

CASELOAD EXITS AT THE LOCAL LEVEL  
*OCTOBER 2010 THROUGH SEPTEMBER 2011*

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## EXECUTIVE SUMMARY

Maryland has long used empirical research to assist policymakers and program managers in understanding cash assistance caseloads, and such information is especially useful in the reality of today's post-recession era. Since welfare reform, more than 15 years ago, Maryland has had ongoing, longitudinal research monitoring welfare reform outcomes. We have one of the largest and most comprehensive state-level research programs that examine welfare outcomes, putting us in a unique position to better serve our families who receive cash assistance. This series, *Caseload Exits at the Local Level*, has been updated annually since 1996 and reviews case closures at the state and jurisdictional level, examining the number and characteristics of cash assistance cases that close, in addition to the reasons for closure. This series paints a picture for each individual jurisdiction, providing information that is often masked by statewide analyses.

Today's report examines the 26,164 unique cases that closed between October 2010 and September 2011. While this study year marks the 15<sup>th</sup> year since welfare reform in Maryland, it also marks the second full year since the official end to the Great Recession in June 2009. Throughout the recession and the recovery period, this series has documented a steady increase in case closures and work sanctions, yet the current report reveals a potential shift in these trends. Key findings from today's report are detailed below.

- **Maryland saw the highest number of case closures this year than it has in the past eight years.**

Between October 2010 and September 2011, Maryland had 26,164 unique cash assistance cases close. This is a 7.3% increase over the previous year (n=24,375), and is the largest number of case closures Maryland has had in eight years (n=25,348). However, the pace of case closures seems to be slowing, as this year-over-year

increase was 10 percentage points lower than the increase found in the previous report in this series (17.9%).

- **Baltimore City, Prince George's County, and Baltimore County hold the peak of closures for the year.**

Baltimore City had 11,750 closures for the year followed by Prince George's County with 3,023 closures and Baltimore County with 2,694 closures, representing two-thirds (66.8%) of the state's closures. These three jurisdictions have consistently had the largest number of closures in recent years, as expected, since they are the three jurisdictions that also have the largest share of the active caseload.

- **Nearly all jurisdictions have a similar share of case closures as they do of the active annual caseload.**

The percent of a jurisdiction's total closings is a reflection of each jurisdiction's share of cases actively receiving cash assistance throughout the study period (i.e., the active annual caseload). The two largest differences between total closings and the active annual caseload were no more than one percentage point: Baltimore County (10.3% vs. 11.2%) and Anne Arundel County (6.0% vs. 5.3%).

- **The typical case closure is similar to a typical case receiving cash assistance in October 2011 (the active caseload), except for their shares of child-only cases.**

The profile of the typical case closure was a two-person assistance unit (40.2%), consisting of one adult (78.6%) and one child (48.6%). On average, the youngest child in this assistance unit was 5.35 years of age. Payees were most likely female (94.1%) and African American (76.1%), with an average age of 32.56 years. The typical payee received an average of eight months of welfare receipt in the year before case closure. While the October 2011 active caseload also had a similar profile, three in

ten (29.0%) cases in active caseload were child-only compared to only one in six (16.4%) cases among case closures, suggesting that fewer child-only cases exit cash assistance.

- **Characteristics of exiting cases and their payees vary at the jurisdictional level.**

While most jurisdictions had one child and one adult in the assistance unit, there is quite a bit of variation between jurisdictions. In Worcester County, for example, one-third (33.7%) of case closures were child-only cases compared to Garrett County, where only 11.0% of case closures were child-only. In Talbot County, only 13.1% of assistance units had three or more children, while approximately one-fifth of closures in most other jurisdictions had three or more children. Average TCA use in the year prior to case closure ranged from a low of 6.02 months in Talbot County to a high of 9.03 months in Prince George's County.

Again, while most cases were African American females, we find that the story is different for some counties. In Garrett County, for example, only 2.7% of payees were African American and 8.2% were male. This is a very different story compared to case closures in Baltimore City, where most closures were African American (92.0%) and female (94.8%).

- **Three of every ten case closures in Maryland closed due to a work sanction.**

While still the most frequently used case closure reason at the state level, only three in ten (28.8%) case closures closed due to a work sanction compared to four in ten (39.0%) case closures in the previous study period. This is the first time in four years that Maryland has seen a decrease in the use of work sanctions. Furthermore, most jurisdictions had a decline in the use of work sanctions, including a substantial decline in Baltimore City (33.6% in the current study year vs. 53.6% in the previous study year). The decreased sanctioning rate in Baltimore

City largely accounts for the decrease in the state average, since Baltimore City has more than four in every ten (44.9%) closures.

- **The most frequent reason for case closure in the jurisdictions is income above limit.**

Income above limit is an administrative closing code used most often when the client has obtained another source of income and exceeds the eligibility requirements for cash assistance. While this was only the third most frequent case closure reason at the state level (16.8%), income above limit was cited in 23 of the 24 jurisdictions as one of the top three reasons for case closure, ranging from 13.9% of closures in Washington County to 40.6% of closures in Calvert County.

This report, part of the *Caseload Exits at the Local Level* series, is the first in four years to document a decline in work sanctions. Between the 2005-2006 study period and the 2009-2010 study period, work sanctions increased by nearly 20 percentage points from 20.0% to 39.0%. However, the work sanction rate decreased to 28.8% in this study year. At the same time, there was a corresponding increase in the use of another closing code: eligibility and verification information not provided. This closure code increased from 11.1% in the previous study period to 21.9% in this study period—a nearly identical increase to the decrease in work sanctions. While this is a new finding, we will continue to document whether this is a new trend in case closures in order to provide policymakers and program managers with empirical data for any necessary programmatic changes.

## INTRODUCTION

More than fifteen years ago, the country's welfare program was changed as a result of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996. With the implementation of PRWORA came the creation of the current welfare program, Temporary Assistance for Needy Families (TANF). This new welfare program, in combination with a booming economy, successfully moved many families from welfare to work in the early years of reform. TANF was reauthorized by the Deficit Reduction Act (DRA) in 2005, only a few years before the Great Recession. The DRA included significant changes to the structure of the federal work participation requirements that ultimately limited the flexibility of states to meet such requirements. These changes, coupled with the greatest economic downturn in decades, represent the most significant test of the reformed welfare system since its inception.

In our most recent installment of our *Life on Welfare* series, we found that, since the recession, recipients of cash assistance were spending more time on the rolls, evidenced by a steady increase in previous cash assistance receipt between 2008 and 2011 (Nicoli, Logan, & Born, 2012b). Furthermore, those who left welfare both during and after the Great Recession were less likely to obtain employment compared to those who left welfare before the recession (Nicoli, Logan, & Born, 2012a).

This series, the *Caseload Exits at the Local Level*, has also documented changes occurring during the recession and its subsequent slow recovery. For instance, more cases have closed each year since the 2006-2007 study year, reflective of the growing number of families receiving cash assistance. There was a corresponding increase in work sanctions, all during a period where jobs are limited. This inconsistency between program rules and the reality of the economy are a certain struggle for the TANF program. Reliable

data can assist in understanding how these challenges affect families and provide insight into potential changes, such as a more focused work program during better economic times and an expansion of benefits when greater need is demonstrated (Berlin, 2011).

Through a partnership between the Maryland Department of Human Resources (DHR) and the University of Maryland, School of Social Work, policymakers and program managers have access to numerous reports documenting the implementation, operation, and outcomes of welfare reform since PRWORA, and most importantly, throughout this recession period. This report, part of the *Caseload Exits at the Local Level* series, describes Maryland's population of welfare leavers, both at the statewide and jurisdictional levels. It provides demographic information about all welfare leavers in a single study year as well as the reason for case closure, highlighting the often masked variation among Maryland's 24 diverse jurisdictions.

Today's report is based on the 26,164 unique cases that closed at least once between October 2010 and September 2011. We examine the following questions throughout the report:

1. What are the welfare case closing trends, statewide and at the jurisdictional level?
2. What are the characteristics of closing cases and their payees?
3. What are the most frequently recorded case closure reasons?
4. What proportion of cases exited welfare due to a full-family sanction for non-compliance with work requirements or non-cooperation with child support enforcement?

## METHODS

This study is the 17<sup>th</sup> in the *Caseload Exits at the Local Level* series. As such, the description of the sample and data sources used is similar to that of previous reports, reflecting minor changes when necessary.

### Sample

The sample used for this report includes every TANF case that closed in Maryland between October 2010 and September 2011, 15 years after the implementation of the Personal Responsibility and Work Opportunity Act (PRWORA). If an assistance unit stopped receiving Temporary Cash Assistance (TCA, Maryland's TANF program) for at least one month during this study period, then it is considered a case closure. An assistance unit was included in the sample only once, even if their case may have closed on more than one occasion during the study period. For those cases with multiple closures, we randomly select one of those closures for inclusion in our analyses. By randomly selecting one closing record per case, we ensure no systematic effect of removing duplicates on the number of closings by month. Between October 2010 and September 2011, there were 26,176 unique case closures. Twelve of these cases were excluded due to incomplete identifying information. Therefore, the final sample for this report includes 26,164 cases.

It may be noted that the total number of closures reported here (n=26,164) may be different from the total number of closures reported by the Family Investment Administration for the same period; this is due, in large part, to our counting each case only once during the 12-month study period. Additionally, this report makes comparisons to cases that were receiving TCA in October 2011 in order to make comparisons between the active caseload and case closures. Data reflecting the active TANF caseload in Maryland come from the universe of cases receiving TCA in October

2011 (n=27,281), originally drawn for our *Life on Welfare* series. This report also makes a comparison to the number and jurisdictional proportion of all cases that received TCA during this study period; an average of this 12-month period was obtained directly from the Department of Human Resources' (DHR) website.

### Data Sources

Study findings are based on analyses of administrative data retrieved from computerized management information systems maintained by the State of Maryland. Demographic and program participation data were extracted from the Client Automated Resources and Eligibility System (CARES) and its predecessor, the Automated Information Management System/Automated Master File (AIMS/AMF).

### CARES

CARES became the statewide automated data system for certain DHR programs in March 1998. Similar to its predecessor AIMS/AMF, CARES provides individual and case level program participation data for cash assistance (AFDC or TCA), Food Supplement (formerly known as Food Stamps), Medical Assistance, and other services. Demographic data are provided, as well as information about the type of program, application and disposition (denial or closure), date for each service episode, and codes indicating the relationship of each individual to the head of the assistance unit.

### Analyses

Throughout this report, descriptive analyses are used to provide an overall picture of case closures occurring between October 2010 and September 2011. Chi-square and analysis of variance (ANOVA) tests are used to identify differences between jurisdictions.



## FINDINGS: OVERVIEW OF CASE CLOSURES

Today's report analyzes all the unique cases that exited Maryland's TANF program, Temporary Cash Assistance (TCA), between October 2010 and September 2011. A total of 26,164 cases closed during the study year, the highest number of case closures Maryland has seen in the past eight years (n=25,348). This is a 7.3% increase from the previous year. In our 2009-2010 study year, there was an increase of 17.9% in case closures over the previous year. While the number of closures are still increasing each year, the trend has slowed down, suggesting that either cases are staying on the rolls longer without exiting or that the bulk of cases that entered cash assistance due to the effects of the Great Recession were able to exit during the previous year. There is evidence from our recent *Life on Welfare* report that families are staying on the rolls longer than before the recession (Nicoli, Logan, & Born, 2012b). To examine October 2010 to September 2011 closures in more detail, we focus on these primary topics throughout the report: number of case closures, characteristics of cases, and reasons for case closure.

### Case Closings by Year

Since welfare reform, there has been a decline in case closures from year-to-year largely due to the decreasing TCA caseload, or rather, the number of cases receiving TCA. As the size of the caseload decreases, the population of potential case closures also decreases. In Maryland, the size of the overall caseload was at a historically high level at the outset of welfare reform, but has decreased every year since that point and reached all-time lows in 2007. However, since 2007, Maryland has seen a 34.9% increase in the number of families receiving TCA (from October 2007 to October 2011), the first caseload increase

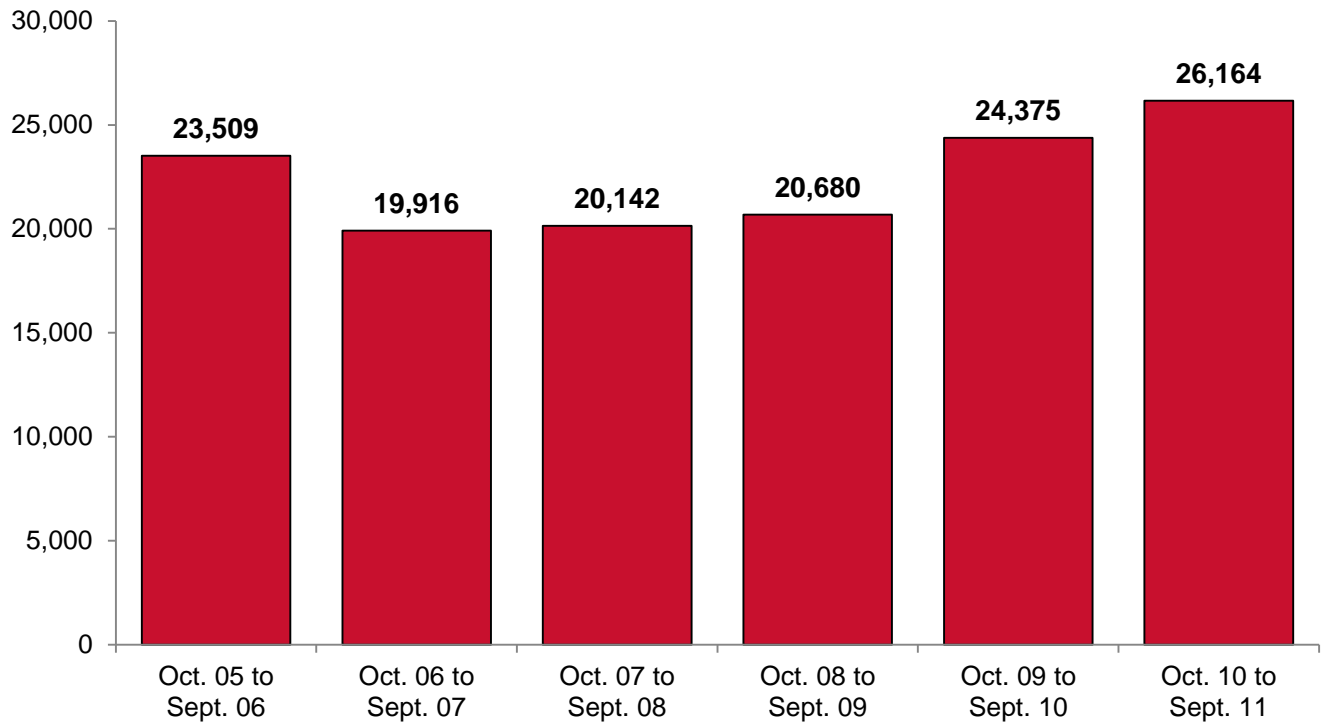
since welfare reform (Nicoli et al. 2012b). This increase in cases receiving cash assistance is reflected in the rising numbers of case closures, as shown in Figure 1.

Figure 1 provides the number of unduplicated case closures from the current and previous *Caseload Exits at the Local Level* reports. As shown, there has been a steady increase in the number of case closures. In the 2007-2008 study period, there were 19,916 closures, the lowest point since welfare reform. However, after that study year, case closures have been on the rise. The increase was slight in the first couple of years, but by the 2009-2010 study period, the percent of closures had increased by 17.9% from the previous year. In this study year, there was an increase of 7.3% over last year's case closures, consistent with the slight increase in the active caseload (Nicoli et al. 2012b).

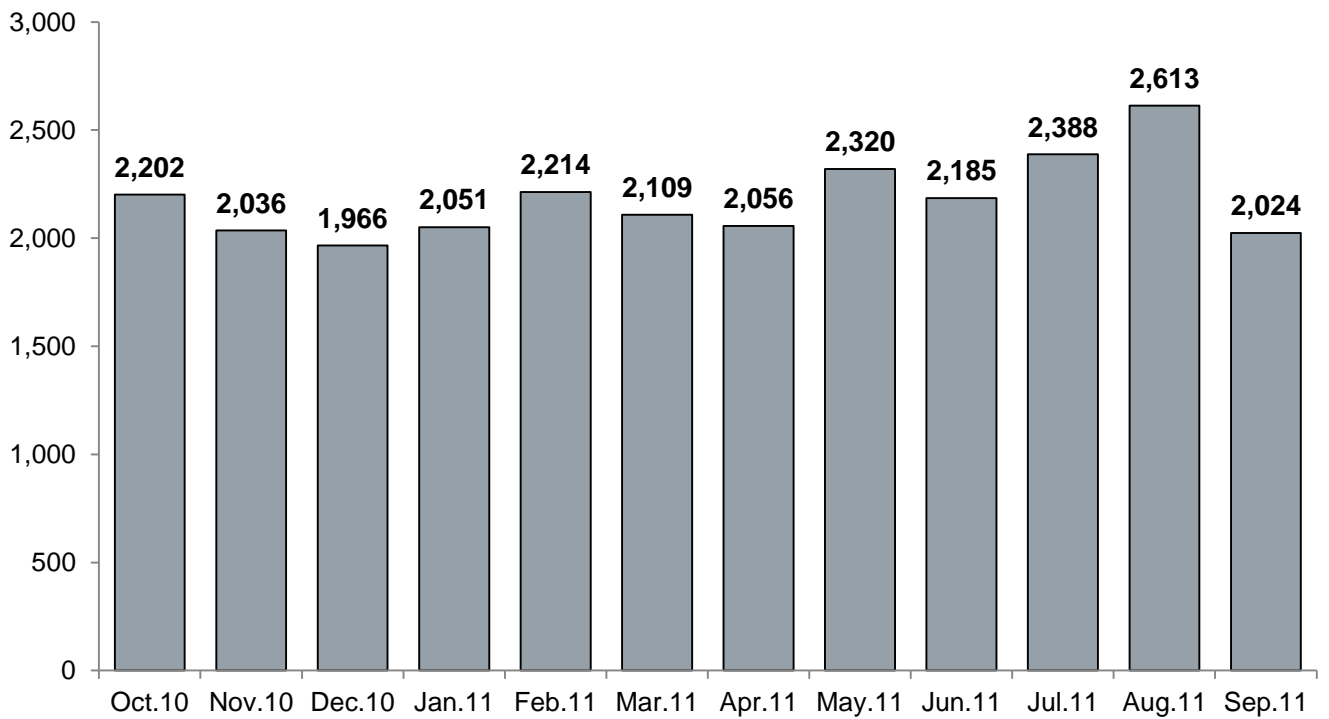
### Case Closings by Month

Figure 2, following this discussion, shows the number of case closings for each month between October 2010 and September 2011. The average number of case closures (n=2,180) for this study year was higher than the preceding year (n=2,031), which is expected, considering there were more closures in this study year. A continuous rise and fall of closures can be seen throughout the study period, with closings reaching a low of 1,966 in December 2010 and peaking in August 2011 with 2,613 closures.

**Figure 1. Statewide Case Closings by Year, 2005-2006 to 2010-2011**



**Figure 2. Statewide Case Closings by Month, October 2010 to September 2011**



## Case Closings by Jurisdiction

Maryland is a small state, but varies widely across its 24 jurisdictions with regards to economy, culture, demographics, and welfare caseload size. This intra-state diversity was explicitly recognized and its importance acknowledged in the “one size does not fit all” feature of Maryland’s welfare reform. Therefore, it is beneficial to examine data at the local level to gain a better understanding of how each jurisdiction varies with respect to case closures.

Following this discussion, Table 1 shows the percent of total closings (n=26,164) by each jurisdiction. Nearly half (44.9%) of all case closures occurred in Baltimore City, followed by Prince George’s County (11.6%), and Baltimore County (10.3%). These three jurisdictions account for two-thirds (66.8%) of all Maryland’s case closures in this study period. The percent of closures has remained stable in all jurisdictions from the previous year, with no more than a 1.2 percentage point change from the previous year.

To determine whether the percent of case closures in each jurisdiction are representative of the caseload, Table 1 also provides each jurisdiction’s average percent of the statewide active caseload (average number of cases receiving cash assistance) between October 2010 and September 2011. We would expect a jurisdiction’s percent of closures to be similar to its percent of active cases, so that a jurisdiction is not closing more than its share of cases. Comparable to last year, nearly all jurisdictions have similar shares of case closures as they do of the active annual caseload. To illustrate, the largest difference between closures and the active annual caseload was -.09 percentage points in Baltimore County. This county had 11.2% of all closures (n=3,226), but a smaller percent of the active annual caseload at 10.3% (n=2,694). While less than one percentage point difference, this represented 532 more closures between October 2010 and September 2011 than active cases during the same time period.

**Table 1. Percent of Closings and Average Caseload, October 2010 to September 2011**

<b>Jurisdiction</b>	<b>Percent of Total Closings (n=26,164)</b>	<b>Percent of Average Caseload (n=28,828)</b>	<b>Percentage Point Difference</b>
Allegany	1.1% (293)	1.1% (314)	0.0
Anne Arundel	6.0% (1,582)	5.3% (1,516)	0.7
Baltimore County	10.3% (2,694)	11.2% (3,222)	-0.9
Calvert	0.6% (160)	0.5% (158)	0.1
Caroline	0.7% (191)	0.9% (251)	-0.2
Carroll	0.9% (244)	0.9% (263)	0.0
Cecil	2.0% (524)	2.0% (583)	0.0
Charles	1.1% (296)	1.2% (332)	-0.1
Dorchester	1.0% (255)	1.0% (298)	0.0
Frederick	1.9% (502)	1.8% (529)	0.1
Garrett	0.3% (73)	0.3% (87)	0.0
Harford	2.4% (632)	2.4% (679)	0.0
Howard	1.9% (502)	2.1% (611)	-0.2
Kent	0.3% (82)	0.2% (67)	0.1
Montgomery	4.6% (1,212)	4.2% (1,221)	0.4
Prince George's	11.6% (3,023)	11.6% (3,343)	0.0
Queen Anne's	0.4% (116)	0.4% (119)	0.0
St. Mary's	2.0% (516)	2.2% (622)	-0.2
Somerset	0.5% (130)	0.6% (183)	-0.1
Talbot	0.2% (61)	0.3% (77)	-0.1
Washington	2.1% (553)	2.1% (596)	0.0
Wicomico	2.6% (684)	2.6% (739)	0.0
Worcester	0.3% (89)	0.4% (111)	-0.1
Baltimore City	44.9% (11,750)	44.8% (12,907)	0.2

**Note:** The Percent of Total Closings is a unique count of cases closing at least one time between 10/10 and 09/11. The Percent of Total Caseload is an average of paid cases across 12 months between October 2010 and September 2011, retrieved from statistical reports provided by the Maryland Department of Human Resources:

<http://www.dhr.state.md.us/documents/Data%20and%20Reports/FIA/Statistical-Reports-2010.pdf>

<http://www.dhr.state.md.us/documents/Data%20and%20Reports/FIA/Statistical-Reports-2011.pdf>

## FINDINGS: CHARACTERISTICS OF EXITING CASES

In this chapter we examine the characteristics of the families who exited welfare between October 2010 and September 2011. Specifically, we present findings related to previous welfare receipt and the demographic characteristics of the payee and the case. Findings are presented for the state of Maryland as a whole and also for each of the 24 jurisdictions.

It is important to present case and client-level information for a few reasons. First, providing this information reminds us that these statistics are not just numbers, but rather, we are talking about real families and, especially, families with children. Second, just as jurisdictions vary in the size of their cash assistance caseloads, they often vary in the profile of the families who use TCA and then subsequently exit from aid. For example, since child-only cases are likely to exit assistance only when the child reaches the age of majority, jurisdictions with a higher percentage of child-only cases will have a different profile of exiting cases. Finally, because of the concentration of the state's cash assistance caseload in a few large, metropolitan jurisdictions, statewide analyses can mask the differences between jurisdictions.

### **Characteristics of Exiting Cases and Payees: Statewide**

Following this discussion, Table 2 presents characteristics of cases and payees at the state level. For comparison, the same data is presented for the October 2011 active caseload (Nicoli et al. 2012b). As shown, the typical closed case in Maryland was a two-person assistance unit (40.2%), consisting of one adult (78.6%) and one child (48.6%). On average, the youngest child in this assistance unit was 5.35 years of age. Payees were most likely female (94.1%) and African American (76.1%) with an average age of 32.56 years. Furthermore, the payee received an average of eight months of welfare receipt

in the year before case closure and 20.3 months in the 60 months before case closure.

These case closures were similar to case closures in years past; yet, when compared to the October 2011 active caseload, there are some differences. The typical case on the active caseload was also a two-person assistance unit (37.8%), consisting of one adult (67.8%) and one child (48.3%). On average, the youngest child in the assistance unit was 5.92 years of age. However, child-only cases make a larger proportion of the active caseload than of case closures. Over one-quarter (28.9%) of active cases had no adult receiving cash assistance benefits compared to one in six (16.4%) case closures. Child-only cases are less likely to exit welfare assistance considering that many are headed by a relative adult such as a grandparent, who requires assistance in order to care for their grandchild until they age out of the program.

While the average number of months of TCA receipt in the previous year is about eight months for both case closures and the active caseload, there are differences when the time period is extended. In the previous five years, closed cases received an average of 20.34 months of TCA compared to 25.18 months for the active caseload. This difference can be related to a combination of factors, including the difference in child-only cases which, as we have found in other studies, receive assistance longer. Additionally, the lack of available jobs during the recovery from the Great Recession may also affect welfare usage patterns, potentially requiring families to stay on cash assistance for longer periods.

**Table 2. Case Closures and Payee Characteristics: Statewide**

	<b>Case Closures 10/10 – 9/11 (n=26,164)</b>	<b>Active Cases 10/11 (n=27,281)</b>
<b>Payee Characteristics</b>		
% African American	76.1%	75.0%
% Female	94.1%	94.4%
Mean Age	32.56	35.14
<b>Case Characteristics</b>		
Number of Adults in Assistance Unit		
0 (child-only)	16.4%	28.9%
1	78.6%	67.8%
2	5.1%	3.3%
Number of Children in Assistance Unit		
0	3.2%	2.9%
1	48.6%	48.3%
2	27.1%	27.3%
3 or more	21.1%	21.5%
Size of Assistance Unit		
1	13.8%	20.0%
2	40.2%	37.8%
3	24.5%	22.5%
4 or more	21.5%	19.7%
Average Age of Youngest Child	5.35	5.92
<b>Months of Receipt in Last 12 Months</b>		
Mean	8.04	8.54
Median	9.00	11.00
<b>Months of Receipt in the Last 60 Months</b>		
Mean	20.34	25.18
Median	15.00	20.00

**Note:** Valid percentages are reported. For the closed cases, months of receipt in the last 12/60 months refers to the 12/60 months prior to case closure; for the active cases this is the 12/60 months prior to October 2011.

## Characteristics of Exiting Cases and Payees: Jurisdictions

Given the intra-state diversity among the 24 Maryland jurisdictions, Table 4, following this discussion, presents detailed local demographic and case characteristics for each of the jurisdictions during this study year (October 2010 to September 2011). While we only highlight key differences and similarities here, the notable diversity experienced among jurisdictions can be fully understood by a careful examination of Table 3 and its related contents.

Most jurisdictions (19 of 24) had fewer than 700 case closures between October 2010 and September 2011; these case closures, as discussed in the previous chapter, are representative of the average annual caseload receiving cash assistance in each jurisdiction. The five largest jurisdictions, however, had 1,200 or more closures each. Baltimore City holds the peak of closures, with 11,750 cases closed during the study year, followed by Prince George's County (n=3,023), Baltimore County (n=2,694), Anne Arundel County (n=1,582), and Montgomery County (n=1,212). These five jurisdictions have consistently had the largest number of closures, representing three-fourths (77.4%) of all closures in this study year.

Similar to the statewide demographics, most jurisdictions had an average assistance unit size of two to three people, ranging from 2.36 people in Talbot County to 2.97 in Queen Anne's County. There was much variation between jurisdictions regarding the number of assistance units that had no children or those that had three or more children. For example, in both Kent and Queen Anne's Counties, all case closures had at least one child in the assistance unit. Additionally, in Queen Anne's County nearly three in ten (29.3%) case closures had three or more children in the assistance unit compared to Talbot County, where approximately one in eight (13.1%) case

closures had three or more children in the assistance unit.

Most jurisdictions also had one adult in the assistance unit, ranging from 59.6% of closed cases in Worcester County to 82.9% in Baltimore City. However, the number of child-only case closures (no adults in the assistance unit) varied between jurisdictions. Garrett County and Baltimore City had the smallest proportion of child-only case closures (11.0% and 13.3%, respectively.) Conversely, Talbot and Worcester Counties had the highest proportion of child-only cases close during the study year (27.9% and 33.7%, respectively).

With regard to demographics, we find again, much variation among jurisdictions. While case closings for the state as a whole reflect the active caseload, the story for each locality varies. In Garrett County, for example, very few (2.7%) payees were African American, and in Carroll County, nearly one in ten (9.4%) case closures had a male payee. The story for these jurisdictions then, is very different than that of case closures in Baltimore City, where the majority was, in fact, African American (94.8%) and female (92.0%).

Families in all 24 jurisdictions received cash assistance, on average, between six and nine months before their case closure. Average months of assistance in the year before closure were lowest in Talbot County with 6.02 months, while the previous year, the lowest was 6.28 months in Kent County. Prince George's County had the highest number of months of TCA in this study year as well as last year (9.03 months and 8.80 months, on average).

**Table 3. Closing Case and Payee Characteristics: Jurisdictions**

	<b>Allegany County</b>	<b>Anne Arundel County</b>	<b>Baltimore County</b>	<b>Calvert County</b>	<b>Caroline County</b>	<b>Carroll County</b>
<b>Number of Unique Case Closings</b>	293	1,582	2,694	160	191	244
<b>Payee Characteristics</b>						
% African American	12.0%	57.6%	66.0%	40.4%	44.2%	14.6%
% Female	91.1%	93.2%	92.8%	95.6%	94.8%	90.6%
Mean (Median) Age	32.79 (30)	33.73 (31)	33.27 (30)	33.88 (31)	31.30 (28)	34.89 (32)
<b>Case Characteristics</b>						
Number of Adults in AU						
0 (Child-Only)	21.8%	18.6%	16.8%	23.8%	26.7%	20.7%
1	68.9%	76.4%	76.5%	68.1%	64.9%	72.7%
2	9.2%	4.9%	6.7%	8.1%	8.4%	6.6%
Number of Children in AU						
0	6.1%	3.4%	2.9%	1.3%	2.1%	0.8%
1	45.1%	49.7%	51.2%	53.8%	44.5%	50.0%
2	28.0%	27.0%	26.1%	26.9%	32.5%	30.6%
3 or more	20.8%	19.9%	19.7%	18.1%	20.9%	18.6%
Mean (Median) Size of Assistance Unit	2.58 (2)	2.61 (2)	2.63 (2)	2.52 (2)	2.63 (2)	2.58 (2)
Mean (Median) Age of Youngest Child in AU	5.35 (3)	5.65 (4)	5.59 (4)	5.16 (3)	4.36 (3)	5.42 (4)
<b>TCA Use</b>						
Mean (Median) Months of Receipt in Last Year Before Exit	7.04 (7)	6.91 (7)	7.50 (8)	6.86 (6)	6.74 (6)	7.31 (8)

**Note:** Valid percentages are reported.



	<b>Cecil County</b>	<b>Charles County</b>	<b>Dorchester County</b>	<b>Frederick County</b>	<b>Garrett County</b>	<b>Harford County</b>
<b>Number of Unique Case Closings</b>	524	296	255	502	73	632
<b>Payee Characteristics</b>						
% African American	20.6%	76.1%	68.5%	39.6%	2.7%	53.5%
% Female	93.9%	95.3%	94.5%	93.6%	91.8%	94.1%
Mean (Median) Age	32.91 (30)	32.05 (28)	31.67 (29)	32.44 (30)	31.00 (29)	33.13 (30)
<b>Case Characteristics</b>						
Number of Adults in AU						
0 (Child-Only)	16.4%	20.3%	23.1%	15.5%	11.0%	20.4%
1	74.4%	77.0%	72.9%	74.9%	61.6%	74.1%
2	9.2%	2.7%	3.9%	9.6%	27.4%	5.5%
Number of Children in AU						
0	3.2%	2.7%	2.7%	2.2%	4.1%	2.5%
1	49.4%	51.7%	49.0%	46.6%	47.9%	49.4%
2	27.9%	26.4%	26.3%	28.7%	31.5%	28.2%
3 or more	19.5%	19.3%	22.0%	22.5%	16.4%	19.9%
Mean (Median) Size of Assistance Unit	2.66 (2)	2.61 (2)	2.57 (2)	2.76 (3)	2.86 (3)	2.61 (2)
Mean (Median) Age of Youngest Child in AU	5.33 (4)	4.74 (3)	4.79 (3)	4.89 (3)	5.39 (4)	5.41 (4)
<b>TCA Use</b>						
Mean (Median) Months of Receipt in Last Year Before Exit	7.48 (9)	6.75 (6)	8.28 (10)	6.23 (6)	6.55 (5)	7.23 (8)

**Note:** Valid percentages are reported.

	Howard County	Kent County	Montgomery County	Prince George's County	Queen Anne's County	St. Mary's County
<b>Number of Unique Case Closings</b>	502	82	1,212	3,023	116	516
<b>Payee Characteristics</b>						
% African American	71.4%	55.6%	69.2%	90.5%	35.7%	48.6%
% Female	91.6%	95.1%	91.9%	94.8%	92.2%	91.5%
Mean (Median) Age	33.31 (32)	32.85 (29)	34.35 (33)	32.94 (29)	32.63 (30)	33.21 (30)
<b>Case Characteristics</b>						
Number of Adults in AU						
0 (Child-Only)	14.7%	20.7%	21.5%	19.7%	14.7%	16.9%
1	76.7%	67.1%	71.3%	77.5%	75.9%	70.3%
2	8.6%	12.2%	7.2%	2.8%	9.5%	12.8%
Number of Children in AU						
0	2.6%	0.0%	2.1%	2.5%	0.0%	3.3%
1	46.8%	47.6%	44.8%	49.1%	41.4%	45.7%
2	28.1%	30.5%	29.1%	25.6%	29.3%	27.5%
3 or more	22.5%	22.0%	23.9%	22.7%	29.3%	23.4%
Mean (Median) Size of Assistance Unit	2.74 (3)	2.85 (3)	2.77 (2)	2.66 (2)	2.97 (3)	2.78 (3)
Mean (Median) Age of Youngest Child in AU	5.57 (4)	5.05 (3)	5.40 (3)	5.33 (3)	5.18 (3)	5.66 (4)
<b>TCA Use</b>						
Mean (Median) Months of Receipt in Last Year Before Exit	7.78 (9)	7.67 (8)	7.25 (7)	9.03 (10)	6.94 (7)	7.72 (9)

**Note:** Valid percentages are reported.

	<b>Somerset County</b>	<b>Talbot County</b>	<b>Washington County</b>	<b>Wicomico County</b>	<b>Worcester County</b>	<b>Baltimore City</b>
<b>Number of Unique Case Closings</b>	130	61	553	684	89	11,750
<b>Payee Characteristics</b>						
% African American	66.4%	51.7%	35.0%	70.9%	50.6%	92.0%
% Female	93.8%	93.4%	94.9%	96.8%	91.0%	94.8%
Mean (Median) Age	31.80 (29)	32.76 (27)	31.96 (29)	32.14 (29)	38.36 (33)	31.85 (29)
<b>Case Characteristics</b>						
Number of Adults in AU						
0 (Child-Only)	22.3%	27.9%	18.6%	17.3%	33.7%	13.3%
1	66.2%	70.5%	77.8%	76.3%	59.6%	82.9%
2	11.5%	1.6%	3.6%	6.4%	6.7%	3.7%
Number of Children in AU						
0	3.8%	6.6%	1.6%	3.4%	1.1%	3.7%
1	45.4%	50.8%	44.3%	43.0%	58.4%	48.8%
2	31.5%	29.5%	31.8%	29.1%	18.0%	26.8%
3 or more	19.2%	13.1%	22.2%	24.6%	22.5%	20.7%
Mean (Median) Size of Assistance Unit	2.64 (2)	2.36 (2)	2.74 (3)	2.80 (3)	2.39 (2)	2.67 (2)
Mean (Median) Age of Youngest Child in AU	5.03 (3)	3.73 (3)	4.42 (3)	4.57 (3)	5.02 (3)	5.40 (4)
<b>TCA Use</b>						
Mean (Median) Months of Receipt in Last Year Before Exit	6.99 (8)	6.02 (4)	7.37 (8)	7.30 (8)	7.17 (7)	8.54 (10)

**Note:** Valid percentages are reported.

## Case Closings by Core Caseload

The core caseload is used to identify the cases subject to work requirements and the subgroups of non-core cases that require a different case management strategy. The categorization is based on a number of different case and payee characteristics available in the administrative data, and there is a hierarchy that guides which category is the most appropriate in the event that a case meets the criteria for more than one category. This is an important aspect of the distribution of case closures, because it provides perspective on the type of case that is most likely to exit from cash assistance and those that remain on assistance for longer periods of time.

Table 4 shows the distribution of core caseload designations among closed cases compared to the October 2011 active caseload (Nicoli et al. 2012b). Nearly half

(52.1%) of the case closures between October 2010 and September 2011 were part of the core caseload and were required to meet federal work requirements, compared to more than one-third (35.6%) of the active caseload. The other half of case closures were non-core cases, which may not be required to meet federal work participation standards. Among these non-core cases, there was no more than a five percentage point difference between case closures and the active caseload except for child-only cases. There was nearly a 13 percentage point difference in child-only cases between closed cases and the active caseload (16.4% compared to 29.0%). Child-only cases generally do not exit welfare until the child returns to the parents or the child reaches the age of emancipation. Therefore, it is not surprising that there are more child-only cases among the active caseload.

**Table 4. Number of Case Closings: Core Caseload Designation**

	<b>Cases Closed 10/10 – 9/11 (n=26,164)</b>	<b>Active Cases 10/11 n=(27,281)</b>
<b>Core Caseload Category</b>		
Core Case	52.1% (13,594)	35.6% (9,719)
Non-Core Case	47.9% (12,540)	64.4% (17,560)
<b>Type of Non-Core Case</b>		
<i>Special Family Type</i>		
Child-Only	16.4% (4,288)	29.0% (7,910)
Two-Parent Cases	4.1% (1,082)	2.2% (600)
<i>Disabilities</i>		
Short-Term Disabled	1.1% (279)	1.5% (402)
Long-Term Disabled	7.0% (1,831)	11.8% (3,232)
Caring for Disabled Family Member	1.3% (350)	2.4% (662)
<i>Other</i>		
Child Under One	7.5% (1,970)	10.0% (2,715)
Earnings Cases	7.6% (1,985)	4.1% (1,130)
Domestic Violence	1.1% (293)	0.9% (241)
Needy Caretaker Relative	1.0% (261)	1.8% (503)
Legal Immigrant	0.8% (201)	0.6% (165)

**Note:** Counts may not sum to actual sample size because of missing data for some variables. Valid percentages are reported. \*p<.05 \*\*p<.01 \*\*\*p<.001

## FINDINGS: REASONS FOR CASE CLOSURE

The previous chapters focused on case closing trends and the characteristics of cases that closed. In this chapter, we address why payees left welfare. These findings are based on administrative case closure codes that are recorded by caseworkers in an electronic database. Previous analyses indicate that administratively-recorded closing codes significantly understate the true rate of work-related closures because payees may not notify the agency when they have found work (Ovwigbo, Tracy, & Born, 2004). Instead, the client may simply not keep her scheduled redetermination appointment, and in this instance, the case closure reason would be no redetermination rather than income above limit, which is expected when a casehead becomes employed.

Despite the limitations of administrative case closures to provide the full story about a family's exit, it is still instructive in understanding families' situations and circumstances. Previous Maryland research has shown that the various closing codes do correlate with important post-closure outcomes such as employment and recidivism and the administrative closure codes are the best measure of full-family sanctioning rates (Ovwigbo et al. 2004). Therefore, this findings chapter examines the case closure reasons for the 26,164 cases that closed between October 2010 and September 2011. We review the statewide case closure reasons followed by the top three case closure reasons for each jurisdiction and for each core caseload designation. We also discuss the extent of full-family sanctioning for non-compliance with work requirements or non-cooperation with child support requirements at the state and jurisdictional level.

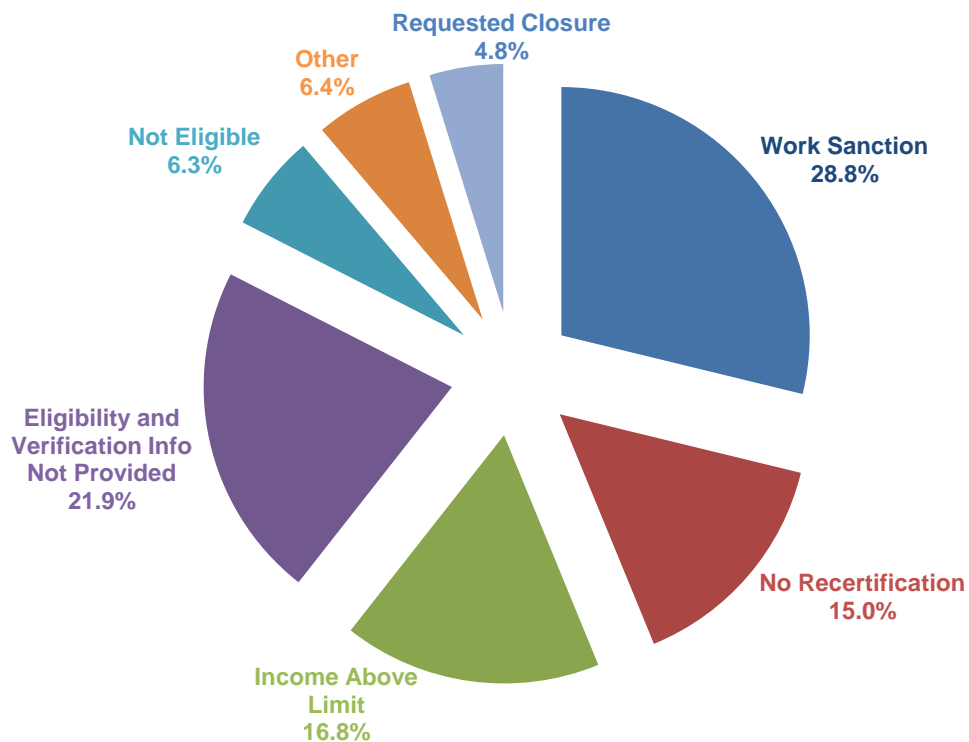
### **Case Closure Reasons: Statewide**

Figure 3, following this discussion, displays the frequency of case closure reasons for this study period. At the state level, work sanctions were the most frequently used reason for case closure between October 2010 and September 2011; they were also the most frequently cited reason for closure in the previous three study years. Nearly three in ten (28.8%) closures were due to a work sanction, a rate much lower than the previous year (39.0%). While the work sanction rate also decreased among most jurisdictions, the statewide average is largely affected by the biggest jurisdiction; therefore, this decrease in statewide work sanctions is likely a reflection of the decrease in work sanctions in Baltimore City, which will be discussed in the next section.

Eligibility and verification information not provided was the second most frequent case closing reason, and one-fifth (21.9%) of cases closed due to this reason. In the previous study year, eligibility and verification information not provided was the fourth most used case closure reason in about one in ten (11.1%) closures, resulting in a 10 percentage point increase in this reason. This increase coincides with the similar decrease among work sanctions.

Similar to the previous study year, the third most common closure reason in this study period was income above limit and the percent of closures due to this reason has remained stable (16.8% vs. 16.0%). No recertification (15.0%) closely followed income above limit as a closure reason, while the remaining reasons were used in less than seven in one hundred cases (other reasons, 6.4%; not eligible, 6.3%, and requested closure, 4.8%).

**Figure 3. Top Case Closing Reasons: Statewide**



Note: The “Other” category includes: child support sanction, residency, intentional violation, whereabouts unknown, death of head of household or other member, did not cooperate with quality control.

### Case Closure Reasons: Jurisdictions

While other analyses have demonstrated the diversity of this state, we find that there was consistency between the top three administrative closing codes among jurisdictions. Most jurisdictions, consistent with previous years, reported the following administrative closing codes as reasons for closure: income above limit (23 jurisdictions), eligibility and verification information not provided (19 jurisdictions), work sanction (16 jurisdictions), and no recertification/no redetermination (9 jurisdictions). Table 5, following this discussion, presents the top three case closing codes for each jurisdiction between October 2010 and September 2011.

An income above limit code is a work-related code, in which the client has obtained employment with income exceeding the eligibility requirements to continue receiving cash assistance. Similar to last year, 23 of the 24 jurisdictions listed

income above limit as one of top three reasons for case closure, ranging from 13.9% of the closures in Washington County to 40.6% in Calvert County. Furthermore, income above limit was the number one reason for closure in nine counties, accounting for nearly one-quarter or more of closures: Calvert, Caroline, Charles, Garrett, Harford, Kent, St. Mary’s, Talbot, and Worcester. Baltimore City was the only jurisdiction that did not have this as a top three reason for case closure. Even though one in ten closures in Baltimore City were due to income above limit in this study period (11.2%) and the previous study period (11.7%), there was a substantial increase in the closures due to eligibility and verification information not provided (from 4.4% to 25.9%) that pushed income above limit to the fourth most frequent closure reason.

Just as in Baltimore City, there was an increase in the number of jurisdictions that had eligibility and verification information not provided as a top three case closure reason. In the previous study year, 17 jurisdictions met this criterion, while 19 jurisdictions in the current study year have this as a top closure reason. Of the 17 jurisdictions that had this as a top closure reason in the previous study year, nine counties experienced an increase in the use of this code (Anne Arundel, Calvert, Caroline, Charles, Frederick, Kent, Queen Anne's, St. Mary's, and Washington). The frequency of this code ranged from 13.5% in Worcester County to 52.6% in Queen Anne's County.

While eligibility and verification information not provided increased in many jurisdictions, work sanctions decreased among jurisdictions, which is discussed further in the *Full-Family Sanctions* section. Nonetheless, work sanctions accounted for at least one of the top three reasons for case closure in 16 jurisdictions and were the number one reason for case closure in Baltimore City and eight counties (Anne Arundel, Baltimore, Cecil, Dorchester, Montgomery, Prince George's, Somerset, and Wicomico), compared to 11 jurisdictions in the previous study year. Again, there is much diversity in the frequency of work sanctions among jurisdictions. For example, in Montgomery County, nearly two-fifths (38.0%) of closures were due to a work sanction compared to 11.0% in Garrett

County. Additionally, eight counties did not have work sanctions as a top closure reason: Allegany, Calvert, Carroll, Howard, Queen Anne's, St. Mary's, Talbot, and Washington. Most notable, however, was Baltimore City. While work sanction was reported as the number one reason for case closures in Baltimore City, as it was in previous years, it only accounted for one-third (33.6%) of its case closures. This is a significant decrease from our two previous study years, where half of closures in Baltimore City were due to work sanctions. Again, because Baltimore City represents the largest percentage of case closures in the state, its decrease in work sanctions affected the statewide rate.

No recertification/no redetermination was one of the top three closure reasons in nine jurisdictions ranging from 11.5% in Caroline County to 22.1% in Washington County. As previously mentioned, it is possible that this administrative closure code does not capture the fact that some of these recipients found work on their own and did not report the information to the agency. Five jurisdictions— Somerset (17.8%), Allegany (17.1%), Garrett (15.5%), Queen Anne's (12.6%), and Calvert (13.8%)—cited requested closure as a frequently used administrative closing code. Both Talbot (23.0%) and Worcester (13.5%) Counties were the only jurisdictions to report not eligible as one of the top reasons for case closure.

**Table 5. Top 3 Case Closing Reasons: Jurisdictions**

	Reasons for Closure	
<b>Allegany (n=293)</b>	Eligibility information not provided	25.6%
	Income above limit	20.1%
	Requested closure	19.8%
<b>Anne Arundel (n=1,582)</b>	Work sanction	27.1%
	Eligibility information not provided	26.8%
	Income above limit	18.8%
<b>Baltimore (n=2,694)</b>	Work sanction	34.9%
	Income above limit	21.6%
	No recertification/no redetermination	13.0%
<b>Calvert (n=160)</b>	Income above limit	40.6%
	Eligibility information not provided	15.0%
	Requested closure	13.8%
<b>Caroline (n=191)</b>	Income above limit	28.8%
	Eligibility information not provided	28.3%
	Work sanction	11.5%
	No recertification/no redetermination	11.5%
<b>Carroll (n=244)</b>	Eligibility information not provided	36.9%
	Income above limit	23.4%
	Requested closure	12.7%
<b>Cecil (n=524)</b>	Work sanction	31.5%
	Income above limit	21.2%
	Eligibility information not provided	14.3%
<b>Charles (n=296)</b>	Income above limit	25.0%
	Eligibility information not provided	22.0%
	Work sanction	13.5%
<b>Dorchester (n=255)</b>	Work sanction	33.3%
	Income above limit	19.6%
	No recertification/no redetermination	13.3%
<b>Frederick (n=502)</b>	Eligibility information not provided	34.5%
	Income above limit	29.5%
	Work sanction	12.4%
<b>Garrett (n=73)</b>	Income above limit	30.1%
	Eligibility information not provided	24.7%
	Work sanction	11.0%
<b>Harford (n=632)</b>	Income above limit	24.1%
	Work sanction	23.3%
	Eligibility information not provided	20.4%
<b>Howard (n=502)</b>	Eligibility information not provided	38.2%
	Income above limit	24.5%
	No recertification/no redetermination	12.9%
<b>Kent (n=82)</b>	Income above limit	34.6%
	Eligibility information not provided	17.3%
	Work sanction	12.3%



	<b>Reasons for Closure</b>	
<b>Montgomery (n=1,212)</b>	Work sanction	38.0%
	Income above limit	27.1%
	No recertification/no redetermination	11.6%
<b>Prince George's (n=3,023)</b>	Work sanction	29.5%
	No recertification/no redetermination	22.0%
	Income above limit	15.6%
<b>Queen Anne's (n=116)</b>	Eligibility information not provided	52.6%
	Income above limit	24.1%
	Requested closure	8.6%
<b>St Mary's (n=516)</b>	Income above limit	28.9%
	No recertification/no redetermination	17.1%
	Eligibility information not provided	15.3%
<b>Somerset (n=130)</b>	Work sanction	23.1%
	Requested closure	21.5%
	Income above limit	20.0%
<b>Talbot (n=61)</b>	Income above limit	27.9%
	Not eligible	23.0%
	Eligibility information not provided	19.7%
<b>Washington (n=553)</b>	Eligibility information not provided	38.0%
	No recertification/no redetermination	22.1%
	Income above limit	13.9%
<b>Wicomico (n=684)</b>	Work sanction	27.6%
	Income above limit	21.1%
	Eligibility information not provided	20.5%
<b>Worcester (n=89)</b>	Income above limit	28.1%
	Residency	14.6%
	Work sanction	13.5%
	Not eligible	13.5%
	Eligibility information not provided	13.5%
<b>Baltimore City (n=11,750)</b>	Work sanction	33.6%
	Eligibility information not provided	25.9%
	No recertification/no redetermination	16.8%
<b>Maryland</b>	Work sanction	28.8%
	Eligibility information not provided	21.9%
	Income above limit	16.8%

### **Case Closure Reason: Core Caseload**

Maryland provides specific designations to cases based on characteristics such as disabilities or the inclusion of two parents in the household. These designations assist caseworkers in the management of cases and the special circumstances of their needs. Half (52.1%) of all closures were core, work-mandatory cases which are most likely subject to a full-family sanction due to lack of compliance with work activities. Yet the other half of cases were non-core cases which may or may not be work-mandatory, and so the rate of work sanctions will likely vary among these cases. Therefore, the reasons for closure among these various caseload designations provides further insight into why cases close and whether attention is required among particular types of cases. Table 6, following this discussion, presents the top three case closure reasons for each caseload designation.

Work sanctions were among one of the top three closure reasons in 6 of the 11 caseload designations and was the premier reason for case closure in the core caseload (47.5%), two-parent families (34.5%), domestic violence cases (29.7%), and legal immigrant cases (31.3%). Each of these four caseload designations is subject to work requirements, although domestic violence cases can receive exemptions from those requirements if the situation warrants such an exemption.

The overall decrease in work sanctions at the state level, however, is reflected in each of the caseload designations. For example, work sanctions were 14 percentage points lower this year among the core caseload than the previous study period (47.5% vs. 61.4%). Furthermore, in the previous study year, cases designated as caring for a disabled household member had a work

sanction as the number one reason for closure (29.3%), yet in this study year, work sanction did not come in as a top three reason.

Likewise, the statewide increase in eligibility and verification information not provided, from 11.1% in the previous study period to 21.9% in this current report, is also exhibited in the caseload designations. Just as last year, the only two caseload designations without this as a top three case closure reason were the child-only and paid relative caretaker cases. The nine caseload designations with eligibility and verification information not provided as a case closure reason all experienced a substantial increase in the frequency of this reason. In fact, only one caseload designation had this as the top reason last year (short-term disabled, 28.3%) and four have this as the top reason this year (short-term disabled, 42.7%; caring for a disabled household member, 38.9%; child under one, 31.2%; and long-term disabled, 31.1%).

Just as income above limit at the state level remained around 16% in this and the previous study year, most caseload designations remained stable from last year to this year. The same nine caseload designations had this as top closure reason with only domestic violence and legal immigrant showing any increase over the previous year. However, income above limit did make the top three closure reasons in one other caseload designation this year—caring for a disabled household member—in which 12.3% of closures were coded with this reason.

**Table 6. Top 3 Case Closure Reasons: Core Caseload**

<b>Core Caseload Designation</b>	<b>Reasons for Closure</b>	
<b>Core Caseload</b> (n=13,594)	Work sanction	47.5%
	Eligibility/verification info not provided	25.0%
	Income above limit	12.2%
<b>Two-parent household</b> (n=1,082)	Work sanction	34.5%
	Income above limit	29.6%
	Eligibility/verification info not provided	23.4%
<b>Earnings</b> (n=1,985)	Income above limit	49.4%
	Work sanction	18.2%
	Eligibility/verification info not provided	15.1%
<b>Child-only</b> (n=4,288)	No recertification/no redetermination	36.8%
	Not eligible	24.4%
	Requested closure	12.5%
<b>Child under one</b> (n=1,970)	Eligibility/verification info not provided	31.2%
	No recertification/no redetermination	22.8%
	Income above limit	20.2%
<b>Long-term disabled</b> (n=1,831)	Eligibility/verification info not provided	31.1%
	No recertification/no redetermination	23.3%
	Income above limit	20.2%
<b>Short-term disabled</b> (n=279)	Eligibility/verification info not provided	42.7%
	Work sanction	14.7%
	Income above limit	14.0%
<b>Caring for a disabled household member</b> (n=350)	Eligibility/verification info not provided	38.9%
	No recertification/no redetermination	31.1%
	Income above limit	12.3%
<b>Paid relative caretaker</b> (n=261)	No recertification/no redetermination	36.4%
	Not eligible	22.2%
	Income above limit	19.2%
<b>Domestic Violence</b> (n=293)	Work sanction	29.7%
	Eligibility/verification info not provided	27.6%
	Income above limit	18.4%
<b>Legal Immigrant</b> (n=201)	Work sanction	31.3%
	Income above limit	29.4%
	Eligibility/verification info not provided	16.4%

**Note:** Due to some instances of missing data, counts may not sum to total cases. Valid percentages reported.

## **Full-Family Sanctions: Statewide**

Since welfare reform in 1996, Maryland, as well as 20 other states, implemented full-family sanctions for non-cooperation with work and child support requirements (Kassabian, Whitesell, & Huber, 2011). Full-family sanctions result in the withdrawal of cash assistance for all members of the assistance unit, including children. The first sanction results in the loss of cash assistance for at least one day, and when the casehead becomes compliant, then assistance is reinstated; the second sanction results in at least 10 days without assistance; and the third and all subsequent sanctions require 30 days of compliance without assistance. It was hoped that use of this more severe penalty would, as many front-line workers argued, 'get the client's attention' and lead her to come into compliance with program requirements.

At the request of the General Assembly and the Department of Human Resources, we have been tracking sanction use and sanctioned clients' outcomes since the penalty was first imposed in October 1996. The vast majority of sanctions have consistently been work rather than child support related. Also, as might be expected, the trend in sanctions has been an incrementally upward one especially in recent years. Research has shown that clients whose welfare cases are closed because of sanctioning do, in fact, return to welfare at a significantly higher rate than those who leave for other reasons, implying that they have come into compliance with program rules (Williamson, 2011; Nicoli, et al., 2012a).

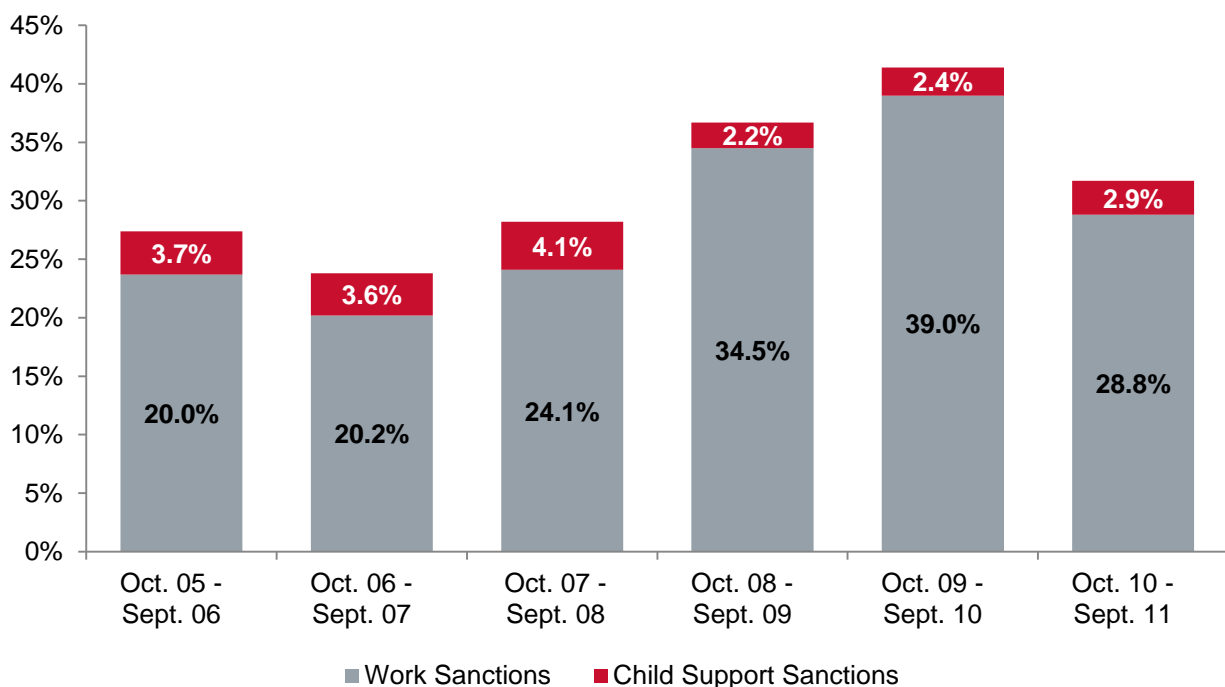
Figure 4, following this discussion, shows the percent of work and child support sanctions that have been imposed in each study year for the past six years. Child support sanctions occurred in only 2.9% of all Maryland case closures during this study period. Though this number is relatively low, Maryland has experienced some variability

in the past six years with child support sanctions. It reached a high of 4.1% in the 2007-2008 study year and a low of 2.2% in the 2008-2009 study year.

While PRWORA mandated work participation requirements for welfare recipients, the Deficit Reduction Act (DRA), implemented during the 2005-2006 study year, made the work requirements even stricter. In the years before the implementation of DRA and the beginning of the Great Recession, work sanction case closures hovered between one-fifth and one-quarter of cases. In the year of implementation (2006), one-fifth (20.0%) of case closures were due to a work sanction. However, the trend of work sanctions begins to increase with a low of 20.2% in 2006-2007 to a high of 39.0% of cases in 2009-2010. In the current 2010-2011 study year, about three in ten (28.8%) cases closed because of a work sanction. This is the first time in four years that Maryland has seen a drop in work sanctions. This is surprising, given the upward trend of recent years and that TCA clients are more likely to experience a work sanction after DRA, according to previous research (Williamson, 2011).

As the recovery from the long-lasting effects of the Great Recession continues, caseworkers as well as families are faced with the continuing challenge of meeting the strict federal work participation requirements, despite historically high levels of unemployment. While work sanctions may have been the easiest way to handle this inconsistency, program managers and caseworkers may be recognizing the challenges of work sanctions during this tumultuous time of limited work opportunities. This is only a one-year finding, nonetheless, and does not constitute a trend, but it is certainly worth watching in future updates to this report.

**Figure 4. Full-Family Sanctions by Study Year: Statewide**



**Full-Family Sanctions: Jurisdictions**

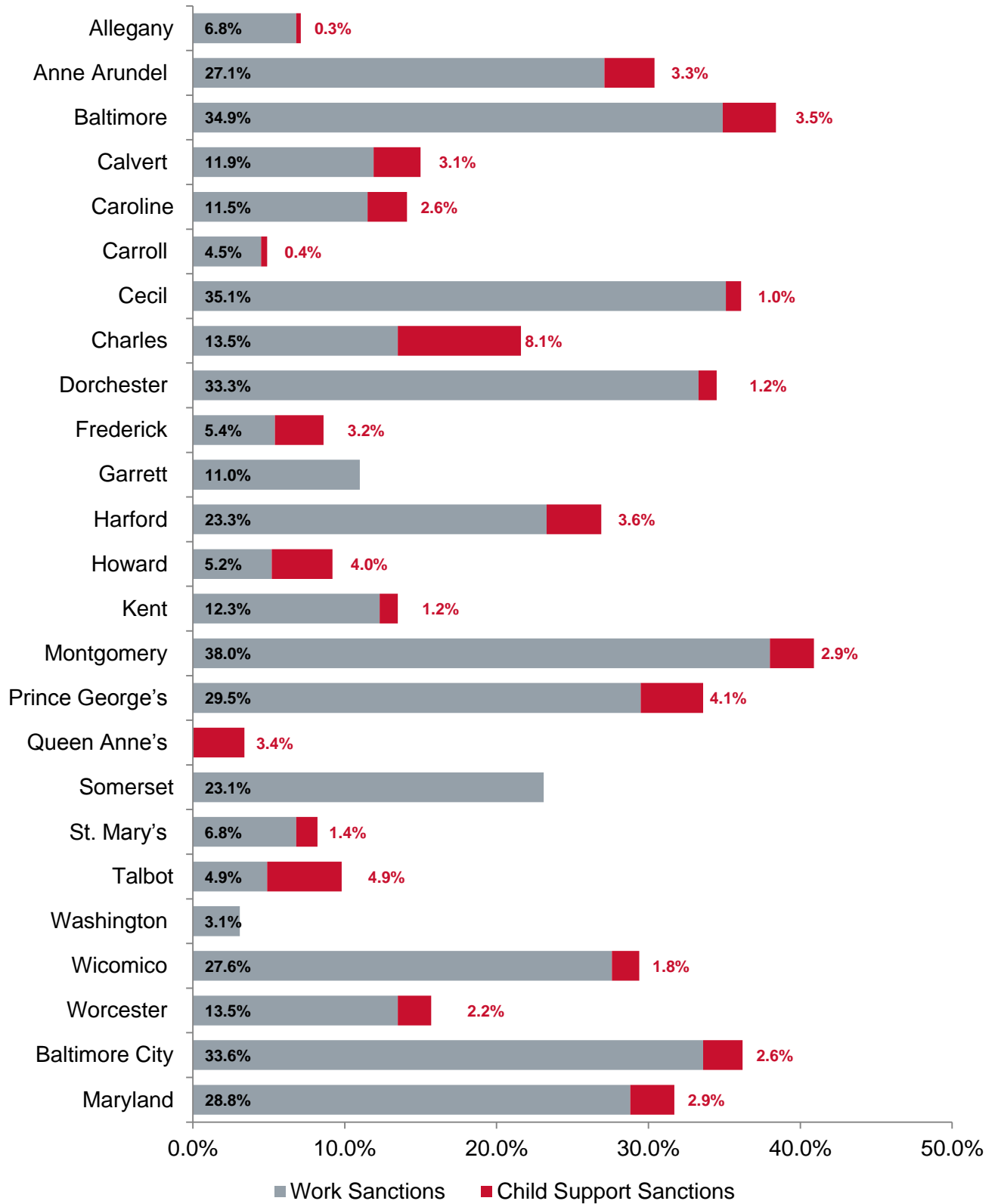
Figure 5, following this discussion, shows the percent of case closures due to work and child support sanctions in each jurisdiction. The major finding about work sanctions among the jurisdictions is the same as the finding at the state level—work sanctions decreased from the previous study year. This is especially true in Baltimore City where work sanctions decreased by 20 percentage points from 53.6% in the previous year to 33.6%. Not only did Baltimore City experience a decline in work sanctions, but 16 of the 23 counties also saw a decrease in the use of work sanctions. Among the six counties that had an increase in sanctions—Cecil, Prince George’s, Somerset, St. Mary’s, Talbot, and Wicomico—the increase was slight, ranging from 0.8 percentage points in Prince George’s County to 7.1 percentage points in Cecil County. Carroll County’s work sanction rate remained at 4.5% in both years.

Montgomery County, instead of Baltimore City, had the highest percent of case

closures due to work sanctions; nearly two-fifths (38.0%) of their cases closed because of a work sanction. Queen Anne’s County, on the other hand, had no cases close due to a work sanction. Excluding Queen Anne’s County and Montgomery County, case closures due to a work sanction ranged from 3.1% in Washington County to 35.1% in Cecil County, and six jurisdictions (Baltimore City and the counties of Baltimore, Cecil, Dorchester, Montgomery, and Prince George’s) had a higher percentage of work sanctions than the overall state average (28.8%).

Ten jurisdictions had a higher percent of case closures due to child support sanctions than the state child support sanction rate (2.9%). Charles County had the highest proportion, with nearly one in ten (8.1%) case closures due to a child support sanction. Garrett, Somerset, and Washington Counties, however, had no cases close due to a child support sanction. Excluding the highest and lowest, child support sanctions ranged from 0.3% to 4.9% in each of the remaining jurisdictions.

**Figure 5. Full-Family Sanctions: Jurisdictions**



## CONCLUSIONS

Today's report, a part of the *Caseload Exits at the Local Level* series, provides information for all cases that closed at least once between October 2010 and September 2011. This report is the second in this series to document case closing trends, characteristics of clients and their cases, and the reasons for case closure after the end of the Great Recession. Overall, the payee and case characteristics remain consistent from year-to-year with the bulk of closures occurring among the traditional, work-mandatory cases. This is an expected outcome of welfare reform, where, in very simple terms, caseheads of traditional cases find employment and exit cash assistance or they are sanctioned if they are not compliant with work requirements. Either way, the goal is get these cases onto a self-sufficiency path.

In this second report after the official end of the Great Recession, the number of case closures continues to grow, however the pace seems to have slowed and may be an indication that the bottom of the recession, among this population, has been reached. It remains to be seen whether this one-year finding will continue into future study years, but this finding is also confirmed by the recent study of the active caseload in October 2011. For instance, employment participation by caseheads among the active caseload has dropped precipitously since 2007; however, the 2010 and 2011 participation rates have begun to stabilize, suggesting that the employment prospects, while still difficult, are not continuing to deteriorate.

Another important finding from this report is the decrease in work sanctions. This decrease is also most likely a reason for the slowed pace of closures. While most jurisdictions experienced a decrease in work sanctions, Baltimore City had a substantial decline, resulting in, for the first time in four years, a decrease in the statewide use of work sanctions. At the same time, however,

there was a substantial increase in case closures due to eligibility and verification information not provided. Whether these changes in the use of case closure codes indicates any changes in the philosophy and management of cases remains to be seen, as again, this is only a one-year finding. Yet this finding bears examination in future reports to determine if this is, in fact, a new trend, in which caseheads may be removed from cash assistance not due to lack of participation in a work-related activity, but rather, for not providing evidence of this participation, or of other required documents.

While there seem to be some small indication of stabilization among this population after the long-lasting effects of the Great Recession, it still must be noted that families are struggling. There was still an increase in the number of cases receiving cash assistance and a corresponding increase in case closures. The enhanced need for the safety net is still evident. The findings from this report as well as others completed using caseloads from the recession period continue to explore the question, how can TANF respond to families in need and still meet the rigid work participation rate during times of high unemployment. With TANF reauthorization due in March 2013, after two extensions from the original September 2010 reauthorization date, this question should be seriously considered by policymakers to ensure that there is balance between the need for TANF to be a work program as well as a program that can respond to need when necessary.

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