

**In Support of Low-Income Working Families:
State Policies and Local Program Innovations
in the Era of Welfare Reform**

Wendy L. Chun-Hoon

The Annie E. Casey Foundation

February 2003

Executive Summary

In the past five years, the concerted effort of working families, employers, and state and county-level social services administrators, coupled with a strong economy, produced a more than 50 percent decline in Temporary Assistance for Needy Families (TANF) cash assistance caseloads. However, finding employment does not always translate to income security and family stability. Low-income working families, earning below 200 percent of federal poverty guidelines, often live on the edge of poverty—without health care or the ability to save and build assets.

As more parents leave public assistance, states have taken important steps toward supporting their transition into the workforce by redirecting federal grants and state funds to meet the needs of working families. Highlighting close to 30 examples, this report recognizes some of the most promising models, state policies and local program innovations supporting low-income working families around the country. The report provides an introduction to the implementation of these programs and the level of public-private collaboration that often exists within each model. We also refer readers to helpful organizations and broader research and data on each of the topic areas.

Not all of the programs and policies cited in this report have been rigorously evaluated. Some are simply too new and others do not lend themselves to formal impact analysis. Thus we do not claim that all are “proven successes”; but all, in our judgment qualify as “promising” and are worth attention.

As the debate over how to reauthorize the TANF program proceeds in Congress, the release of this report on promising models for assisting low-income working families is, indeed, timely. While state fiscal crises pose serious impediments to continuing the progress made in recent years, there is momentum and public will to carry these important efforts forward. For individual states, recent elections present an opportunity for new leaders to build on the lessons learned by those that have already begun implementing the innovative policies and programs highlighted in this report. Changes in federal policy regarding food stamp provisions present yet another important step toward supporting families.

The Annie E. Casey Foundation hopes that readers—including policymakers, advocates, service providers, the media, and citizens in general—will use this document as a starting point for developing programs to serve low-income working families in their own states. The Foundation hopes that highlighting these promising practices will encourage policymakers to examine different strategies and build on the good work already being done to support low-income working families across America.

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I. Introduction

Over the last decade, the nation has witnessed an unprecedented expansion of programs and policies intended to support and sustain low-income working families. Reflecting both the growth of the low-wage labor market and a strong public consensus that parents struggling to raise their children while working in low-paying jobs deserve support, the federal government and most states have devoted much time and resources to developing programs and policies designed to reward and assist them. This report highlights close to 30 examples of such initiatives, recognizing some of the most promising models, state policies, and local program innovations supporting low-income working families around the country.

In 1996 President Clinton, a Democrat, signed landmark welfare reform legislation passed by the Republican-controlled Congress, and this law permanently altered the debate over public assistance for America's poor. Public judgment, as reflected in the broad bipartisan support for the 1996 reform, favored work for needy families.

The welfare reform statute, entitled the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), repealed the 60-year-old Aid to Families with Dependent Children (AFDC) entitlement program and replaced it with the Temporary Assistance for Needy Families (TANF) program, which features mandatory work requirements and a five-year time limit on the receipt of cash welfare by individual families.

Under the 1996 reform, federal funding was provided to states in the form of block grants. In most cases, a state's TANF grant was equivalent to its level of spending in 1994 or 1995, when welfare caseloads were at historic peaks in many states. The 1996 reform also required states to continue spending at least 75 percent of the amount they were spending on AFDC in 1994 or 1995 as a "maintenance of effort" (referred to as MOE funds) for programs serving disadvantaged families.

While certain rules were tied to TANF funding—such as limiting families' federally funded benefits to five years and requiring at least 50 percent of parents to be in work programs—states were afforded unprecedented flexibility under this new structure to support a family's transition from welfare to work. Moreover, many states had received waivers from the Department of Health and Human Services that granted them even greater flexibility in designing strategies that would accomplish the goals of TANF. Subsequent legislation, such as the 1997 Children's Health Insurance Program (CHIP) and the 1998 Workforce Investment Act (WIA), provided additional opportunities for states to help families participating in work programs.

Since 1996, an important factor contributing to innovation in TANF and other programs in areas such as education, training, child care, and transportation has been states' ability to redirect money saved from reduced spending on cash assistance.

By examining states' policies and programs during this period of extraordinary change and experimentation, decision-makers have had the opportunity to draw important lessons for their communities. Therefore, this report seeks to offer a review of promising models for assisting low-income working families in their transition from welfare to work, in their attempt to avoid welfare, and in their progress toward economic security.

The report provides an introduction to the implementation of these programs and the level of public-private collaboration that often exists within each model. We also refer readers to helpful organizations and broader research and data on each of the topic areas.

It should be acknowledged that not all of the programs and policies cited in this report have been rigorously evaluated. Some are simply too new and others do not lend themselves to formal impact analysis. Thus we do not claim that all are "proven successes"; but all, in our judgment, qualify as "promising" and are worth attention.

In 2003, as most states face revenue shortfalls and budget deficits, as the nation's unemployment rate continues to hover around six percent, and as Congress picks up the debate on TANF reauthorization, it is crucial to shine a spotlight on states' choices about earnings supplements, asset development strategies, access to food stamps, unemployment insurance policies, child care, health care, responsible fatherhood, and healthy marriage programs. These policies have the potential to increase the economic security of low-income families and to improve the well-being of children in these families. In fact, models such as the At Home Infant Care program and the Parents as Scholars program were included in the Senate Finance Committee's proposed reauthorization bill last year.

For individual states, recent elections present an opportunity for new leaders to build on the lessons learned by those that have already begun implementing the innovative policies and programs highlighted in this report. Changes in federal policy regarding food stamp provisions present yet another important step toward supporting families.

The Annie E. Casey Foundation hopes that readers—including policymakers, advocates, service providers, the media, and citizens in general—will use this document as a starting point for developing programs to serve low-income working families in their own states. The Foundation hopes that highlighting promising practices in many states will encourage policymakers to examine these strategies and build on the good work already being done to support low-income working families across America.

II. Job Access, Retention, and Advancement

In the years immediately following enactment of the 1996 reform, states mobilized to move parents into the workforce. The concerted effort of working parents, employers, and state and county-level social services administrators, coupled with a strong economy, produced a more than 50 percent decline in cash assistance caseloads.

As state cash assistance rolls declined, many states chose to direct their federal grants and state MOE funds to improve transportation and access to child care for working families, thereby reducing parents' barriers to employment. Other states invested in programs serving the hardest-to-employ, enabling service providers to focus on providing counseling and job mentoring to individuals with multiple challenges to employment. By funding transitional jobs programs, states are helping parents build experience in a work environment—an important step to securing gainful employment in the private sector.

As parents move into the workforce, states have also redirected funding to support innovative education and training programs and to bolster efforts to engage employers in creating job-ladders for low-wage, low-skill employees, each of which can lead to job advancement and increased income for working parents.

States and counties have taken important steps to minimize the factors that keep people from working, and to maximize individual success in the labor force. The following are examples of state policies and program innovations that encourage workforce participation and support employment retention and advancement for low-income workers. Of course, while these programs and policies offer solid examples of innovation, this is by no means an exhaustive catalogue of innovative initiatives being pursued around the country.

CHILD CARE

Access to affordable, reliable, and high-quality child care is of great concern to many working parents. Recognizing that lack of child care creates serious impediments to a parent's ability to comply with TANF work requirements, state policymakers and administrators have taken important steps toward closing gaps in child care provision.

Funding for child care changed dramatically under the 1996 reform. Multiple federal funding streams for child care were consolidated into one source—the Child Care Development Fund (CCDF)—which is administered at the state level. Under CCDF, states have considerable flexibility to use their block grants to provide child care, consistent with broad federal principles: to promote parental choice, to alleviate dependency on public assistance, and to pursue improvements in the quality of child care provision. According to federal guidelines, a family earning up to 85 percent of a state's median income (e.g., \$54,000 for a family of four in 2002) is eligible to receive subsidized child care through the CCDF for children up to 13 years of age.

Policy/Innovation: Increasing Low-Income Working Families' Access to Child Care
Statewide: Illinois

Policy Features:

- Transfer of TANF/MOE funds to the CCDF
- No waiting lists to receive child care subsidies for families earning below \$24,243 (166 percent of 2002 federal poverty guidelines for a family of three.)
- Rhode Island, Vermont, and Wisconsin are examples of other states committed to “guaranteeing” child care assistance to all eligible families
- Despite the increase in funding, low-income working families still face a “cliff effect” where eligibility rules are lower

Child Care Spending (FY 2002): \$612 million

Informational Resources:

- *The Unfinished Agenda: Child Care for Low-Income Families Since 1996, Implications for Federal and State Policy*, Jennifer Mezey, Rachel Schumacher, Mark H. Greenberg, Joan Lombardi, and John Hutchins, Center for Law and Social Policy, March 2002. Available online at http://www.clasp.org/pubs/childcare/child_care.htm.
- Also *The Illinois Child Care Experience Since 1996: Implications for Federal and State Policy*, Kathy Stohr, Susie Lee, and Sessy Nyman, Day Care Action Council of Illinois, 2002. Available online at <http://www.daycareaction.org/illinoisfinal.pdf>.
- Illinois Network of Child Care Resources and Referral Agencies, <http://www.ilchildcare.org>.
- Two reports, published by the Children's Defense Fund, provide good, state-specific information: *A Fragile Foundation: State Child Care Assistance Policies*, Karen Schulman, Helen Blank, and Danielle Ewen, CDF, November 2001; and the CDF's annual *State Developments* publication (both available via CDF's website).

Federal guidelines established in 1996 also afforded states the flexibility to supplement child care spending in a number of ways, including using welfare-to-work dollars and state MOE funds. States have the option to transfer a maximum of 30 percent of their TANF funds to the CCDF to fund child care subsidies and programs.¹

In general, such flexibility, coupled with a reduced need to spend TANF block grants and MOE funds on cash assistance, has provided states the opportunity to fund various initiatives to improve low-income working families' access to child care and the quality of that care.

Recent profiles of states' strategies to address child care needs since welfare reform found that Illinois, one of many states to transfer a sizable portion of its TANF block grant to the CCDF, has been able to double its spending on child care since 1996 by taking advantage of such flexibility under federal CCDF and TANF statutes.² For Illinois, the flexibility to transfer TANF funds to the CCDF has meant that working parents have not been placed on waiting lists to receive child care assistance.³ While the idea of investing funds to prevent a situation where eligible families are placed on waiting lists is a step in the right direction, states such as Illinois do struggle with setting income eligibility guidelines that are too narrow to incorporate all low-income working families.

Policy/Innovation: Improving the Quality of Child Care: The T.E.A.C.H. Early Childhood ® Project

Statewide: North Carolina (The program is being replicated in 20 other states.)

Program Features:

- Awards scholarships to child care providers for obtaining training and education
- Eligibility varies by type of scholarship, and is determined by minimum number of hours worked and maximum amount of wages earned
- Builds pool of credentialed child care providers
- Leads to salary enhancements and health care benefits for providers
- Reduces high turnover rate among child care providers
- Supported by CCDF funds, state funds, and foundation and corporate grants

Informational Resources:

- The T.E.A.C.H. Early Childhood ® Project at <http://www.childcareservices.org/TEACH/T.E.A.C.H.%20Project.htm>.

The T.E.A.C.H. Early Childhood ® Project, developed in North Carolina in 1990, awarded 21 scholarships to child care providers in its first year. The program has since served over 12,000 child care providers in North Carolina, and is being replicated in 20 other states.⁴

Most child care providers earn little more than the minimum wage and receive few or no benefits. The T.E.A.C.H. (Teacher Education and Compensation Helps) program works to reduce resulting high turnover rates within the child care field by providing scholarships that encourage providers to obtain the additional training and education needed for them to gain certification and credentials, and increased compensation. Upon completing the scholarship program, individuals agree to remain committed to the child care field for at least six months to a year.

Both center-based and family child care programs benefit from the T.E.A.C.H. program's focus on professional development. As a result, kids in all child care settings benefit from these quality improvements. The T.E.A.C.H. project now also incorporates a health insurance program for providers and a technical assistance center to support states interested in developing the program.

States' Support of Quality Home-Based Child Care and Early Childhood Development Programs for Low-Income Working Families

Because low-income working families spend a higher proportion of their incomes on child care than do middle- or upper-income families, and because state budgets often cannot support high reimbursement rates for providers, many low-income working families cannot find or afford quality licensed or center-based child care. A few states are beginning to develop good models that place a high priority on the early development

of the youngest children in low-income working families, within a family or home-based child care setting.

Policy/Innovation: The At Home Infant Care Program (AHIC)

Statewide: Minnesota, Montana

Policy Features:

Minnesota

- Eligibility extended to families earning up to 75 percent of state median income
- Parents reimbursed 90 percent of the county's infant care subsidy (on average, \$2,446 per year)
- Stipends supported with state funds
- Stipend provided for up to 12 months

Montana

- Currently operating a two-year pilot
- Eligibility extends to families earning up to 150 percent of federal poverty guidelines
- Parents reimbursed 100 percent of the state average cost of infant care provided in an family child care home (up to 24 individual, monthly payments of \$378)
- Stipends supported with MOE funds
- Stipend provided for up to 24 months while caring for a child less than two years of age

Information Resources:

- Working for Equality and Economic Liberation at <http://www.weeempowers.org>.
- Center for Law and Social Policy's October 2000 *CLASP Update* online at <http://www.clasp.org>.

In 1997 Minnesota's legislature adopted the At Home Infant Care (AHIC) model into the state's existing subsidized child care program. AHIC is designed to allow a parent to stay at home to provide care for their infant. The AHIC model can be used to address the problem of long waiting lists for child care, while simultaneously promoting parent-child bonding during the first year of a child's life.

Montana implemented AHIC in December 2001, and is currently conducting a two-year pilot of the program. In Montana, AHIC addresses deficiencies in the provision of infant care for many low-income working families living in rural areas, where child care costs average \$4,500 per year.⁵

While staying home from work to be with their child, parents receive a monthly stipend in lieu of the child care subsidy they would have used to purchase services outside of the home. Eligibility is limited to parents who were employed or participating in another authorized work activity for one out of the previous three months prior to entering the program and parents who meet income guidelines for child care assistance or were already receiving it for a first child. Payment of the stipend is retroactive to the birth of the child.⁶

Preliminary evaluation of the program, performed by the Early Childhood Services Bureau of Montana's Department of Health and Human Services, found the AHIC program saved the state \$114,388 in child care costs; the bulk of these cost savings, \$90,351, stemming from parents' ability to provide care for their other children while staying at home to care for their infants.⁷

The At Home Infant Care model was included in the original TANF reauthorization bill proposed by the Senate Finance Committee last year, with the potential to fund program implementation in ten new states.

Policy/Innovation: Supporting Licensed, Home-Based Infant Care Within the Early Head Start Program

Statewide: Kansas

Policy Features:

- Promotes flexibility in child care provision by transferring \$7.5 million in TANF dollars to the CCDF
- Promotes wider access to services by making available infant care slots outside of traditionally center-based settings
- Improves quality of infant care by partnering with Early Head Start, which requires home-based providers to be licensed and meet EHS ratios/standards
- Allows income requirements (generally, income eligibility for subsidized child care in Kansas is 150 percent of poverty guidelines) and service provision to be determined at the community level (hours, types of service, etc.)

Informational Resources:

- For more information on EHS, visit the Early Head Start National Resource Center at <http://www.ehsnrc.org>. Findings from the recently completed national Early Head Start Research and Evaluation Project can be retrieved online at http://www.acf.dhhs.gov/programs/core/ongoing_research/ehs/ehs_reports.html.
- For more information about national efforts to improve the quality of infant care, visit <http://www.betterbabycare.org>.
- For more information about Kansas's incorporation of the EHS provision for licensed family child care providers, visit Kansas's Social and Rehabilitative Services website at <http://www.srskansas.org>.

Under the umbrella of the national Head Start program, Early Head Start (EHS) is tailored to meet the prenatal and early childhood needs of low-income mothers and their young children (0-48 months). Kansas, which is typically not considered a high-transfer state, was the first to use TANF dollars (transferring about \$7.5 million annually) to increase the number of Early Head Start slots in licensed, home-based provider settings, thereby broadening families' access to quality infant care.

As Kansas is largely rural, many working-poor families are isolated from support services, especially infant care. The state has found the EHS model to be a useful strategy for providing quality infant care, in addition to core support services for working families across the state, largely because of the flexibility to utilize licensed home-based

child care providers.⁸ Under a contract with EHS, home-based providers operate child care programs out of their own homes and are reimbursed for each child they serve.⁹

All home-based providers in Kansas must be licensed and meet the state-specific EHS certification requirements of the Child Development Associate (CDA) credential. Some home-based providers are themselves low-income working mothers. Under the EHS contract, these women benefit from the financial supports needed to obtain further training and credentials, or to enhance their businesses by investing in child care-related equipment. Depending on the EHS contract, licensed home-based child care providers may also receive stipends and an enhanced rate of pay.

The Administration for Children and Families' Head Start Bureau awards grants to Head Start/Early Head Start programs. Each HS/EHS grantee agency must conduct a "community assessment" in its service area once every three years. Results from community assessments gauge which services are needed and how the community feels these services should be provided. Kansas discovered that a growing number of low-income working families favored home-based provision over the typical center-based child care model.

Benefits of the licensed, home-based child care model include its ability to accommodate the preferences and work schedules of many working-poor families. For instance, whereas urban communities such as Johnson County or Wichita prefer using a center-based model, Dodge City, Kansas, currently uses only licensed home-based providers because they best accommodate the preferences of its largely Hispanic community. Kansas's initiative to incorporate home-based provision within the established and well-monitored structure of EHS has been commended by early childhood education experts.

Kansas's initiative to include a family-based model within the existing EHS structure has led to quality improvements on all fronts: it benefits the provider who develops credentials and obtains programmatic support; it benefits the kids who receive appropriate early childhood care consistent with national and state standards; and it benefits the working parent who can trust that his/her children are being properly cared for, often within his/her own neighborhood and beyond the traditional working-day hours.

TRANSPORTATION

Access to reliable transportation often determines a person's ability to find and retain employment. In the past five years, TANF and other public funds for transportation have contributed to the expansion of bus routes, administration of van services, reimbursement for individual transit passes, and, where appropriate, the purchase of vehicles and auto insurance by adults leaving welfare. Where state budgets preclude funding transportation initiatives, charitable organizations have done much to meet the needs of low-income working families.

States are financing transportation initiatives in a variety of ways. States may opt to spend TANF funds directly on transportation or to transfer up to ten percent of their TANF grants to the Social Services Block Grant (SSBG), which supports transportation among many other purposes. If transferred to the SSBG, TANF funds are subject to SSBG rules and can serve families earning up to 200 percent of the federal poverty level. States, of course, have the option of funding programs with state money, thereby setting their own income eligibility rules.

Improving Access to Public Transportation

In 1998 Congress created a new funding stream to improve low-income working families' access to transportation by enacting the Transportation Equity Act for the 21st Century (TEA-21). Over the five-year period between 1999 and 2003, TEA-21 will grant a combined \$750 million to programs designed to close gaps in transportation under a program entitled: Job Access and Reverse Commute (JARC). This program is now subsidizing transportation for families with earned incomes up to 150 percent of the federal poverty level.¹⁰ TEA-21 faces reauthorization later this year.¹¹

Policy/Innovation: Unlimited Ridership Program

City: Brownsville, Texas

Program Features:

- Partnership between local workforce development center and public transportation system (the Brownsville Urban System, or BUS) provides low-income individuals with transit vouchers, bus services to and from job interviews, and a "Work Pass" (free transportation) for low-income workers
- "Work Passes" are issued by the Texas Workforce Commission (TWC) and are funded 50 percent by local welfare to work grants and 50 percent by federal Job Access and Reverse Commute (JARC) funds
- Expanded access to transportation services and efficiency of those services for low-income commuters who work on the North side of Brownsville

Informational Resources:

- For more information about the Unlimited Ridership Program and the expanded transportation services provided by the Brownsville Urban System, visit <http://bus.ci.brownsville.tx.us>.

The transportation needs of low-income workers in Brownsville, Texas, have been eased by the city's implementation of the Unlimited Ridership Program. In Brownsville (a city of about 140,000 residents), all low-income workers as well as individuals participating in the local workforce center's training programs qualify for a free, unlimited, monthly transit pass. The city has also greatly expanded existing bus routes and service hours, and has implemented paratransit services (such as coordinated van services).

The initiative to increase access to transportation in Brownsville is supported by \$200,000 in JARC funds and an equal match by Department of Labor welfare-to-work dollars, administered at the local level.

Vehicle Ownership Policies

While public transit and paratransit initiatives have filled certain gaps, experts suggest that the transportation needs of many low-income working families are often better met when the family owns its own car. Increasingly, job growth areas and employment opportunities are located in outer suburbs that are distant from traditional public transportation systems. Low-income families living in rural areas face similar challenges because bus routes or shuttles, if they exist at all, provide neither frequent nor extended-hour services.

Vehicle ownership may be the best solution for many working families. Experts also note that car ownership promotes wider employment opportunities, as parents gain the ability to accept higher-paying jobs that would otherwise be unreachable by public transportation, and to work longer hours while still meeting child care time schedules.¹² Currently nonprofits do the most by way of local car ownership programs, and are well-equipped to facilitate vehicle donations and provide assistance with licensing, registration, and car repairs. Most of these programs have the resources to serve only a few families, however, and will require public support before they are able to assist large numbers of low-income working families.

Policy/Innovation: TANF-Funded Vehicle Purchasing Programs

Statewide: Illinois, Kansas, Michigan, Nebraska, New York

Policy and Program Features:

- Option to allow caseworkers to access up to several thousand dollars in TANF funds to help low-income working families purchase vehicles, obtain insurance, pay for repairs, etc.
- Option to include the purchase of a car as an allowable use of money saved in individual development accounts that have been matched by TANF dollars
- Option to use TANF funds to support local solutions to meeting individuals' transportation needs, including car purchasing programs

Informational Resources:

- *State and County Supported Car Ownership Programs Can Help Low-Income Families Secure and Keep Jobs.* Heidi Goldberg, Center on Budget and Policy Priorities, November 2001. Available online at <http://www.cbpp.org/11-8-01wel.htm>.
- Information about Community Solutions to Transportation can be accessed online at <http://www.dcbooces.org>.

In cases where owning a car is the best means to securing and retaining employment, states such as Kansas, Michigan, and Nebraska have created policies that allow caseworkers to draw up to a few thousand dollars in TANF funds to assist eligible, low-income working families with the purchase of a vehicle. Here, TANF dollars can also be used to help a family purchase other work-related supports such as maintaining car insurance or paying for repairs.

While many Individual Development Account (IDA) programs do not allow for the purchase of a vehicle as an appropriate use, Illinois's Department of Human Services, in collaboration with the National Center on Poverty Law and the Financial Links for Low-

Income People Coalition, uses TANF-supported IDAs to help participants purchase cars. These car purchasing programs are facilitated by nonprofit organizations and require individuals to enroll in financial literacy and management courses. Participation in such courses counts toward the individual's work requirement, and transportation and child care are provided while enrolled.¹³

New York has implemented a slightly different strategy for helping working families purchase much-needed vehicles. In addition to providing caseworkers access to TANF funds to help families purchase cars, New York has given its social services districts a total of \$24 million in TANF dollars to support the Community Solutions to Transportation initiative. Each district approaches Community Solutions to Transportation differently. Many programs are being administered by nonprofit agencies, outside of the official welfare offices or departments of labor. Whereas in some areas this money can be used to support the purchase of public transportation vouchers, in New York's rural communities where owning a car is sometimes the only way to get around, Community Solutions succeeds in helping low-income working parents maintain jobs.

ADDRESSING MULTIPLE BARRIERS TO EMPLOYMENT

Parents who have multiple barriers to employment or who are in jeopardy of reaching five-year time limits on their assistance are often labeled the "hardest-to-employ." Considering the emphasis on increased work participation rates in the TANF reauthorization debate, it will be crucial to direct resources to programs that can diagnose exactly what holds these families back, and address the interrelated nature of these impediments before successfully helping parents to find employment and work toward self-sufficiency.

Policy/Innovation: Family Services Counseling's "Solutions-Focused Brief Therapy"

Statewide: Tennessee

Program Features:

- Allocated \$9.2 million in TANF/MOE for program implementation
- Locates family counselors (masters-level clinicians) in each county welfare office
- Provides services to current TANF-eligible families, and services for up to one year post-TANF
- Screens for domestic violence, substance abuse, learning disabilities, child behavioral/health issues, and mental health conditions
- Counts participation in program toward TANF work requirements
- "Stops the Clock" for some participants, and counselors can determine appropriate work settings, educational/training needs, rehabilitation/counseling, etc.

Average Cost Per Family Served: \$1,500

Average Length of Time in Program: 110 days

Informational Resources:

- Testimony of Natasha Metcalf, Commissioner, Tennessee Department of Human Services, before the U.S. Senate Finance Committee, April 26, 2002. Available online at <http://finance.senate.gov>.
- *Providing Mental Health Services to TANF Recipients: Program Design Choices and Implementation Challenges in Four States*. Michelle K. Derr, Sarah Douglas, and LaDonna Pavetti, Mathematica Policy Research, Inc., August 2001. Available online at <http://www.mathematica-mpr.com/PDFs/providingmental.pdf>.

Tennessee has developed a good model for understanding and addressing what it is that hampers an individual's ability to find and retain employment. The Family Services Counseling (FSC) program was implemented statewide in February 2000, as part of Tennessee's welfare program. FSC provides challenged individuals with access to intensive case management, home visits, advocacy and referrals to other resources, and short-term counseling. FSC counselors work with clients to determine the goals of their treatment and a plan for achieving those goals.¹⁴

Family Service Counselors are located in each of the 95 social services agencies in Tennessee. FSC collaborates with mental health agencies statewide to provide masters-level clinicians. This partnership fosters a more practical approach to addressing the comprehensive problems clients face, using specific screening tools for recognizing domestic violence, substance abuse, learning disabilities, child behavioral/health issues, and mental health conditions. Counselors use a "Solutions-Focused Brief Therapy" that concentrates on a family's strengths when devising a plan for obtaining employment and self-sufficiency. On average, participants spend a little over three months in the program. "Brief" implies that Tennessee's Department of Human Services is intent on helping its clients achieve immediate results in addressing what it is that keeps them from finding employment and succeeding in their jobs.

Program administrators found that of the 4,500 participants assessed in 2001, 35 percent have mental health barriers, 23 percent cite their children's health or behavior as a barrier, 17 percent live with domestic violence, 16 percent have learning disabilities, and 9 percent struggle with substance abuse. Many are assessed with multiple barriers.¹⁵ Under contract with Tennessee's Department of Human Services, University of Tennessee research on caseload characteristics presents similar findings: Of those receiving public assistance who specified counseling as a service need, the biggest needs were family counseling, mental health counseling, and counseling for domestic violence.

A recent UT study suggests that participation in the FSC program has a positive impact on employment outcomes. Whereas 14 percent of participants were employed prior to counseling, participants' employment rates increased to 49 percent after completing counseling. Of the original 14 percent of participants that were employed prior to entering the program, 38 percent have seen an increase in earnings as a result of their participation. Mathematica Policy Research, Inc., has recently published a report on the program design and implementation of mental health assessment strategies in four states, of which Tennessee's program is a part. The study was supported by the U.S. Department of Health and Human Services.

TRANSITIONAL JOBS PROGRAMS

For individuals with little prior work experience and minimal education or training, finding a job and complying with TANF work requirements is often difficult. Transitional jobs programs, usually sponsored by nonprofit organizations, offer these

individuals an opportunity to access services and build skills while earning real wages in a real work environment. Wages are subsidized by public funds. These programs focus on helping individuals transition from welfare to unsubsidized, private-sector employment.

Transitional work initiatives are growing rapidly. The National Transitional Jobs Network is a coalition of policy organizations and 35 program sites operating in 18 states and the District of Columbia. Programs such as Philadelphia's Transitional Work Corporation, described below, are linking over 17,000 people to subsidized jobs as a means of gaining the experience they need to move into more permanent private employment. Transitional jobs offer part-time work and pay hourly wages between \$5.15 and \$8.00. Individuals spend anywhere from 3-12 months in a program. The rate of permanent employment following the transitional job placement is between 50-70 percent.

Initiative: Transitional Work Corporation, Inc.

City: Philadelphia, Pennsylvania

Program Features:

Building work experience (0-6 months)

- Eligible individuals (TANF cash assistance) partner with a job mentor, receive \$5.15/hour, work 25 hours/week, retain part of their TANF grant and obtain ten additional hours of education, training, or counseling each week

Private-sector employment (7-12 months)

- Participants move into permanent employment, work 30 hours/week, partial TANF grant phases out but participants retain child care and up to 24 months of transportation vouchers
- After 60 days, individuals receive \$200 bonus. Another \$200 after 120 days, and a final \$400 bonus at completion of 180 days

Average Time Spent in Program: 3.4 months

Average Wage Cost Per Participant: \$1,769 (\$520 x 3.4 months)

Average Service Cost Per Participant: \$4,436 (\$1,305 x 3.4 months)

Funding: TANF, foundation grants

Informational Resources:

- *Transitional Jobs: Stepping Stones to Unsubsidized Employment.* Gretchen Kirby, Heather Hill, LaDonna Pavetti, Jon Jacobson, Michelle Derr, and Pamela Winston, Mathematica Policy Research, Inc., April 2002. Available online at <http://www.mathematica-mpr.com/PDFs/transitionalreport.pdf>.
- The National Transitional Jobs Network at <http://www.transitionaljobs.net>.
- The Philadelphia Transitional Work Corporation, Inc., at <http://www.transitionalwork.org>.

Originally housed in Pennsylvania's Workforce Development Agency, the Transitional Work Corporation (TWC) was supported by a mix of public and private funding.¹⁶ A few years ago, with design help from the research and policy firm, Public/Private Ventures, the program evolved from a modest welfare-to-work initiative to become its

own, independent nonprofit agency. Today TWC operates on federal TANF block grant funds and philanthropic support, including a sizable grant from the Pew Charitable Trusts.

Philadelphia's transitional jobs program fits nicely with Pennsylvania's statewide "time out" policy, which grants exemptions and extensions to TANF time limits for individuals participating in work programs. As of January 2002, while a person is participating in TWC, they receive a "time out" for up to 12 months and retain half of their TANF cash assistance. Families also receive child care and transportation subsidies.

Mathematica's study of TWC shows that over 50 percent of participants successfully complete the program. Of this group, there is a 94 percent placement rate in unsubsidized employment. Once employed in the private sector, the median hourly wage is \$6.75, the median hours worked per week is 40, and over 50 percent of new employees obtain health benefits.

EDUCATION

As a general rule, education is strongly correlated with increased earnings and economic and social well-being. States' decisions about using TANF funds to support educational opportunities have varied considerably since enactment of the 1996 reform. As policymakers and administrators consider opportunities to incorporate education into TANF and related programs, examples such as the following project warrant careful examination.

Policy/Innovation: Parents as Scholars Program (PaS)

Statewide: Maine

Program Features:

- Cash stipends (equal to the amount of TANF assistance benefits) and a range of support services provided to support TANF-eligible parents who have matriculated in two- or four-year, degree-granting programs
- Parents must meet specified criteria to qualify (see below)
- Funded by MOE only
- Helps parents gain skills and education needed to earn better wages and benefits for their families

Estimated Annual Cost: \$10 million (\$4.5 million in cash stipends; \$5.5 million in support services)

Average Cost Per Student: \$7,000

Informational Resources:

- For more information about the Parents as Scholars Program, visit Maine's Department of Human Services website at <http://www.state.me.us/dhs/bfi/pas.htm> or the Maine Equal Justice Partners at <http://www.mejp.org/PaS.htm>.
- An evaluation of the Parents as Scholars Program, conducted by Maine Equal Justice Partners, is available online at <http://www.mejp.org/PDF/pas.pdf>. Rebekah J. Smith, Luisa S. Deprez, and Sandra S. Butler, *Parents as Scholars: Education Works*, Maine Equal Justice Partners, March 2002.

Maine has chosen to include higher education as a significant component of its strategy to reform welfare. Where appropriate, the Parents as Scholars (PaS) program offers individuals an alternative to TANF. PaS is essentially a student aid program that provides parents who have matriculated in either a two- or four-year degree-granting program a cash stipend comparable to a welfare benefit (\$485 each month for a family of three). In addition to these benefits, parents are provided support services such as assistance with child care, transportation, and other needs necessary to complete the program. Tuition and fee assistance is not provided but must be obtained by the student through ordinary student financial aid. All families in PaS are eligible for Maine's Medicaid program.

To qualify, participants must pursue a degree that will improve their ability to support their family. They must have the aptitude for completing the desired degree, and they must not already have a marketable bachelors degree. Finally, the parent must not already have the skills or education to be earning 85 percent of the state's median income (\$48,906 in Maine for a family of four).

Maine has directed a significant portion of its MOE dollars to fund PaS.¹⁷ The use of state funds means that a parent's time in the program does not count toward the family's 60-month TANF time limit.

In March of last year, Maine Equal Justice Partners published an evaluation of the program. The group reports that 90 percent of PaS graduates maintained over a 3.0 grade point average while in school, and earned a median wage of \$11.71 an hour after leaving the program (whereas the median wage earned by non-PaS parents leaving TANF in 2001 was only \$7.50 an hour). The report highlights that PaS graduates are more likely to be offered salaried positions (as opposed to hourly wages) and benefits packages than non-PaS TANF leavers—including employer-sponsored health care and paid sick leave and vacation time. The group also reports anecdotal evidence that the children of PaS graduates form higher aspirations toward work and school.

While Maine's legislature limited enrollment to 2,000 students, the report notes that the program has only consistently maintained close to a 50 percent participation rate. However, Maine's TANF caseload has dramatically decreased in the years since the program began, so that enrollment in PaS—as a percentage of the state's TANF caseload—has actually increased by over 50 percent between 1997 and 2001.

TRAINING AND JOB-LADDERS

Evidenced by significant declines in cash assistance caseloads, parents of families on welfare have moved into the workforce. Often employment is unstable, however, and wages earned are not enough to lift a family out of poverty.

The 1998 Workforce Investment Act introduced federal funding for Individual Training Accounts (ITAs) to help dislocated workers or individuals recently employed but earning low-wages gain access to job-related education and training that promotes employment retention and advancement. ITAs emphasize an individual's choice in selecting and "purchasing" training relevant to their career advancement needs. An individual typically works with a career counselor at a local "one-stop" center to select an appropriate training opportunity from any of the area's Eligible Training Partners (e.g., a community college).

Complementing the federal strategy to provide ITAs, a few states have begun investing in employment advancement strategies in support of the solid work efforts of many low-income families. The U.S. Department of Health and Human Services is currently supporting an evaluation of many of these advancement initiatives to better understand which aspects work best, for whom, and under what conditions.¹⁸

Policy/Innovation: Employer-Based Strategy for Retention and Advancement

County: Cuyahoga County, Ohio

Program Features:

- Aims to reduce the high cost of employee turnover, while improving employment and job advancement prospects for entry-level workers
- Provides comprehensive services to both employers and employees including training for supervisors; monthly employer reports on topics such as the EITC, on-site counseling, and support; information and referral; and financial support with work-related expenses
- Restricts eligibility to recently hired, entry-level employees who are employed on a full-time basis yet earn less than 200 percent of the federal poverty level
- Supported by city and county funds, foundation grants

Average Cost Per Person Served: \$1,200-\$1,600

Informational Resources:

- For more information about the Achieve program, visit Towards Employment online at <http://www.towardsemployment.org>.
- MDRC is currently conducting an evaluation of this program as part of the Employment Retention and Advancement (ERA) Project. For more information, visit <http://www.mdrc.org>.

Cuyahoga County's Achieve Program presents an emerging model in the retention and advancement movement: an employer-based approach. The nonprofit organization, Towards Employment, provides services for both employers that wish to reduce high turnover rates, costly re-hiring processes, and loss of productivity, as well as services for the employees of these companies who seek wider opportunities in their jobs and career advancement.¹⁹

Towards Employment's strategy involves targeting area businesses that hire predominantly entry-level (low-wage, low-skill) employees. For employers, Achieve facilitates mandatory training in management skills that help supervisors maximize their worker's performance. In addition to supervisor training, employers are provided

monthly reports on issues regarding employee turnover and absenteeism. Towards Employment makes itself a resource for employers that want to learn about reviewing and adopting better human resource practices or identifying job-ladders for employees.

Using the employer as the primary point of access, Achieve works with individuals who have been employed for less than three months and who are earning below 200 percent of federal poverty guidelines, recognizing that for many workers in low-wage, entry-level positions, it is difficult to maintain employment beyond the first few months. Case managers are placed at each employment site and Achieve participants can access services at any time. Achieve staff provide employees with counseling, information and referral services, and support services in the form of emergency funds for transportation, clothing, and child care. Achieve also hosts bimonthly “Lunch and Learn” workshops for participants on subjects ranging from stress management to financial management. Participation in the Achieve program gives employees a sense of community and peer networking, which have been found to help to sustain morale and promote job retention.

Achieve has recently completed a one-year pilot program, during which time Towards Employment worked with 85 recently hired employees and implemented the Achieve program in five corporate sites. On the whole, the Achieve pilot helped to reduce turnover (by over 50 percent in two sites) and to facilitate relationship development between employer and employee, which, in turn, improves job retention.

Policy/Innovation: High Road Partnerships

City: Las Vegas, Nevada (and other cities across the country)

Program Features:

- Union-led job advancement strategy that engages multiple employers within one industry, and social services agencies such as workforce development centers
- Engages union employees, low-wage workers, and unemployed individuals seeking job training and advancement services from workforce development centers
- Provides general training so individuals gain a skills-set that allows them mobility within an industry
- Helps entry-level employees secure higher wages, health insurance, and retirement benefits—all components of the “high-road” partnership
- Brings together public and private agencies and funds to support employee retention and advancement

Information Resources:

- The AFL-CIO Working for America Institute at <http://www.workingforamerica.org>.

The High Road initiative establishes a larger role for unions within the workforce development movement. High Road Partnerships aim to redefine the workforce development path that tends to keep workers in low-wage, low-skill jobs. Partnerships exist where unions across the country are working with local employers and community

organizations to improve opportunities for workers to secure employment in higher-skill, higher-wage jobs that facilitate career advancement and security.

One such partnership exists in Las Vegas, Nevada, where Hotel Employees and Restaurant Employees (HERE) Local 226 has recently located its Culinary Training Academy within Nevada Partners—a nonprofit organization that administers the county’s TANF program and serves as the county’s WIA “one-stop” (workforce development) center. As the official one-stop center, Nevada Partners serves many low-income individuals seeking to obtain training and develop skills to advance in their jobs. HERE estimates that one-third of Culinary Academy trainees were earning less than \$10,000 a year before enrolling.

HERE Local 2, in San Francisco, has implemented a similar model to train hotel and restaurant staff. HERE is also developing High Road Partnerships in New York, Atlantic City, Boston, Detroit, Minneapolis, and Los Angeles. The strength of the High Road model rests in the union’s knowledge of the training and employment needs within a particular industry, the service industry in HERE’s case, to which government or nonprofit-facilitated programs may not have access. Because High Road Partnerships engage multiple employers within an industry, it is often easier to establish a cohesive career-ladder for employees, and to equip individuals with general training that applies to a variety of positions within a sector. Participants in union-led workforce development models also benefit from collective-bargaining agreements that help workers secure health insurance and retirement plans.²⁰

III. Making Work Pay for Low-Income Families

EARNINGS SUPPLEMENTS

Though employed, many parents do not earn enough at work to make ends meet. Since these families in many states may continue to be eligible for cash assistance, such families continue to “run the clock” on their assistance, even though they may be working regularly.

Several states are addressing the problem where parents are working yet still not earning enough in low-wage employment by adopting certain provisions for exempting families from requirements or extending the benefits of families beyond the normal time limits.

States are able to grant families exemptions or extensions by funding their assistance with state money.²¹ In general, an extension provides a family with continued assistance should that family exhaust their time-limited benefits.

While in some cases extensions do provide a needed safety net for working families, it can be argued that states which “stop the clock” under certain circumstances—or grant exemptions—are doing more to reward parents’ work efforts up-front. Some states have taken considerable strides in recognizing when a month of assistance should not be counted toward a family’s time limit. For example, several states exempt periods where child care or transportation is unavailable, acknowledging the difficulty parents face retaining employment under these circumstances.

A handful of states are doing even more to assist working families by stopping the clock in cases where parents are working or are enrolled in two- or four-year post-secondary educational programs. These states can use MOE dollars to provide families with cash assistance, “off the clock” so to speak, either supplementing wages earned or allowing a parent to go back to school to gain the skills and education he/she needs to get a better job. Illinois, Maine, Maryland, New Jersey, Pennsylvania, and Rhode Island are among a handful of states that are experimenting with or have adopted such policies.

Eight states specify a time limit exemption for parents working a given number of hours: Arizona, Delaware, Illinois, Louisiana, Maryland, Missouri, Pennsylvania, and Rhode Island. Further, Illinois, Maine, North Carolina, Pennsylvania, and Tennessee have provisions exempting households in which parents are pursuing educational goals.²²

Policy/Innovation: “Work Pays” (Earnings Disregards and Supplementing Workers’ Incomes “Off the Clock”)

Statewide: Illinois

Policy Features:

- Extends benefits to families in which parents are fulfilling minimum work requirements (households where one able adult is working 30 hours/week or two able adults are working 35 hours/week)
- Supports a 67 percent earnings disregard whereby working families’ cash assistance is reduced by only \$1 for every \$3 earned for up to 36 months (where applicable)
- Rewards work by “stopping the clock” for these low-income working families and parents enrolled in school for up to 36 months while bolstering families’ earnings with reduced cash assistance grants (MOE-funded only)

Information on state policy toward exemptions:

- State Policy Documentation Project, online at <http://www.spdp.org>.
- SPDP exemptions and extensions charts available at <http://www.spdp.org/tanf/timelimit.htm>.
- The Welfare Information Network’s website at <http://www.welfareinfo.org>.
- For further investigation on state policies toward cash assistance time limits, see Liz Schott, *Ways that States Can Serve Families that Reach Welfare Time Limits*, Center on Budget and Policy Priorities, June 2002. Available online at <http://www.cbpp.org/6-21-00wel.pdf>.

Resource for Illinois’s policy:

- The National Poverty Law Center at <http://www.povertylaw.org>

Illinois was the first state to initiate policy that would stop the clock for working families. The state currently grants exemptions to households in which single parents work a total of 30 hours a week or to two-parent families in which both able parents work a total of 35 hours a week. Under Illinois’s “Work Pays” program, in addition to stopping the clock, these working families benefit from a generous earnings disregard whereby only \$1 out of every \$3 earned factors into the calculation of the family’s monthly grant. This means working families can receive this cash supplement without using any of their time under their five-year limit. The state uses MOE funds to supplement parents’ incomes “off the clock.”

Illinois also stops the clock for parents going back to school. The state provides cash assistance “off the clock” for up to 36 months to parents enrolled in either two- or four-year post-secondary degree programs as long as they maintain a minimum 2.5 GPA.²³

Policy/Innovation: Supplemental Work Support Program

Statewide: New Jersey

Policy Features:

- Families working a minimum of 20 hours/week volunteer to leave TANF, and instead receive \$200 a month for up to 24 months
- Families may also maintain child care subsidies, Medicaid benefits, and the full benefit of any child support payment
- TANF dollars are used to support this “work support” program

Informational Resources:

- Visit Work First New Jersey’s website at <http://www.state.nj.us/humanservices/dfd/wfnjws.html>.

In New Jersey, families working at least 20 hours a week are given the option to voluntarily close their cases and, in return, are provided with \$200 a month for up to 24 months to supplement the wages they are earning in private-sector jobs. In addition, working families are guaranteed other important benefits during the 24-month period. These benefits include child care vouchers, Medicaid, and the full value of their child support payment.

The impetus for this initiative came from the recognition that though families were employed at least part-time, they were not leaving New Jersey's cash assistance program. The state found this to be especially true for about 5,000 cases, most of which were larger families, for whom earnings were not enough to sustain them. These families, though working, were still receiving cash assistance and therefore still considered "on the clock."²⁴

Though attractive, not as many families are accessing this innovative program as New Jersey officials would like. To address this, New Jersey has begun investing in outreach campaigns through the media and through a partnership with the Department of Community Affairs. Their goal is to make families aware of the fact that by taking this option they are not forfeiting all connection with state agencies and that should they encounter an emergency in the future, assistance will be accessible.



Exceeding \$30 billion, the Earned Income Tax Credit (EITC) is the single largest anti-poverty program in the United States. As a targeted work-support program, the EITC currently lifts five million people above the federal poverty line, half of whom are children. It receives wide bipartisan endorsement as well as support from the business community. The EITC exists at the federal level, and in some cases at the state and local levels to provide low- to moderate-income working families with a refund, even where families do not earn enough to incur a tax liability. Families with at least one qualifying child, with earned income, and modified adjusted gross income levels less than \$32,121 (in 2002) are eligible for the federal EITC. The EITC is a work incentive in that it is structured so that the benefit rises as earned income rises—up to a certain level when, presumably, the family earns enough to keep them out of impoverished living conditions at which point the benefit gradually phases out. The maximum federal EITC for tax year 2002 is just above \$4,000—a substantial financial boost for working families.

While the federal refund has existed since 1975, states have only recently developed complementary EITC policies. Most states have structured their EITC so that the state credit is simply a certain percentage of the federal credit.²⁵ State earned income credits range from 5-50 percent of the federal EITC. States have the option of making their EITC refundable, meaning all eligible families receive a refund whether they owed taxes that year or not. Currently Colorado, the District of Columbia, Indiana, Kansas, Maryland, Massachusetts, Minnesota, New Jersey, New York, Oklahoma, Vermont, and Wisconsin provide working families with a refundable credit.

Policy/Innovation: County-Level Earned Income Tax Credits

County: Denver, Colorado; Montgomery County, Maryland

Policy Features;

Denver's EITC

- Refundable credit is much as 20 percent of the federal credit
- Uses TANF funds
- Serves families earning up to 185 percent of federal poverty guidelines

Montgomery County's EITC

- Credit is currently 18 percent of the federal credit (and equal to the state's refundable credit)
- Uses county general funds
- Serves families earning up to at least 100 percent of federal poverty guidelines

Informational Resources:

- The history of Denver's EITC is discussed in Shepard Nevel's, *The Local Path to Making Work Pay: Denver's Earned Income Credit Experience*, part of the Brookings Institution's Local Innovations in Welfare and Work Series. Available online at <http://www.brookings.org/dybdocroot/es/urban/innovations/welfessay1.htm>.
- More information about Montgomery County's EITC is provided by the Maryland Budget and Tax Policy Institute, online at <http://www.marylandpolicy.org>.

In response to a growing sentiment that parents working full-time should be able to support their families, Montgomery County, Maryland, became the first of only two localities in the country to adopt a county EITC.

Montgomery County's EITC was established to match the state's EITC policy, currently set at 18 percent of the federal credit. It will rise, in line with the state credit, to 20 percent in 2004. This structure has allowed the State Comptroller's Office and the county to work in partnership—automatically reviewing each state claim to ensure filers also receive the county credits for which they are eligible. In the 2001 tax year, the county credit amounted to about \$260 for a family of four earning wages at the federal poverty level.

Denver's EITC was officially implemented on January 22, 2002. In Denver, all families who filed income tax returns in 2000 and earned less than 185 percent of the federal poverty level were eligible to apply for the credit. Colorado's EITC is set at 10 percent of the federal credit and Denver's EITC can be as much as 20 percent of the federal credit. This translates to a maximum federal refund of \$4,000, a state refund of \$400, and a local refund of \$788. This year funds are available for as many as 35,000 working families.

The federal government has stated that the funding of EITC programs is a permissible use of TANF and MOE dollars. Part of Colorado's strategy to reform welfare has been to allow its counties the flexibility to design programs that address the specific needs of individuals in their own communities. TANF administrators in Denver have elected to do just this. Denver, Colorado, is the second locality to support an EITC and is the first to use TANF funds.

IV. Helping Working Families to Build Assets

Asset building programs for low-income working families have expanded dramatically in the past few years. Individual Development Accounts (IDAs) and family loan programs are designed to create wealth and promote ownership to counteract the economic instability families experience living in poverty. IDAs and loan programs help families put a down payment on a house, purchase a car or pay for repairs, pay for post-secondary education, start a business, or save for retirement.

INDIVIDUAL DEVELOPMENT ACCOUNTS

Individual Development Accounts (IDAs) are matched savings accounts whereby the account holder can accumulate a few thousand dollars over a one- to four-year period. There are over 350 IDA programs nationwide, and more than 100 new ones will be developed by year's end.²⁶ Programs vary in target populations and the ratio of the dollar match, but typically account holders are low-income, low-wealth working families whose savings are matched on a 1:1 to a 4:1 basis.

The typical partners in an IDA initiative are the sponsoring organization, the funding provider, the financial institution, the training provider, and the account holder. The typical components of an IDA program are raising matching funds, conducting outreach, marketing and recruitment, providing financial literacy programs, managing the accounts, and administering the matching funds. Participants are introduced to the program and set goals for their savings. They then open accounts and work with counselors to develop financial literacy before withdrawing the funds to purchase the asset or transfer the matched funds to a personal savings account.

A number of key individuals and coalitions have worked for over a decade to get the federal and state governments to support IDAs. Almost half the states actually developed IDA policy ahead of federal legislation. Today, 31 states and the District of Columbia have developed or are developing statewide initiatives.²⁷ The creation of some important federal legislation also reflects these efforts, namely the provision in the 1996 PRWORA allowing (but not requiring) states to include support for IDAs in their TANF programs. Further, the provision articulates that support of IDAs does not count toward participants' TANF time limits. Thirty-two states opted to include IDAs in their TANF plans, and about half allocated TANF money for them. However, only seven committed any substantial funding for them.²⁸

The Assets for Independence Act (AFIA) of 1998 represents another major effort by the federal government in support of low-income workers building assets. AFIA effectively funds a five-year, \$125 million demonstration to test the efficacy of IDAs as a poverty reduction strategy. The demonstration is administered by the U.S. Department of Health and Human Services, which grants money to community agencies nationwide for the

operation of IDA programs.²⁹ The American Dream Demonstration, a separate, privately funded initiative, was actually the first to take the IDA strategy and evaluation to scale. It is a collaborative effort of the Corporation for Enterprise Development, the Center for Social Development, and 13 community organizations around the country.

Asset development programs for low-income families may jeopardize their eligibility for vital safety net programs such as food stamps, whereby the value of a family's assets (such as a reliable vehicle) are included in calculations determining program eligibility. While some states have begun to address these inherent flaws in policy, too many have not. Further, to date, only federally funded IDAs are exempt from eligibility determination in all means-tested federal programs.

Policy/Innovation: Michigan Individual Development Account Partnership (MIDAP)

Statewide: Michigan

Program Features:

- Public-private collaboration between the Family Independence Agency (allocated \$5 million in TANF funds) and the Council of Michigan Foundations (granted \$5 million in private dollars)
- Administered by 51 local agencies across the state
- Matched savings used to purchase housing, pay for school, or establish a business
- Average cost per family served ranges widely, however, the budget estimate is \$5,000 (includes overhead, direct services, and dollar match for the accounts for up to 2,000 accounts)
- Participating individuals earn below 200 percent of federal poverty guidelines

Informational Resources:

- The IDA Network at <http://www.idanetwork.org>.
- Corporation for Enterprise Development at <http://www.cfed.org>.
- The Center for Social Development at <http://gwbweb.wustl.edu/csd/>.
- A power point presentation about MIDAP can be accessed via the Center for Social Development http://gwbweb.wustl.edu/csd/statepolicy/2002_IDA_Conference/MIDAP.ppt.

The Michigan IDA Partnership (MIDAP) is a public-private collaboration between the Michigan Family Independence Agency (FIA administers the state's TANF programs) and the Council of Michigan Foundations (CMF is Michigan's regional association of grantmakers). In 2000 Michigan's legislature appropriated \$5 million in TANF funds for the creation of IDAs statewide. This public support was matched by Michigan's private foundations—of which \$1 million was contributed by the Charles Stewart Mott Foundation.

MIDAP had early buy-in from legislators and the director of the Family Independence Agency. As a result FIA was able to move quickly, while funds were abundant, to establish IDAs within its TANF plan. Finally, the state's philanthropic community—through the unified voice of the Council of Michigan Foundations—provided the necessary matching funds.³⁰

MIDAP is organized so that working families can open an account and contribute earnings regularly, through any one of Michigan's 51 FIA locations. The money contributed to a family's savings account has no bearing on their TANF eligibility or five-year time limit for federal assistance. In Michigan, IDAs help people save for buying their first house, going to school, or starting a business. When a person begins to set money aside for the purchase of a house, for example, their savings are matched at the rate of three dollars for every dollar saved, up to \$3,000. That same person may later decide to save money to go back to school or start a business, at which time their separate savings are matched on a 2:1 basis, up to \$2,000.

The IDA program is available to anyone earning at or below 200 percent of the federal poverty level. This program serves both TANF and non-TANF working families, as well as households without a child.³¹ Nine hundred eighty-seven (987) active accounts existed as of January 2002. Michigan's goal is to reach 2,000 by the end of the year.

MIDAP is governed by an advisory committee comprised of representatives from each of the program's stakeholders.³² Five Regional Coordinating Organizations (RCOs) and one independent organization manage the state's 51 IDA sites. CMF is responsible for administering the funds. Each site may also apply for AFIA grants.³³ Development staff at each of the sites are receiving assistance from FIA in writing the grant proposals.

Local Efforts to Link the Earned Income Tax Credit to IDAs

Many low-income working families that want to begin saving, and are finally able to contribute monthly earnings, are challenged by their lack of knowledge about how to save or open an account. These families often encounter banks that will not provide them services. Many families fear that their bad credit histories will be revealed should they approach a bank.

Many states and communities have realized how detrimental these challenges can be to the economic success of low-income working families, and are mobilizing to link existing resources within a local community so as to provide a more encompassing approach to connecting families to the larger financial market. According to the Corporation for Enterprise Development, on average, participants in the American Dream Demonstration contribute \$25 to their IDAs, seven out of 12 months in a year. If a family's IDA is matched, for example, 2:1 then a family's annual savings would be \$525—compared to the \$175 they may have otherwise put aside in an average savings account.

A few IDA initiatives, such as the one hosted by the Community Action Project of Tulsa County (CAPTC), Oklahoma, actively recruit families receiving the EITC to deposit their refunds directly into an IDA thereby helping families leverage much bigger savings. A family could contribute the average \$25, seven out of 12 months, but also deposit their federal or state EITC refund and get an amplified return on their savings. While participating in programs such as CAPTC, families receive general financial education in

addition to asset-specific education on buying a house, writing a business plan, and making other investments.

FAMILY LOAN PROGRAMS

Initiative: Ways to Work, Inc.

Program Sites: Multiple states

Program Features:

- Average loan ranges from \$750-\$3,000
- Loans help families build their asset base, repair credit histories, and gain financial literacy skills
- Loans serve individuals earning below 80 percent of the area's median household income
- Supported by public funds, foundation grants, banks, and other funds

Informational Resources:

- The Alliance for Children and Families at <http://www.alliance1.org>.

Ways to Work, Inc., began in 1984 as a privately funded initiative of the McKnight Foundation, known then as the Family Loan Program. In its first ten years, the program existed in 12 sites throughout Minnesota. In 1996 the McKnight Foundation partnered with the Alliance for Children and Families (then Family Service America), an umbrella organization for over 350 family-serving organizations nationwide. Partnership with the Alliance was integral in facilitating the expansion of the loan program at the national level. In 1998 Ways to Work, Inc., became its own nonprofit organization and gained status as a Community Development Financial Institution. Today Ways to Work, Inc., exists in close to 50 program sites in 20 states, and continues to collaborate with the Alliance to help its members replicate the loan program.³⁴

The working poor often do not have the income or the credit history needed to qualify for loans. Ways to Work exists to provide working families earning at or below 80 percent of the area's median household income with access to funds that can prevent them from losing their shelter or their jobs, thereby alleviating interruptions in their children's school attendance. The program works to rebuild credit history for the borrowing party as well as increase financial literacy and money management skills. Loans are typically small, ranging from \$750-\$3,000, and repayment is expected within two years at only a modest interest rate.

In 18 years, Ways to Work has provided more than \$20 million in loans to more than 15,000 families. The organization is currently engaged in a ten-year expansion effort to loan \$100 million to a projected 50,000 families. The program works as a collaborative effort between Ways to Work, Inc., private funding partners such as the McKnight Foundation (and more recently Bank of America), the sponsoring Alliance member organization, the bank making the loan, and the individual borrower. The program has

received public support in the form of grants from the Departments of Labor and Transportation, as well as funding from Community Development Block Grants.³⁵

Results of a random sample evaluation conducted across 20 Ways to Work sites in 2001 reveals that, overall, borrowers' financial stability was enhanced and that participation in the Ways to Work program increased borrower involvement in commercial credit markets.³⁶

V. Ensuring Economic Momentum for Low-Income Working Families

While TANF remains the central feature of the 1996 welfare reform law, other important safety net programs must keep pace with the growing number of low-income working families in America. Unfortunately, many do not. For many low-income working families, the presence of some form of work interruption insurance program and access to food stamps and affordable health insurance often make the difference between maintaining economic momentum and falling back to welfare.

UNEMPLOYMENT INSURANCE

Policy/Innovation: Utilizing a Better Measure for Calculating Eligibility

Statewide: Rhode Island, Vermont

Policy Features:

- Employing an alternate base period allows states to count a worker's most recently completed quarter's wages
- Recognizing the half-time, minimum wage worker allows states to account for those parents working and going to school, but who do not earn enough wages to qualify for unemployment insurance
- Accounting for Part-Time Work allows states to cover the (female-dominated) part-time workforce

Information Resources:

- *Failing the Unemployed: A State by State Examination of Unemployment Insurance Systems.* Maurice Emsellem, Jessica Goldberg, Rick McHugh, Wendell Primus, Rebecca Smith, and Jeffrey Wenger, Economic Policy Institute, Center on Budget and Policy Priorities, and National Employment Law Project, March 2002. Available via the NELP website at <http://www.nelp.org/pub100.pdf>.
- The National Employment Law Project at <http://www.nelp.org>.
- The Center on Budget and Policy Priorities at <http://www.cbpp.org>.
- The Economic Policy Institute at <http://www.epinet.org>.

According to a recent state-by-state examination of the country's unemployment insurance (UI) programs, only about 43 percent of unemployed workers received unemployment insurance benefits in 2001.³⁷

Although UI is a primary safety net for unemployed workers, the report highlights how the eligibility rules for low-wage and part-time workers (two groups that may rely on UI the most during periods of unemployment) are often so restrictive that two-thirds cannot qualify for benefits. Further, UI benefits extend only to those workers who, by definition, have been "involuntarily" separated from employment. Often this means that low-income working mothers who lose their jobs as a result of child care shortcomings or who may be living in situations of domestic violence that cause them to miss work cannot receive UI benefits.

Under the current structure, states have considerable power to shape components of their UI programs. States using an “alternate base period” to determine whether a worker has met the minimum earnings requirement can account for the fact that many families transitioning off welfare are only recent entrants into the labor force by counting the most recently completed quarter’s wages. The problem with using a standard base period or the quarter with the highest earnings from a one-year base period is that the calculation does not count a recently unemployed worker’s most recent wages (those earned in either the lag quarter or filing quarter).³⁸

Often, workers who are earning the minimum wage in private employment for 20 hours a week and are enrolled in post-secondary education or training programs for the other 20 hours cannot meet earnings requirements to be eligible for UI benefits. States extending eligibility to the “half-time, minimum wage worker” can accommodate the circumstances of these workers.

Workers who choose to seek only part-time employment are also largely excluded from receiving UI benefits. Experts note the inequity in the current system where women constitute 70 percent of America’s part-time workforce, and are thereby disqualified from unemployment insurance programs. Some states have now adopted “part-time parity” policies that allow part-time workers to participate in UI programs.

According to the report, Rhode Island and Vermont are the only states to have adopted *all three* of the policies described above—arguably the most important to the eligibility of low-income working families and the most able to account for the employment circumstances of the low-income working families.

FOOD STAMPS

The Food Stamp Program (FSP) is a vital component in the support structure for low-income working families. Despite this, data show a long period of decline in food stamp participation from its peak in 1994, reaching its lowest levels in 2000, in the midst of welfare reform.³⁹ Some of this decline is attributable to the 1996 reform to eligibility rules that disqualified legal immigrants from participation in the FSP and limited food stamps for unemployed adults without young children to three months. Likely some of the decline has to do with the strength of the economy and low unemployment rates in these years.

It has also been demonstrated that much has to do with the restructuring of AFDC, as an entitlement program, to the time-limited, work requirement-based federal TANF block grant. As entitlement programs, AFDC and the FSP were inextricably linked, with state caseworkers frequently conducting integrated application processes for both programs. Due to the large caseload reduction in the TANF cash assistance program, as well as the use of diversion strategies to minimize uptake in new cash assistance caseloads, many families who would otherwise have known about food stamps may not have learned

about the program. Moreover, many families may have understood that leaving cash assistance for work meant losing eligibility for food stamps. Over half of the decline in food stamp use is due to a decline in participation by eligible families.

The 2002 Farm Bill, which added an estimated \$6.4 billion in new funds to food assistance programs over the next ten years as part of the reauthorization of the Food Stamp Program, served to re-focus states' attention on improving participation rates by introducing an array of new options for simplifying program administration and making it easier for eligible families to retain benefits. While a few states had begun to implement these on their own, last summer's federal legislation has prompted many more to follow suit.

Policy/Innovation: New State Options in the Food Stamp Program

Statewide: Multiple States

Policy Options:

- **Semi-Annual or Simplified Reporting:** Allows states to provide households with six months of continuous eligibility at constant benefit level (requires families to check-in only if income rises above the program's gross income limit)
- **Transitional Benefit Alternative:** Recent changes in law, under the 2002 Farm Bill, allow states to maintain food stamps for low-income working families that leave TANF for up to five months (previously three months) without additional paperwork requirements
- **Vehicle Asset Rule:** States may now use in the Food Stamp Program the method for valuing vehicles that they use in their TANF program thereby allowing families to own more reliable cars

Information Resources:

- *Implementing New Changes to the Food Stamp Program: A Provision by Provision Analysis of the Farm Bill*, Center on Budget and Policy Priorities, January 2003. Available online at <http://www.cbpp.org/8-27-02fa.htm>.
- The Food Research and Action Center at <http://www.frac.org>.

Perhaps the single greatest improvement to the Food Stamp Program is the effort to simplify reporting requirements. States no longer have to monitor household income levels and benefit allowances on a monthly basis, rather only once every six months. By moving to semi-annual reporting, states are able to reduce the burden on both their staff and on working families to produce and track this information. In this time of fiscal constraints, the semi-annual reporting option provides states with a tool for producing administrative cost savings. To date, 30 states have implemented this option, and at least ten more plan to do so soon.

The transitional benefit alternative (TBA) option allows state TANF agencies to facilitate a family's access to food stamps as they leave welfare by automatically providing up to five months of food stamps at a frozen benefit level without requiring any additional paperwork. Prior to the new federal guidelines, New York was the first state to extend this option to families leaving welfare.⁴⁰

However, many states have recognized the supportive value of this policy for working families. Twenty-seven of the 50 states interviewed by the General Accounting Office regarding the transitional benefit option stated they would consider adopting it.⁴¹ The hesitation on the part of many states in following New York's lead was probably largely attributable to a reluctance to institute policy that was likely to change according to the 2002 reauthorization of the Food Stamp Program (which now extends the TBA for up to five months). Today Arizona, Massachusetts, Maryland, and Pennsylvania have joined New York in implementing the transitional benefit option, and a handful of other states are poised to do so.

Generally speaking, to be eligible for the FSP household gross income may not exceed 130 percent of the federal poverty level (\$23,530 for a family of four). Eligibility also hinges on the value of certain assets a family has acquired. A family's assets may not exceed \$2,000. Further, a family may own a car, but if the market value of that car exceeds \$4,650, the amount in excess will count toward calculations of the family's assets. As noted above, such asset rules may make it more difficult for low-income working families to own a reliable vehicle to get to work or to participate in wealth-building programs such as IDAs.

States have begun to take advantage of several options in federal law that grant expanded flexibility to states in determining food stamp eligibility for working families. Despite the 1996 reforms, which created the time-limited, work requirement-based TANF block grants to the states, food stamp eligibility is still automatic in cases where a family receives TANF cash assistance. All but seven states and the District of Columbia have subsequently expanded their policies toward categorical eligibility (Cat-El) so that households benefiting from *any* TANF or MOE-funded *service*, not just cash assistance, are also categorically eligible for food stamps.⁴²

Another way states can increase families' access to food stamps is to replace the restrictive federal food stamp vehicle asset rule, mentioned above, with a vehicle asset rule from *any* TANF assistance program, so long as the alignment offers a more liberal eligibility requirement. For example, states such as Indiana, Massachusetts, New Mexico, Wisconsin, and West Virginia have aligned their vehicle assets rules to that of

Policy/Innovation: Using Online Benefit Calculators to Promote Food Stamp Outreach

Statewide: Multiple States

Program Features:

- Strategies include: toll-free helplines, printing educational resources in multiple languages, extending office hours and staffing off-site locations, and creating online food stamp calculators

Information Resources:

- FRAC's Food Stamp Outreach Research Center provides more information on national outreach initiatives. Online at <http://www.frac.org/html/news/fsoutreachcenter.htm>.
- Examples of online calculators are accessible via the following websites:
In California: <http://www.foodstampsonline.org/>.
In Massachusetts: <http://www.gettingfoodstamps.org/>.
In Michigan: <http://www.foodstamphelp.org/>.
- Links to information about the USDA's Food and Nutrition Service competitive grants for improving access to food stamps through the use of new technology and partnerships: http://www.fns.usda.gov/fsp/GRANTS/2002/research_grants.htm, and 2001 grantees <http://www.fns.usda.gov/fsp/GRANTS/GranteesforOutreach.pdf>.

their TANF child care programs, which exclude all vehicles when calculating assets.⁴³ In all, 41 states have taken steps to ease their vehicle asset rules.

The money states commit for food stamp outreach initiatives is matched dollar for dollar by the federal government. For some states, the match has prompted innovative outreach efforts to reconnect eligible low-income working families that are not currently participating in various food stamp programs.

Under the Food Stamp Act (an amendment to the 1996 Farm Bill incorporated in the 1996 welfare reform law), up to \$5 million annually is authorized to award competitive grants to states conducting outreach campaigns to improve families' access to the Food Stamp Program.

Common outreach strategies include toll-free helplines, publishing informational resources in various languages and media, extending office hours to accommodate parents' work schedules, and stationing eligibility workers at community nonprofits. In addition to these strategies, food stamp education and enrollment campaigns such as those conducted in California, Florida, Massachusetts, and Michigan now promote the use of online benefit calculators with which families can easily determine whether they may be eligible for the program and estimate the amount of their monthly stipend.

There are many reasons why participation in the Food Stamp Program has declined despite increased food and nutritional insecurity. Research suggests that one contributing factor is the belief, on the part of many eligible families, that the perceived value of the food stamp benefit is not worth the administrative hassle associated with obtaining food stamps.⁴⁴ Easy access to an online calculator would readily demonstrate the value of the benefit to these families (about \$185 per household, according to USDA monthly estimates for 2002).

HEALTH INSURANCE

Low-income working families are often said to be “on the edge” in that they are one crisis away from falling back to welfare. Work supports and safety net programs exist so that the efforts of low-income working families are not compromised when, for instance, a family member's health deteriorates and medical bills drain any family savings or propel the family into serious debt. A similar scenario develops when a parent's illness causes them to lose their job, forcing the family to turn or return to cash assistance. In this respect, access to health insurance is a critical component in ensuring economic momentum for low-income working families.

In a recently released data update on health coverage figures from 2000, the Kaiser Commission on the Future of Medicaid and the Uninsured reports that 38 million Americans under the age of 65 went uninsured in 2000. Nearly three-fourths of the uninsured come from households with at least one full-time worker. Though the Kaiser

Commission reports some good news about reduced rates of uninsured children from near-poor families (households with incomes between 100-199 percent of the federal poverty level), participation continues to fall short of eligibility in light of expanded Medicaid and SCHIP programs for children.⁴⁵

While recent expansions in Medicaid and SCHIP programs have increased eligibility limits for children—in many cases where family income is at 200 percent of the federal poverty level or higher—too many eligible children continue to go uninsured. In many states, the working parents of children eligible for Medicaid or SCHIP do not, themselves, meet eligibility requirements for publicly supported health insurance programs. Evidence suggests that low child participation rates could be improved if parents' coverage were linked to that of their children, and if the application procedure for both parent and child were simplified into one process.⁴⁶

Though low-income working parents may have access to employer-based coverage, many simply cannot afford premiums or out-of-pocket expenses. For many families, leaving welfare for work translates not only to losing access to health care for oneself, but also subsequently, as data suggest, foregoing coverage for one's children.

Since the enactment of welfare reform in 1996, states have had access to a number of federal options that aim to restore, preserve, or increase publicly funded health care for working parents and their families.

While numerous states have acted on these options, a few states stand out because of the level at which they have extended coverage to working families. Under Medicaid Section 1115 waivers, Massachusetts and New York have extended coverage to parents up to 150 percent of poverty guidelines, Wisconsin up to 185 percent, and Minnesota covers parents earning up to 275 percent of poverty.

Under SCHIP demonstration programs, Minnesota and New Jersey have expanded health coverage to the parents of eligible children between 100-200 percent of federal poverty guidelines, as have Rhode Island and Wisconsin, for eligible families between 100-185 percent of poverty guidelines.

Washington uses state funds to assist uninsured parents earning up to 200 percent of poverty in obtaining health insurance.

Policy/Innovation: Basic Health and Basic Health *Plus*

Statewide: Washington

Program Features:

- Low-cost, high-coverage health insurance for families earning up to 200 percent of federal poverty guidelines
- Families, employers, and public funds contribute to membership costs
- Families choose from any of nine private health plans in the state

Information Resources:

- For information on Basic Health and Basic Health *Plus*, visit Washington's Health Care Authority at <http://www.wa.gov/hca/basichealth/understanding.htm>, or The Department of Social and Human Services at <http://www.wa.gov/dshs/indetail/index.html>.
- <http://www.statecoverage.org>.

The Washington Basic Health Plan provides low-income residents, who are not eligible for Medicaid, with access to affordable health insurance. Washington uses state funds to subsidize the membership of families earning up to 200 percent of the federal poverty level, or about \$30,000 for a family of three. The first of its kind in the country, Basic Health began as a pilot program in 1988, covering 4,000 low-income residents in two counties, as an effort to provide a seamless system for coordinating eligibility and benefit coverage for both Basic Health and Medicaid enrollees. Basic Health became a state-level program in 1993, and has since expanded to serve over 120,000 subsidized members.

Individual enrollees can select from any of nine private health plans in the state and can pay as little as \$10 per month. There are no deductibles. Provider groups, Native-American tribes, and employers can also elect to sponsor eligible persons. Employers can choose to pay all or part of their employees' premiums. However, they must pay a minimum of \$45 per month for each full-time employee and \$25 per month for each part-time employee.⁴⁷ Many immigrants, who would otherwise be ineligible for TANF programs, receive health insurance under the Basic Health Plan due to the option allowing service provider groups and employers to pay the subsidized cost of the premiums for their clients.

Washington utilizes federal and state Medicaid funds as well as revenue from Initiative 773 (effective January 2002, which increased the tax on cigarettes) to subsidize the premiums of lower-income families. Premiums are based on family size, income level, age, and the type of health plan selected.

As of 1994, children in low-income households became eligible for Medicaid-sponsored health coverage under a separate program called Basic Health *Plus*. Basic Health *Plus* covers everything provided under Basic Health plus dental care, vision, and physical therapy.

Policy/Innovation: Health Advantage

County: Marion County, Indiana

Program Features:

- Reduces low-income, uninsured individuals' reliance on emergency rooms by implementing a managed care program that grants access to doctors and services, and improves health outcomes for the uninsured
- Provided free for those earning less than 150 percent of federal poverty guidelines and based on a sliding scale for those earning between 150-200 percent of federal poverty guidelines
- Annual program budget of \$56 million is supported by Disproportionate Share Hospital funds and city and county property taxes

Information Resources:

- The New York Academy of Medicine's report on 20 organized health care initiatives for the uninsured. Dennis Andrulis and Michael Gusmano, *Community Initiatives for the Uninsured: How Far Can Innovative Partnerships Take Us?*, The New York Academy of Medicine, August 2000. Available via the RWJF website: <http://www.rwjf.org/publications/publicationsPdfs/community-init.pdf>
- Publications from the Community Tracking Study, conducted by the Center for Studying Health System Change. Available online at <http://www.hschange.org>.

Health Advantage is a managed care program for uninsured, low-income individuals living in Marion County, Indiana. The local Health and Hospital Corporation created Health Advantage in an effort to curb the overuse of emergency rooms as primary care facilities, and, more broadly, to increase the ability of the public hospital system to provide high-quality, cost-effective medical care. As one example, among a growing initiative to address deficiencies in the health care safety net for the uninsured, Health Advantage presents a solid model for providing comprehensive medical care within a fully integrated system of providers.

All Marion County residents earning at or below 200 percent of federal poverty guidelines are eligible for the program. Individuals earning between 150 and 200 percent of poverty pay a small fee based on a sliding scale, and membership is provided at no cost to those below 150 percent of poverty. All enrollees receive a membership card, and may choose a primary care provider from any of the six networks within the county. Members are also ensured coverage for prescription drugs, as well as in-patient and specialty care from either of the two participating public hospitals. Support for Health Advantage comes from city and county property tax revenue and close to \$20 million in Disproportionate Share Hospital funds.

Membership has grown from 7,000, when the program began in 1997, to well over 20,000 members today. Enrollment is facilitated by formal partnerships with WIC (Women, Infant, and Children's program) offices and with the Public Housing Authority. Each partner uses a common enrollment process and application, and applicants have the option of mailing or faxing their applications. The Health and Hospital Corporation has also provided media for presentations given at various community-based organizations, employer locations, and churches. The renewal process has been eased by extending eligibility from six months to one year.

Since the implementation of Health Advantage, Marion County public hospitals have witnessed a 30 percent reduction in the use of emergency rooms. The number of primary care provider networks has grown, and more attention has been focused on preventive care and the role of safety net providers in addressing community-wide health issues.

VI. Healthy Family Development

Promoting marriage, reducing out-of-wedlock births, and encouraging the formation and maintenance of two-parent families were explicit goals of the 1996 welfare reform law. Since 1996, important legislation has taken place, at the state level, to remove stricter TANF eligibility rules for two-parent families that often serve to discourage marriage between cohabiting couples with children. However, while PRWORA allowed states to use welfare funds to support programming in the areas of marriage and family formation, only a handful of states actually implemented state-level programs. For the most part, these programs exist at the local level, and have largely not been rigorously tested to the extent that other TANF-funded programs have.

Social science research has, however, clearly shown that children do better in healthy two-parent households. Experts have witnessed a paradigm shift in the way society and marriage professionals view marriage and divorce. The emphasis has shifted away from using therapy as the solution, toward a more preventative approach, focused on marriage education for couples. Many employers—realizing the detriment to business when marriages are strained—have begun to design better policies toward leave-time and flexible hours for working parents.

The following examples illustrate promising models for both marriage and fatherhood programs, as they engage multiple sectors and a diversity of leadership. Evaluation and outcome measurement already under way will test various programs' abilities to help fathers retain higher-paying jobs and contribute to their children's well-being, as well as the effect of education on promoting healthy family formation, increasing the incidence of marriage, and reducing divorce rates. These results are critical to the development of effective family formation programs.

PROMOTING RESPONSIBLE FATHERHOOD

Policy/Innovation: Fathers and Families Resource/Research Center, Inc.

County: Marion County, Indiana

Program Features:

- Works with noncustodial fathers to increase paternity establishment and child support enforcement, improve family relationships, recognize and treat substance abuse, and promote job placement, retention, and advancement
- Participation open to all interested fathers
- Average cost per father is \$1,500
- Program is supported by multiple public funding streams and foundation grants
- Promotes collaboration among nonprofit agencies, the hospitals, and the courts

Informational Resources:

- Preliminary information about the program is available on the Department of Health and Human Services' Fatherhood Initiative website at <http://fatherhood.hhs.gov/evaluaby/intro.htm#Top>.

Fathers and Families was founded in the early 1990s in response to the fact that social workers in Indianapolis hospitals were witnessing a large number of children being born to single mothers. Though men were often present for these births, records rarely reflected fathers' names or any established paternity. In the past eight years, the center has built on its original work in Wishard Hospital's maternity ward, to include educational and employment assistance for fathers. Last month, the center implemented a marriage initiative, which draws on aspects of the national Prepare-Enrich program.⁴⁸

The cornerstone of Fathers and Families' work is their Father Resource Program (FRP). FRP is a five-week program for new fathers. FRP consists of informational classes on varied subjects such as substance abuse, child support, health insurance, and obtaining education, training, and employment. Additionally, FRP conducts what they refer to as "class interventions," where fathers are tested for drug use and paternity, and where the incidence of enrollment in Wishard Hospital's Health Advantage program (a free health insurance program for participating fathers), education, and training programs, as well as the rate of employment for these fathers is measured. For the past three years, the center has partnered with the Marion County prosecutor's office to conduct the Partners for Fragile Families demonstration to measure the outcomes of FRP on the rate of paternity establishment, child support payments, and visitation agreements.

FRP closes the five weeks by assisting fathers with job placement and preparation, or helps them to enroll in vocational education programs, post-secondary education, and apply and prepare for taking the GED. Fathers maintain ongoing participation in the center's "Saturday Afternoon Job Club." Whereas evaluation shows that most men enter the program unemployed, the typical participant goes on to earn between \$7 and \$13 an hour.

Fathers and Families is supported by both public funds (TANF, MOE, City of Indianapolis, Wishard Hospital, Department of Labor, etc.) and a grant from the Lilly Endowment.

Model: Boot Camp for New Dads

Areas Served: Program exists in 150 communities in 38 states

Program Features:

- Uses a mentoring strategy between recent and veteran dads to educate and orient new fathers to their new responsibilities
- Provides a programmatic framework from which local communities can build their own program, tailored to the needs of its fathers
- Can be located within a hospital, a neighborhood center, a community college, etc., and draws from multiple funding sources

Informational Resources:

- The Boot Camp for New Dads program at <http://www.bcnd.org>.
- The Illinois Fatherhood Initiative at <http://www.4fathers.org>.

Boot Camp for New Dads began in California in 1990 as an informal mentoring network of experienced dads imparting fatherhood knowledge and skills to apprehensive new dads. Today the program operates in 150 communities in 38 states, and has served over 50,000 fathers.

While the basic goal of Boot Camp—to help men build confidence in their new roles as fathers by educating them about their child’s safety and fostering sensitivity toward the needs of the mother—underlies every site’s strategy for working with new fathers, local Boot Camps such as the program housed within St. Joseph’s Hospital in Denver have the opportunity to tailor services to the specific needs of fathers in their communities.

Denver’s partnership with the area’s hospital is a common feature of many of the national Boot Camp programs. Boot Camp administrators in Denver have found that their access to mothers on St. Joseph’s maternity ward has allowed them to reach out to fathers who were not already participating in the pregnancy, and encourage them to attend workshops *before* the birth of their child.

Enrollment in Denver’s Boot Camp program is free for all Medicaid-eligible families. Participating fathers receive coupons with which they may purchase infant care goods from the hospital’s Baby Boutique. Whereas five years ago, when the program began, none of the fathers in this target group were participating in the program, this year over 150 new fathers participated (close to 50 percent of fathers with Medicaid-eligible children born in St. Joseph’s) and about one-third of them return as volunteer mentors.⁴⁹

States such as Delaware, Florida, and Illinois have begun implementing Boot Camp for New Dads on statewide basis. The successful state-level implementation of Boot Camp in Illinois can be attributed to the work of the Illinois Fatherhood Initiative.

Founded in 1997, the Illinois Fatherhood Initiative strives to end father absence and foster stronger connections between fathers and their children. The Fatherhood Initiative focuses its work in four, primary program areas: education, health, workplace, and the Illinois Fathers’ Resource Network. Boot Camp fits neatly within the organization’s health program area, and was adopted, statewide, as a strategy for working with new fathers in 1999. Since then, funding for the Fatherhood Initiative has been supported, in part, by funds from the community health and TANF programs within the Illinois Department of Human Services.

The Illinois Fatherhood Initiative engages new fathers through its partnerships with local WIC (Women, Infants, and Children program) offices, health clinics, and educational and workforce development centers, and encourages their participation in the Boot Camp program. The organization is currently working with Chicago-based universities to implement a research component to Illinois’s Boot Camp programs. The Fatherhood Initiative is also working with El Valor, a Chicago-based nonprofit, to develop a Hispanic-centered approach to Boot Camp for the community of Latino fathers.

PROMOTING HEALTHY MARRIAGES

Policy/Innovation: First Things First

City: Chattanooga, Tennessee

Program Features:

- Conducts surveys and research to gain perspective on residents' attitudes toward marriage, divorce, sex, and abstinence
- Convenes national experts in Chattanooga to educate and train local service providers in areas of marriage education, etc.
- Relies on local agencies to educate and reach out to their constituencies
- Measures changes in local sentiment and perception toward the issues and the declining rate of divorce and out-of-wedlock births
- Funded by private charitable donations and grants
- Serves all who are interested

Information Resources:

- <http://www.smartmarriages.com>
- <http://www.firstthings.org>

Founded in 1997, First Things First (FTF) is a community-based initiative to strengthen two-parent families and reduce out-of-wedlock births through education, collaboration, and mobilization. In 1996 community leaders responded to the fact that while the area's physical landscape was improving, the health of Chattanooga's families was deteriorating. The area's divorce rate was 50 percent higher than the national average, and Chattanooga had the fifth highest unwed birth rate out of 128 cities in the nation. Further, father involvement in these families was lacking.⁵⁰

FTF conducted a number of surveys to capture an understanding of both teen and adult attitudes and behaviors toward things like marriage and divorce, abstinence and sex. FTF's strategy is to use credible research in educating the public and building broad-based support for reducing the incidence of divorce and out-of-wedlock pregnancy, improving relationships between married couples, and increasing fathers' involvement with their children.

The key to FTF's approach is collaboration and mobilization. FTF serves as an information and referral network, convening experts from national organizations and leaders from Chattanooga's service agencies for training seminars. These professionals take training back to their own organizations, thereby expanding the breadth of the educational and health-oriented goals of FTF.

In the five years since First Things First was founded, Chattanooga's divorce rate has dropped nearly 17 percent and out-of-wedlock pregnancy has decreased by 6 percent.

Policy/Innovation: Oklahoma Marriage Initiative

Statewide: Oklahoma

Program Features:

- Allocated \$10 million in surplus TANF funds to support the initiative
- Established the Oklahoma Marriage Covenant and engages clergy across the state to educate their parishioners about marriage prior to marrying
- Relies on the input of experts across sectors, including leaders in government, high schools and universities, the media, nonprofits and charitable foundations, and the legal system

Information Resources:

- <http://www.okmarriage.org> (The Bureau for Social Research's report on the *Baseline Statewide Survey on Marriage and Divorce* can also be accessed via this website.)

In response to the fact that Oklahoma has one of the highest divorce rates in the country and is one among many states with high out-of-wedlock birth rates, Governor Keating, in his 1999 State of the State address, provided the vision for what has become the country's first statewide marriage initiative.⁵¹ Citing social science research—which finds that children are better off in strong, loving, two-parent families—the governor embarked on a campaign to strengthen marriages and reduce the state's divorce rate by one-third by 2010.

Oklahoma has allocated \$10 million in surplus TANF funds to support its statewide Marriage Initiative. The governor enlisted the help of Public Strategies, Inc.—a public relations firm—to coordinate the initiative. The strength of the initiative rests in its multisector approach and early engagement of leaders in government, high schools, universities, the media, nonprofits, and charitable foundations.

In collaboration with places of worship statewide, Oklahoma established the Community Marriage Covenant in 2000. Clergy across Oklahoma are signing on and promising to provide a minimum standard of marriage preparation for their parishioners.

Because the focus of the Oklahoma Marriage Initiative is education, the governor felt research should first be conducted to gain an understanding of Oklahomans' beliefs and experiences related to marriage, divorce, and relationships. Oklahoma State University's Bureau for Social Research is charged with conducting this research effort and has recently published results from their baseline survey. Ninety-three percent of Oklahomans think divorce is a serious national problem. Eighty-five percent of the public favor a statewide initiative to promote marriage and reduce divorce. Sixty-six percent of those married or romantically involved say they would consider strengthening their relationships with relationship education. The survey also attempts to capture the behaviors and attitudes of low-income persons toward marriage.⁵² Baseline data reveal that 40 percent of low-income Oklahomans (as compared to 23 percent of non-low-income Oklahomans) do not subscribe to the notion that people who have children together have to be married.⁵³

VII. Conclusion

While the strategies highlighted in this report have not yet been thoroughly evaluated or proven successful for *all* families, they have undoubtedly helped many to secure steady employment and find affordable, high-quality child care and health insurance. When combined, these policies and programs have the potential to provide a crucial support network for families leaving welfare for today's unstable labor market by ensuring families' access to unemployment insurance and food stamps. States that develop policies, which provide wage supplements to low-income working families by "stopping the clock" or disregarding a certain percentage of earned income when calculating TANF benefits, are reducing the cliff effect many families face when leaving welfare. State and local governments that support refundable earned income tax credits for low-income families are demonstrating that work, in fact, does pay. Finally, these strategies can help families permanently leave welfare by connecting to mainstream financial markets and by building assets.

These strategies have been recognized as promising by a wide variety of experts in the field of welfare reform, including state and local policymakers and human services administrators, academics, advocates, and low-income working families. Information about the policies and programs highlighted in this report comes from the author's interviews with executive directors charged with implementing these programs and national policy analysts, and, where available, draws from the findings of public policy research institutions. In all areas, the author has made an effort to refer readers to a broader directory of resources in the hope that they will build upon the great efforts already under way.

The Annie E. Casey Foundation is dedicated to building better futures for disadvantaged children and their families. The Foundation offers the collection of policies and programs presented in this report as a sample of the good work being done across the country in support of low-income working families. The Foundation recognizes that this entire area is a work in progress, and will require attention and dedication beyond this year's congressional debate over TANF reauthorization.

ENDNOTES

¹ Typically states will choose to transfer an amount such as 20 percent of TANF funds to the CCDF so that they may also transfer the remaining 10 percent to the Social Services Block Grant.

² Information comes from: Jennifer Mezey, Rachel Schumacher, Mark H. Greenberg, Joan Lombardi, and John Hutchins, *Unfinished Agenda: Child Care for Low-Income Families Since 1996, Implications for Federal and State Policy*, Center for Law and Social Policy, March 2002. Available online at http://www.clasp.org/pubs/childcare/child_care.htm. Illinois is one of many states to transfer a significant portion (20 percent or more) of TANF funds to the CCDF. For a listing of other “high transfer” states, see Rachel Schumacher, Mark Greenberg, and Janellen Duffy: *The Impact of TANF Funding on State Child Care Subsidy Programs*, Center for Law and Social Policy, September 2001. Available online at <http://www.clasp.org/pubs/childcare/TANFChildCareFullReport.pdf>.

³ Rhode Island, Vermont, and Wisconsin are examples of other states committed to “guaranteeing” child care assistance to all eligible families.

⁴ At last count, the states implementing the T.E.A.C.H. model were: AL, CO, FL, GA, HI, ID, IL, IN, KS, MI, MN, MO, NE, NY, NC, OK, PA, SC, VA, WA, and WI. Danielle Ewen, Helen Blank, Katherine Hart, and Karen Schulman, *State Developments in Child Care, Early Education and School-Age Care, 2001*, Children’s Defense Fund, April 2002. Updates provided by Edith Locke, T.E.A.C.H. Early Childhood ® Project, January 2003.

⁵ Information about Montana’s AHIC was provided in a telephone interview with Kate Kahan, Executive Director, WEEL, June 5, 2002.

⁶ While families may care for their other young children during these 12 months, they only receive reimbursement for the at-home provision for their newborn.

⁷ Information about the program evaluation conducted by the Early Childhood Services Bureau of Montana’s Department of Health and Human Services provided by Mary Caferro, WEEL, January 2003.

⁸ Information about Kansas’s support for licensed family child care providers was provided in telephone interviews with Joan Lombardi, Director, Better Baby Care, and Mary Weathers, Program Manager, Kansas Social and Rehabilitative Services, April 2002.

⁹ Kansas’s EHS allows no more than eight children to a group, and mandates a 1:4 caretaker-child ratio.

¹⁰ For more information about TEA-21, visit the Department of Transportation’s Federal Transit Administration’s website at <http://www.fta.dot.gov/wtw/>. For background information on the Job Access and Reverse Commute (JARC) program and the subject of employment transportation, more broadly, visit the Community Transportation Association of America’s website at <http://www.ctaa.org/NTRC/ATJ/JARC>.

¹¹ For more information regarding reauthorization of this federal transportation law, the Center on Urban and Metropolitan Policy at the Brookings Institution is preparing to release their 2003 series of discussion papers and policy briefs at <http://www.brookings.edu/es/urban/issues/transportation/policybriefseries.htm>.

¹² For a thorough discussion of these issues, see Heidi Goldberg, *State and County Supported Car Ownership Programs Can Help Low-Income Families Secure and Keep Jobs*, Center on Budget and Policy Priorities, November 2001. Available online at <http://www.cbpp.org/11-8-01wel.htm>.

¹³ Ibid, p. 8.

¹⁴ In addition to sources already cited, information about program implementation was provided during a telephone interview with Betty Tiesley, Director of the Family Assistance Division, Tennessee Department of Human Services, April 8, 2002.

¹⁵ Testimony of Natasha Metcalf, Commissioner, Tennessee Department of Human Services, before the U.S. Senate Finance Committee, April 26, 2002. Available online at <http://finance.senate.gov>.

¹⁶ The program was originally financed by TANF and welfare-to-work funds and supported by grants from the Annie E. Casey Foundation and the Pew Charitable Trusts. Information about the program was provided in a telephone interview with Faith Williams, Vice President for Community Affairs and Special Projects, Philadelphia Transitional Work Corporation, Inc., April 9, 2002. (In addition to the sources listed in the text box.)

¹⁷ Funding for this program did not require new resources or an appropriation from the legislature.

¹⁸ The Manpower Demonstration Research Corporation has been awarded funding by HHS to conduct experimental research and publish findings on the Employment Retention and Advancement outcomes of 15 demonstration projects operating in nine states. One of these, the Achieve Program, is highlighted in this report. For more information on the Employment Retention and Advancement (ERA) project, visit <http://www.mdrc.org/WorkingPoor/ERA.htm>.

¹⁹ Information about the Achieve program was provided in a telephone interview with Kristin Baysinger, Director of Job Retention, Towards Employment, June 7, 2002.

²⁰ Information about the Las Vegas High Road Partnership was provided in a telephone interview with Pat Reilly, Director of Communications, AFL-CIO Working for America Institute, July 17, 2002. Additional information can be found in Working for America Institute's publication: *Helping Low-Wage Workers Succeed Through Innovative Union Partnerships: Lessons Learned from High Road Strategies in Philadelphia, Las Vegas, Milwaukee and Seattle*, April 2002.

²¹ Definitions for "exemptions" and "extensions" used here have been defined as such according to the State Policy Documentation Project, online at <http://www.spdp.org>. For further investigation of state policies toward cash assistance time limits, helpful sources include: Liz Schott, *Ways that States Can Serve Families that Reach Welfare Time Limits*, Center on Budget and Policy Priorities, June 2002, online at <http://www.cbpp.org/6-21-00wel.pdf>; SPDP exemptions and extensions charts, online at <http://www.spdp.org/tanf/timelimit.htm>; and the Welfare Information Network's website at <http://www.welfareinfo.org>.

²² SPDP charts on states' time limit exemption policies available online at <http://www.spdp.org/tanf/timelimit.htm>.

²³ Information on Illinois's policy was provided during telephone interviews with Dave Gruenendfelder, Manager, Program Evaluation, Bureau of Program Design and Evaluation, Illinois Department of Human Services, and John Bouman, Deputy Director for Advocacy, National Center on Poverty Law, April 2002.

²⁴ Information about New Jersey's Supplemental Work Support program was provided in a telephone interview with Barbara DeGraaf, Assistant Director for County Operations, New Jersey Division of Family Development, April 16, 2002.

²⁵ According to a report put forth by the Center on Budget and Policy Priorities, 16 states and the District of Columbia have adopted some form of the EITC. Sixteen model theirs after the federal policy (CO, D.C., IL, IN*, IA, KS, ME, MD, MA, NJ, NY, OK, OR, RI, VT, and WI). Minnesota has adopted a rule that differs only slightly from the federal EITC. Nicolas Johnson, *A Hand Up: How State Earned Income Tax Credits Help Working Families Escape Poverty in 2001*, Center on Budget and Policy Priorities, Revised December 2001. Available online at <http://www.cbpp.org/12-27-01sfp.pdf>.

*Indiana amended their EITC policy after the publication of the above CBPP report. Indiana's EITC is now set at 6 percent of the federal credit.

²⁶ Ray Boshara, Editor, *Building Assets: A Report on the Asset-Development and IDA Field*, Corporation for Enterprise Development, December 2001, p.4.052. The report notes that this figure was derived from the Corporation for Enterprise Development's IDA program registry and knowledge of IDA programs nationwide. For more information on IDAs, see <http://www.idanetwork.org>.

²⁷ *Ibid.*, p.6.088. Report also notes that all but AL, ND, and WY have implemented either statewide or community-based IDA programs.

²⁸ *Ibid.*, p.6.084.

²⁹ The Corporation for Enterprise Development reports other federally funded IDA demonstrations are being conducted by the Office of Refugee Resettlement and the First Nations Development Institute.

³⁰ Information about MIDAP was provided in a telephone interview with Shirley Nowakowski, Director, Family and Community Services, Michigan Family Independence Agency, April 11, 2002, and Eric Muschler, Director, MIDAP, July 22, 2002.

³¹ Accounts of households without children are matched by private (CMF) funds only.

³² Program stakeholders include agencies such as CMF, FIA, Michigan's community colleges, Michigan State University and its affiliate Community Development Credit Unions, the Community Action Agency Association, various financial institutions, the state's Housing Authority, and IDA practitioners.

³³ To date, AFIA grants in Michigan total \$1.4 million.

³⁴ Information about the program was provided in a telephone interview and e-mail correspondence with Marsha Duffek, Alliance for Children and Families, Program Resource Coordinator for Ways to Work,

April 2002. Program sites are located in the following states: AL, CA, CO, CT, FL, HI, IL, IN, LA, MN, MO, NV, NJ, NY, NC, OH, PA, TX, VA, and WI.

³⁵ Program funding by category: 45.1 percent state/federal, 33.1 percent foundation, 8.0 percent banks, 7.2 percent member agency, and 6.6 percent other private.

³⁶ Thomas E. Lengyel, *Ways to Work Outcome Evaluation*, Alliance for Children and Families, Summer, 2001, p. 3.

³⁷ Information on the unemployment insurance program comes from Maurice Emsellem, Jessica Goldberg, Rick McHugh, Wendell Primus, Rebecca Smith, and Jeffrey Wenger, *Failing the Unemployed: A State by State Examination of Unemployment Insurance Systems*, Economic Policy Institute, Center on Budget and Policy Priorities, and National Employment Law Project, March 2002.

³⁸ *Ibid.* Currently only ME, MA, MI, NH, NJ, NY, NC, OH, RI, VT, WA, and WI use the Alternate Base Period when calculating workers' eligibility.

³⁹ Daniel Tenny, *Food Stamp Caseloads Are Rising*, Center on Budget and Policy Priorities, Revised April 9, 2002. Also: Louise Hayes, *Food Stamps for Working Families: Issues and Options*, Food Research and Action Center, Revised April 2002.

⁴⁰ USDA, *Food Stamp Program: State Options Report*, April 4, 2002. Available online at <http://www.fns.usda.gov/fsp/MENU/ADMIN/CERTIFICATION/SUPPORT/StateOptionTable.pdf>.

⁴¹ U.S. General Accounting Office, *Food Stamp Program: States' Use of Options and Waivers to Improve Program Administration and Promote Access*, GAO-02-409, February 2002, p. 3. Available online at <http://www.gao.gov>.

⁴² States that have not expanded Cat-EI are: AL, DC, IA, IL, PA, RI, TX, and VA. USDA, p. 9.

⁴³ The following states have not acted on this option as of April 2002: CA*, GA*, IA, MN*, MS, MT (already has a waiver excluding one vehicle per household), NE*, RI*, TN, VA, and WA*. (*Indicates the state is considering a change in policy.) USDA, p. 7.

⁴⁴ The following report imparts useful information on the patterns of welfare leavers' participation in the Food Stamp Program. Cynthia Miller, Cindy Redcross, and Christian Henrichson, *Food Stamp Use Among Former Welfare Recipients*, Manpower Demonstration Research Corporation, February 2002. Available online at http://www.mdrc.org/Reports2002/USDA_WorkingPaper/USDA_MillerWrkingPaper.pdf.

⁴⁵ Catherine Hoffman and Mary Beth Pohl, *Health Insurance Coverage in America: 2000 Data Update*, Kaiser Commission on Medicaid and the Uninsured and the Urban Institute, February 2002. Available online at <http://www.kff.org/content/2002/4007/4007.pdf>.

⁴⁶ Leighton Ku and Matthew Broaddus, *The Importance of Family-Based Insurance Expansions: New Research Findings About State Health Reforms*, Center on Budget and Policy Priorities, September 2000. Available online at <http://www.cbpp.org/9-5-00health.htm>.

⁴⁷ States considering this program should work to eliminate the incentive for employers to encourage their employees to enroll as individuals rather than through employer-based sponsorship.

⁴⁸ Information about this program was provided in a telephone interview with David Hampton, Director of Marketing and Community Relations, Fathers and Families Resources and Research Center, Inc., May 30, 2002.

⁴⁹ Information about St. Joseph's Boot Camp for New Dads was provided in a telephone interview with Chuck Ault, Director, July 16, 2002. Additional information can be obtained online at <http://www.newdads.org>.

⁵⁰ Information about this program was provided in a telephone interview with Julie Baumgardner, Executive Director, First Things First, May 31, 2002. Additional information can be obtained online at <http://www.firstthings.org>.

⁵¹ Other states such as AZ, FL, LA, MI, and UT have developed government-led initiatives. However, they operate at a much smaller scale.

⁵² The Bureau for Social Research defines low-income individuals as persons participating in any of the following programs: Food Stamp Program; Medicaid; TANF.

⁵³ Information comes from Christine A. Johnson, Ph.D., et al., *Marriage in Oklahoma: 2001 Baseline Statewide Survey on Marriage and Divorce*, Oklahoma State University Bureau for Social Research, July 2002. Available online at http://www.okmarriage.org/pdf/survey_report.pdf.