

Child **TRENDS** RESEARCH BRIEF

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Children of Current and Former Welfare Recipients: Similarly at Risk

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After peaking in 1994, welfare caseloads plunged during the rest of the 1990s. While the experiences and outcomes of adults who have left the welfare system have drawn the attention of researchers and journalists alike, far less is known about how the children of these welfare “leavers” have fared in the early years of welfare reform. Are these children more or less likely to be at risk in their development than children whose families remain on welfare?

To address this question, this Research Brief compares survey data for children of welfare leavers and current welfare recipients on several outcome indicators in three key areas – health, school engagement, and social behavior. The picture that emerges is that children in both groups look similar on most of these measures. Only two differences stand out: adolescents whose families have recently left welfare are much more likely to have been suspended or expelled from school than adolescents whose families receive welfare; also, children in families receiving welfare are more likely to have an activity-limiting condition than children whose families have left welfare.

While children in the two welfare groups look similar on many measures to children in poor families that do not have a history of recent welfare receipt, there are a few differences that highlight potential vulnerabilities. Yet across all of the measures examined, children in the three low-income groups fare worse than children in more affluent families. These findings underscore the role of poverty, more than welfare status per se, as a marker of risk in children’s lives.

This brief is one of a series being prepared by researchers at Child Trends to help inform the public debate surrounding this year’s reauthorization of the Temporary Assistance for Needy Families (TANF) block grant, the centerpiece of the 1996 welfare law.

CHILD OUTCOME INDICATORS

In this *Research Brief*, we use data from the 1999 National Survey of America’s Families (NSAF), a nationally representative survey that collected information from more than 42,000 households in the United States. Using parents’ answers to questions about their children, we examined the following child outcome measures:¹

- Fair or poor child health (ages 0-17)²
- Presence of a condition that limits normal activities (ages 0-17)³
- Low engagement in school (ages 6-17)⁴
- Lack of participation in at least one extra-curricular activity in the past year (ages 6-17)⁵
- High level of behavioral and emotional problems (ages 6-11)⁶
- High level of behavioral and emotional problems (ages 12-17)⁶
- Skipping school twice or more in the past year (ages 12-17)⁷
- Expulsion or suspension from school in the past year (ages 12-17)⁸

We compare these measures across children from four groups, as defined by their welfare status or family income:

- Children in families receiving welfare in 1999
- Children in families that left welfare between 1997 and 1999
- Children in families with incomes below the federal poverty level⁹ and with no history of welfare receipt within the past two years
- Children in families with incomes at or above 200 percent of the federal poverty level

WELFARE STATUS AND CHILD INDICATORS

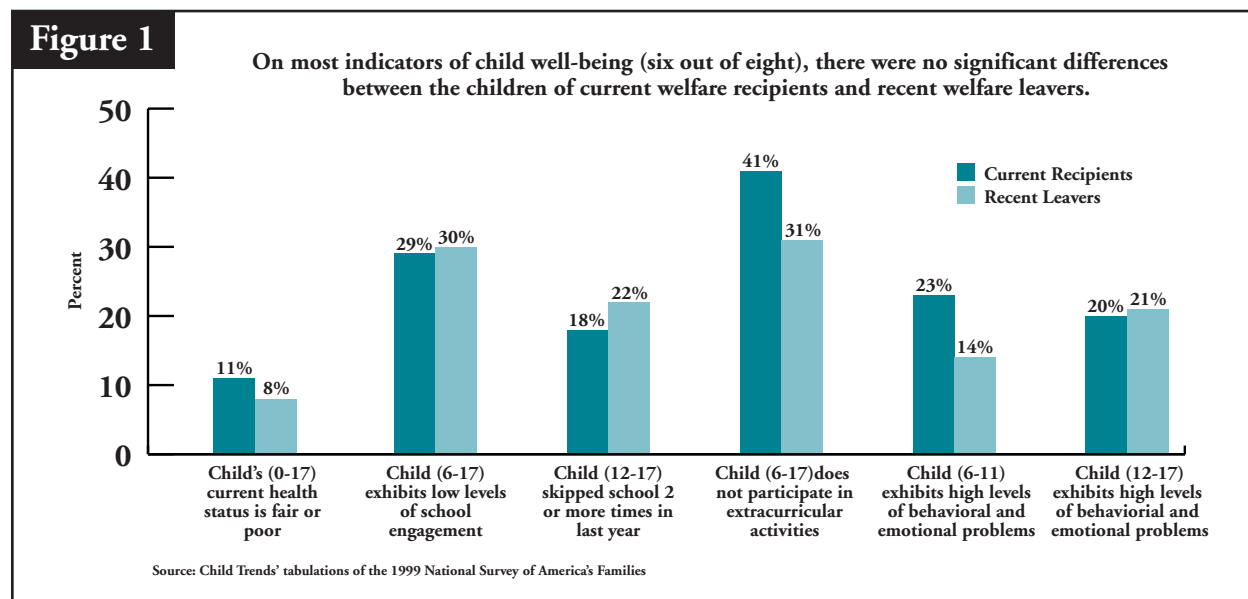
Children’s individual and family experiences vary greatly. This is true for children of current welfare recipients and children of recent welfare leavers as it is true for other children. Yet by looking closely at child outcome indicators, we can develop a better understanding of whether – *on average* – the children of welfare leavers are at lesser or greater risk for poor outcomes than children who remain on welfare caseloads. Based on our analysis of the 1999 NSAF data, what have we learned about how the children in these two groups compare on the eight measures examined?

- **On most measures (six out of eight), children from families that have left welfare do not look significantly better or worse than children from families currently on welfare.**¹⁰ (See Figure 1.) For

example, children of welfare leavers and welfare recipients are similarly likely to show low school engagement (30 percent and 29 percent, respectively) and to be reported in fair or poor health (8 percent and 11 percent, respectively). Regarding this latter measure, it should be kept in mind that “fair” and “poor” health represent the lowest classifications on this measure.

On the remaining two measures, significant differences were found between the children of recent welfare leavers and current recipients:¹¹

- **Adolescents of welfare leavers were more likely than adolescents of current welfare recipients to have been suspended or expelled from school in the past year.** (See Figure 2.) More than 40 percent of the adolescents of welfare leavers were suspended or expelled in the past year compared with slightly more than one-quarter of the adolescents of current recipients. This finding is in keeping with results from several evaluations showing negative impacts on adolescents when parents are assigned to participate in welfare-to-work programs. It is not yet clear *why* adolescents of recent leavers might be at greater risk than adolescents of current recipients. Researchers and policy makers are taking a closer look at adolescent development in families making a transition off welfare.¹²



■ **Children of current recipients were more likely than children of welfare leavers to have a physical, learning, or mental health condition that limits their activity.** (See Figure 2.) A little more than 20 percent of the children of current recipients had a limiting condition, compared with 14 percent of the children of welfare leavers. A child’s limiting condition may serve as a barrier to employment for welfare recipients, a factor that may help to explain this finding.¹³ If a mother has to care for a disabled or chronically ill child, for example, she may be less able to get or keep a job.

LOOKING BEHIND THESE PATTERNS

Why do the children of current and former welfare recipients generally look similar on these eight important measures of child well-being? To answer this question, the findings presented in this brief must be placed in the context of what is known about the family circumstances of welfare recipients and leavers. Recent findings from other research show that while current and former welfare recipients were different in a number of noteworthy ways, they did share important similarities.¹⁴ Turning first to the differences, this body of research shows:

■ Welfare leavers were more likely to be married than current welfare recipients (though they were less likely to be married than low-income women without a history of recent welfare receipt).

■ Welfare leavers were more likely to have higher levels of education, as well as more extensive work experience than current recipients.¹⁵

■ Welfare leavers were less likely than current recipients to have multiple obstacles to work. And, not surprisingly, welfare leavers were more likely to be working than current recipients. They tended to work in the same industries (for example, services and the wholesale and retail trade) and occupations (for example, services and clerical and administrative support) as other low-income women who were not on welfare, but they were more likely to work longer hours per week.¹⁶

Despite these differences, this research shows that current and former welfare recipients had much in common:

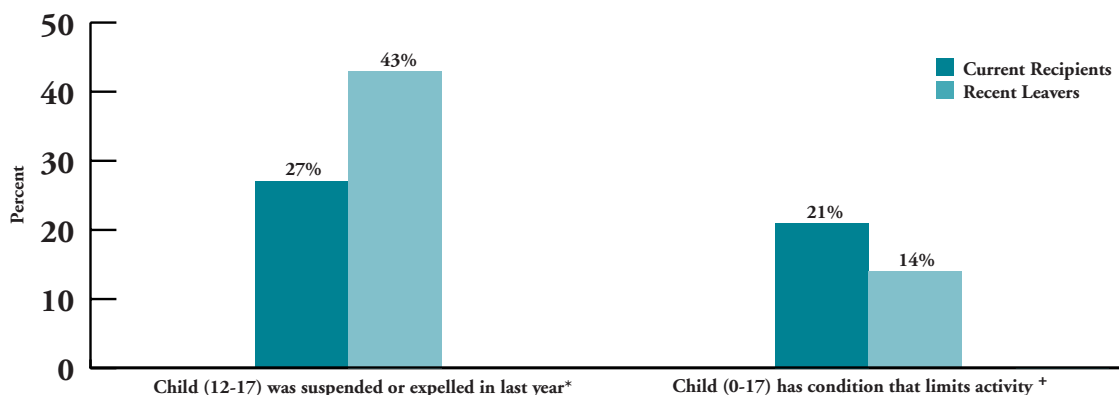
■ They were younger than other low-income women who had no recent history of being on welfare, and they were more likely to have young children (under age three).

■ They were both likely to report symptoms of poor mental health and health conditions that limited their ability to work.

■ They both reported greater economic hardship in terms of difficulty paying bills and not having enough to eat (“food insecurity”) than other low-income families.¹⁷

Figure 2

The children of recent welfare leavers differed from the children of current welfare recipients on two of the eight indicators examined.



* = statistically significant difference at the p<.10 level

* = statistically significant difference at the p<.05 level

Source: Child Trends’ tabulations of the 1999 National Survey of America’s Families

Thus, while the marital, educational, and employment status of welfare leavers might suggest that the children of welfare leavers would fare better than the children of current welfare recipients, this does not generally appear to be the case. The similarities between current and former welfare recipients in their mental health status and level of economic hardship – two factors known to affect child well-being – may help to explain the lack of consistently large differences found in these two groups.

OTHER POOR CHILDREN

Children of current welfare recipients and recent leavers are in families that, for the most part, have incomes near or below poverty. How do outcomes for these children compare with outcomes for children from poor families without a recent history of welfare receipt? (From this point on, for ease of readability, we use the term “other poor children” as shorthand for “children from poor families without a recent history of welfare receipt.”) Based on our analysis of the 1999 NSAF data, we found that children in families that are or were recently a part of the welfare system appear to be in greater jeopardy than other poor children in several dimensions of their lives.¹⁸

- **The school-age and adolescent children of current welfare recipients and recent leavers were more likely than other poor children to have high levels of behavioral and emotional problems.** (See Figure 3.) Specifically, children in the two welfare groups were more than twice as likely as children from other poor families to have high levels of behavioral and emotional problems. This finding may be related to differences in the family characteristics (for example, family structure or educational attainment) of those who receive welfare and those who do not. Alternatively, children in families receiving or leaving welfare may have experienced relatively more recent instability and transitions in their lives (for example, a parent’s entry into employment, a parent’s separation from a partner, moving into a new home) than children in other poor families.¹⁹ Such turbulence may be reflected in children’s behavior.

- **Adolescents of recent welfare leavers were more than twice as likely than other poor adolescents to have been suspended or expelled from school in the past year.** (See Figure 4.) Specifically, as noted previously, 43 percent of the adolescents of welfare leavers experienced this situation, compared with 21 percent of other poor adolescents.²¹ Why might having a parent who left welfare have some bearing on this negative outcome for adolescents? Recent findings suggest that the varying reasons a parent leaves welfare (for example, leaving because of employment versus being denied welfare benefits for failure to comply with program rules) may be related to adolescent outcomes. But more research is needed to understand these results.²¹

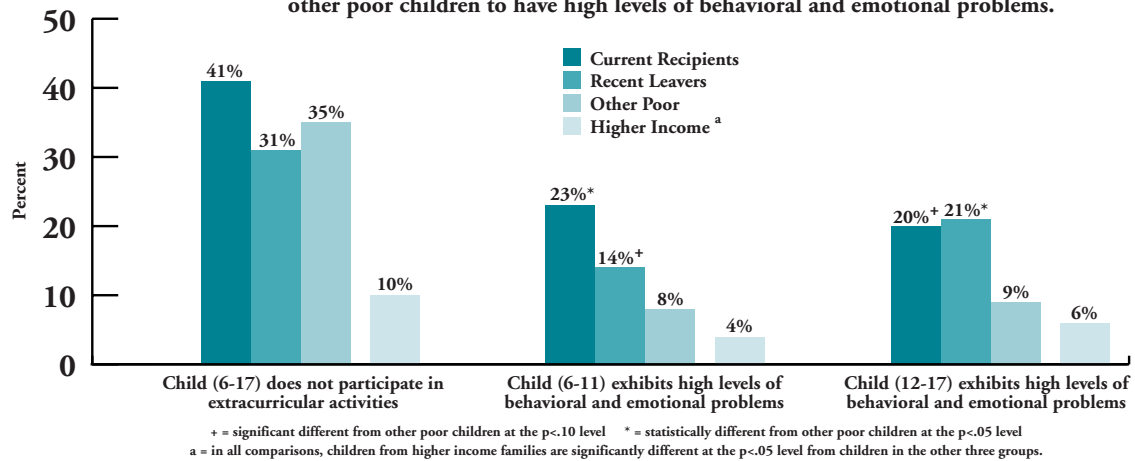
- **Children of current welfare recipients and recent leavers were both more likely than other poor children to have a physical, learning, or mental health condition that limits their activity.**²² (See Figure 5.) However, of the two welfare groups, this was more a risk factor for children in households that were still on the rolls.

Thus, on several, though not all, measures, children of current and former welfare recipients are faring worse than poor children in families that had never been on welfare or that had not been on welfare recently. This finding may be at least partially explained by the family circumstances and events that bring families onto the welfare rolls (for example, job loss, divorce, or a child’s illness). Further research may broaden our understanding of the reasons behind this result.

In seeing how outcomes for children of current and former welfare recipients stack up with outcomes of children in other poor families, we should be mindful of something else: Compared with children from higher-income families, these three groups of children showed markedly poorer outcomes on all eight measures examined (see Figures 3, 4, and 5).²³ We are using “higher-income” here to describe families at or above 200 percent of the federal poverty threshold in 1998, which translates

Figure 3

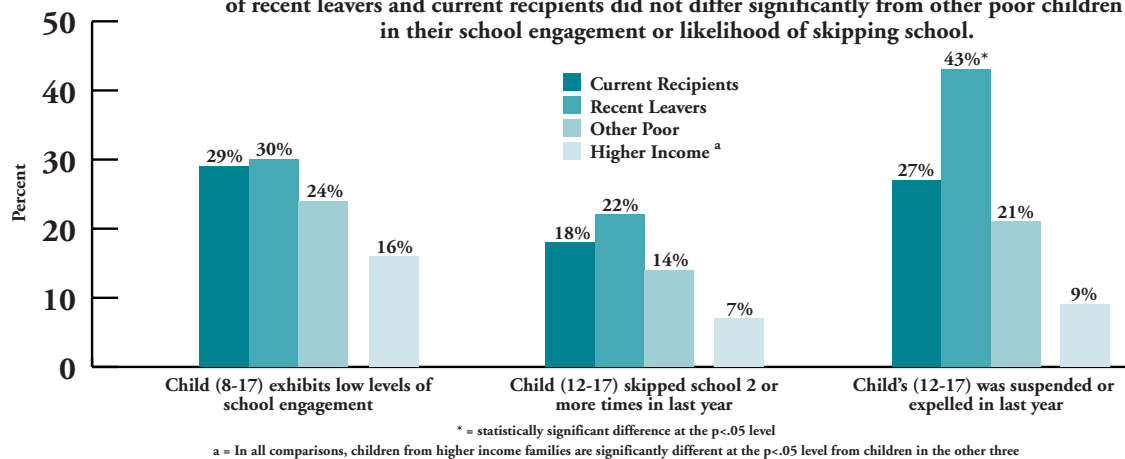
On some outcomes, children of current recipients and recent leavers looked similar to other poor children. However, school-age children and adolescents in these groups were more likely than other poor children to have high levels of behavioral and emotional problems.



Source: Child Trends' tabulations of the 1999 National Survey of America's Families

Figure 4

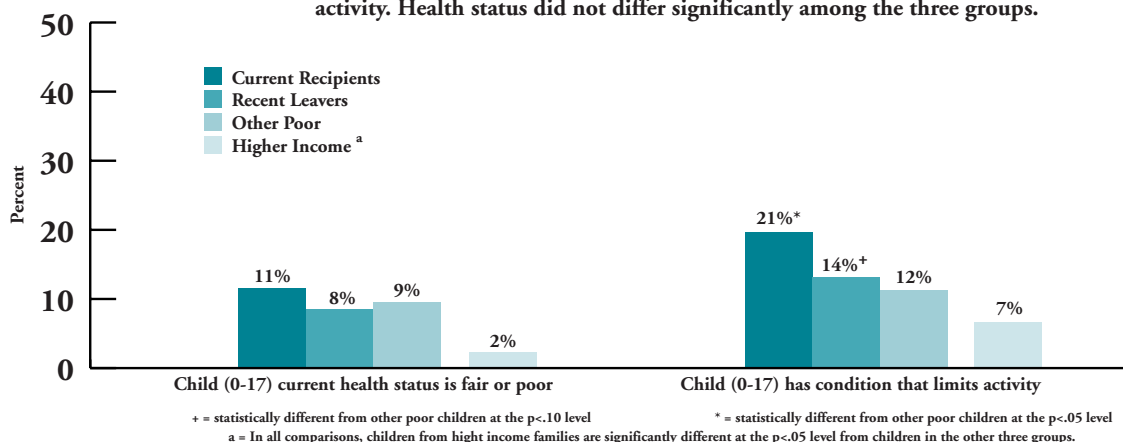
Adolescents of recent leavers were more than twice as likely than other poor adolescents to have been suspended or expelled in the past year. The school-age children and adolescents of recent leavers and current recipients did not differ significantly from other poor children in their school engagement or likelihood of skipping school.



Source: Child Trends' tabulations of the 1999 National Survey of America's Families

Figure 5

Children of both welfare recipients and recent leavers were more likely than other poor children to have a physical, learning, or mental health condition that limits their activity. Health status did not differ significantly among the three groups.



Source: Child Trends' tabulations of the 1999 National Survey of America's Families

into \$33,060 for a family of four. For example, only 7 percent of children from higher-income families had an activity-limiting condition (compared with 21 and 14 percent of children of current and former welfare recipients, respectively, and 12 percent of children from other poor families). Similarly, only 9 percent of children from higher-income families were suspended or expelled from school in the past year (compared with 27 and 43 percent of adolescents of current and former welfare recipients, respectively, and 21 percent of children from other poor families).

THE POVERTY CONNECTION

The existing body of research on poverty and child well-being provides an important context for the findings presented in this *Research Brief*. Across numerous studies, researchers consistently find that poverty in childhood is associated with negative outcomes, such as poor health, behavioral and emotional problems, lower scores on tests of cognitive abilities, grade repetition, and school dropout. These correlations are particularly strong for children who experience deep poverty, long-term poverty, or poverty during early childhood.²⁴

Given the heightened risk for negative outcomes among children experiencing poverty, it is not surprising that the children of current and former welfare recipients look similar to children from other poor families on a number of the measures examined here. Indeed, in 1998, more than 50 percent of welfare leavers had pretax incomes below the federal poverty level.²⁵ Without larger changes in the economic well-being of leavers, significant improvements in their children's well-being are harder to achieve. Nevertheless, it is clear that the children of current and former welfare recipients may be experiencing unique family circumstances that make them more vulnerable to negative outcomes than other poor children.

SUMMARY

Early predictions about how children would fare when their parents left welfare were widely divergent.²⁶ On one hand were those who contended that requiring individuals to make the transition

from welfare to work would be disastrous for their children's development, making already vulnerable children even more so. On the other hand were those who contended that having parents who were on the road to economic self-sufficiency could only benefit children. What we have found does not neatly match either prediction.

The main finding to emerge from this analysis is that in 1999, in the early period of the implementation of federal welfare reform, children's risk for poor developmental outcomes was not alleviated when parents made the transition off welfare. Children whose families left welfare within the past two years were not consistently better or worse off in the areas of health, behavior, and school engagement than children whose families were still receiving welfare. However, the two differences that were noted – more suspensions/expulsions for the adolescents of former recipients and more activity-limiting conditions for the children of current welfare recipients – highlight potential areas of concern.

A stronger pattern and a more overarching concern is the role that poverty plays as a risk factor in children's lives. On average, children of current welfare recipients, recent welfare leavers, and poor children in households without a recent history of welfare receipt all fare worse on a variety of health, education, and behavior measures than children in more affluent households.

IMPLICATIONS FOR POLICY

The findings presented in this *Research Brief* are not based on experimental data and thus are likely to reflect a wide range of child, family, and community factors. Nevertheless, they point to the continued need for supports for economically disadvantaged children and families, whether or not they have experience with the welfare system. Research suggests that several kinds of supports for children in poor families could promote healthy development. For example, providing health and development screenings for very young children may promote the early identification and treatment of physical and learning disabilities. In addition, across the age range, children may benefit

from participating in certain types of programs. Options include early intervention programs and high-quality child care that promote safe and healthy early development; high-quality after-school programs and activities that can improve school-age children's social and academic skills and their engagement in school; and programs for older school-age children and adolescents that support their unique needs and interests.

In considering these options, policy makers might also consider programs to address other family characteristics that may place children at increased risk for developing poorly, such as poor parental mental or physical health. There are indications that some programs for families leaving or preparing to leave welfare are beginning to provide supports directly to the children in these families, as well as to the adults.²⁷ It will be important in the future to examine such "two generational" approaches to determine whether and how they have the potential to enhance both the transition to work and children's positive development.

Finally, the pattern of findings presented in this brief, particularly the divergence in outcomes for children by income, accentuates the importance of programs and policies that help families make sustained improvements not just in employment and earnings, but also in overall income. Thus, discussions of welfare reform reauthorization might do well to consider the elevated risk of all children living in poverty, including children from families currently receiving welfare or who have recently left welfare. The threat that job loss might pose to the fragile livelihoods of many former welfare recipients and other low-income workers could add a special note of urgency to these discussions.

This *Research Brief* is based on analyses conducted for the chapter, "How Are Children Faring Under Welfare Reform: Emerging Patterns" in Alan Weil and Kenneth Finegold (Editors), *Welfare Reform: The Next Act*, released this month, by Urban Institute Press, Washington, D.C. (Zaslow, M.J., Moore, K.A., Tout, K., Scarpa, J., & Vandivere, S., 2002). An earlier version of the analyses was presented at a meeting

of research grantees studying welfare leavers, sponsored by the Office of the Assistant Secretary for Planning and Evaluation, U. S. Department of Health and Human Services, in November 2000.

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Endnotes

¹These measures are described in greater detail in Ehrle, J., and Moore, K. (1999, March). Methodology Report No. 6: Benchmarking child and family well-being measures in the NSAF. Washington, DC: Urban Institute. Available online at <http://newfederalism.urban.org/nsaf/methodology1997.html>.

²Parents classified their child's current health status as generally being in excellent, very good, good, fair, or poor health.

³Parents indicated whether their child had a physical, learning, or mental health condition that limits participation in usual activities.

⁴This measure, based on work by James Connell, Ph.D., was built on answers from parents indicating the extent to which children did schoolwork only when forced, did just enough to get by, always did homework, and cared about performing well in school.

⁵Youth participation in at least one extracurricular activity in the past year was determined based on parents' indication of their child's involvement in lessons, clubs, sports, or other activities.

⁶A measure of behavioral and emotional problems was derived from a series of questions in which all parents were asked to report the extent to which, in the past month, their children did not get along with other kids, could not concentrate or pay attention for long, or were unhappy, sad, or depressed. Parents of 6- to 11-year-olds also were asked how often during the past month their children felt worthless or inferior; were nervous, high-strung, or tense; or acted too young for their age. Likewise, parents of 12- to 17-year-olds were asked how often during the past month their children had trouble sleeping, lied or cheated, or did poorly at schoolwork (Ehrle and Moore, 1999).

⁷Parents of 12- to 17-year olds indicated how many times their child has skipped school, cut classes without parental permission, or refused to go to school in the past year.

⁸Parents of 12- to 17-year olds were asked how many times their child has been suspended or expelled, including in-school and out-of-school suspensions, during the past year.

⁹Poverty status was determined by comparing families' annual income in 1998 and their family size and composition with the 1998 federal poverty thresholds. For example, in 1998, the poverty threshold for a family with two adults and two children was \$16,530; for a family with one adult and two children, \$13,133.

¹⁰This pattern represents a continuation of a pattern we first noticed in our analysis of the 1997 NSAF data (not presented in this brief). In fact, in 1997, the results show an even stronger pattern: No differences between the children of welfare recipients or leavers were found on any of the eight measures. Tables showing the 1997 data are available from the authors.

¹¹While differences were statistically significant for only two of the eight measures of child well-being, we note that there were two measures on which the numerical differences, favoring children of leavers, were sizable though not statistically significant. These measures were participation in extracurricular activities for children 6-17, and behavioral and emotional problems for children 6-11.

¹²Brooks, J. L., Hair, E. C., & Zaslow, M. J. (2001, July). Welfare reform's impact on adolescents: Early warning signs. *Child Trends Research Brief*. Washington, D.C.:

Child Trends. Zaslow, M. J., Moore, K. A., Tout, K., Scarpa, J., & Vandivere, S. (2002). How are children faring under welfare reform: Emerging patterns. In A. Weil and K. Finegold (Eds.), *Welfare reform: The next act*. Washington D.C.: Urban Institute Press. Moore, K.A., Glei, D., Driscoll, A., Zaslow, M.J., & Redd, Z. (forthcoming). Poverty and welfare patterns: Implications for children. *Journal of Social Policy*.

¹³Zaslow et al. (2002).

¹⁴The comparison of current and former welfare recipients is a synthesis of information presented in Loprest, P.J. (1999). Families who left welfare: Who are they and how are they doing? Washington, D.C.: The Urban Institute. Loprest, P.J. (1999). How families that left welfare are doing: A national picture. Washington, D.C.: The Urban Institute. Loprest, P.J. and Zedlewski, S.R. (1999). Current and former welfare recipients: How do they differ? Washington, D.C.: The Urban Institute. Zedlewski, S.R. (1999). Work-related activities and limitations of current welfare recipients. Washington, D.C.: The Urban Institute. Zedlewski, S.R. (1999). Work activity and obstacles to work among TANF recipients. Washington, D.C.: The Urban Institute. The analyses in these papers were conducted using the 1997 National Survey of America's Families, the same survey used to conduct the analyses in this overview. The definitions used to create analysis groups in this overview are similar to those used in the Loprest and Zedlewski papers.

¹⁵Data from 1999 show that welfare recipients were more likely to be working than welfare recipients in 1997, even when they faced more barriers to work (e.g., low educational attainment, caring for a child under age one, limited work history). See Zedlewski, S.R. and Alderson, D.W. (2001). Before and after reform: How have families on welfare changed? Washington D.C.: The Urban Institute.

¹⁶Contrary to predictions, more recent welfare caseloads do not appear to be comprised of recipients who are less skilled or who face more barriers to employment than an earlier group of welfare recipients. See Moffitt, R. A., and D. Stevens. (2001). Changing caseloads: Macro influences and micro composition. *Economic Policy Review*. New York: Federal Reserve Bank.

¹⁷The group of welfare leavers from 1999 was not dramatically different from leavers in 1997, though there were indications that they experienced more health problems and greater economic hardship. See Loprest, P. (2001). How are families that left welfare doing. A comparison of early and recent welfare leavers. Washington, DC: The Urban Institute.

¹⁸Differences were not statistically significant on the other measures examined.

¹⁹Moore et al. (forthcoming).

²⁰Again, this finding is consistent with the unfavorable adolescent outcomes found in evaluations of welfare-to-work programs, as described earlier in this brief. See, Brooks,

Hair, & Zaslow, (2001).

²¹See Chase-Lansdale, P. L., Coley, R. L., Lohman, B. J., & Pittman, L. D. (2001). Welfare reform: What about the children? Welfare, Children & Families: A Three City Study. Policy Brief 01-05. Baltimore, MD: Johns Hopkins University.

²²Again, see, Zaslow et al. (2002) for the implications of a child's limiting condition as a factor in entry into the welfare system and as an impediment to leaving it.

²³Tables detailing this data are available from the authors. We note that these detailed tables also provide child outcome indicators for children in "near poor" families, that is, families with incomes above poverty but below 200 percent of poverty.

²⁴Duncan, G., and Brooks-Gunn, J. (2000). Family poverty, welfare reform and child development. *Child Development*, 71(1): 188-196. Brooks-Gunn, J., and Duncan, G.J., (1997). The effects of poverty on children. *Future of Children*. 7(2): 55-71

²⁵Loprest, P. (2001).

²⁶Zaslow, M.J., Moore, K.A., Morrison, D.R., & Coiro, M.J. (1995). The Family Support Act and children: Potential pathways of influence. *Children and Youth Services Review*, 17, 19-34. Zaslow, M.J., Tout, K., Smith, S., & Moore, K.A. (1998). Implications of the 1996 welfare legislation for children: A research perspective. *Social Policy Report of the Society for Research in Child Development*, XII(3). Collins, A., and Aber, J.L. (1997). Children and Welfare Reform Issue Brief 1: How welfare reform can help or hurt children. New York, NY: National Center for Children in Poverty.

²⁷Examples are provided by Knitzer, J. and Cauthen N. (1999). Enhancing the well-being of young children and families in the context of welfare reform: Lessons from early childhood, TANF, and family support programs. New York, NY: National Center for Children in Poverty. Cauthen, J. and Knitzer, N.K. (1999). Children and Welfare Reform Issue Brief 6: Beyond work: Strategies to promote the well-being of young children and families in the context of welfare reform. New York, NY: National Center for Children in Poverty. Kirby, G., Ross, C., and Puffer, L. (2001). Welfare-to-work transitions for parents of infants: In-depth study of eight communities. Washington, DC: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Planning, Research, and Evaluation.

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