only 2-3 minutes explaining and/or discussing the PRA [Personal Responsibility Agreement] with clients.
- “Clients’ most frequent questions revolved around [time limits] and family cap.”
- “Clients [did] not appear to take serious notice of the PRA [personal responsibility agreement], perhaps because their primary interest at the time of application lies in agreeing with whatever is necessary to receive assistance...”
- Evaluators recommended that welfare agency administrators place a greater emphasis on the family cap provision.

*Participant Response Findings*

- “Many staff do not believe the family cap will be an effective deterrent to childbearing.” They do not think that an average \$60 decrease in their cash grant will affect a behavior change. Moreover, they believe that many subsequent pregnancies of AFDC recipients are unintended to begin with. However staff reported recipient reactions that ranged from indifference to

serious concern over the potential loss of benefits resulting from the cap.

**INDIANA** (cont.)

*Participant Response Findings* (cont.)

- Staff felt that as more families become subject to the cap, its “significance” would increase.

CLASP Survey Results

- 4,905 children were subject to the family cap provisions between July, 1995 and August, 1997.



**CURRENT POLICY**

<b>Family Cap Policy Name</b>	Not applicable
<b>Policy Inception date</b>	Not applicable
<b>Status</b>	<b>Family cap not implemented in light of TANF</b>

**FAMILY CAP WAIVER**

<b>Approval Date</b>	August 19, 1996
<b>Status</b>	<b>Waiver terminated</b>

**EVALUATION**

<b>Evaluator</b>	Not applicable
<b>Evaluation Report</b>	No evaluation report will be issued
<b>Evaluation Status</b>	<b>No evaluation conducted</b>

CURRENT POLICY—never implemented.

- No family cap policy was implemented in light of the decision by the Kansas legislature and welfare agency that the federal time limit offers sufficient impetus to manage family size.
- The state legislature passed a bill in 1994 that included a family cap provision. When pending changes to federal welfare law surfaced, Kansas policymakers decided not to move forward with their approved waiver.
- The Kansas Department of Social and Rehabilitation Services felt that “since the purpose of a family cap is to assure adults do not continue having children in order to receive increases in public assistance, the 5 year time limit does an effective job of curtailing such a practice.” The state legislature concurred.

**CURRENT POLICY**

<b>Welfare Policy Name</b>	The Family Investment Program
<b>Family Cap Policy Name</b>	Child Specific Benefit
<b>Policy Inception date</b>	October 1, 1995
<b>Status</b>	<b>Third party payment system replaced family cap</b>

**FAMILY CAP WAIVER**

<b>Approval Date</b>	August 14 , 1995
<b>Status</b>	<b>Waiver terminated</b>

**EVALUATION**

<b>Evaluator</b>	Not applicable
<b>Evaluation Report</b>	No evaluation report will be issued
<b>Evaluation Status</b>	<b>No evaluation conducted</b>

CURRENT POLICY—modifies terminated (never implemented) waiver by instituting third party payee system.

*Recent Changes of Note:*

- **Incremental cash assistance is distributed via a third party payee.** Under Maryland's original waiver, the state policy called for voucher payments for the purchase of goods for additional children born to recipient families equal in value to the amount of the grant increase the family would have otherwise received. Now, a third party payee receives the incremental "child specific benefit" (CSB) for additional children born 10 months after the head of the recipient household was informed of the CSB.
- Children "placed in the household by the Department of Social Services" are exempt from the CSB policy. Also exempt are children whose legal custody or guardianship has changed.

## CLASP Survey Results

- In the month of March, 1998, the monthly unduplicated count of children who received a child specific benefit was 278.

*CURRENT POLICY*

**Welfare Policy Name**                      **Transitional Aid to Families with Dependent Children**  
**Family Cap Policy Name**                      Family Cap  
**Policy Inception date**                      November 1, 1995  
**Status**    **Family cap policy remains in effect**

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*FAMILY CAP WAIVER*

**Approval Date**                                      August 4, 1995  
**Status**    **Waiver terminated**

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*EVALUATION*

**Evaluator**    Not applicable  
**Evaluation Report**                                      No evaluation report will be issued  
**Evaluation Status**                                      **No evaluation conducted**

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CURRENT POLICY—identical to terminated waiver.

*Policy Provisions of Note:*

- **Incremental cash assistance is fully denied:** recipient families are ineligible for incremental cash assistance benefits for children born more than 10 months after the recipients applied for TAFDC (Transitional Aid to Families with Dependent Children).
- Children who are conceived within 12 months of recipient families closing their cases are ineligible for cash assistance. However, children who are born “at least 20 months after the family went off TAFDC” are exempt if the family’s case was “closed for at least 12 months.”
- Children are exempt if they are removed from their families’ household as a result of the custodial parent’s incapacity to care for them (due to death, loss of custody, incarceration, or mental or physical disability) and reside elsewhere.
- Special good cause exemptions are allowed for victims of domestic violence who become pregnant through abuse or fear of abuse.

CLASP Survey Results

- As of April, 1998, 3,500 children had been denied benefits in Massachusetts since the cap was implemented.

**CURRENT POLICY**

<b>Welfare Policy Name</b>	<b>TANF</b>
<b>Family Cap Policy Name</b>	Family Benefit Cap
<b>Policy Inception date</b>	November 1, 1995
<b>Status</b>	<b>Family cap policy remains in effect</b>

**FAMILY CAP WAIVER**

<b>Approval Date</b>	September 1, 1995
<b>Status</b>	<b>Waiver terminated in July, 1997</b>

**EVALUATION**

<b>Evaluator</b>	Not applicable
<b>Evaluation Report</b>	No evaluation report will be issued
<b>Evaluation Status</b>	<b>No evaluation conducted</b>

CURRENT POLICY—modifies terminated waiver.

*Policy Provisions of Note:*

- **Incremental cash assistance is fully denied;**
- Exemptions to the family cap include children: “born prior to the family cap date who return to the home, whose legal custody has changed, and whose parents die, become “too incapacitated to provide care,” or become “incarcerated or institutionalized for an extended period of time”.
- Formerly excluded children are ineligible for future benefits should their parents reapply for cash assistance.

*Recent Changes of Note:*

- As of July 1, 1997, the family cap policy excludes *all* children born after the first 10 months of their parents receiving assistance from receiving incremental increases in cash assistance, including children born to minor parents who receive TANF as dependent children and children added to the grants of caretaker relatives.
- “A child born within 12 months after the TANF case closes will be subject to the family cap provision if the family later reapplies for assistance.”

**CLASP Survey Results**

- 2,207 children have been denied benefits due to the family cap from 9/96-3/98.

**CURRENT POLICY**

<b>Welfare Policy Name</b>	Family Assistance and Employment First
<b>Family Cap Policy Name</b>	Family Cap
<b>Policy Inception date</b>	November 1, 1995
<b>Status</b>	<b>Family Cap policy remains in effect</b>

**FAMILY CAP WAIVER**

<b>Approval Date</b>	February 27, 1995
<b>Status</b>	<b>Waiver still in effect</b>

**EVALUATION**

<b>Evaluator</b>	Institute for Social and Economic Development
<b>Evaluation Reports</b>	<i>Nebraska's Employment First Program Evaluation: Process Study Report and Cost and Participation Analysis Report (May, 1997)</i>
<b>Evaluation Status</b>	<b>Final report released</b>

CURRENT POLICY—continues waiver.

*Policy Provisions of Note:*

- **Incremental cash assistance is fully denied:** recipients will not receive incremental cash benefits for children born more than 10 months after the date of their eligibility interview for cash assistance.

*Recent Changes of Note:*

- Children who join the recipient household ten months after enrollment, but are born before that time are exempt.
- Excluded children are able to receive benefits if their parents close their case, are off of assistance for at least six continuous months, then reapply and receive cash assistance.
- Excluded children who are sent to live with a caretaker relative will not be eligible for cash assistance for six months after being denied benefits.

**EVALUATION***Design*

- The evaluation covered the period between November 1, 1995 and December 31, 1996.

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### Impact Findings

- Evaluators reported that the family cap, in addition to several other waivers, did not “seem to have made a significant difference in practice after one year of welfare reform in Nebraska.”

### Process Findings

- During site visits caseworkers reported that clients understood the provisions of the cap and did not disagree when it was applied to them.

### Participant Response Findings

- Despite initial reports that many case workers expressed “mixed feelings” about the cap, many decided later that it was a “positive reform”.
- Some caseworkers thought that the cap provision would harm children because of the decrease in funding for them, though others felt that the impact on children would not be severe due to the continuance of Medicaid and Food Stamps benefits for those subject to the cap.

### CLASP Survey Results

- The Office of Economic Assistance has not formally tracked the number of children who have been denied family assistance since implementation of the cap but reports that 11 children were subject to the cap in FY 1997 and estimates that fewer than 20 children have been excluded from benefits in fiscal year 1998. Only 187 families became subject to the cap between December 1995 and March 1996, which accounts for the limited number of capped children and the first children to be excluded from receiving benefits would have been those born after October 1996, once the 10-month grace period had expired.

**CURRENT POLICY**

<b>Welfare Policy Name</b>	Family Development Program
<b>Family Cap Policy Name</b>	New Jersey Family Cap Provision
<b>Policy Inception date</b>	July, 1992
<b>Status</b>	<b>Family cap incorporated into TANF legislation enacted in June, 1997</b>

**FAMILY CAP WAIVER**

<b>Approval Date</b>	July, 1992
<b>Status</b>	<b>Waiver terminated in June, 1997</b>

**EVALUATION**

<b>Evaluator</b>	School of Social Work, Rutgers University
<b>Evaluation Reports</b>	<i>A Final Report on the Impact of New Jersey's Family Development Program: Experimental – Control Analysis (October 1998)</i> <i>A Final Report on the Impact of New Jersey's Family Development Program: Results from a Pre-Post Analysis of AFDC Heads from 1990-1996 (July 1998)</i> <i>An Interim Report on the Impact of New Jersey's Family Development Program (July, 1996)</i> <i>The Recipient's Perspective: Welfare Mothers Assess New Jersey's Family Development Program and The Family Cap (1997)</i>
<b>Evaluation Status</b>	<b>Final Evaluation Reports Released July 1998 &amp; October 1998</b>

CURRENT POLICY—identical to terminated waiver.

*Policy Provisions of Note:*

- **Incremental cash assistance is fully denied.**
- A recipient cannot receive an increase in cash assistance for parenting an additional child when the recipient is eligible for benefits unless the child is born within 10 months of receipt of benefits.

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*Policy Provisions of Note: (cont.)*

- The family continues to be denied benefits for the excluded child except when recipients leave cash assistance for 12 consecutive months then reapply or remain employed for at least 90 days then reapply within a 12-month grace period (due to a job loss through no fault of their own).
- When family members earn income through employment, they can recoup the loss in benefits due to the family cap: after accounting for earned income disregards, the welfare agency subtracts the families' monthly earned income from the maximum benefit payment amount corresponding to the size of the family assistance unit including the capped child.

**EVALUATION**

*Design*

- The evaluation began with an experimental-control study in October 1992. A total of 2,892 people were randomly assigned to the control group. Of these, 1,607 were "ongoing cases," who were receiving benefits as of October 1, 1992, and 1,285 were "new cases," who applied for benefits between October 1, 1993 and December 31, 1994. A total of 5,510 people were randomly assigned to the experimental group; of these, 3,268 were ongoing cases and 2,223 were new cases. The study compared numerous outcomes for the two groups, including: birth rates, abortion rates, contraceptive utilization rates and family planning utilization rates.
- In January, 1995, Rutgers submitted a proposal to the state at the request of the federal Department of Health and Human Services to "augment the five-year evaluation of the Family Development Program," New Jersey's welfare demonstration. Rutgers researchers used client surveys in the first augmentation report, *The Recipient's Perspective: Welfare Mothers Assess New Jersey's Family Development Program and The Family Cap*. In addition, they used trend analysis to assess the impact of the family cap on birth and abortion rates in the AFDC population and the larger state population of women of childbearing age.



*Impact Findings - Trend Analysis – 1998*

- The final report estimates that between October 1992 and December 1996, the family cap averted approximately 14,000 births. However, the researchers also concluded that the family cap led to 1,400 abortions that would not have been performed absent the family cap. Additionally, by the end of the study, 12.4% of the AFDC cases in New Jersey had at least one child in the household who was not receiving cash assistance because of the family cap provision. Between May, 1993 and June 1998, 28,000 newborns in poor families were excluded from cash aid.
- Findings from the trend analysis indicate that the ratio of abortions to births in the AFDC population “has trended steadily upward since September, 1992” (when the family cap was first implemented)—a divergence from national and other state trends.

*Impact Findings - Experimental-Control Analysis 1998*

- The final report concluded that ongoing cases in the experimental group had a birth rate 9% lower than the ongoing cases in the control group. The abortion rates for these two subgroups was not statistically significant. Among the new cases, the experimentals had a birth rate 12% lower than the control group, but their abortion rate was 14% higher than the controls.
- Although the birth rate differences between the experimentals and controls are statistically significant, it is also useful to appreciate the modest magnitude of the births among the full study group. For example, in December 1993, a total of 54 births are attributed to the 2,892 control group and a total of 107 births are attributed to the 5,510 experimental group. In other words, during the quarter, less than 2% of each group gave birth.
- The study found that contraceptive use was greater among the experimental group than the control group. The researchers estimated contraceptive use from Medicaid data documenting whether women had obtained drugs or devices for contraception. For the new cases, the study projected that the rate of utilization among experimentals was 21% higher than among the controls. For

*(Continued next page)*

## NEW JERSEY (cont.)

### *Impact Findings - Experimental-Control Analysis (cont.)*

ongoing cases, the picture is slightly more complex. During the early years of the evaluation, controls were more likely than experimentals to use contraceptives. However, by early 1996, the experimental group became 3% more likely to use contraceptives. While the 21% and 3% differences are statistically significant, it is important to note that the rate of usage is low for both groups. For example, in the quarter ending December 1993, 121 of the 2,892 controls utilized contraceptive drugs or devices, while 265 of the 5,510 experimental group members did. Thus, less than 5% of each group used contraceptive drugs or devices. (The study did not collect data about over-the-counter contraceptives and encountered difficulty collecting information about sterilizations.)

### *Process Findings*

- Rutgers University evaluators surveyed case managers and intake and “on-going” workers about their knowledge of family cap provisions by asking them to determine whether the children of recipients in a series of three hypothetical scenarios would be denied benefits as a result of the family cap. Close to 3/4 of the intake workers surveyed failed to correctly assess the scenario in which a recipient bears a child after returning to AFDC following a period of employment. Almost half failed to correctly assess a scenario involving a minor teen parent with a newborn, and 40% made incorrect determinations for a former recipient who quit her job, returned to AFDC, and subsequently bore a child. The range of case managers who made incorrect assessments on each of these questions spanned between 56 - 70% and between 27 - 70% for “on-going” workers.
- “More than 80% of the clients surveyed knew about the family cap rule.” However, most were unaware of the availability of Medicaid (61%) and Food Stamps (73%) for children who were subject to the cap.

### *Participant Response Findings*

- The majority of clients surveyed reported that the cap provision was fair, that it “promoted responsibility”, “discouraged out-of-wedlock births and kept women focused on job training and career.”
- Close to three quarters of respondents agreed that the cap “stresses the financial responsibility of having a baby”.

**CURRENT POLICY**

<b>Welfare Policy Name</b>	Virginia Independence Program
<b>Family Cap Policy Name</b>	Family Cap Provision
<b>Policy Inception date</b>	July 1, 1995
<b>Status</b>	<b>Family cap policy remains in effect</b>

**FAMILY CAP WAIVER**

<b>Approval Date</b>	July 1, 1995
<b>Status</b>	<b>Family cap waiver still in effect</b>

**EVALUATION**

<b>Evaluator</b>	Mathematica Policy Research
<b>Evaluation Report</b>	No evaluation report yet issued
<b>Evaluation Status</b>	<b>Evaluation continuing (9/30/97 to 9/29/02)</b>

CURRENT POLICY—continues waiver.

*Policy Provisions of Note:*

- **Incremental cash assistance is fully denied.**
- Children born to recipients more than 10 months after receiving AFDC are denied incremental cash assistance benefits.
- Children born “during the period in which the family or adult recipient is ineligible for AFDC benefits pursuant to a penalty imposed by the Commissioner for failure to comply with benefit eligibility or child support requirements, subsequent to which the family or adult recipient is again eligible for benefits,” is also excluded from receiving incremental benefits.
- Children placed with “legal guardians, foster parents, grandparents, or other persons *in loco parentis* who are not the biological or adoptive parents of the child” are exempt.
- Children who are not subject to the cap, do not become subject to the cap upon moving in with their parents.
- The cap still applies to excluded children if they move then return to their parents home.

**CLASP Survey Results**

- From May, 1996, through March, 1998, 2,307 children were capped.

*CURRENT POLICY*

<b>Welfare Policy Name</b>	Wisconsin Works (W-2)
<b>Family Cap Policy Name</b>	Not applicable
<b>Policy Inception date</b>	January 1, 1996
<b>Status</b>	<b>Enacted flat grant under Wisconsin Works (W-2) on September 1, 1997</b>

*FAMILY CAP WAIVER*

<b>Approval Date</b>	November 1, 1993
<b>Status</b>	<b>Waiver terminated January 1, 1997</b>

*EVALUATION*

<b>Evaluator</b>	Not applicable
<b>Evaluation Report</b>	No evaluation report will be issued
<b>Evaluation Status</b>	<b>No evaluation conducted</b>

CURRENT POLICY—modifies terminated waiver: implements a flat grant.

*Recent Changes of Note:*

- Benefit awards are no longer based on recipients' family size: "W-2 participants are paid a flat benefit amount based on the level of employment-related activities performed each month." The amount of the flat grant is predetermined by the work category (trial jobs, community service jobs, transitional placements) to which each recipient is assigned.