

# **Life After Welfare: Regional Patterns**

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## **Abstract**

This report is based on data for 5,840 families whose characteristics and post-welfare outcomes were described in an earlier publication, *Life After Welfare: Fourth Interim Report*. These families are a five percent random sample of all families which left welfare during the first two and one-half years of welfare reform in Maryland (October 1996 - March 1999). The data are re-visited in this report and examined by geographical region to provide policy-makers and administrators with a picture of trends occurring in their part of the state and of how those trends may differ from patterns for the state as a whole. Region-by-region description of the demographic profile of exiting cases and payees is presented, as is regional information about prior welfare use, returns to welfare after exit and pre- and post-welfare employment by payees in Maryland jobs covered by the Unemployment Insurance (UI) system. Although some intra-state variations are observed, the regional analysis does not raise any red flags or reveal new areas of concern. Particularly in certain regions of the state, however, the effect of our continued lack of access to data on federal employment and employment in the four border states and the District of Columbia is quite pronounced.

## Introduction

This research report is based on data for 5,840 families whose characteristics and post-welfare outcomes were described in an earlier publication *Life After Welfare: Fourth Interim Report*<sup>1</sup>. These families are a 5% sample of all those who have left welfare in Maryland during the first two and one half years of welfare reform (30 months: October 1996 - March 1999).<sup>2</sup> The data are re-visited in this report and examined by geographical region to provide policymakers and administrators with a clearer picture of trends occurring in their part of the state and of how those trends may differ from patterns for the state as a whole. Although small in size (12,297 square miles; US Census, 1999), Maryland has great diversity in geography, population characteristics, and the economic and welfare reform challenges contained within its borders. This report acknowledges and examines that intrastate diversity.

For the purposes of this report, five jurisdictions had a sufficient number of sample cases to be treated as separate regions. These jurisdictions and the number of cases in each are:

Anne Arundel County (n=300)  
Baltimore City (n=2,349)  
Baltimore County (n=732)  
Montgomery County (n=284)  
Prince George's County (n=1,003)

The remaining 19 jurisdictions were grouped into five regions:

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<sup>1</sup> See: Welfare and Child Support Research and Training Group. (October 1999). *Life After Welfare: Fourth Interim Report*. Baltimore: University of Maryland School of Social Work.

<sup>2</sup> See Appendix A for a summary of the *Life After Welfare* study design and data sources.

Lower Eastern Shore (n=200)  
Metro Counties (n=344)  
Southern Maryland (n=187)  
Upper Eastern Shore (n=220)  
Western Maryland (n=221)

Somerset, Wicomico, and Worcester Counties make up the Lower Eastern Shore region. Included in the Metro region are: Carroll; Frederick; Harford; and Howard Counties. Southern Maryland includes: Calvert; Charles; and St. Mary's Counties. Western Maryland includes: Allegany; Garrett; and Washington Counties. On the Eastern Shore, Caroline, Cecil, Dorchester, Kent, Queen Anne's, and Talbot Counties comprise the Upper Eastern Shore region.<sup>3</sup> Statewide data are also presented, but because of the disproportionate size of Baltimore City, these data are presented in two forms in the data tables: with the City included and with the City excluded. References to statewide data in the report text, however, are inclusive of Baltimore City data .

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<sup>3</sup> See Appendix B for a map of Maryland highlighting the 10 regions.

## **Regional Analyses: Baseline Characteristics at Time of Exit**

In Table 1, following, data describing case and payee characteristics at the time of exit (baseline characteristics) are presented separately for each region of the state. These data include information about: assistance unit size and composition; age and racial/ethnic group of payees; estimated age of female payees at first birth; and age of the youngest child in the assistance unit. Data are also presented for each region on the reason for case closing, the use of sanctions, and lifetime and current cash assistance receipt history. Follow-up data on regional employment and recidivism patterns are presented in the next chapter.

### **What Are the Characteristics of Exiting Cases?**

Statewide, in the first two and one half years of reform, the average exiting payee was a woman (95.9%), 32 to 33 years of age, African-American (72.1%), living as a single parent (83.5%) with one child (46.8%). At least one in two payees had her first child before the age of 21 (conservatively, approximately 57% of the sample). In the average exiting case statewide, the youngest child was about five and one-half years old, with 36% of cases including a child under the age of three years. The profile of exiting cases varied slightly across regions of the state. Important findings are listed below while Table 1, following the discussion, presents the results for each region in more detail.

Average assistance unit size ranged from a low of 2.61 persons on the Upper Eastern Shore to a high of 2.79 persons in Western Maryland. The median assistance unit size was 2 persons in Anne Arundel County, Baltimore County, the Metro Counties, Prince George's County, the Upper Eastern Shore, and Baltimore City. In the remaining regions (Lower Eastern Shore, Montgomery County, Southern Maryland, and Western Maryland) the median was 3 persons.

The percentage of cases with only one adult ranged across regions from a low of 76.4% on the Upper Eastern Shore to a high of 85.2% in Baltimore City.

The percentage of cases with only one or two children ranged across regions from a low of 74.2% in Western Maryland to a high of 80.4% on the Upper Eastern Shore.

The percentage of child-only cases, where no adult is included in the grant amount, ranged from a low of 11.6% in the Metro Counties to a high of 16.4% on the Upper Eastern Shore.

Statewide, about 7 of 10 exiting payees are African-American. When regions were examined, the percentage of payees who are African-American ranged from a low of 14.1% in Western Maryland to a high of 90.6% in Prince George's County. These variations are generally consistent with the demographics of each region.

Statewide, 95.9% of exiting payees are women. In all regions, more than 9 of 10 payees are women, ranging from 93.7% in Western Maryland to 97.5% in Baltimore County and the Lower Eastern Shore.

Statewide, exiting payees were, on average, 32 years old and 18% of payees were over the age of 40. Average age of exiting payees across regions ranged from a low of 30.29 in Western Maryland to a high of 33.33 in Montgomery County. The proportion of payees over the age of 40 ranged from a low of 14.1% in Western Maryland to a high of 22.6% in Montgomery County and Southern Maryland.

Early childbearing was common in the sample. Almost one in four exiting women (23.6%) had their first child before the age of 18. Almost six of ten (57.3%) had their first child before the age of 21. The proportion of exiting women who gave birth to their first child before age 18 ranged from 17.3% in the Metro Counties to 30.0% on the Lower Eastern Shore. The proportion of exiters whose first birth was before age 21 ranged from 50.0% in Montgomery County to 71.2% on the Lower Eastern Shore.

Statewide, the youngest child in the assistance unit was almost six years old (5.68 years). Youngest children ranged in age across the regions from 4.67 years on the Upper Eastern Shore and 4.68 in the Metro Counties, to 6.08 years in Baltimore City at the time the family left welfare.

**Table 1. Demographic Characteristics by Region**

Characteristics	Anne Arundel County n=300	Baltimore County n=732	Lower Eastern Shore n=200	Metro Counties n=344
<b>Assistance Unit Size</b>				
Mean	2.67	2.66	2.75	2.65
Median	2.00	2.00	3.00	2.00
Std. Dev.	1.23	1.09	1.16	1.20
Range	1 to 7	1 to 8	1 to 7	1 to 9
% of cases with one adult	81.7%	84.3%	79.0%	84.0%
% of cases with only one or two children	76.7%	77.9%	76.0%	79.4%
% of child-only cases	15.7%	13.8%	15.0%	11.6%
% with female heads of household	94.2%	97.5%	97.5%	94.2%
% with African-American heads of household	45.0%	59.0%	72.8%	43.0%
% with Caucasian heads of household	52.6%	40.0%	26.2%	54.6%
<b>Age of Payee</b>				
Mean	31.19	32.19	30.88	31.09
Median	29.52	30.89	27.56	29.44
Std. Dev.	9.71	9.22	11.27	9.70
Range	18 to 74 yrs.	18 to 86 yrs.	18 to 77 yrs.	19 to 74 yrs.
% over age 40	15.1%	15.3%	17.0%	15.1%
<b>Estimated Age at Birth of First Child</b>				
Mean	22.19	21.66	20.33	22.13
Median	20.36	20.40	19.22	20.79
Std. Dev.	5.69	4.91	4.59	5.13
Range	14 to 45	13 to 42	13 to 45	14 to 40
% of Mothers who gave birth before 18	20.2%	22.7%	30.0%	17.3%
% of Mothers who gave birth before 21	56.1%	56.4%	71.2%	52.5%
<b>Age of youngest child in the household</b>				
Mean	4.84	5.82	4.97	4.68
Median	3.14	4.57	3.79	3.52
Std. Dev.	4.40	4.59	4.26	4.06
Range	< 1 mo. to 18 yrs.	< 1 mo. to 18 yrs.	< 1 mo. to 18 yrs.	< 1 mo. to 18 yrs.
% of households with a child under 3	47.9%	34.7%	42.3%	45.2%

Characteristics	Montgomery County n=284	Prince George s County n=1,003	Southern Maryland n=187	Upper Eastern Shore n=220
<b>Assistance Unit Size</b>				
Mean	2.74	2.75	2.74	2.61
Median	3.00	2.00	3.00	2.00
Std. Dev.	1.14	1.30	1.28	1.09
Range	1 to 7	1 to 11	1 to 9	1 to 7
% of cases with one adult	83.5%	83.3%	80.2%	76.4%
% of cases with only one or two children	76.1%	74.6%	78.1%	80.4%
% of child-only cases	13.4%	15.2%	15.0%	16.4%
% with female heads of household	95.4%	95.9%	96.8%	94.5%
% with African-American heads of household	62.0%	90.6%	54.9%	49.3%
% with Caucasian heads of household	22.8%	6.4%	43.4%	48.8%
<b>Age of Payee</b>				
Mean	33.33	32.51	33.27	31.37
Median	31.67	31.20	32.60	29.91
Std. Dev.	9.55	9.34	11.14	9.94
Range	18 to 74 yrs.	19 to 72 yrs.	19 to 78 yrs.	19 to 72 yrs.
% over age 40	22.6%	17.2%	22.6%	15.9%
<b>Estimated Age at Birth of First Child</b>				
Mean	22.56	21.95	21.34	21.46
Median	21.03	20.54	19.89	19.97
Std. Dev.	5.48	5.44	5.10	4.99
Range	14 to 43	14 to 50	13 to 41	14 to 46
% of Mothers who gave birth before 18	18.1%	22.9%	26.5%	21.7%
% of Mothers who gave birth before 21	50.0%	55.4%	60.5%	58.7%
<b>Age of youngest child in the household</b>				
Mean	5.81	5.74	5.61	4.67
Median	4.48	4.72	4.35	2.98
Std. Dev.	4.68	4.28	4.54	4.47
Range	< 1 mo. to 18 yrs.	< 1 mo. to 18 yrs.	< 1 mo. to 18 yrs.	< 1 mo. to 18 yrs.
% of households with a child under 3	35.0%	33.7%	38.0%	50.2%

Characteristics	Western Maryland n=221	Baltimore City n = 2,349	State excluding Baltimore City n = 3,491	Statewide n = 5,840
<b>Assistance Unit Size</b>				
Mean	2.79	2.66	2.71	2.69
Median	3.00	2.00	2.00	2.00
Std. Dev.	1.23	1.17	1.20	1.19
Range	1 to 7	1 to 12	1 to 11	1 to 12
% of cases with one adult	78.7%	85.2%	82.3%	83.5%
% of cases with only one or two children	74.2%	75.4%	76.7%	76.1%
% of child-only cases	11.3%	12.9%	14.2%	13.7%
% with female heads of household	93.7%	96.0%	95.8%	95.9%
% with African-American heads of household	14.1%	86.7%	62.5%	72.1%
% with Caucasian heads of household	84.0%	12.5%	34.3%	25.7%
<b>Age of Payee</b>				
Mean	30.29	32.79	31.99	32.31
Median	27.42	31.28	30.43	30.77
Std. Dev.	9.97	10.24	9.73	9.94
Range	18 to 68 yrs.	18 to 81yrs.	18 to 86 yrs.	18 to 86 yrs.
% over age 40	14.1%	19.8%	16.9%	18.0%
<b>Estimated Age at Birth of First Child</b>				
Mean	20.97	21.65	21.76	21.72
Median	19.82	20.03	20.35	20.22
Std. Dev.	4.22	5.45	5.19	5.29
Range	15 to 40	13 to 50 yrs.	13 to 50 yrs.	13 to 50 yrs.
% of Mothers who gave birth before 18	18.7%	26.2%	21.9%	23.6%
% of Mothers who gave birth before 21	64.8%	57.9%	56.9%	57.3%
<b>Age of youngest child in the household</b>				
Mean	4.92	6.08	5.41	5.68
Median	3.06	5.13	4.12	4.46
Std. Dev.	4.73	4.44	4.44	4.46
Range	< 1 mo. to 18 yrs.	<1 mo. to 18 yrs.	<1 mo. to 18 yrs.	<1 mo. to 18 yrs.
% of households with a child under 3	49.5%	31.4%	39.2%	36.1%

**Note:** Valid percent is used.



## Why Are Families Leaving Welfare?

To shed some light on why families in Maryland are leaving welfare, we examine the administratively-recorded reasons for case closure. As documented in many of our prior reports, the reasons why people leave welfare are many and varied, and are not always accurately described by pre-defined closure codes. For example, there is no code for "started work" in CARES, but our prior reports have documented that the majority of cases closed with the code "income above limit" are those in which the payee has gotten a new job or higher wages.<sup>4</sup> In many cases, those closed for "failure to reapply/complete redetermination" seem to be cases where the recipient has started work, and therefore decided not to reapply for TCA. With these caveats in mind, Table 2, following, presents the five most frequently used closure codes.

**Table 2. Top Five Reasons for Case Closure - Entire Exiting Sample**

<b>Closing Code (n=5,805, 35 missing)</b>	<b>Frequency</b>	<b>Percent</b>	<b>Cumulative Percent</b>
<b>Income Above Limit/Started Work<sup>5</sup></b>	1,544	26.6%	26.6%
<b>Failed to Reapply/Redetermination</b>	1,432	24.7%	51.3%
<b>Eligibility/Verification Info Not Provided</b>	871	15.0%	66.3%
<b>Work Sanction</b>	541	9.3%	75.6%
<b>Assistance Unit Requested Closure</b>	391	6.7%	82.3%

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<sup>4</sup> See for example: Welfare and Child Support Research and Training Group. (March 1998). *Life After Welfare: Second Interim Report*. Baltimore: University of Maryland School of Social Work.

<sup>5</sup> The old data system, AIMS, had a "started work" code which for these analyses has been combined with the comparable CARES code "income above limit".

While the five codes presented in Table 2 are the most frequently used codes statewide, there are regional differences in the use of these and other codes. The "top five" case closing reasons for each region are presented in Table 3, following.

The majority of regions (7 of 10) closed the largest proportion of cases with the "income above limit" code. However, the proportion of cases closed with this code varied widely, from 26.0% in Baltimore County to 43.1% on the Upper Eastern Shore. Notable exceptions were Baltimore City and Prince George's County which both closed the largest proportion of cases with the code "failure to reapply/complete redetermination".<sup>6</sup> The other exception was Anne Arundel County, which closed the largest proportion of cases with the code "eligibility/verification information not provided".

In four of ten regions (Baltimore County, the Lower Eastern Shore, Metro Counties, and Montgomery County) the second most frequently used code was "failed to reapply/complete redetermination". In another three regions (Anne Arundel and Prince George's Counties and Baltimore City), the second most frequently used code was "income above limit/started work". In the three remaining regions (Southern Maryland, Upper Eastern Shore, and Western Maryland), "work sanction" was the second most frequently used closing code.

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<sup>6</sup> As noted in our October 1999 Life After Welfare report, during the latter part of our study period, Baltimore City and Prince George's County experimented with having more frequent customer-worker interviews. System issues associated with this practice caused many cases to close prematurely with the code "failed to reapply/complete redetermination".

**Table 3. Top Five Case Closing Reasons by Region**

<b>Region</b>	<b>Top 5 Closing Reasons</b>	<b>Frequency</b>	<b>Percent</b>
<b>Anne Arundel County</b>	Eligibility/Verification Info Not Provided	71	23.8%
	Income Above Limit/Started Work	66	22.1%
	Failed to Reapply/Complete Redetermination	56	18.8%
	Work Sanction	35	11.7%
	Assistance Unit Requested Closure	21	7.0%
<b>Baltimore County</b>	Income Above Limit/Started Work	189	26.0%
	Failed to Reapply/Complete Redetermination	153	21.0%
	Work Sanction	111	15.2%
	Eligibility/Verification Info Not Provided	95	13.0%
	Assistance Unit Requested Closure	41	5.6%
<b>Lower Eastern Shore</b>	Income Above Limit/Started Work	84	42.2%
	Failed to Reapply/Complete Redetermination	24	12.1%
	Assistance Unit Requested Closure	22	11.1%
	Work Sanction	19	9.5%
	Eligibility/Verification Info Not Provided	18	9.0%
<b>Metro Counties</b>	Income Above Limit/Started Work	141	41.3%
	Failed to Reapply/Complete Redetermination	52	15.2%
	Eligibility/Verification Info Not Provided	42	12.3%
	Assistance Unit Requested Closure	33	9.7%
	Work Sanction	30	8.8%
<b>Montgomery County</b>	Income Above Limit/Started Work	83	29.3%
	Failed to Reapply/Complete Redetermination	71	25.1%
	Eligibility/Verification Info Not Provided	45	15.9%
	Assistance Unit Requested Closure	16	5.7%
	Work Sanction	15	5.3%
<b>Prince Georges County</b>	Failed to Reapply/Complete Redetermination	382	38.2%
	Income Above Limit/Started Work	193	19.3%
	Eligibility/Verification Info Not Provided	107	10.7%
	Work Sanction	85	8.5%
	Assistance Unit Requested Closure	65	6.5%
<b>Southern Maryland</b>	Income Above Limit/Started Work	75	40.3%
	Work Sanction	27	14.5%
	Failed to Reapply/Complete Redetermination	18	9.7%
	Eligibility/Verification Info Not Provided	17	9.1%
	Assistance Unit Requested Closure	15	8.1%
<b>Upper Eastern Shore</b>	Income Above Limit/Started Work	94	43.1%
	Work Sanction	23	10.6%
	Failed to Reapply/Complete Redetermination	22	10.1%
	Assistance Unit Requested Closure	22	10.1%
	Eligibility/Verification Info Not Provided	21	9.6%

<b>Region</b>	<b>Top 5 Closing Reasons</b>	<b>Frequency</b>	<b>Percent</b>
<b>Western Maryland</b>	Income Above Limit/Started Work	78	36.4%
	Work Sanction	30	14.0%
	Eligibility/Verification Info Not Provided	26	12.1%
	Assistance Unit Requested Closure	24	11.2%
	Failed to Reapply/Complete Redetermination	17	7.9%
<b>Baltimore City</b>	Failed to Reapply/Redetermination	643	27.5%
	Income Above Limit/Started Work	541	23.1%
	Eligibility/Verification Info Not Provided	423	18.1%
	Work Sanction	166	7.1%
	Assistance Unit Requested Closure	132	5.6%
<b>State Excluding Baltimore City</b>	Income Above Limit/Started Work	1,003	28.9%
	Failed to Reapply/Redetermination	789	22.8%
	Eligibility/Verification Info Not Provided	448	12.9%
	Work Sanction	375	10.8%
	Assistance Unit Requested Closure	259	7.5%
<b>Statewide</b>	Income Above Limit/Started Work	1,544	26.6%
	Failure to Reapply/Complete Redetermination	1,432	24.7%
	Eligibility/Verification Info Not Provided	871	15.0%
	Work Sanction	541	9.3%
	Assistance Unit Requested Closure	391	6.7%

## **How Many Families Have Been Sanctioned?**

The full family sanction, removal of the entire welfare grant for noncompliance with work and child support requirements, was one of the more controversial policies enacted as part of Maryland's TANF program. There was little or no empirical research about full family sanctions in comparison to the partial sanctions that were used under AFDC, causing many to be concerned that a large number of families would be negatively affected by this new, more stringent, policy. However, this does not seem to have been the case in Maryland (Born, Caudill, & Cordero, November 1999). Key findings about sanctions follow.

Statewide, 10.4% of exiting families have been sanctioned for noncooperation with work or child support requirements. The vast majority of sanctions have been for work requirements (9.3% of all exits  $n=605/5,805$ ). Very few full family sanctions were due to non-compliance with child support requirements ( $n=64/5,805$  or 1.1%).

In all ten regions, work sanctions were more common than child support sanctions. The proportion of work sanctions ranged from a low of 5.3% of closures in Montgomery County to a high of 15.2% of closures in Baltimore County. The proportion of child support sanctions ranged from a low of 0.4% of closures in Baltimore City to 2.8% of closures in Montgomery County.

Table 4, following, presents more detailed information about the use of full family sanctions in the different regions of the state.

**Table 4. Proportion of Cases Sanctioned by Region**

<b>Region</b>	<b>Full Family Sanctions</b>	<b>Frequency</b>	<b>Percent</b>
<b>Anne Arundel County</b>	Work Child Support	35 2	11.7% 0.7%
<b>Baltimore County</b>	Work Child Support	111 9	15.2% 1.2%
<b>Lower Eastern Shore</b>	Work Child Support	19 3	9.5% 1.5%
<b>Metro Counties</b>	Work Child Support	30 5	8.8% 1.5%
<b>Montgomery County</b>	Work Child Support	15 8	5.3% 2.8%
<b>Prince George s County</b>	Work Child Support	85 19	8.5% 1.9%
<b>Upper Eastern Shore</b>	Work Child Support	23 2	10.6% 0.9%
<b>Southern Maryland</b>	Work Child Support	27 5	14.5% 2.7%
<b>Western Maryland</b>	Work Child Support	30 1	14.0% 0.5%
<b>Baltimore City</b>	Work Child Support	166 10	7.1% 0.4%
<b>State Excluding Baltimore City</b>	Work Child Support	375 54	10.8% 1.6%
<b>Statewide</b>	Work Child Support	541 64	9.3% 1.1%

## **What Are Payees' Experiences With the Welfare System?<sup>7</sup>**

In terms of the welfare experiences of exiting payees, data are available for both exit spell and adult lifetime receipt. Exit spell refers to the number of months the assistance unit had received TCA up to and including the closing month which brought it into our sample. Lifetime receipt history includes all TCA receipt for which the exiting payee was the casehead up to the exit which brought them into our sample. Any AFDC/TANF receipt as a child is excluded. Findings for both current and lifetime welfare receipt are discussed below and presented for each region in Table 5, following the discussion.

### **Recent Experiences - Exiting Spell**

Statewide, almost half of the cases in our sample had been on welfare for 12 months or less at the time of the exit that brought them into our sample (48.3%). The average exiting spell was a little over 2 years (25.04 months).

The average spell length ranged from just over a year (13.48 months) on the Lower Eastern Shore to more than two and a half years (33.27 months) in Baltimore City. The median spell length ranged from 5.48 months in Western Maryland to 16.76 months in Baltimore City.

The proportion of payees who were exiting from short welfare spells (i.e., 12 months or less) also varied across regions. Western Maryland and the Lower Eastern Shore had the greatest proportions of short-term exiters, approximately seven in ten (70.6% and 69.0%, respectively). In contrast, Baltimore City had the smallest

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<sup>7</sup> Variations in local case closing practices may influence these findings.

proportion of short-term exiters, just under four in ten (39.8%), followed by Prince George's County, at just over four in ten (44.2%). Baltimore City also had the highest proportion of long-term exiters, cases which were exiting a spell of TCA receipt which was 61 months or longer in duration; almost one in five (17.7%) City exiters had spells that had lasted for more than 60 months. The region with the smallest proportion of long-term exiters was the Lower Eastern Shore, where only 2.5% of cases were exiting a spell of TCA receipt which was longer than five years.

### **Historical Experiences - Lifetime Receipt as an Adult**

When examining lifetime welfare receipt, we find that, statewide, the average exiting payee has a history of almost four years or 44.50 months of adult cash assistance receipt. The median was about two and one-half years (29.71 months).

Regional variations on this dimension are evident. The region with the shortest average adult lifetime receipt history was Western Maryland, with an average less than two and one-half years (28.43 months). Baltimore City, with a lifetime average of almost five years (56.82 months) had the highest average.

The region with the greatest proportion of short-term lifetime histories was Western Maryland where four of ten exiting payees (44.1%) had received cash assistance for 12 months or less during adulthood. The region with the smallest proportion of short-term lifetime histories was Baltimore County, where fewer than one in four (22.9%) payees had an adult receipt history of one year or less. Baltimore City was the region with the largest proportion of payees with a lifetime history longer than five years, almost four in ten (38.5%). Western Maryland has the smallest proportion of cases with a lifetime history of five years or more, with one in eight (12.7%).



**Table 5. Exit Spell and Lifetime Cash Assistance History<sup>8</sup>**

<b>Characteristics</b>	<b>Anne Arundel County</b>	<b>Baltimore County</b>	<b>Baltimore City</b>	<b>Baltimore Eastern Shore</b>	<b>Montgomery County</b>
<b>Length of Exit Spell</b>					
12 months or less	52.3%	53.8%	69.0%	64.0%	
13-24 months	24.3%	23.8%	15.5%	16.6%	
25-36 months	10.3%	10.2%	8.0%	8.7%	
37-48 months	6.0%	4.5%	4.0%	4.7%	
49-60 months	3.0%	1.9%	1.0%	2.6%	
61 months or more	4.0%	5.7%	2.5%	3.5%	
Mean spell length (months)	18.85	18.74	13.48	15.86	
Median spell length (months)	11.96	11.49	6.93	8.69	
Standard Deviation (months)	21.13	22.98	18.16	19.29	
Range (months)	1 month to 12 yrs	1 mo. to 13 yrs.	1 mo. to 12 yrs.	1 mo. to 11 yrs.	
<b>Lifetime Welfare Receipt as an Adult</b>					
12 months or less	33.6%	22.9%	34.9%	39.4%	
13-24 months	20.5%	15.7%	20.1%	15.6%	
25-36 months	13.0%	11.7%	13.8%	15.6%	
37-48 months	8.6%	8.1%	11.1%	6.4%	
49-60 months	6.2%	8.2%	3.2%	7.6%	
61 months or more	18.2%	33.4%	16.9%	15.3%	
Mean spell length (months)	36.07	48.28	30.98	30.61	
Median spell length (months)	20.34	36.51	21.39	20.54	
Standard Deviation (months)	40.51	41.00	29.50	29.88	
Range (months)	1 mo. to 27 yrs.	1 mo. to 25 yrs.	2 mos. to 12 yrs.	1 mo. to 14 yrs.	

<sup>8</sup> In a few cases, the exit spell is longer than the payee's lifetime welfare receipt because the exit spell includes months of receipt where the exiting payee was not the casehead.

Characteristics	Montgomery County	Prince George s County	Southern Maryland	Upper Eastern Shore
<b>Length of Exit Spell</b>				
12 months or less	48.9%	44.2%	55.1%	62.7%
13-24 months	21.5%	23.7%	20.3%	18.6%
25-36 months	11.6%	12.3%	11.8%	7.7%
37-48 months	3.9%	6.6%	4.8%	5.5%
49-60 months	6.0%	4.2%	1.1%	1.8%
61 months or more	8.1%	9.1%	7.0%	3.6%
Mean spell length (months)	22.26	23.80	20.55	15.62
Median spell length (months)	12.32	14.43	11.44	7.59
Standard Deviation (months)	25.74	26.25	27.96	22.34
Range (months)	2 mos. to 12 yrs	1 mo. to 22 yrs.	1 mo. to 14 yrs.	1 mo. to 19 yrs.
<b>Lifetime Welfare Receipt as an Adult</b>				
12 months or less	29.1%	34.5%	27.3%	41.0%
13-24 months	16.4%	20.8%	22.2%	18.6%
25-36 months	14.2%	11.1%	11.9%	13.3%
37-48 months	9.3%	9.2%	13.6%	7.6%
49-60 months	9.7%	7.3%	10.2%	5.7%
61 months or more	21.3%	17.3%	14.8%	13.8%
Mean spell length (months)	37.40	32.93	34.86	29.13
Median spell length (months)	28.94	21.98	25.57	18.22
Standard Deviation (months)	32.19	30.15	30.98	30.30
Range (months)	1 mo to 12 yrs.	1 mo. to 14 yrs.	1 mo. to 12 yrs.	1 mo. to 12 yrs.

Characteristics	Western Maryland	Baltimore City	State Excluding Baltimore City	Statewide
<b>Length of Exit Spell</b>				
12 months or less	70.6%	39.8%	54.1%	48.3%
13-24 months	13.1%	22.0%	21.3%	21.5%
25-36 months	6.3%	10.1%	10.3%	10.3%
37-48 months	3.6%	6.1%	5.2%	5.6%
49-60 months	2.7%	4.9%	3.0%	3.8%
61 months or more	3.6%	17.7%	6.1%	10.5%
Mean spell length (months)	13.91	33.27	19.50	25.04
Median spell length (months)	5.48	16.76	11.30	12.65
Standard Deviation (months)	21.70	41.84	23.89	33.02
Range (months)	1 mo. to 15 yrs.	1 mo. to 25 yrs.	1 mo. to 22 yrs.	1 mo. to 25 yrs.
<b>Lifetime Welfare Receipt as an Adult</b>				
12 months or less	44.1%	25.1%	32.7%	29.6%
13-24 months	15.5%	11.7%	18.4%	15.7%
25-36 months	10.8%	10.1%	12.4%	11.5%
37-48 months	10.3%	8.0%	8.9%	8.6%
49-60 months	6.6%	6.7%	7.4%	7.1%
61 months or more	12.7%	38.5%	20.2%	27.7%
Mean spell length (months)	28.43	56.82	36.06	44.50
Median spell length (months)	17.52	41.54	24.22	29.71
Standard Deviation (months)	28.97	53.20	34.43	44.25
Range (months)	1 mo. to 11 yrs.	1 mo. to 24 yrs.	1 mo. to 27 yrs.	1 mo. to 27 yrs.

## **How Many Exiting Adults Have Prior UI-Covered Employment?**

Using data from the Maryland Automated Benefits System (MABS), which contains Unemployment Insurance (UI) wage information for about 93% of Maryland jobs, we examined exiters' employment history. Our findings, however, understate paid employment for several reasons. First, federal employees, independent contractors, farm workers, people whose wages are based on commission only, some student interns, and self-employed individuals who do not employ anyone else are not included in MABS. Second, jobs in other states and the District of Columbia are not covered, nor are jobs where the employee is paid "off the books" or "under the table".

Our lack of data on employment in the border states and the District of Columbia limits our ability to make meaningful, complete regional comparisons because we know from Census data that jurisdictions vary greatly in the percentage of resident workers who are employed out of state. According to the 1990 census, to illustrate, one-third or more of all employed residents of Cecil, Montgomery and Prince George's Counties work outside of Maryland. In contrast, less than five percent of employed residents of Baltimore City and the Counties of Baltimore, Carroll, Dorchester, Harford, Somerset and Talbot worked outside the state (See Appendix C for additional information). We have no way of knowing if observed differences in payees' employment across regions are real or, simply because of these significant data gaps, an artifact of differences in out of state employment. Even with these caveats, however, it is instructive to examine historical and post-exit employment patterns at the regional level.

In brief, the typical exiting payee statewide has some history of prior employment in a UI-covered job in Maryland. Eight of ten (81.7% or 4,770/5,840) exiting payees

statewide worked in at least one UI-covered job at some point in the last four years (January - March 1995 to January - March 1999).

Expectedly, given the data gaps noted, the percentage of payees with a work history between the first quarter of 1995 and the first quarter of 1999 does vary across regions. The percentages ranged from 75.1% in Prince George's County to 92.5% on the Lower Eastern Shore. However, the extremes reflected in these two regions may be deceiving. For example, many jobs on the Lower Eastern Shore are seasonal in nature; the high percentage does reflect the fact that most exiting payees have worked at some point in the past few years, but it is not necessarily indicative of a stable history of employment. Also, according to 1990 Census data, 44% of Prince George's County residents work out of state, which strongly suggests that the figure we report here is an understatement of the rate of recent labor force participation by these customers. Regional rates of employment during this period are presented in Table 6, on the next page.

**Table 6. Employment at any time between Q1-1995 and Q1-1999 by Region**

<b>Region</b>	<b>% with UI-covered employment between Q1-1995 and Q1-1999</b>
<b>Anne Arundel County</b>	86.3%
<b>Baltimore County</b>	84.0%
<b>Lower Eastern Shore</b>	92.5%
<b>Metro Counties</b>	88.1%
<b>Montgomery County</b>	82.0%
<b>Prince George s County</b>	75.1%
<b>Upper Eastern Shore</b>	85.9%
<b>Southern Maryland</b>	81.8%
<b>Western Maryland</b>	85.1%
<b>Baltimore City</b>	80.5%
<b>State Excluding Baltimore City</b>	82.4%
<b>Statewide</b>	81.7%

For payees who began their exit spell in or after April 1987 and were 18 years of age in the quarter before that spell began, pre-welfare-entry employment data are available. These longer-term historical employment data (on Maryland jobs only) are available for 97.9% of exiting payees statewide. Examining the statewide data, we find that a bit more than one third, 36%, worked in a UI-covered job in Maryland in the quarter immediately before their exit spell began. Again, however, the percentage of payees who worked in the quarter prior to their welfare entry varied across regions, from 27.2% in Prince George's County to 51.8% on the Lower Eastern Shore.

Statewide, mean earnings from a UI-covered Maryland job in the quarter prior to welfare entry were \$2,058.95 and median earnings were \$1,151.46.<sup>9</sup> Mean earnings did differ across regions and ranged from \$1,456.46 in Southern Maryland to \$2,262.82 in Baltimore County. Median earnings ranged across regions from \$1,028.51 in Southern Maryland to \$1,720.89 in Baltimore City. Details for all regions are presented in Table 7.

When considering these figures, readers should bear in mind that Maryland's UI data are reported quarterly. No details on the number of hours worked per week or number of weeks worked in a quarter are provided; it is therefore impossible to convert these quarterly earnings figures into hourly wages. Additionally, quarterly earnings do not reflect total household incomes as they only include wages earned by the former payee in a Maryland UI-covered job.

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<sup>9</sup> Quarterly earnings are standardized to 1998 dollars.

**Table 7. Pre-Entry Employment Data**<sup>10</sup>

Region	Percent
<b>Anne Arundel County</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	99.3% (298/300) 38.9% (116/298)  \$2,231.40 \$1,637.25
<b>Baltimore County</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	99.3% (727/732) 36.5% (265/727)  \$2,262.82 \$1,389.42
<b>Lower Eastern Shore</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	98.5% (197/200) 51.8% (102/197)  \$1,618.92 \$1,202.20
<b>Metro Counties</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	99.7% (343/344) 44.6% (153/343)  \$2,015.49 \$1,694.41
<b>Montgomery County</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	99.6% (283/284) 34.6% (98/283)  \$2,102.41 \$1,674.29
<b>Prince George s County</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	99.2% (995/1,003) 27.2% (271/995)  \$1,876.44 \$1,299.74

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<sup>10</sup> Earnings are standardized to 1998 dollars.



Region	Percent
<b>Southern Maryland</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	98.9% (185/187) 35.7% (66/185)  \$1,456.46 \$1,028.51
<b>Upper Eastern Shore</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	98.6% (217/220) 42.4% (92/217)  \$1,756.81 \$1,327.49
<b>Western Maryland</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	97.7% (216/221) 39.8% (86/216)  \$1,690.29 \$1,092.30
<b>Baltimore City</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	96.0% (2,255/2,349) 35.9% (809/2,255)  \$2,209.45 \$1,720.90
<b>State Excluding Baltimore City</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	99.1% (3,461/3,491) 36.1% (1,249/3,461)  \$1,961.54 \$1,383.52
<b>Statewide</b> Percent over 18 and entered in/after April 1985 Percent working in quarter before welfare entry  Mean Earnings Median Earnings	97.9% (5,716/5,840) 36.0% (2,058/5,716)  \$2,058.95 \$1,511.46

## How Many Work Before Leaving Cash Assistance?

Employment data for the eight quarters immediately preceding the welfare exit are also available.<sup>11</sup> Statewide, about two of every three (66.2%) payees had worked in a Maryland UI-covered job in at least one of the eight quarters or two years preceding exit. Regional proportions, however, varied considerably and ranged from 57.7% in Prince George's County to 83.0% on the Lower Eastern Shore. Table 8, following presents these data for each region.

**Table 8. Employment in the 8 Quarters Prior to Exit.**

<b>Region</b>	<b>% with UI-covered employment in 8 Pre-exit quarters</b>
<b>Anne Arundel County</b>	70.7%
<b>Baltimore County</b>	66.9%
<b>Lower Eastern Shore</b>	83.0%
<b>Metro Counties</b>	71.2%
<b>Montgomery County</b>	62.0%
<b>Prince George s County</b>	57.7%
<b>Southern Maryland</b>	66.3%
<b>Upper Eastern Shore</b>	72.3%
<b>Western Maryland</b>	66.5%
<b>Baltimore City</b>	66.8%
<b>State Excluding Baltimore City</b>	65.8%
<b>Statewide</b>	66.2%

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<sup>11</sup> The payee may or may not have received AFDC/TCA continuously throughout the eight quarters.

These data, although admittedly limited, paint a generally consistent picture of exiting payees in terms of prior employment. Whether examining employment immediately before entering or exiting welfare, employment in the last two years, or employment any time in adulthood, the data consistently show that the majority of exiting payees in all regions have worked in a UI-covered job in Maryland. That is, the majority do have some history of participation in the labor force.

## **Findings: Post-Exit Employment and Recidivism**

The previous chapter presented demographic information about who was leaving TCA in the various regions of the state and information on exiting payees' previous welfare and employment experiences. Baseline characteristics, however, do not provide an answer to the most important question about welfare leavers: *What happens to families after they leave TCA?* This chapter presents follow-up data separately for each region on the 5,840 study families who left TCA in Maryland between October 1996 and March 1999. First, using administrative data from the state's Unemployment Insurance database we examine the extent of post-exit employment. Next we use participation data from the automated systems of the Maryland Department of Human Resources (DHR) to examine the extent of recidivism, or returns to TCA.

### **How Many Adults have UI-Covered Jobs after Exiting TCA?**

The preceding chapter shows that two of every three TCA recipients had some labor force attachment in the two years prior to their exit from TCA, although this proportion varies somewhat by region. The first part of this chapter presents follow-up data about employment in the quarter of exit and in subsequent quarters.

To present a more accurate picture of employment, we exclude cases which returned to welfare in 30 days or less (churners) from the analysis. Confidence intervals or error margins are also presented to facilitate readers' interpretation of the findings. As shown in Table 9, the size of the confidence interval varies from region to region based on the size of the sample relative to the region's population of exiting cases. For example, for the state as a whole, our sample size allows us to make statements with a  $\pm 1\%$  margin of error. That is, if we find that, statewide, 49.4% of

cases have UI-covered earnings in the exit quarter, the true population value lies between 48.4% and 50.4%. Some of this precision is lost when sub-state or regional analysis is done. For example, in Anne Arundel County, we find that 52.5% of exiters have UI-covered earnings in the quarter of exit, with a confidence interval of  $\pm 6\%$ . Thus, in reality the proportion of Anne Arundel exiters with earnings is between 46.5% and 58.5%.

### **How Many Work in UI-Covered Jobs Right Away?**

Quarter of exit employment data for individual regions are presented in Table 9, following this discussion. Statewide, approximately half of the payees exiting TCA have some UI-covered employment in Maryland in the quarter that they exit (49.4%,  $n=2,287/4,625$ ). Statewide, mean earnings in the quarter of exit were \$2,215, and median earnings were \$1,906.

The proportion of payees with UI-covered earnings in the exit quarter differs widely across regions and ranged from 37.9% in Prince George's County to 61.6% on the Lower Eastern Shore. Once again, it is important to remember that 44% of Prince George's County residents work out of state, according to 1990 Census data thus suggesting a higher rate of employment among exiters than shown in our data which capture only UI-covered jobs in Maryland.

Mean earnings in the exit quarter also varied across the state, and ranged from \$1,513 in Western Maryland to \$2,451 in Baltimore City. Median earnings ranged from \$1,284 on the Upper Eastern Shore to \$2,239 in Baltimore City.

**Table 9. UI-Covered Employment in the Quarter of TCA Exit.**

UI-Covered Employment	Anne Arundel County	Baltimore County	Lower Eastern Shore	Metro Counties
<b>Quarter of TCA Exit</b>				
Total number of cases	242	575	177	296
Percent Working	52.5% (127)	49.0% (282)	61.6% (109)	56.4% (167)
Confidence Interval	46.5% - 58.5%	45.0% - 53.0%	54.6% - 68.6%	50.4% - 62.4%
Mean Earnings	\$2,223	\$2,361	\$1,804	\$1,786
Median Earnings	\$1,679	\$1,768	\$1,708	\$1,431

UI-Covered Employment	Montgomery County	Prince George s County	Southern Maryland	Upper Eastern Shore
<b>Quarter of TCA Exit</b>				
Total number of cases	239	760	164	190
Percent Working	46.4% (111)	37.9% (288)	50.0% (82)	54.7% (104)
Confidence Interval	40.4% - 52.4%	34.9% - 40.9%	43.0% - 57.0%	47.7% - 61.7%
Mean Earnings	\$2,173	\$2,345	\$1,694	\$1,666
Median Earnings	\$1,949	\$1,825	\$1,529	\$1,284

UI-Covered Employment	Western Maryland	Baltimore City	State without Baltimore City	Statewide
<b>Quarter of TCA Exit</b>				
Total number of cases	196	1786	2839	4625
Percent Working	54.1% (106)	51.0% (911)	48.5% (1,376)	49.4% (2,287)
Confidence Interval	47.1% - 61.1%	49.0% - 53.0%	46.5% - 50.5%	48.4% - 50.4%
Mean Earnings	\$1,513	\$2,451	\$2,058	\$2,215
Median Earnings	\$1,160	\$2,239	\$1,631	\$1,906

### **Does Work Effort Persist Over Time?**

A more important question with regard to exiting payees is whether they are employed after they exit TCA and whether that work effort persists over time. We again use data obtained from Maryland's UI database to answer this question for each region of the state. Readers are cautioned that these data lag a few quarters behind real time, and at this point are only complete for our samples through the first quarter of 1999. The amount of post-exit employment data also varies depending on when the case left TCA. To illustrate, a case that left welfare in October 1996 will have nine quarters of available post-exit employment data, while a case that exited in October 1998 will only have one quarter of post-exit data available. Table 10, following this discussion, presents what we know about post-exit employment in UI-covered jobs in Maryland.

For each region, data are presented for each quarter where sufficient cases were available from that region to meet the 95% confidence level with an error margin of  $\pm 10\%$ . In other words, we present results only where quarterly sample sizes insure that the true population value will be within  $\pm 10\%$  of the calculated sample statistic (our reported finding) 95% of the time. Data are presented for the first four quarters after exit in each region and, where sufficient data are available, through nine quarters post-exit. Major findings include:

In the first quarter after exit, half (50.4% or 2,330/4,265) of exiting payees statewide had some UI-covered employment in Maryland.

The proportion of payees with earnings from UI-covered employment remains steady at around 50% through the 9<sup>th</sup> quarter after exit, for the state as a whole.

Statewide, median earnings increased over time from \$2,100 in the first quarter after exit to \$2,556 in the 9<sup>th</sup> quarter after exit.

The proportion of exiters working in a UI-covered Maryland job in the first post-exit quarter varied across regions. The proportion of exiters working varied from 39.9% in Prince George's County to 63.3% on the Lower Eastern Shore.

In the second post exit quarter, the proportion of exiters working also varied; again the low (37.6%) was observed among Prince George's County exiters, and the high (59.8%) on the Lower Eastern Shore.

In most regions, roughly 50% of exiters were employed in each of the first four post-exit quarters. The exception was Prince George's County, where employment in Maryland UI-covered jobs was lower, about 40% in all four quarters. This discrepancy may be explained largely by the large proportion of workers in Prince George's County who work out of state.

In the first post-exit quarter, mean earnings ranged from \$1,841 in Western Maryland to \$2,582 in Montgomery County. Median earnings in the first post-exit quarter ranged from \$1,526 in Western Maryland to \$2,258 in Baltimore City.

In the second post-exit quarter, mean earnings ranged from \$1,864 on the Lower Eastern Shore to \$2,732 in Anne Arundel County. Median earnings ranged from \$1,534 on the Upper Eastern Shore to \$2,258 in Baltimore City.

In the third post-exit quarter, mean earnings ranged from \$1,899 on the Lower Eastern Shore to \$3,017 in Baltimore County. Median earnings ranged from \$1,577 on the Upper Eastern Shore to \$2,462 in Anne Arundel County.

In the fourth post-exit quarter, mean earnings ranged from \$1,821 on the Lower Eastern Shore to \$3,230 in Baltimore County. Median earnings ranged from \$1,427 on the Lower Eastern Shore to \$2,784 in Baltimore County.



**Table 10. UI-Covered Employment in Maryland in the Quarters After TCA Exit (excludes churning cases)<sup>12</sup>**

<b>UI-Covered Employment</b>	<b>Anne Arundel County</b>	<b>Baltimore County</b>	<b>Lower Eastern Shore</b>	<b>Metro Counties</b>
<b>1<sup>st</sup> Quarter After TCA Exit</b>				
Total number of cases	242	575	177	296
Percent Working	54.5% (132)	52.7% (303)	63.3% (112)	51.0% (151)
Confidence Interval	48.5% - 60.5%	48.7% - 56.7%	56.3% - 70.3%	45.0% - 57.0%
Mean Earnings	\$2,558	\$2,522	\$1,867	\$2,543
Median Earnings	\$2,226	\$2,221	\$1,664	\$2,239
<b>2<sup>nd</sup> Quarter After TCA Exit</b>				
Total number of cases	225	498	164	271
Percent Working	49.3% (111)	48.4% (241)	59.8% (98)	53.9% (146)
Confidence Interval	43.3% - 55.3%	44.4% - 52.4%	52.8% - 66.8%	47.9% - 59.9%
Mean Earnings	\$2,732	\$2,721	\$1,864	\$2,628
Median Earnings	\$2,462	\$2,178	\$1,756	\$2,280
<b>3<sup>rd</sup> Quarter After TCA Exit</b>				
Total number of cases	197	424	150	247
Percent Working	52.3% (103)	46.7% (198)	56.0% (84)	56.3% (139)
Confidence Interval	45.3% - 59.3%	41.7% - 51.7%	48.0% - 64.0%	50.3% - 62.3%
Mean Earnings	\$2,842	\$3,017	\$1,899	\$2,566
Median Earnings	\$2,421	\$2,678	\$1,607	\$2,331
<b>4<sup>th</sup> Quarter After TCA Exit</b>				
Total number of cases	170	364	134	220
Percent Working	53.5% (91)	47.8% (174)	59.7% (80)	58.6% (129)
Confidence Interval	46.5% - 60.5%	42.8% - 52.8%	51.7% - 67.7%	52.6% - 64.6%
Mean Earnings	\$2,894	\$3,230	\$1,821	\$2,591
Median Earnings	\$2,655	\$2,784	\$1,427	\$2,120

<sup>12</sup> As previously noted, the MABS system reports earnings on an aggregate quarterly basis. Thus, we do not know when in the quarter someone worked or how many hours they worked. Therefore it is impossible to compute hourly wage figures from these quarterly earnings data.

<b>UI-Covered Employment</b>	<b>Anne Arundel County</b>	<b>Baltimore County</b>	<b>Lower Eastern Shore</b>	<b>Metro Counties</b>
<b>5<sup>th</sup> Quarter After TCA Exit</b> Total number of cases Percent Working Confidence Interval  Mean Earnings Median Earnings	126 52.4% (66) 44.4% - 60.4%  \$3,567 \$3,527	300 48.3% (145) 42.3% - 54.3%  \$3,570 \$2,918	108 66.7% (72) 57.7% - 75.7%  \$2,014 \$1,889	202 53.0% (107) 46.0% - 60.0%  \$2,771 \$2,292
<b>6<sup>th</sup> Quarter After TCA Exit</b> Total number of cases Percent Working Confidence Interval  Mean Earnings Median Earnings	104 46.2% (48) 37.2% - 55.2%  \$2,789 \$2,538	231 49.4% (114) 43.4% - 55.4%  \$3,279 \$3,072	This space intentionally left blank	169 56.2% (95) 49.2% - 63.2%  \$3,083 \$2,883
<b>7<sup>th</sup> Quarter After TCA Exit</b> Total number of cases Percent Working Confidence Interval  Mean Earnings Median Earnings	This space intentionally left blank	169 46.2% (78) 39.2% - 53.2%  \$3,201 \$2,920	This space intentionally left blank	146 54.8% (80) 46.8% - 62.8%  \$2,880 \$2,430
<b>8<sup>th</sup> Quarter After TCA Exit</b> Total number of cases Percent Working Confidence Interval  Mean Earnings Median Earnings	This space intentionally left blank	110 48.2% (53) 39.2% - 57.2%  \$3,580 \$3,709	This space intentionally left blank	101 50.5% (51) 41.5% - 59.5%  \$2,695 \$2,142
<b>9<sup>th</sup> Quarter After TCA Exit</b> Total number of cases Percent Working Confidence Interval  Mean Earnings Median Earnings	This space intentionally left blank	This space intentionally left blank	This space intentionally left blank	This space intentionally left blank

UI-Covered Employment	Montgomery County	Prince George s County	Southern Maryland	Upper Eastern Shore
<b>1<sup>st</sup> Quarter After TCA Exit</b>				
Total number of cases	239	760	164	190
Percent Working	48.5% (116)	39.9% (303)	50.0% (82)	53.7% (102)
Confidence Interval	42.5% - 54.5%	36.9% - 42.9%	43.0% - 57.0%	46.7% - 60.7%
Mean Earnings	\$2,582	\$2,478	\$1,943	\$1,862
Median Earnings	\$2,180	\$1,958	\$1,688	\$1,534
<b>2<sup>nd</sup> Quarter After TCA Exit</b>				
Total number of cases	212	660	150	181
Percent Working	47.2% (100)	37.6% (248)	49.3% (74)	50.8% (92)
Confidence Interval	40.2% - 54.2%	33.6% - 41.6%	41.3% - 57.3%	43.8% - 57.8%
Mean Earnings	\$2,540	\$2,547	\$2,032	\$1,956
Median Earnings	\$2,353	\$2,171	\$1,827	\$1,577
<b>3<sup>rd</sup> Quarter After TCA Exit</b>				
Total number of cases	185	587	136	168
Percent Working	48.6% (90)	35.9% (211)	55.1% (75)	45.2% (76)
Confidence Interval	41.6% - 55.6%	31.9% - 39.9%	47.1% - 63.1%	38.2% - 52.2%
Mean Earnings	\$2,733	\$2,544	\$2,193	\$2,177
Median Earnings	\$2,211	\$2,361	\$1,505	\$2,000
<b>4<sup>th</sup> Quarter After TCA Exit</b>				
Total number of cases	161	510	119	141
Percent Working	50.9% (82)	36.5% (186)	47.1% (56)	46.1% (65)
Confidence Interval	42.9% - 58.9%	32.5% - 40.5%	38.1% - 56.1%	38.1% - 54.1%
Mean Earnings	\$2,913	\$2,471	\$2,259	\$2,402
Median Earnings	\$2,450	\$1,894	\$1,909	\$2,161

<b>UI-Covered Employment</b>	<b>Montgomery County</b>	<b>Prince George s County</b>	<b>Southern Maryland</b>	<b>Upper Eastern Shore</b>
<b>5<sup>th</sup> Quarter After TCA Exit</b> Total number of cases Percent Working Confidence Interval  Mean Earnings Median Earnings	138 50.0% (69) 42.0% - 58.0%  \$3,322 \$3,382	424 35.1% (149) 30.1% - 40.1%  \$2,788 \$2,362	106 44.3% (47) 35.3% - 53.3%  \$2,465 \$2,196	126 49.2% (62) 41.2% - 57.2%  \$2,199 \$1,634
<b>6<sup>th</sup> Quarter After TCA Exit</b> Total number of cases Percent Working Confidence Interval  Mean Earnings Median Earnings	116 61.2% (71) 52.2% - 70.2%  \$2,799 \$2,573	331 36.0% (119) 31.0% - 41.0%  \$2,635 \$2,175	This space intentionally left blank	This space intentionally left blank
<b>7<sup>th</sup> Quarter After TCA Exit</b> Total number of cases Percent Working Confidence Interval  Mean Earnings Median Earnings	This space intentionally left blank	204 36.8% (75) 29.8% - 43.8%  \$3,235 \$2,680	This space intentionally left blank	This space intentionally left blank
<b>8<sup>th</sup> Quarter After TCA Exit</b> Total number of cases Percent Working Confidence Interval  Mean Earnings Median Earnings	This space intentionally left blank	129 28.7% (37) 20.7% - 36.7%  \$2,864 \$3,077	This space intentionally left blank	This space intentionally left blank
<b>9<sup>th</sup> Quarter After TCA Exit</b> Total number of cases Percent Working Confidence Interval  Mean Earnings Median Earnings	This space intentionally left blank	This space intentionally left blank	This space intentionally left blank	This space intentionally left blank

<b>UI-Covered Employment</b>	<b>Western Maryland</b>	<b>Baltimore City</b>	<b>State Excluding Baltimore City</b>	<b>Statewide</b>
<b>1<sup>st</sup> Quarter After TCA Exit</b>				
Total number of cases	196	1,786	2,839	4,625
Percent Working	54.6% (107)	51.6% (922)	49.6% (1,408)	50.4% (2,330)
Confidence Interval	47.6% - 61.6%	49.6% - 53.6%	47.6% - 51.6%	49.4% - 51.4%
Mean Earnings	\$1,841	\$2,533	\$2,338	\$2,415
Median Earnings	\$1,526	\$2,258	\$1,925	\$2,100
<b>2<sup>nd</sup> Quarter After TCA Exit</b>				
Total number of cases	177	1,506	2,538	4,044
Percent Working	46.9% (83)	52.8% (795)	47.0% (1,193)	49.2% (1,988)
Confidence Interval	39.9% - 53.9%	50.8% - 54.8%	45.0% - 49.0%	48.2% - 50.2%
Mean Earnings	\$2,008	\$2,629	\$2,437	\$2,514
Median Earnings	\$1,652	\$2,386	\$2,039	\$2,168
<b>3<sup>rd</sup> Quarter After TCA Exit</b>				
Total number of cases	160	1,209	2,254	3,463
Percent Working	50.6% (81)	51.0% (616)	46.9% (1,057)	48.3% (1,673)
Confidence Interval	42.6% - 58.6%	48.0% - 54.0%	44.9% - 48.9%	46.3% - 50.3%
Mean Earnings	\$1,947	\$2,793	\$2,532	\$2,628
Median Earnings	\$1,750	\$2,672	\$2,192	\$2,376
<b>4<sup>th</sup> Quarter After TCA Exit</b>				
Total number of cases	134	952	1,953	2,905
Percent Working	50.0% (67)	52.1% (496)	47.6% (930)	49.1% (1,426)
Confidence Interval	42.0% - 58.0%	49.1% - 55.1%	45.6% - 49.6%	47.1% - 51.1%
Mean Earnings	\$2,052	\$2,857	\$2,606	\$2,693
Median Earnings	\$1,577	\$2,726	\$2,141	\$2,377

UI-Covered Employment	Western Maryland	Baltimore City	State Excluding Baltimore City	Statewide
<b>5<sup>th</sup> Quarter After TCA Exit</b>				
Total number of cases	117	809	1,647	2,456
Percent Working	46.2% (54)	52.8% (427)	46.8% (771)	48.8% (1,198)
Confidence Interval	37.2% - 55.2%	49.8% - 55.8%	44.8% - 48.8%	46.8% - 50.8%
Mean Earnings	\$2,303	\$2,906	\$2,874	\$2,885
Median Earnings	\$2,268	\$2,823	\$2,463	\$2,594
<b>6<sup>th</sup> Quarter After TCA Exit</b>				
Total number of cases	104	658	1,347	2,005
Percent Working	50.0% (52)	54.3% (357)	48.1% (648)	50.1% (1,005)
Confidence Interval	41.0% - 59.0%	50.3% - 58.3%	45.1% - 51.1%	48.4% - 52.4%
Mean Earnings	\$2,336	\$3,056	\$2,742	\$2,854
Median Earnings	\$1,799	\$2,746	\$2,455	\$2,560
<b>7<sup>th</sup> Quarter After TCA Exit</b>				
Total number of cases	This space intentionally left blank	524	975	1,499
Percent Working		55.7% (292)	48.6% (474)	51.1% (766)
Confidence Interval		51.7% - 59.7%	45.6% - 51.6%	49.1% - 53.1%
Mean Earnings		\$2,860	\$2,795	\$2,820
Median Earnings		\$2,573	\$2,420	\$2,511
<b>8<sup>th</sup> Quarter After TCA Exit</b>				
Total number of cases	This space intentionally left blank	357	635	992
Percent Working		54.9% (196)	48.0% (305)	50.5% (501)
Confidence Interval		49.9% - 59.9%	44.0% - 52.0%	47.5% - 53.5%
Mean Earnings		\$2,938	\$2,858	\$2,889
Median Earnings		\$2,802	\$2,490	\$2,587
<b>9<sup>th</sup> Quarter After TCA Exit</b>				
Total number of cases	This space intentionally left blank	176	337	513
Percent Working		59.1% (104)	47.8% (161)	51.7% (265)
Confidence Interval		52.1% - 66.1%	42.8% - 52.8%	47.7% - 55.7%
Mean Earnings		\$2,785	\$2,716	\$2,778
Median Earnings		\$2,672	\$2,440	\$2,556

## **What Types of Jobs Do Former Recipients Obtain?**

In all four of our previously-issued *Life After Welfare* reports, we have presented data describing the industries in which payees in our sample find employment after exiting from cash assistance. Across time these findings have been remarkably consistent; indeed there has been virtually no change in these industry data over time. For the statewide sample as a whole, wholesale/retail trade, personal/business services and organizational services have been the top three industries in which former recipients find jobs since the outset of our study in 1996. Moreover, these three industries, together, account for fully three-fourths of all first post-welfare jobs obtained by the women in our sample.

For purposes of this analysis, we wished to determine the extent to which these patterns were or were not similar across the state. A series of pie charts following this discussion shows, for each region, the distribution of industries in which former recipients first found work after leaving cash assistance.

Patterns in each region are quite similar to those for the state as a whole. In nine of 10 regions, the top three hiring industries are the same as for the entire state. On the Upper Shore, the same industries also predominate, but a fourth industry category (other) is tied with organizational services for third place (12% each).

In nine of 10 regions, wholesale/retail trade was the most common industry in which exiting payees first found employment; the exception was in Western Maryland where personal/business services ranked first, organizational services ranked

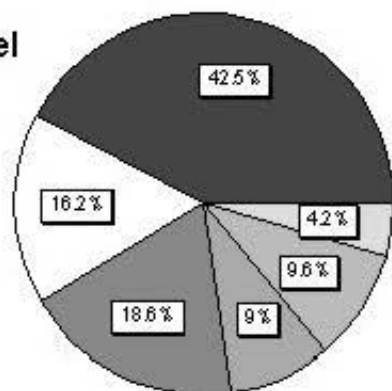
second and wholesale/retail ranked third. The highest proportion of first post-exit jobs occurring in the wholesale/retail field was observed in Southern Maryland (46%), while the lowest was in Western Maryland (24%).

In all 10 regions, as for the state as a whole, the top three industries account for the majority of jobs obtained by payees in our sample. The proportion of all jobs accounted for by the top three industries ranged from 95% on the Upper Eastern Shore to 68% in Montgomery County.

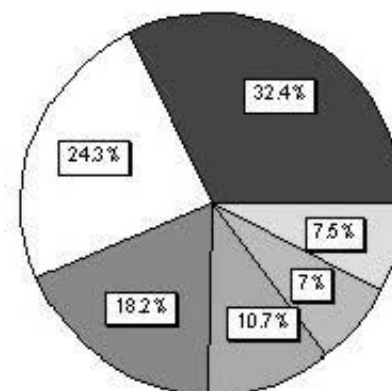
These data suggest that, in all parts of the state, former adult recipients of cash assistance most often find jobs in what have been referred to as target industries. As described by the Regional Economic Studies Institute of Towson University, these industries offer a proportionately high degree of low-wage, low-skill occupations and are largely dominated by female workers (RESI, September 2000, pg 50). On the other hand, RESI also notes that despite the minimal demands of educational and work-related experience in many target industry occupations, these positions often provide welfare recipients with an accessible entry into the workforce and the opportunity to develop skills transferable to more career-oriented occupations (pg. 50).



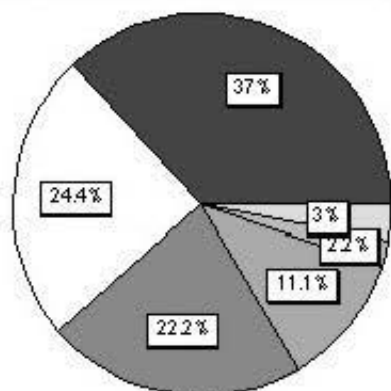
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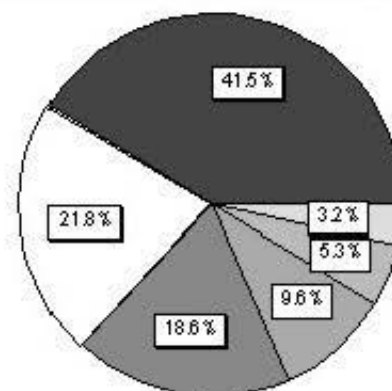
**Baltimore County**



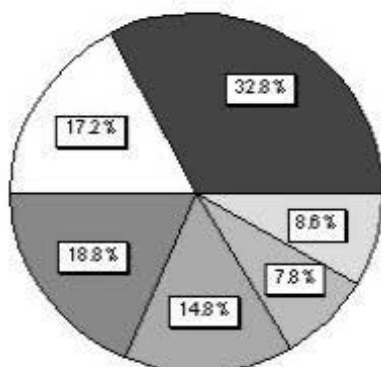
**Lower Shore**



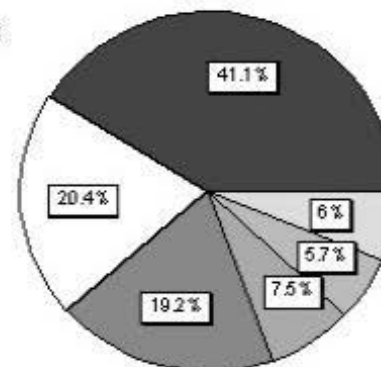
**Metro Counties**



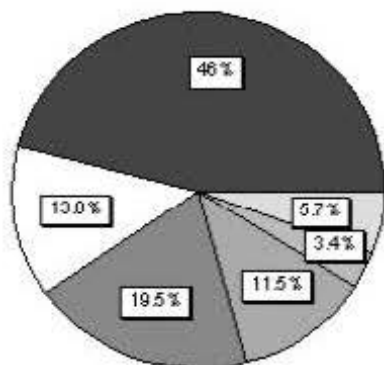
### Montgomery County



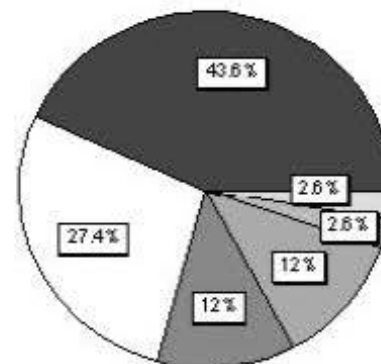
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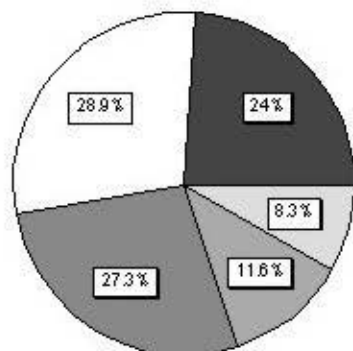
### Southern Maryland



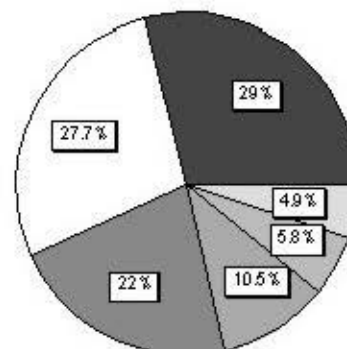
### Upper Shore



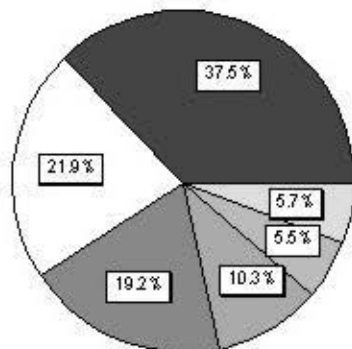
**Western  
Maryland**



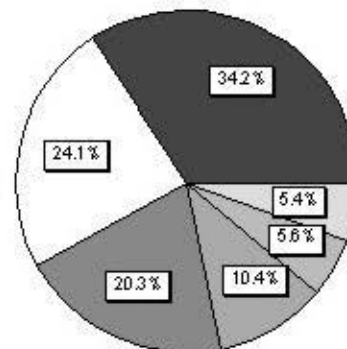
**Baltimore  
City**



**State  
Excluding  
Baltimore  
City**



**Statewide**



## **How Many Families Return to TCA?**

In order to examine recidivism, or returns to TCA after an exit, administrative data on cash assistance receipt were obtained. Regional recidivism rates are reported at 3, 6, 12, 18, and 24 months post-exit, where sufficient cases are available to meet the 95% confidence level with an error rate of  $\pm 10\%$ . Administrative churning, where cases close and then re-open in 30 days or less, is also examined.

Due to the nature of our data collection process, we have differing amounts of recidivism data for cases which exited at different points in time. Follow-up data at the three-month point is available for the 5,230 sample cases which exited between October 1996 and December 1998. At the six-month follow-up point, recidivism data are available for the 4,500 cases which left between October 1996 and September 1998. One year of follow-up data are available for those exiting between October 1996 and March 1998 (n=3,171). For those cases exiting between October 1996 and September 1997, 18 months of follow-up data are available (n=2,156). Finally, two years of recidivism data are available for the 1,054 cases that left between October 1996 and March 1997. Table 11 shows this information in more detail.

**Table 11. Amount of Recidivism Data by Sample Month**

<b>Sample Month</b>	<b>3 months Recidivism (n=5,230)</b>	<b>6 months Recidivism (n=4,500)</b>	<b>12 months Recidivism (n=3,171)</b>	<b>18 months Recidivism (n=2,156)</b>	<b>24 months Recidivism (n=1,054)</b>
October 1996	x	x	x	x	x
November 1996	x	x	x	x	x
December 1996	x	x	x	x	x
January 1997	x	x	x	x	x
February 1997	x	x	x	x	x
March 1997	x	x	x	x	x
April 1997	x	x	x	x	
May 1997	x	x	x	x	
June 1997	x	x	x	x	
July 1997	x	x	x	x	
August 1997	x	x	x	x	
September 1997	x	x	x	x	
October 1997	x	x	x		
November 1997	x	x	x		
December 1997	x	x	x		
January 1998	x	x	x		
February 1998	x	x	x		
March 1998	x	x	x		
April 1998	x	x			
May 1998	x	x			
June 1998	x	x			
July 1998	x	x			
August 1998	x	x			
September 1998	x	x			
October 1998	x				
November 1998	x				
December 1998	x				
January 1999					
February 1999					
March 1999					

Table 12, following, presents the "worst case" recidivism rates for each region at the 3, 6, 12 and, where sample size permits, 18 and 24 month follow-up points.

Statewide, the "worst case" data show that the majority of families are able to stay off welfare. At the two year follow-up point, almost seven in ten exiting families have not returned to cash assistance (69.8% or 736/1,054). The data also show that when returns do occur, they happen soon after case closure, usually within 90 days, or three months. Within 90 days, 19.4% of families have returned to TCA. At the 12 month follow-up point, the rate has only increased by 6%, so that at the end of one year the cumulative worst case" recidivism rate is 25.4%.

The above statistics are considered to be "worst case" because they do not take into account the "administrative churning" phenomenon, where cases close and then re-open within 30 or fewer days. Excluding churning cases from the analysis reduces the statewide recidivism rate at the three month follow-up point from 19.4% to 8.9%, as will be shown in a subsequent section.

Regional worst-case recidivism, at the three month follow up point, does vary with regard to both the rate and the timing of returns. "Worst case" recidivism rates ranged from 7.1% of cases returning within three months in the Metro Counties to 23.6% returning within three months in Baltimore County and 23.8% in Prince George's County.

The importance or effect of churning (closing and reopening within 30 days) on recidivism rates is evident at the sub-state level as well. For example, the three month recidivism rate in Baltimore County (23.8%) is reduced to 10.8% when churning cases are excluded. Put another way, of the 159 people who returned to TCA in Baltimore

County within three months of exit, fully 99 of them (62.3%) returned within the first 30 days.

At the six month follow up point, differences are also found in the "worst case" recidivism rate across regions. Recidivism rates at six months ranged between 10.6% in the Metro Counties and 28.2% in Baltimore County. One year post-exit recidivism rates also differ significantly across regions. At the twelve month follow-up point, the "worst case" recidivism rates ranged from 12.7% in the Metro Counties to 34.1% in Baltimore County and 30.2% in Prince George's County.

**Table 12. Recidivism at 3, 6, 12, 18 and 24 Months Post-Exit: Worst Case Rates**

<b>Recidivism Rates</b>	<b>Anne Arundel County</b>	<b>Baltimore County</b>	<b>Lower Eastern Shore</b>	<b>Metro Counties</b>
<b>3 Months Post-Exit</b>				
Total number of cases	283	674	184	312
% returning to TCA at this time Confidence Interval	23.0% (65) 17.0% - 29.0%	23.6% (159) 19.6% - 27.6%	10.3% (19) 3.3% - 17.3%	7.1% (22) 2.1% - 12.1%
% not returning to TCA at this time Confidence Interval	77.0% (218) 71.0% - 83.0%	76.4% (515) 72.4% - 80.4%	89.7% (165) 82.7% - 96.7%	92.9% (290) 87.9% - 97.9%
<b>6 Months Post-Exit</b>				
Total number of cases	260	579	170	284
% returning to TCA at this time Confidence Interval	24.2% (63) 18.2% - 30.2%	28.2% (163) 24.2% - 32.2%	17.6% (30) 10.6% - 24.6%	10.6% (30) 4.6% - 16.6%
% not returning to TCA at this time Confidence Interval	75.8% (197) 69.8% - 81.8%	71.8% (416) 67.8% - 75.8%	82.4% (140) 75.4% - 89.4%	89.4% (254) 83.4% - 95.4%
<b>12 Months Post-Exit</b>				
Total number of cases	198	419	138	229
% returning to TCA at this time Confidence Interval	29.3% (58) 22.3% - 36.3%	34.1% (143) 29.1% - 39.1%	23.9% (33) 15.9% - 31.9%	12.7% (29) 6.7% - 18.7%
% not returning to TCA at this time Confidence Interval	70.7% (140) 63.7% - 77.7%	65.9% (276) 60.9% - 70.9%	76.1% (105) 68.1% - 84.1%	87.3% (200) 81.3% - 93.3%
<b>18 Months Post-Exit</b>				
Total number of cases	120	261		173
% returning to TCA at this time Confidence Interval	30.0% (36) 21.0% - 39.0%	35.2% (92) 29.2% - 41.2%	This space intentionally left blank	15.0% (26) 8.0% - 22.0%
% not returning to TCA at this time Confidence Interval	70.0% (84) 61.0% - 79.0%	64.8% (169) 58.8% - 70.8%		85.0% (147) 78.0% - 92.0%
<b>24 Months Post-Exit</b>				
Total number of cases		124		102
% returning to TCA at this time Confidence Interval	This space intentionally left blank	29.8% (37) 20.8% - 38.8%	This space intentionally left blank	20.6% (21) 11.6% - 29.6%
% not returning to TCA at this time Confidence Interval		70.2% (87) 61.2% - 79.2%		79.4% (81) 70.4% - 88.4%

**Note:** The recidivism rate for some regions appears to decrease over time because the later follow up periods include only cases which exited in the early months of reform.



Recidivism Rates	Montgomery County	Prince George s County	Southern Maryland	Upper Eastern Shore
<b>3 Months Post-Exit</b> Total number of cases	258	912	176	203
% returning to TCA at this time Confidence Interval	10.9% (28) 4.9% - 16.9%	23.8% (217) 20.8% - 26.8%	13.1% (23) 6.1% - 20.1%	14.8% (30) 7.8% - 21.8%
% not returning to TCA at this time Confidence Interval	89.1% (230) 83.1% - 95.1%	76.2% (695) 73.2% - 79.2%	86.9% (153) 79.9% - 93.9%	85.2% (173) 78.2% - 92.2%
<b>6 Months Post-Exit</b> Total number of cases	228	785	160	193
% returning to TCA at this time Confidence Interval	14.9% (34) 8.9% - 20.9%	26.1% (205) 23.1% - 29.1%	15.0% (24) 7.0% - 23.0%	20.2% (39) 13.2% - 27.2%
% not returning to TCA at this time Confidence Interval	85.1% (194) 79.1% - 91.1%	73.9% (580) 70.9% - 76.9%	85.0% (136) 77.0% - 93.0%	79.8% (154) 72.8% - 86.8%
<b>12 Months Post-Exit</b> Total number of cases	175	599	123	153
% returning to TCA at this time Confidence Interval	20.0% (35) 13.0% - 27.0%	30.2% (181) 26.2% - 34.2%	12.2% (15) 3.2% - 21.2%	30.1% (46) 22.1% - 38.1%
% not returning to TCA at this time Confidence Interval	80.0% (140) 73.0% - 87.0%	69.8% (418) 65.8% - 73.8%	87.8% (108) 78.8% - 96.8%	69.9% (107) 61.9% - 77.9%
<b>18 Months Post-Exit</b> Total number of cases	124	379		118
% returning to TCA at this time Confidence Interval	21.0% (26) 12.0% - 30.0%	32.2% (122) 27.2% - 37.2%	This space intentionally left blank	35.6% (42) 26.6% - 44.6%
% not returning to TCA at this time Confidence Interval	79.0% (98) 70.0% - 88.0%	67.8% (257) 62.8% - 72.8%		64.4% (76) 55.4% - 73.4%
<b>24 Months Post-Exit</b> Total number of cases		147		
% returning to TCA at this time Confidence Interval	This space intentionally left blank	32.7% (48) 24.7% - 40.7%	This space intentionally left blank	This space intentionally left blank
% not returning to TCA at this time Confidence Interval		67.3% (99) 59.3% - 75.3%		

**Note:** The recidivism rate for some regions appears to decrease over time because the later periods include only cases which exited in the early months of reform.

Recidivism Rates	Western Maryland	Baltimore City	State Excluding Baltimore City	Statewide
<b>3 Months Post-Exit</b>				
Total number of cases	210	2,018	3,212	5,230
% returning to TCA at this time Confidence Interval	15.7% (33) 8.7% - 22.7%	20.8% (420) 18.8% - 22.8%	18.6% (596) 16.6% - 20.6%	19.4% (1,016) 18.4% - 20.4%
% not returning to TCA at this time Confidence Interval	84.3% (177) 77.3% - 91.3%	79.2% (1,598) 77.2% - 81.2%	81.4% (2,616) 79.4% - 83.4%	80.6% (4,214) 79.6% - 81.6%
<b>6 Months Post-Exit</b>				
Total number of cases	189	1,652	2,848	4,500
% returning to TCA at this time Confidence Interval	21.7% (41) 14.7% - 28.7%	23.2% (384) 21.2% - 25.2%	22.1% (629) 20.1% - 24.1%	22.5% (1,013) 21.5% - 23.5%
% not returning to TCA at this time Confidence Interval	78.3% (148) 71.3% - 85.3%	76.8% (1,268) 74.8% - 78.8%	77.9% (2,219) 75.9% - 79.9%	77.5% (3,487) 76.5% - 78.5%
<b>12 Months Post-Exit</b>				
Total number of cases	141	996	2,175	3,171
% returning to TCA at this time Confidence Interval	27.7% (39) 19.7% - 35.7%	22.6% (225) 19.6% - 25.6%	26.6% (579) 24.6% - 28.6%	25.4% (804) 23.4% - 27.4%
% not returning to TCA at this time Confidence Interval	72.3% (102) 64.3% - 80.3%	77.4% (771) 74.4% - 80.4%	73.4% (1,596) 71.4% - 75.4%	74.6% (2,367) 72.6% - 76.6%
<b>18 Months Post-Exit</b>				
Total number of cases	107	685	1,471	2,156
% returning to TCA at this time Confidence Interval	26.2% (28) 17.2% - 35.2%	29.1% (199) 25.1% - 33.1%	28.3% (416) 26.3% - 30.3%	28.5% (615) 26.5% - 30.5%
% not returning to TCA at this time Confidence Interval	73.8% (79) 64.8% - 82.8%	70.9% (486) 66.9% - 74.9%	71.7% (1,055) 69.7% - 73.7%	71.5% (1,541) 69.5% - 73.5%
<b>24 Months Post-Exit</b>				
Total number of cases		372	682	1,054
% returning to TCA at this time Confidence Interval	This space intentionally left blank	35.5% (132) 30.5% - 40.5%	27.3% (186) 23.3% - 31.3%	30.2% (318) 27.2% - 33.2%
% not returning to TCA at this time Confidence Interval		64.5% (240) 59.5% - 69.5%	72.7% (496) 68.7% - 76.7%	69.8% (736) 66.8% - 72.8%

**Note:** The recidivism rate for some regions appears to decrease over time because the later periods include only cases which exited in the early months of reform.

The worst case recidivism rates shown in Table 12 indicate that the bulk of returns to TCA in the early years of reform occur in the first three months following exit. As demonstrated in prior *Life After Welfare* reports, the phenomenon which most likely accounts for this result is administrative churning, where cases close, but then re-open in 30 days or less. Churning, in fact, is responsible for the majority (59.5%) of returns to welfare for the state as a whole and six of the ten regions. The six regions where more than 50% of all recidivism is accounted for by churning are: Anne Arundel, Baltimore, Montgomery, and Prince George's Counties, Baltimore City, and the Metro region, suggesting that churning is particularly prevalent in large jurisdictions. This reality is illustrated in Table 13, following.

**Table 13. Percentage of 3 month Recidivism Accounted for by Churning.**

<b>Region</b>	<b>Percentage of Recidivism Accounted for by Churning</b>
<b>Anne Arundel County</b>	63.1%
<b>Baltimore County</b>	62.3%
<b>Lower Eastern Shore</b>	36.8%
<b>Metro Counties</b>	72.7%
<b>Montgomery County</b>	67.9%
<b>Prince George s County</b>	70.0%
<b>Southern Maryland</b>	52.2%
<b>Upper Eastern Shore</b>	43.3%
<b>Western Maryland</b>	42.4%
<b>Baltimore City</b>	55.2%
<b>State Excluding Baltimore City</b>	62.6%
<b>Statewide</b>	59.5%

Table 14, following this discussion, presents the recidivism rates again (through the 12 month follow-up point), excluding churners, in order to present a more accurate picture of recidivism.<sup>13</sup> When excluding churners, statewide recidivism at the three-month follow-up point falls from 19.4% at worst case, to 8.9%. The effect on regional rates is similar. Recidivism at the three month follow-up point, excluding churners, ranged from 2.0% in the Metro Counties and 3.8% in Montgomery County to 10.5% in Baltimore City and 10.4% in Baltimore County.

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<sup>13</sup> Even when 30 day churners are excluded, our recidivism rates may appear high compared to rates reported in some other states' leavers studies. Methodological differences, especially related to sample case selection criteria (our selection criteria are broadest) are responsible for the apparent difference.

**Table 14. Regional Recidivism: Excluding Churners**

Recidivism Rates	Anne Arundel County	Baltimore County	Lower Eastern Shore	Metro Counties
<b>3 Months Post-Exit</b> Total cases excluding churners % returning to TCA excluding <i>churners</i> Confidence Interval	242 9.9% (24) 3.9% - 15.9%	575 10.4% (60) 6.4% - 14.4%	177 6.8% (12) -0.2% - 13.8%	296 2.0% (6) -4.0% - 8.0%
<b>6 Months Post-Exit</b> Total cases excluding churners % returning to TCA excluding <i>churners</i> Confidence Interval	225 12.4% (28) 6.4% - 18.4%	498 16.5% (82) 12.5% - 20.5%	164 14.6% (24) 7.6% - 21.6%	271 6.3% (17) 0.3% - 12.3%
<b>12 Months Post-Exit</b> Total cases excluding churners % returning to TCA excluding <i>churners</i> Confidence Interval	170 17.6% (30) 10.6% - 24.6%	364 24.2% (88) 19.2% - 29.2%	134 21.6% (29) 13.6% - 29.6%	220 9.1% (20) 3.1% - 15.1%

Recidivism Rates	Montgomery County	Prince George's County	Southern Maryland	Upper Eastern Shore
<b>3 Months Post-Exit</b> Total cases excluding churners % returning to TCA excluding <i>churners</i> Confidence Interval	239 3.8% (9) -2.2% - 9.8%	760 8.6% (65) 5.6% - 11.6%	164 6.7% (11) -1.3% - 14.7%	190 8.9% (17) 1.9% - 15.9%
<b>6 Months Post-Exit</b> Total cases excluding churners % returning to TCA excluding <i>churners</i> Confidence Interval	212 8.5% (18) 1.5% - 15.5%	660 12.1% (80) 8.1% - 16.1%	150 9.3% (14) 1.3% - 17.3%	181 14.9% (27) 7.9% - 21.9%
<b>12 Months Post-Exit</b> Total cases excluding churners % returning to TCA excluding <i>churners</i> Confidence Interval	161 13.0% (21) 5.0% - 21.0%	510 18.0% (92) 14.0% - 22.0%	119 9.2% (11) 0.2% - 18.2%	141 24.1% (34) 16.1% - 32.1%

Recidivism Rates	Western Maryland	Baltimore City	Balance of State	Statewide
<b>3 Months Post-Exit</b> Total cases excluding churners % returning to TCA excluding <i>churners</i> Confidence Interval	196 9.7% (19) 2.7% - 16.7%	1,786 10.5% (188) 8.5% - 12.5%	2,839 7.9% (223) 5.9% - 9.9%	4,625 8.9% (411) 7.9% - 9.9%
<b>6 Months Post-Exit</b> Total cases excluding churners % returning to TCA excluding <i>churners</i> Confidence Interval	177 16.4% (29) 9.4% - 23.4%	1,506 15.8% (238) 13.8% - 17.8%	2,538 12.6% (319) 10.6% - 14.6%	4,044 13.8% (557) 12.8% - 14.8%
<b>12 Months Post-Exit</b> Total cases excluding churners % returning to TCA excluding <i>churners</i> Confidence Interval	134 23.9% (32) 15.9% - 31.9%	952 19.0% (181) 16.0% - 22.0%	1,953 18.3% (357) 16.3% - 20.3%	2,905 18.5% (538) 16.5% - 20.5%

## Conclusions

Since the outset of welfare reform in Maryland, research has been underway to profile the characteristics of families who leave cash assistance and to document their post-welfare experiences. Four reports of statewide findings from this ongoing study, *Life After Welfare*, have been issued to date and a fifth will be issued next month.

Given the tremendous diversity which exists within the borders of Maryland, a state aptly nicknamed America in Miniature, we undertook a region-by-region analysis of the *Life* data for the first two and one-half years of reform (October 1996 - March 1999) to see if statewide patterns were an accurate reflection of reality in all parts of the state. In general, we conclude that they are. Some regional variations are evident in the data, but these appear to largely reflect either differences in overall population characteristics across subdivisions or, in the case of employment, our lack of access to data on federal employment and employment in the four border states and the District of Columbia.

## **Appendix A: Study Design and Data Sources**

### **Sample**

The *Life After Welfare* project is an ongoing longitudinal study of cases which exit Temporary Cash Assistance (TCA) in Maryland. Beginning in October 1996, the first month of Maryland's welfare reform, and continuing to the present, a 5 percent random sample of all TCA cases is drawn from each month's universe of closing cases. The sampling frame includes the entire universe of cases which closed, including the entire range of case situations - families who leave welfare for work, those who are sanctioned, those who eventually come back on welfare, and those who do not. We believe that this all-inclusive approach best permits us to ascertain the facts about life after welfare in our state. It also means, however, that our global findings on post-exit employment are depressed and our recidivism rates are inflated, points readers are cautioned to keep in mind when reviewing and reporting on our results or comparing them to other states' studies.

Sampling 5% of the entire closing caseload each month provides us with a valid statewide sample at the  $\pm 1\%$  confidence level. As noted in previous reports, sampling from each month also permits us to take into account any seasonal fluctuations which might exist in cash assistance exit rates.

### **Data Sources**

The primary data sources for the *Life After Welfare* study are various administrative information systems maintained by the state. Two of these systems: Automated Information Management System/Automated Master File (AIMS/AMF) and its replacement, Client Automated Resources and Eligibility System (CARES) contain

case- and individual-level client characteristics and service utilization data for public assistance and social service programs under the Department of Human Resources umbrella. Another, the Maryland Automated Benefit System (MABS), contains official data on employment and wages in Maryland industries which are covered by the state's Unemployment Insurance (UI) law.<sup>14</sup>

Data from these administrative systems are used to construct a baseline profile of exiting cases and individuals at the time of their selection into our sample (i.e., at the time of the welfare exit). Follow up data on cases and individuals are collected from these same systems at 3, 6, 12, 18, 24, and 36 months after their exit from welfare.<sup>15</sup>

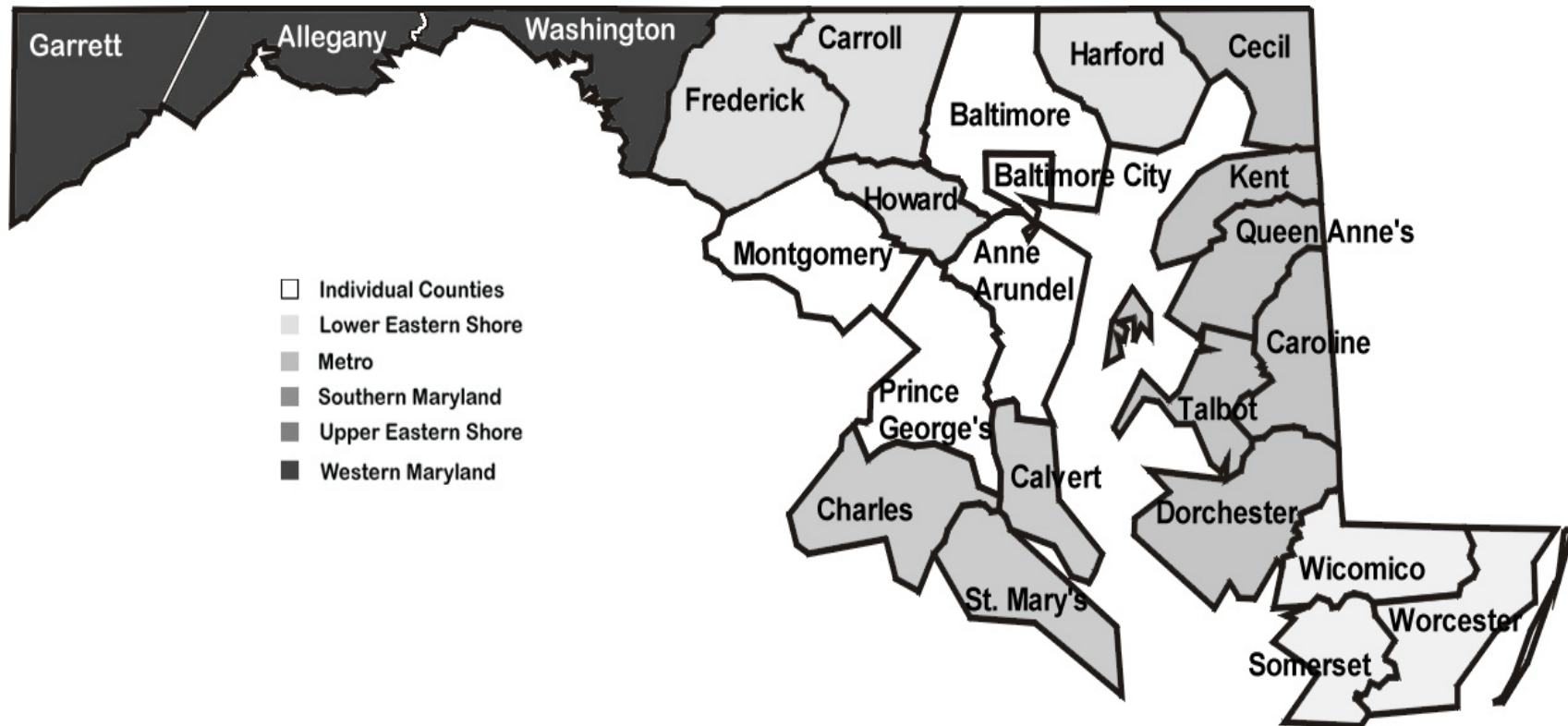
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<sup>14</sup> Approximately 93 percent of Maryland jobs are covered. Important omissions for our purposes include military and civilian federal employees, among others. Our ability to accurately and completely report on clients' post-exit employment rates is also constrained by our lack of access to UI databases of the District of Columbia and the four states which border Maryland. This is a problem common to many, if not all, welfare leavers studies at present.

<sup>15</sup> Given Maryland's 60-month time limit, additional post-exit data collection points may be added.



## Appendix B. Map of Maryland with Regions Highlighted



### Appendix C. Percent of Maryland Workers Who Work Out of State

Region	% who work out of state
<b>Anne Arundel County</b>	8.0%
<b>Baltimore County</b>	2.0%
<b>Lower Eastern Shore</b>	6.8%
<i>Somerset County</i>	2.9%
<i>Wicomico County</i>	6.8%
<i>Worcester County</i>	9.0%
<b>Metro Counties</b>	6.6%
<i>Carroll County</i>	3.3%
<i>Harford County</i>	2.9%
<i>Howard County</i>	10.7%
<i>Frederick County</i>	8.1%
<b>Montgomery County</b>	32.1%
<b>Prince George s County</b>	44.9%
<b>Upper Eastern Shore</b>	16.9%
<i>Caroline County</i>	9.6%
<i>Cecil County</i>	37.6%
<i>Dorchester County</i>	3.5%
<i>Kent County</i>	11.1%
<i>Queen Anne's County</i>	7.2%
<i>Talbot County</i>	2.7%
<b>Southern Maryland</b>	19.4%
<i>Calvert County</i>	17.8%
<i>Charles County</i>	28.6%
<i>St. Mary's County</i>	7.6%
<b>Western Maryland</b>	8.4%
<i>Allegany County</i>	7.8%
<i>Garrett County</i>	9.9%
<i>Washington County</i>	8.4%
<b>Baltimore City</b>	1.9%
<b>State Excluding Baltimore City</b>	19.6%
<b>Statewide</b>	17.4%

**Note:** The data presented in this table are available though the US Census website lookup tables (STF3C - part 1) at <http://homer.ssd.census.gov/cdrom/lookup>.

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