LIFE AFTER WELFARE: SEVENTH REPORT

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Executive Summary

This report, the seventh in the *Life After Welfare* series, provides updated findings from a longitudinal study of Maryland welfare leavers that is being carried out by the School of Social Work, University of Maryland-Baltimore with support from the Family Investment Administration, Maryland Department of Human Resources. Analyses of a variety of administrative data sources provide information on the characteristics and post-exit welfare and employment experiences of a random sample of 10,795 families who left cash assistance during the first five and one-half years of reform (October 1996 to March 2002). Today's report differs from previous ones in that it excludes cases which returned to TANF within one month and includes up to five years of post-exit data for some families. We are aware of no other state-level leavers study which has tracked cases for a full five years.

This report goes to press in a time of uncertainty for Maryland's welfare reform program. The inevitable economic downturn predicted by numerous analysts in the early days of reform has arrived and it remains unclear how long and deep this recession will be (Hall, et al., 2002). In addition, the federal government has yet to reauthorize the TANF program, possibly with increased work participation goals for states, as well as other design modifications.

In times of uncertainty, empirical data are especially critical for guiding public programs. Today's report provides such data on the characteristics and outcomes for

Maryland families leaving TANF in the first five and one half years of reform. In sum, the results indicate the following:

> **A typical exiting case consists of an African-American (72.6%) woman (92.6%) in her early thirties and her one or two children (mean number of children = 1.74).**

Single mothers with young children remain the most common type of case leaving the TANF rolls. The largest proportion of cases, over two-fifths, are from Baltimore City. On average, the youngest child in the former TCA household is six years old. Child care likely remains a significant issue for families leaving welfare, with four out of ten families including a child under the age of three.

> **The most recent exiting cohort (April 2001 to March 2002) differs significantly from the earlier cohorts (October 1996 to March 2001) in terms of casehead gender, casehead race/ethnicity, casehead age, region, assistance unit size, and proportion of child only cases.**

Consistent with general caseload trends, we find that the adult heads of household exiting the TANF rolls today are significantly, though only slightly, older than those exiting in the earlier years of reform. The most recent exiting cohort also contains higher proportions of African American caseheads (76.2% vs 72.0%), female caseheads (94.0% vs 92.3%), cases from Baltimore City (56.1% vs 43.4%), and child only cases (19.2% vs 14.0%). Given the evidence that the characteristics of families leaving TCA are changing, policy makers and program managers should consider if and how post-exit services may need to be modified. For example, former child only cases may have different post-welfare needs and require different services than other types of cases.

"Income above limit/started work" is the most commonly recorded case closing reason among families leaving TCA for at least one month. The closing reasons recorded for the most recent exiting cohort differ significantly from the ones for earlier cohorts.

Three out of ten cases close because of "income above limit/started work." Work sanctions are the fourth most common code, accounting for approximately one-tenth of all closures. Among the most recent exiting cohort, sanctioning is much more common; almost one-fifth of cases in this cohort close because of a work sanction. These results suggest that while the majority of cases are not exiting the rolls through sanctioning, a significant minority are and the rate of sanctioning has increased. For policy makers and program managers, these findings suggest that continued monitoring of sanctioning policies, practices and outcomes is warranted.

The most recent exiting cohort differs significantly from earlier cohorts in terms of welfare and employment history.

Heads of household in the most recent exiting cohort received cash assistance for an average of seven fewer months in the five years preceding their TCA exit than their counterparts in earlier cohorts. Three-fourths of recent exiters worked in a Maryland UI-covered job at some point during the eight quarters before exit, compared to seven out of ten early exiters. Together, these results suggest that in terms of recent work experience and welfare history, the latest leavers may be better positioned than earlier leavers to make their TCA exit a permanent one.

> **In the quarters after leaving welfare, one-half of former TCA caseheads work in a Maryland UI-covered job. An additional 3 to 6% are employed in UI-covered jobs in the District of Columbia or one of the border states. Quarterly earnings figures increase over the follow up period so that those working in the 20th post-exit quarter earn about $2000 more than those working in the first post-exit quarter.**

In this seventh report, as in the previous six, we find that half of all TANF leavers work in a Maryland UI-covered job in the first quarter after exit. The percent employed remains at around 50% through the 20th post-exit quarter. Data from the District of Columbia and the four states bordering Maryland (Delaware, Pennsylvania, Virginia and West Virginia) reveal that an additional 3 to 6% are employed out of state in each quarter.

These results are encouraging in that they reveal that a higher percentage of leavers are working than the approximately 30% indicated by the case closing reason "income above limit/started work." It is also encouraging that mean and median quarterly earnings increase over time. However, while employment rates do not decrease over time, it is discouraging that they do not increase either.

> **In terms of steady employment, over 60% of former caseheads who are employed in the first post-exit quarter, work in all quarters in the first post-exit year. One-third of all former caseheads work in a UI-covered job through the first post-exit year.**

While an in-depth analysis of employment stability is beyond the scope of this report, our analyses of data during the first post-exit year indicate that once employed, three-fifths of exiters remained employed throughout the year. This finding is heartening. However, for policy makers and program managers, these findings also indicate that post-exit job retention services are critical, as a significant proportion of leavers, at least two-fifths, experience at least one interruption in employment during the first post-exit year. A forthcoming report will present a detailed examination of post-exit employment and earnings patterns over a four year follow up period. These analyses will provide policy makers and program managers with more empirical data from which to develop job retention and career advancement strategies.

Wholesale and retail trade, organizational services and personal/business services remain the top three industries in which TCA leavers find employment.

Three out of ten former TANF caseheads find employment in wholesale and retail trade (e.g., eating and drinking places, department stores, supermarkets) in the first post-exit quarter. One-fifth work in organizational services (e.g., nursing homes and hospices, hospitals, colleges and universities) and an additional one-fifth are employed in personal/business services (e.g., employment services, hotels and motels, and security system services). It may be of concern that these are the types of industries that typically employ former welfare recipients (Burtless, 1997; Spalter-Roth, et al., 1995) and they may, in general, provide low wages and few opportunities for advancement. In addition, these industries have suffered significant losses during the current recession (Boushey, 2001). Clearly, further research is needed to determine which industries hold the best long-term prospects for TANF leavers.

Among those who exit cash assistance for at least one month, almost two-thirds remain off the rolls through the fifth post-exit year.

The extent to which welfare exits are permanent remains a critical question for families, policy makers and program managers. Our findings show that the majority of families do not return for a second episode of cash assistance receipt during the five years following their original exit. Among those who return to the rolls, the majority do so within the first 18 months. The results suggest that there may be a critical period immediately following a family's welfare exit for providing post-exit, recidivism-prevention services.

At least through the first six post-exit months, more recent leavers experience a higher recidivism risk than earlier leavers.

By the sixth follow up month, 27.8% of later leavers have returned to the cash assistance rolls, compared to only 19.8% of those in the earlier cohorts. This heightened recidivism risk for the most recent exiters may stem from their exiting the rolls during a less prosperous economic time (Hall, Feldstein, Bernanke, Frankel, Gordon, and Zarnowitz, 2002). For policy makers and program managers, these findings suggest that the several years of continuous caseload decline may be at an end. That is, program managers should plan that should the economic downturn continue, more families may be returning to TCA.

Significant proportions of TANF leavers utilize Food Stamps, Medical Assistance/M-CHIP and child care subsidies following their cash assistance exit.

During the first post-exit year, over half of families receive Food Stamps, about two-thirds have at least one member participating in Medical Assistance or M-CHIP, and one-fifth receive a child care subsidy for at least one child. Not surprisingly, participation rates decline over the next few years. However, in the fifth year after exit one-third of former TANF families are still receiving Food Stamps and three-fifths are still receiving Medical Assistance/M-CHIP. The role these programs play in supporting families' transitions off welfare is an important topic for future research. Moreover, while the take-up rate for child care subsidies reported here compares favorably with rates reported in other states, policy makers and program managers may wish to further investigate if eligible families are fully utilizing this valuable support.

For all child welfare services, post-exit rates are lower than would be expected given children's historical rates of child welfare involvement. However, children in the most recent cohort have higher rates of historical child welfare involvement and higher rates of post-exit Intensive Family Services involvement.

As in our previous six reports, we find that although approximately 5% of children have a history of foster care or kinship care placement, only 1.8% of children enter foster care and 1.1% enter kinship care in the first year after exit. A larger proportion of children in the most recent exiting cohort have a history of child welfare involvement than children in earlier cohorts. However, in terms of post-exit child welfare events, more recent leavers differ from earlier leavers only in rates of Intensive Family Services involvement. These differences may be related to other cohort differences in family characteristics and post-exit employment and welfare recidivism patterns. They may also lend support to the notion that families receiving TANF in these latter years of reform face more complex situations and barriers to employment and financial self-sufficiency than families transitioning off the rolls in the early years. For policy makers and program managers, these results confirm the wisdom of continuing to monitor the overlap among the TANF and child welfare populations.

In sum, the findings from the fifth year of Maryland's TCA leavers study are for the most part consistent with those from the first: the majority of families are leaving the rolls through employment rather than sanctions; most utilize the Food Stamp and Medical Assistance programs and remain off cash assistance; and few children enter foster care. Later leavers continue to differ from early leavers in a variety of ways and these differences make it mandatory that our state's welfare program continue to evolve and be flexible enough to be able to effectively meet the needs of a diverse, perhaps more disadvantaged, clientele, while still meeting mandated performance standards. Finally, many questions regarding the best ways to support families in achieving long-term financial self-sufficiency remain open. Thankfully, Maryland is well-positioned to meet these challenges because of the continued strong bi-partisan commitment to welfare reform and families on the part of elected officials and others.

Introduction

This report is the seventh in the “Life After Welfare” series. It provides updated findings from a longitudinal study of Maryland welfare leavers that is being carried out by the School of Social Work, University of Maryland-Baltimore with support from the Family Investment Administration, Maryland Department of Human Resources. Today’s report presents descriptive demographic, welfare use, employment and earnings information for a random sample of 10,795 families who left welfare during the first five and one-half years of reform (October 1996 to March 2002). It also includes post-welfare follow-up data describing families’ employment, earnings, returns to welfare, and use of other services through March 2002.

Much has changed since we began this research in October 1996. On one hand, cash assistance caseloads have declined dramatically and the National Conference of State Legislatures reports that, like our research, the multitude of state-level leavers studies show consistent and generally positive results (Jarchow, Tweedie, and Wilkins, 2002). Welfare reform has not resulted in children coming into foster care and the majority of exiting adults do find employment, 55% to 65% immediately afer leaving assistance. In addition, most former recipients do not return to welfare after exiting. On the other hand, the economy is now more fragile and uncertain than it was in 1996 and industries where many welfare leavers find work are those which often feel the effects of economic downturns or jitters most profoundly. Uncertainty also exists with regard to Congressional reauthorization of welfare reform, short-term fiscal projections at the state and national levels are less than optimistic, the impending election of a new Governor and General Assembly portends additional change, and after several years of steady month-after-month decline, welfare caseload size has recently been much more variable - up in some months and down in others.

In this volatile and uncertain climate, it becomes increasingly important for policy-makers and program administrators to have information over an extended period of time about families affected by welfare reform. Most other states' leavers studies track families for only one year post-exit; in Maryland, we have been tracking some families for as long as five years. Having this longer-term data on families' post-exit employment, earnings, recidivism, and use of other services permits a much fuller assessment of outcomes. Moreover, because new cases are continually added to the sample, the outcomes of early and later welfare leavers can be compared. The nature of our study and sample also help make clear the oft-overlooked reality that welfare reform outcomes, especially ones related to employment and returns to welfare, do not depend only on actions taken within and by the welfare system per se, but are also heavily influenced by the condition of the overall economy at the national, state and local levels.

With the above context in mind, today's report addresses 10 basic questions:

1. What are the characteristics of those who leave welfare?
2. Do the profiles of early and later exiters differ?
3. What are customers' employment patterns over time?
4. Do early and later exiters differ in terms of post-exit employment?
5. How do employed leavers differ from non-employed leavers?

6. How many families return to welfare (i. e. what is the recidivism rate)?

7. Do recidivism patterns vary by exiting cohort?

8. What are the risk factors for recidivism?

9. Do exiting families use Food Stamps, Medical Assistance/SCHIP and Child Care subsidies?

10. How many exiting children become known to the child welfare system?

These questions speak to the two fundamental concerns that have guided our research since 1996: Who is leaving cash assistance in Maryland? and What happens to them after they leave? However, while the issues remain the same, the analyses in this seventh report differ from those in the six previous reports in two main ways (Born, Ovwigho, Leavitt, and Cordero, 2001; Welfare and Child Support Research and Training Group, 1997, 1998b, 1999a, 1999b, 2000). First, today's report excludes families who exited the rolls for less than one month. Previously, the study sample included anyone who exited for at least one day, and many analyses focused on the rate of "churning" (i.e., returning to cash assistance within one month) as well as how churners differ from other exiters. We have limited the present analyses to those who have exited for at least one month, in order to make our results more comparable to other states' leavers studies and because the phenomenon of churning has been adequately addressed in the earlier reports.

The second way in which today's report differs from previous ones is that our analyses of exiting cohorts are limited to three groups: Total Sample (10/96-3/02 exiters), Most Recent Cohort (4/01-3/02 exiters), and Earlier Cohorts (10/96-3/01 exiters). In previous reports, we have presented each yearly cohort separately. To do so in today's report, however, would require presenting results separately for four full year cohorts (10/96-9/97, 10/97-9/98, 10/98-9/99, 10/99-9/00, 10/00-9/01) and one six month cohort (10/01-3/02). Not only would this be unwieldy, but to truly understand the differences observed among cohorts requires the use of multivariate statistical techniques. Complex analysis of cohort trends is beyond the scope of this report, the purpose of which is to provide a relatively succinct, descriptive profile of families leaving TANF and what happens to them over time. Thus, the present report provides the global picture for all exiters (Total Sample, 10/96 - 3/02), as well as a snapshot of the most recent leavers (Most Recent Cohort, 4/01 - 3/02) and a reference point for how the most recent group compares to those who left earlier (Earlier Cohorts, 10/96 - 3/01).[1]

[1] Additional reports from the *Life After Welfare* series will examine outcomes such as employment stability, earnings growth and recidivism by cohort.

Methods

This chapter presents a brief description of the research methods used in our *Life After Welfare* study and the nature and sources of data upon which this seventh project report is based.[2] We begin by discussing our research sample.

Sample

To insure that the study sample accurately represents the universe of exiting cases, we draw a five percent random sample from among all cases which closed each month. The first sample (n=183) was drawn for October 1996, the first month of welfare reform in Maryland, and samples have been drawn for each subsequent month up to and including, for purposes of this report, March 2002 (n=119).

Our study universe, by design, is more inclusive than the samples used in many other leavers studies. Many studies, for example, only include certain types of exiting cases (e.g., only those who left welfare for work or only those who left welfare and have not returned). Our population, however, includes the full range of case situations - for example, families who leave welfare for work; families who are terminated for non-compliance with program rules; and those who leave welfare but subsequently return.

Our definition of a welfare exit is also broader than that used in most studies. Many studies exclude cases which close but reopen within 60 days. In contrast, cases are eligible for selection into our study universe as long as the welfare case did not

[2] Readers desiring more methodological detail should see our earlier reports, noted in the List of References, or contact us by telephone at 410-706-5134 (Dr. Born) or 410-706-2479 (Dr. Ovwigho) or via email at cborn@ssw.umaryland.edu or pcaudill@ssw.umaryland.edu.

close and subsequently reopen on the same day.[3] In our view, this all-inclusive approach best permits us to determine case closing patterns, correlates and outcomes in Maryland. However, differences in sample definition limit the comparability of some of our findings with those of other studies and, in particular, may cause some of our results to artificially appear less positive than those reported by other states.

While we continue to follow all families in our sample, we have excluded certain churners from all analyses presented in this seventh project report. Specifically, the results presented in this report exclude any cases that returned to cash assistance within one month of their exit. Of the total sample of cases which exited between October 1996 and March 2002 (n = 10,795), we exclude the 3,226 (29.9%) which returned to cash assistance within one month of exit.

This seventh *Life After Welfare* report focuses on the first 66 monthly samples - families who left Temporary Cash Assistance (TCA, formerly Aid to Families with Dependent Children) between October 1996 and March 2002. A total of 7,569 cases (10,795-3,226) are included in the analyses. Drawing five percent samples from each month's universe of non-churning TCA closing cases yields a valid statewide sample at the 99% confidence level with a $\pm$ 1% margin of error.

Data Sources

Findings presented in this report are based on analyses of administrative data retrieved by the authors from computerized management information systems

[3]Case closing followed by quick reopening is known as "administrative churning." This phenomenon has long existed in public welfare, but has not been systematically examined by TANF (or earlier, AFDC) researchers.

maintained by the State of Maryland. Specifically, demographic and program participation data were extracted from two administrative data systems: the Automated Information Management System/Automated Master File (AIMS/AMF) and the Client Automated Resources and Eligibility System (CARES). Employment and earnings data were obtained from the Maryland Automated Benefits System (MABS). The Child Care Automated Management Information System (CCAMIS) provides child care subsidy utilization data.

AIMS/AMF

AIMS/AMF was the statewide data system for programs under the purview of the Maryland Department of Human Resources (DHR) from 1987 through 1993. Beginning in late 1993, the state began converting to a new system, CARES. The final jurisdiction (Baltimore City) converted to CARES in March 1998; since that point, no new data have been added to AIMS, although the system is still accessible for program management and research purposes.

AIMS contains a participation history for each person who applied for cash assistance (AFDC or TCA), Food Stamps, Medical Assistance, or Social Services. In addition to providing basic demographic data (name, date of birth, gender, ethnicity, etc.), the system includes the type of program, application and disposition (denial or closure) date for each service episode, and a relationship code indicating the relationship of the individual to the head of the assistance unit. AIMS also displays, for each service case, a summary listing of the individuals included in that case. Limited financial data on the last twelve months of benefits received are also available for the cash assistance and Food Stamp programs.

CARES

As of March 1998, CARES became the statewide automated data system for programs under the purview of DHR. Similar to AIMS, CARES provides individual and case level program participation data for cash assistance, Food Stamps, Medical Assistance and Social Services.

MABS

In order to investigate the employment patterns of our sample, quarterly employment and earnings data were obtained from the Maryland Automated Benefits System (MABS). MABS includes data from all employers (approximately 93% of Maryland jobs) covered by the state's Unemployment Insurance (UI) law. Independent contractors, sales people on commission only, some farm workers, federal government employees (civilian and military), some student interns, most religious organization employees and self-employed persons who do not employ any paid individuals are not covered. "Off the books" or "under the table" employment is not included, nor are jobs located in other states.

In a small state such as Maryland which borders four states (Delaware, Pennsylvania, Virginia, West Virginia) and the District of Columbia, out-of-state employment is quite common. The majority of Maryland counties border at least one other state. According to the 1990 census, in some Maryland counties, more than one of every three employed residents worked outside the State, compared to the national average of only 3.5%. Indeed, as Table 1 illustrates, 1990 census data show that 44% of all employed Prince George's County residents worked outside the state, as did 32%

of Montgomery County residents and 38% of Cecil County residents. Also, there are more than 125,000 federal jobs in the State and a majority of Maryland residents live within easy commuting distance of Washington, D.C. Our lack of access to other states' data and to federal employment data is a serious limitation which depresses our employment findings.

CCAMIS

The Maryland Department of Human Resources' Child Care Automated Management Information System (CCAMIS) tracks child care subsidies given to Maryland's children. Data are available at the individual (child, case head, child care provider) and case (family) level, and provide information on a monthly basis as to who received a subsidy. Children age 12 and younger whose family incomes are less than 50% of the state median income may receive subsidies.[4] Currently, there is no waiting list for subsidies.

[4] Prior to January 1, 2002, the income eligibility guideline to receive child care subsidies was 45% of the state median income.

Table 1. Percentage of Residents Employed Outside of the State[5]

Jurisdiction	Percentage Employed Outside Maryland
Allegany	7.8%
Anne Arundel	8.0%
Baltimore City	1.9%
Baltimore County	2.0%
Calvert	17.8%
Caroline	9.6%
Carroll	3.3%
Cecil	**37.6%**
Charles	28.6%
Dorchester	3.5%
Frederick	8.1%
Garrett	9.9%
Harford	2.9%
Howard	10.7%
Kent	11.1%
Montgomery	**32.1%**
Prince George's	**44.9%**
Queen Anne's	7.2%
St. Mary's	7.6%
Somerset	2.9%
Talbot	2.7%
Washington	8.4%
Wicomico	6.8%
Worcester	9.0%
State Total	**17.4%**
U.S. Average	**3.5%**

[5]Data were obtained from the U.S. Census Bureau web-site (http://venus.census.gov/cdrom/lookup; place of work information: summary tape file 3A)

Findings: Baseline Administrative Data

This findings chapter presents baseline demographic, employment, and welfare participation data on leavers at the time of exit from TCA, including: assistance unit size and composition; age, gender, and race/ethnicity of payees; estimated age of female payees at first birth and age of youngest child in the assistance unit. Data are presented for the sample as a whole and separately for the most recent cohort of leavers (04/01-3/02) compared to other leavers (10/96 to 3/01).

What are the Characteristics of Maryland's Leavers?

Data on the 7,569 sample families are displayed in Table 2. The first column of the table includes all sample families exiting for at least one month between October 1996 and March 2002. The second and third columns present data for the most recent leavers and the earlier leavers, respectively.

Characteristics of the Entire Sample

A typical exiting case in the first five and one half years of reform includes an African American (72.6%) woman (92.6%) in her early thirties (mean age = 32.6 years) and her one or two children (average number of children = 1.74). The average age at the time of the first birth for female payees is 21.83 years.[6] The youngest child in the assistance unit is almost six years old (mean age = 5.68 years). Almost two in five

[6]Age at first birth estimates for female payees are calculated using the payee's date of birth and the date of birth of her oldest child included in the assistance unit. If payees have other, older children who are not included in the assistance unit, our figures will understate the true rate of early child-bearing among the sample.

exiting cases include a child under the age of three (38.5%). The largest proportion of cases (45.1%) are from Baltimore City.

Characteristics of the Most Recent Leavers

The most recent leavers are those who exited TCA between April 2001 and March 2002. Consistent with the profile of the total sample, the typical casehead is female (94.0%), in her early thirties (mean age = 33.31), African-American (76.2%), and likely to live in Baltimore City (56.1%). Female payees had their first child, on average, when they were 21 years old. Most assistance units have two or three members, including one or two children. The youngest child typically is under six (average age = 5.81 years), with two out of five families (39.5%) having a child under three years of age.

Do the Most Recent Leavers Differ from Previous Leavers?

In general, the most recent leavers resemble earlier leavers in terms of their demographic characteristics. However, there were statistically significant differences for six of the variables examined: payee gender; payee age; payee racial/ethnic background; region; assistance unit size; and proportion of child only cases.

Female payees are slightly more common (94.0%) among the most recent cohort than among the earlier cohorts (92.3%). Consistent with general TCA caseload trends (see, for example, Ovwigho, 2001), the most recent leavers are significantly, though only slightly, older than their earlier counterparts.

The most recent cohort also includes larger proportions of African American payees (76.2%) and Baltimore City cases (56.1%) than previous cohorts (72.0% and 43.4%, respectively). These findings are most likely related to and are consistent with general case closing trends where Baltimore City experienced lower case closing rates than expected in the first few years of reform (Born, Caudill, Cordero, and Kunz, 2000; Born and Herbst, 2002; Born, Ruck, and Cordero, 2001; Welfare and Child Support Research and Training Group, 1998a, 1999c).

One in five recent exiting cases is a child only case where the adult payee is not included in the grant, compared to only 14.0% of earlier exiting cases. Similarly, the average assistance unit size for the most recent cohort (2.55 people) is significantly smaller than the average assistance unit size for the earlier cohorts (2.63 people). These trends are also consistent with patterns observed in the general TCA caseload (Ovwigho, 2001; Ruck, Ovwigho, and Born, forthcoming).

Table 2. Demographic Characteristics of Exiting Samples

Characteristics	Entire Sample 10/96-3/02 (n=7,569)	Most Recent Cohort 4/01-3/02 (n=1,026)	Earlier Cohorts 10/96 - 3/01 (n=6,543)
Payee's Gender** (% female)	92.6% (7006)	94.0% (964)	92.3% (6042)
Payee's Age*			
Mean	32.55 yrs	33.31 yrs	32.43 yrs
Median	30.80 yrs	31.20 yrs	30.76 yrs
Standard Deviation	10.43 yrs	11.68 yrs	10.21 yrs
Range	17 to 89 yrs	18 to 89 yrs	17 to 86 yrs
Payee's Age at First Birth			
Mean	21.83 yrs	21.87 yrs	21.84 yrs
Median	20.30 yrs	20.03 yrs	20.25 yrs
Standard Deviation	5.31 yrs	5.78 yrs	5.38 yrs
Range	13 to 46 yrs	13 to 46 yrs	13 to 46 yrs
Payee's Racial/Ethnic Background*			
African American	72.6% (5097)	76.2% (764)	72.0% (4333)
Caucasian	25.1% (1765)	21.7% (218)	25.7% (1547)
Other	2.3% (163)	2.1% (21)	2.4% (142)
Region***			
Baltimore City	45.1% (3411)	56.1% (571)	43.4% (2840)
Prince George's County	13.4% (1011)	8.6% (88)	14.1% (923)
Baltimore County	12.3% (927)	10.4% (106)	12.5% (821)
Montgomery County	4.5% (340)	3.6% (37)	4.6% (303)
Anne Arundel County	4.7% (352)	4.4% (45)	4.7% (307)
Baltimore Metro Region	6.0% (450)	5.6% (57)	6.0% (393)
Southern Maryland	3.1% (232)	2.3% (23)	3.2% (209)
Western Maryland	3.7% (382)	2.0% (20)	4.0% (262)
Upper Eastern Shore	4.0% (300)	4.6% (47)	3.9% (253)
Lower Eastern Shore	3.4% (256)	2.4% (24)	3.5% (232)
Assistance Unit Size*			
Mean	2.62	2.55	2.63
Median	2.00	2.00	2.00
Standard Deviation	1.16	1.20	1.15
Range	1 to 9	1 to 7	1 to 9
% child only cases***	14.7% (1114)	19.2% (195)	14.0% (919)
Number of Children			
Mean	1.74	1.71	1.74
Median	1.00	1.00	1.00
Standard Deviation	1.04	1.06	1.04
Range	0 to 8	0 to 6	0 to 8
Age of Youngest Child			
Mean	5.68 yrs	5.81 yrs	5.65 yrs
Median	4.33 yrs	4.33 yrs	4.34 yrs
Standard Deviation	4.64 yrs	4.86 yrs	4.60 yrs
Range	<1 mo to 18 yrs	< 1 mo to 18 yrs	<1 mo to 18 yrs
% households with a child under 3	38.5% (2771)	39.5% (387)	38.3% (2384)

Note: *p<.05 **p<.01 ***p<.001

Why Are Families Leaving Welfare?

In addition to monitoring who is leaving welfare through examination of case and payee demographic characteristics, it is important to track why cash assistance cases close. In Maryland, these reasons are recorded in the administrative data. Unavoidably, the pre-set, forced-choice closing codes contained in automated systems are an incomplete representation of the often complex realities behind families' exits from welfare. Moreover, we know from earlier *Life After Welfare* reports as well as other studies (e.g., Moses, Mancuso, and Lieberman, 2000) that, in particular, these administrative data significantly understate the numbers of cases which close because the payee has obtained employment.[7] Despite these limitations, it is useful to examine the relative frequency with which various closing codes are used when exits from TCA take place. Table 3 presents information on case closing reasons for the entire sample, as well as the earlier and most recent cohorts.

Case Closing Reasons: Entire Sample[8]

During the first five and one half years of welfare reform in Maryland, five administrative data codes have predominated across the state, accounting for more than eight of every 10 closures (83.9%). The most common case closing reason is income above limit/started work, accounting for three out of ten case closures (31.1%). The other four most common case closing reasons, in descending order, are: failed to

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[7]One earlier analysis, to illustrate, compared the state UI wage database with TCA case closing codes. The former showed that 51% of sampled adults had UI-covered employment in the quarter in which they left welfare; the administrative data, in contrast, showed that only 30% of all cases closed with the "started work" or "income above limit" codes.

[8]We focus on the "top five" closing codes because, since the outset of the research project in October 1996, they have accounted for the vast majority of all case closings in our sample.

reapply/complete redetermination (19.0%); eligibility information/verification not provided (15.6%); work sanction (11.1%); and assistance unit requested closure (7.1%).[9] The top two reasons (income above limit/started work and eligibility information/verification not provided) account for half of the case closings. Not surprisingly, these findings differ somewhat from previous analyses which included churners. For example, in our sixth report, failed to reapply/complete redetermination was the most common code with 26.8%, followed by income above limit/started work with 24.7% (Born, et al., 2001).

Case Closing Reasons by Exit Cohort

Table 3 also illustrates the importance of examining differences by cohort. Significant differences in case closing reasons across cohorts were found (p<.001). Among the most recent cohort, the most common reason for closing was income above limit/started work (27.0%), followed by a work sanction (18.3%), and failure to reapply/complete redetermination (17.1%) . In contrast, cases closing in the earlier years of welfare reform were more likely to close because of income above limit/started work (31.7%) or failed to reapply/complete redetermination (19.3%). Only one of ten cases in the earlier cohorts closed because of a work sanction.

[9]Our first four *Life* reports showed "income above limit" and "started work" separately. The latter code has become obsolete since conversion of the last jurisdiction, Baltimore City, to the new computer system in March 1998. Thus, the two codes have now been combined for all analytic purposes.

Table 3. Case Closing Reasons

Characteristics	Entire Sample 10/96-3/02 (n=7,569)	Most Recent Cohort 4/01-3/02 (n=1,026)	Earlier Cohorts 10/96 - 3/01 (n=6,543)
Closing Code* **			
Income Above Limit/Started Work	31.1% (2345)	27.0% (277)	31.7% (2068)
Failed to Reapply/Complete Redetermination	19.0% (1437)	17.1% (175)	19.3% (1262)
Eligibility/Verification Information Not Provided	15.6% (1181)	14.3% (147)	15.8% (1034)
Work Sanction	11.1% (842)	18.3% (188)	10.0% (654)
Assistance Unit Requested Closure	7.1% (537)	6.3% (65)	7.2% (472)
Total Cases Closing for These Reasons	83.9% (6342)	83.0% (852)	84.0% (5490)

What are Payee's Experiences with the Welfare System and Employment?

Table 4, following this discussion, presents measures of payees' pre-exit experiences with the welfare system and with UI-covered employment. Specifically, we examine the length of the exiting spell, number of months of AFDC/TCA receipt in the five years prior to exit, and the percentage of people working at any time in the eight quarters preceding welfare spell entry and exit.

Among the entire sample, the majority of cases (58.9%) are exiting from a TCA spell which has lasted 12 months or less. On average, families are ending a welfare spell that has lasted 20 months.

Length of exit spell differs significantly between recent and earlier leavers. Across time, the average spell length has decreased from 21.49 months for the earlier cohorts to 11.92 months for the most recent cohort. The median or midpoint has also declined from 10.62 months to 6.62 months. In addition, the distribution of short and long exit spells has changed. The proportion of families exiting short spells (e.g. 12 months or less) has increased over time and the proportion of families exiting very long spells (e.g. more than five years) decreasing.

While it is informative to know about the length of the welfare spell from which families are exiting, these data do not present a complete picture of families' welfare histories. Exit spell calculations provide only a snapshot of one welfare episode. Moreover, single spell data almost always understate welfare utilization and may not necessarily correlate with families' lifetime receipt when multiple welfare spells are considered. Exit spell calculations are also influenced by local case closing practices. Thus, the bottom half of Table 4 presents an alternate and more complete measure of payees' welfare experiences: total number of months of benefit receipt (not necessarily continuous) in the five years preceding their TCA exit.[10]

Considering this more comprehensive measure of welfare history, we find that on average exiting payees had received cash assistance for 32 months out of the previous 60, or about half of the time. Three in ten (29.0%) exiting payees had received assistance for more than four years out of the previous five.

Again we find that the most recent cohort of leavers differs significantly from earlier cohorts. Specifically, the most recent leavers have shorter welfare histories, on average 27 months of receipt out of the previous 60, compared to those who exited earlier (33 months).

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[10]By examining the total number of months of receipt in the five years preceding the TCA exit, we overcome many of the limitations of single spell analyses. Although this measure does not include a payee's entire, adult lifetime welfare history, it does correlate highly with adult lifetime measurements (r = .79 to .91).

Table 4. Welfare Receipt and Employment History of Exiting Payees

	Entire Sample 10/96-3/02 (n=7,569)	Most Recent Cohort 4/01-3/02 (n=1,026)	Earlier Cohorts 10/96-3/01 (n=6,543)
Length of Exiting Spell* **			
12 months or less	58.9% (4459)	78.2% (802)	55.9% (3657)
13-24 months	19.1% (1443)	13.0% (133)	20.0% (1310)
25-36 months	7.7% (580)	3.3% (34)	8.3% (546)
37-48 months	4.1% (312)	1.8% (18)	4.5% (294)
49-60 months	2.7% (201)	1.0% (10)	2.9% (191)
More than 5 years	7.6% (574)	2.8% (29)	8.3% (545)
Mean***	20.19 months	11.92 months	21.49 months
Median	10.02 months	6.62 months	10.61 months
Standard deviation	29.85 months	19.80 months	30.93 months
Range	1 to 343 mos	1 to 216 mos	1 to 343 mos
TCA Receipt in 5 Years Prior to Exit* **			
12 months or less	23.3% (1765)	31.1% (319)	22.1% (1446)
13-24 months	17.1% (1293)	17.8% (183)	17.0% (1110)
25-36 months	15.6% (1178)	18.9% (194)	15.0% (984)
37-48 months	15.0% (1135)	16.1% (165)	14.8% (970)
49-60 months	29.0% (2195)	16.1% (165)	31.0% (2030)
Mean***	32.17 months	26.77 months	33.02 months
Median	32.00 months	25.00 months	33.00 months
Standard deviation	19.46 months	17.85 months	19.57 months
Range	1 to 60 mos	1 to 60 mos	1 to 60 mos
% working at some point in eight quarters preceding spell entry**	68.7% 5,109/7,436	72.5% 740/1,020	68.1% 4,369/6,416
% working at some point in eight quarters preceding spell exit*	71.0% 5,356/7,542	74.1% 758/1,023	70.5% 4,598/6,519

Note: *p<.05 **p<.01 ***p<.001

Table 4 also displays data on payees' employment experiences in the two years preceding their welfare spell entries and preceding their welfare spell exits. Almost seven out of ten payees (68.7%) had Maryland UI-covered employment at some point in the eight quarters before their welfare spell began; a similar proportion worked at some point before their TCA spell ended (71.0%).

The most recent cohort of leavers differs significantly from the earlier cohorts in terms of recent employment experiences. Specifically, recent leavers are more likely to have worked in the eight quarters before their welfare spell began (72.5% vs 68.1%) and in the eight quarters before their TANF exit (74.1% vs 70.5%).

Findings: Post-Exit Employment

The previous chapter described in detail the characteristics of Maryland TANF leavers, including their pre-exit employment and cash assistance experiences. This chapter, the first on what happens to families after they leave the TCA rolls, presents data on post-exit employment outcomes. Specifically we examine the extent to which former recipients worked in Maryland UI-covered employment, how much they earn from their jobs, and what industries employ them.[11]

As mentioned previously, employment in the four border states and the District of Columbia is not uncommon among Maryland residents and thus, the employment figures reported here underestimate the true rates. Through an agreement with these border states, we have been able to obtain limited data on UI-covered employment in these jurisdictions. However, the time periods covered by these data differ from the MABS data used in this report. For this reason, we present analyses of out-of-state employment among Maryland TANF leavers in Appendix A. These analyses show that the employment figures reported in this chapter, which are based solely on MABS data, underestimate post-welfare employment by at least 2.6% to 7.4%.

In this chapter, we use data on Maryland UI-covered employment to examine the extent to which former adult TCA recipients work in the quarters after they leave the welfare rolls. When examining these findings, readers are reminded that the UI data lag two to three quarters behind calendar time. Follow up employment data, at the time

[11] All reported earnings figures are standardized to 2001 dollars. Note that UI earnings are reported on an aggregate quarterly basis. Thus, we do not know how many hours or weeks individuals worked in a quarter. It is impossible to compute hourly wage figures from these quarterly earnings data.

of this writing, are complete through the fourth quarter of 2001 (October to December 2001). In addition, the amount of post-exit employment data varies depending on the quarter in which the family left TCA. Table 5, following, displays how many quarters of post-exit employment data are available for each quarter's sample cases.

Table 5. Number of Quarters of Post-Exit Employment Data by Sample Month

Sample Months	1 Qtr (n=7063)	2 Qtrs (n=6790)	3 Qtrs (n=6519)	4 Qtrs (n=6256)	8 Qtrs (n=5194)	12 Qtrs (n=3958)	16 Qtrs (n=2285)	20 Qtrs (n =503)
Oct-Dec 1996	X	X	X	X	X	X	X	X
Jan-Mar 1997	X	X	X	X	X	X	X	
Apr-Jun 1997	X	X	X	X	X	X	X	
Jul-Sep 1997	X	X	X	X	X	X	X	
Oct-Dec 1997	X	X	X	X	X	X	X	
Jan-Mar 1998	X	X	X	X	X	X		
Apr-Jun 1998	X	X	X	X	X	X		
Jul-Sep 1998	X	X	X	X	X	X		
Oct-Dec 1998	X	X	X	X	X	X		
Jan-Mar 1999	X	X	X	X	X			
Apr-Jun 1999	X	X	X	X	X			
Jul-Sep 1999	X	X	X	X	X			
Oct-Dec 1999	X	X	X	X	X			
Jan-Mar 2000	X	X	X	X				
Apr-Jun 2000	X	X	X	X				
Jul-Sep 2000	X	X	X	X				
Oct-Dec 2000	X	X	X	X				
Jan-Mar 2001	X	X	X					
Apr-Jun 2001	X	X						
Jul-Sep 2001	X							
Oct-Dec 2001								
Jan-Mar 2002								

Note: Sample sizes listed in this table are slightly smaller than those listed in the previous section because employment data are missing for 27 sample members who do not have a Social Security Number.

How Many Work in UI-Covered Jobs Right Away?

We begin by looking at the extent of UI-covered employment among exiting adults in the quarter in which their welfare cases closed. As shown in Table 6, following this discussion, about half (51.6%, n=3,769/7,310) of all exiting caseheads worked in a UI-covered job in Maryland in the quarter they left cash assistance. Mean, or average, earnings among those who worked in the exit quarter were $2,477.79; midpoint or median earnings were $2,071.49.[13] Readers who have closely followed our research may note that the proportion of all payees working in the exit quarter (51.6%) is higher than in our last report. In our sixth report, 50.0% of exiters (at that time payees who had exited between October 1996 and March 2001) were found to have worked in a UI-covered job in Maryland during the quarter in which their welfare cases closed.

Among those in the entire sample with a prior history (pre-exit) of UI-covered employment, almost two thirds (65.4%; n = 3,392/5,188) worked in UI-covered employment during the quarter in which their welfare cases closed. Mean or average earnings were $2,577.33 while median or mid-point earnings were $2,170.70.[14]

While there is no statistically significant difference between the most recent and earlier cohorts in terms of probability of working in the quarter of exit, there are differences in quarterly earnings and in the proportion employed among those with a pre-exit history of UI-covered employment. In constant 2001 dollars, those who exited

[13] Excluding child-only cases increases the percent working to 53.7% (n=3,355/6,244). Mean earnings decrease to $2,212.28 and the median shifts to $1,935.80.

[14] Eliminating child-only cases decreases the figures slightly: the percent working becomes 65.1% (n=2,998/4,604), average earnings become $2,285.48 and median earnings become $2,023.98.

TCA most recently earn significantly more in the quarter of exit than those who exited the rolls earlier. However, among those with a prior history of UI-covered employment, rates of employment in the quarter of exit are lower among later leavers than among earlier leavers.

Does Work Effort Persist Over Time?

As noted at the end of the previous chapter, the majority of women who receive cash assistance have worked for pay outside the home. Their jobs, however, often do not last, leading many to cycle between welfare and employment. In the present work-oriented, time-limited welfare system, ability to sustain employment - whether or not in the same job - is critical to families' financial well-being.

Excluding those who come back on welfare right away (i.e., within 30 days), over two-thirds of payees (67.8%, n=4,243/6,256) worked in a UI-covered job in Maryland at some point in the first year after leaving welfare. Table 6, following this discussion, reports post-exit employment results for the first through fourth quarters after exit, and at the two, three, four and five years post-exit points for those cases for which this information is currently available. The first column of data in the table presents findings for the entire statewide sample (October 1996 – March 2002); the second column presents findings for the most recent cohort (April 2001 – March 2002), and the third column presents findings for the earlier cohort (October 1996 – March 2001). For the most recent cohort, follow up data are only available for the first two post-exit quarters. Major findings include:

In the first quarter after exit, about half (51.9% or n=3,666/7,063) of former payees in the entire sample worked in UI-covered employment in Maryland.

Among those in the entire sample with a history of UI-covered employment prior to their TCA exit,[15] almost two thirds (64.3%, n=3,220/5,356) worked in the first quarter after leaving welfare.

The pattern of roughly one out of two adults working in UI-covered employment in Maryland continues in the 2nd through 20th quarters post-exit. That is, in each subsequent quarter, about half of all former payees are employed in a job covered by the state's Unemployment Insurance system[16].

Those with a pre-exit wage history have noticeably higher rates of post-exit employment: roughly three-fifths of these clients are working in each of the 2nd through 20th quarters after they exited from welfare.

In terms of differences between early and later TANF leavers, we find that those in the most recent cohort are significantly less likely to work following their welfare exit, than earlier leavers. In the first post-exit quarter, 47.1% of later leavers work compared to 52.3% of earlier leavers. Similarly, 47.2% of the most recent exiters are employed in a UI-covered job in the second quarter after exit, compared to 51.0% of their earlier-leaving peers. For these latest leavers, the first and second post-exit quarters correspond to calendar quarters July-September 2001 and October-December 2001. The economic downturn during this period is most likely at least partially responsible for the lower employment rates among the most recent cohort.

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[15] History of UI-covered employment is defined here as having MABS-reported wages in any of the eight quarters preceding the TCA exit.

[16] Note that Table 6 reflects the total percent of exiters working in that quarter. This does not necessarily suggest that sample members were consistently working in each quarter leading up to that follow-up point.

Table 6. UI-Covered Employment in Maryland in the Quarters After TCA Exit

UI-Covered Employment	Entire Sample 10/96-3/02	Most Recent Cohort 4/01-3/02	Earlier Cohorts 10/96-3/01
Quarter of TCA Exit			
Percent Working	51.6%	49.6%	51.8%
Percent with Pre-Exit Wage History Working*	65.4%	61.7%	65.9%
Mean Earnings**	$2,478	$2,507	$2,474
Median Earnings	$2,071	$2,006	$2,075
1st Quarter After TCA Exit			
Percent Working***	51.9%	47.1%	52.3%
Percent with Pre-Exit Wage History Working	64.3%	56.4%	65.0%
Mean Earnings	$2,773	$2,979	$2,758
Median Earnings	$2,392	$2,694	$2,372
2nd Quarter After TCA Exit			
Percent Working***	50.8%	47.2%	51.0%
Percent with Pre-Exit Wage History Working	62.8%	58.6%	62.9%
Mean Earnings*	$2,898	$3,338	$2,882
Median Earnings	$2,530	$2,913	$2,508
3rd Quarter After TCA Exit			
Percent Working	50.1%		50.1%
Percent with Pre-Exit Wage History Working	61.6%		61.6%
Mean Earnings	$2,989		$2,989
Median Earnings	$2,618		$2,618
4th Quarter After TCA Exit			
Percent Working	50.5%		50.5%
Percent with Pre-Exit Wage History Working	61.6%		61.6%
Mean Earnings	$3,063		$3,063
Median Earnings	$2,702		$2,702
8th Quarter After TCA Exit			
Percent Working	51.0%		51.0%
Percent with Pre-Exit Wage History Working	60.9%		60.9%
Mean Earnings	$3,347		$3,347
Median Earnings	$3,013		$3,013
12th Quarter After TCA Exit			
Percent Working	51.8%		51.8%
Percent with Pre-Exit Wage History Working	60.1%		60.1%
Mean Earnings	$3,635		$3,635
Median Earnings	$3,382		$3,382
16th Quarter After TCA Exit			
Percent Working	49.8%		49.8%
Percent with Pre-Exit Wage History Working	58.2%		58.2%
Mean Earnings	$4,140		$4,140
Median Earnings	$3,863		$3,863
20th Quarter After TCA Exit			
Percent Working	51.9%		51.9%
Percent with Pre-Exit Wage History Working	58.4%		58.4%
Mean Earnings	$4,445		$4,445
Median Earnings	$4,226		$4,226

Note: Earnings are only for those working. Also, as noted previously, these are aggregate quarterly earnings. We do not know how many weeks or hours an individual worked, so hourly wage can not be computed from these data.

What Are Adults' Quarterly Earnings from UI-Covered Employment?

Table 6 also includes information on the aggregate quarterly earnings of former adult recipients employed in UI-covered jobs in Maryland after their exits from the cash assistance rolls. The general findings are:

In the first post-exit quarter, mean quarterly UI-covered earnings are $2,773 for all cases; median earnings are $2,392.

The trend in quarterly earnings is an upward one over the 2nd through 20th post-exit quarters (where available) such that, for all cases, mean earnings are $4,445 by the 20th quarter after the welfare case closure; median earnings are $4,226.

There is no difference in mean quarterly earnings for the first quarter after exit between recent leavers and earlier leavers. However, in the second post-exit quarter, those in the most recent cohort earn significantly more ($3,338) than their earlier-exiting peers ($2,882).

The findings presented in Table 6 show that the proportion of former TANF payees employed remains consistent over the first five years. While the quarterly earnings figures are relatively low, they do not reflect total household income. The increase over time in quarterly earnings is encouraging, although we are unable to tell from these data if the increase is a result of adults working more or receiving higher wages.

How Many Adults Are Steadily Employed in UI-Covered Jobs Over Time?

As noted in the previous section, we find that half of all exiting payees were employed, even five full years later. However, these data do not speak directly to the question of employment stability. Because the literature often documents intermittent or unstable employment patterns among low-income women, it is critical to examine employment stability in more detail. Our examination includes study cases for whom we have at least one full year of post-exit employment data (n=6,256):[17]

> A little more than half (52.4%, n=3,276/6,256) worked in a UI-covered job in Maryland in the first quarter after exit.
>
> Of those who worked in the first post-exit quarter, the vast majority (82.8%, n=2,712/3,276) also worked in the second post-exit quarter. Likewise, most who worked immediately after leaving welfare also worked in the third post-exit quarter (76.7%, n=2,512/3,276); nearly as many (74.5%, n=2,441/3,276) worked in the fourth quarter post-exit.
>
> Approximately three of every five payees who worked in the first quarter after leaving welfare worked in all four post-exit quarters (62.5%, n=2,048/3,276).
>
> Considering all exiters with at least one year of post-exit employment data, 32.7% (n=2,048/6,256) worked in all four quarters.[18] This figure is consistent with rates of steady employment found in other leavers studies (Moffitt, 2002).

Do Employed Leavers Differ from Unemployed Leavers?

In previous reports, we have examined how the characteristics of recidivists (or those who return to the TCA rolls) and non-recidivists differ. Today's report includes a similar, and at least as important, comparison between payees who are employed in the first quarter after exit and those who are not employed. Table 7, following, presents the characteristics of employed and non-employed leavers and of the entire sample. It should be noted that there are significant differences among leavers who are employed and those who are not on eight of the ten variables examined: payee age; payee age at first birth; payee racial/ethnic background; region; assistance unit size; age of youngest

[17]A report focusing on an in-depth examination of post-exit employment patterns, including employment stability and earnings growth, will be issued in early 2003.

[18] All exiters who left TCA between October 1996 and December 2000 and did not return to TCA within 30 days are included (n=6,256), even if they did not work at all in the post-exit year.

child; closing code; and length of exiting spell. The following bullets summarize these differences:

- Employed exiters are on average younger (30.81 years) and began childbearing at an earlier age (21.27 years) than non-employed exiters (34.34 years and 22.53 years, respectively).

- Three-fourths of employed leavers are African American, compared to about seven out of ten of leavers who do not work in a UI-covered job in the first quarter after exit.

- In terms of region, we find that Prince George's County cases are under represented among the employed sample. This finding is not surprising given that this county borders the District of Columbia and over 40% of employed county residents work out of state.[19]

- Employed leavers tend to have larger assistance units (2.67 persons) than their non-employed counterparts (2.58 persons). Similarly, only one in ten employed leavers headed a former child-only case, compared to 18.3% of non-employed leavers.

- On average, the children of employed leavers are almost a year younger than the children of non-employed leavers. Moreover, two out of five households with an employed head of household have a child under the age of three, compared to only a little over a third of those with a head of household who is not employed. These results are somewhat surprising, given that having young children is typically viewed as a barrier to employment.

- As expected, we find some correlation between case closing reason and the post-exit employment status of the former TANF payee. Specifically, employed heads of household are more likely to have left welfare because of "income above limit/started work" and less likely to have left because they "failed to reapply/complete redetermination." Higher rates of cases closing because of work sanctions or the assistance unit requested closure are found among the non-employed sample.

- Finally, employed leavers are exiting from a TCA spell that is on average one month shorter than that of their non-employed counterparts. However, there is no difference between the two groups in terms of welfare history in the five years prior to exit.

[19]See Appendix A for more information on out-of-state employment among Maryland TANF leavers.

Table 7. Characteristics of Employed and Non-Employed Leavers

Characteristics	Employed (n =3666)	Not Employed (n =3397)	Entire Sample (n =7542)
Payee's Age* **			
Mean	30.81 years	34.34 years	32.56 years
Median	29.04 years	32.78 years	30.82 years
Standard Deviation	8.96 years	11.37 years	10.43 years
Range	18 - 74 years	17 - 89 years	17 - 89 years
Payee's Age at First Birth* **			
Mean	21.27 years	22.53 years	21.84 years
Median	19.93 years	20.86 years	20.25 years
Standard Deviation	4.94 years	5.80 years	5.38 years
Range	13 - 44 years	13 - 46 years	13 - 46 years
Payee's Racial/Ethnic Background* **			
African American	74.8%	69.6%	72.3%
Caucasian	23.6%	27.5%	25.5%
Other	1.6%	2.8%	2.2%
Region* **			
Baltimore City	45.0%	44.0%	45.2%
Prince George's County	10.6%	16.9%	13.3%
Baltimore County	13.5%	11.2%	12.3%
Montgomery County	4.3%	4.7%	4.4%
Anne Arundel County	4.9%	4.4%	4.7%
Baltimore Metro Region	6.3%	5.6%	6.0%
Southern Maryland	3.1%	3.2%	3.1%
Western Maryland	4.1%	3.7%	3.7%
Upper Eastern Shore	4.2%	3.7%	4.0%
Lower Eastern Shore	4.1%	2.7%	3.4%
Assistance Unit Size* **			
Mean	2.67	2.58	2.62
Median	2.00	2.00	2.00
Standard Deviation	1.11	1.20	1.16
Range	1 - 9	1 - 9	1 - 9
% child only***	10.5%	18.3%	14.5%
Number of Children			
Mean	1.75	1.73	1.74
Median	1.00	1.00	1.00
Standard Deviation	1.03	1.06	1.04
Range	0 to 8	0 to 8	0 to 8
Age of Youngest Child* **			
Mean	5.31 years	6.07 years	5.67 years
Median	3.97 years	4.86 years	4.34 years
Standard Deviation	4.45 years	4.79 years	4.63 years
Range	<1 mo to 18 yrs	<1 mo to 18 yrs	<1 mo to 18 yrs
% of households with a child under 3***	41.2%	35.2%	38.4%

Characteristics	Employed (n =3666)	Not Employed (n =3397)	Entire Sample (n =7542)
Closing Code***			
Failed to Reapply/Complete Redetermination	16.8%	21.6%	19.0%
Income Above Limit/Started Work	43.1%	18.7%	31.1%
Eligibility/Verification Information Not Provided	15.6%	15.8%	15.6%
Work Sanction	8.1%	13.3%	11.2%
Assistance Unit Requested Closure	5.6%	9.0%	7.1%
Total Cases Closing These Reasons	89.2% (3657)	78.4% (3389)	84.0% (7525)
Length of Exiting Spell			
12 months or less	57.2%	57.9%	58.9%
13-24 months	20.0%	19.0%	19.1%
25-36 months	8.4%	7.5%	7.7%
37-48 months	4.2%	4.4%	4.1%
49-60 months	2.8%	2.8%	2.7%
More than 5 years	7.4%	8.4%	7.6%
Mean**	20.11 months	21.50 months	20.21 months
Median	10.22 months	10.38 months	10.02 months
Standard Deviation	28.50 months	32.27 months	29.90 months
Range	1 - 304 months	1 - 343 months	1 - 343 months
Welfare Receipt in the 5 Years Prior to Exit			
12 months or less	22.2%	23.0%	22.6%
13-24 months	17.3%	16.7%	17.0%
25-36 months	16.4%	14.5%	15.5%
37-48 months	14.7%	15.3%	15.0%
49-60 months	29.4%	30.5%	29.9%
Mean	32.40 months	32.84 months	32.61 months
Median	32.00 months	33.00 months	33.00 months
Standard Deviation	19.35 months	19.58 months	19.46 months
Range	1 to 60 months	1 to 60 months	1 to 60 months

What Types of Industries Hire Former Welfare Recipients?

The industry in which one finds employment is often a good indicator of the potential of that employment in terms of starting wage, wage growth, employment stability and advancement. Traditionally, welfare recipients have found employment in low-skill, low-wage sectors of the labor market, particularly in service industries such as restaurants, bars, nursing homes, hotels and motels, department stores, and temporary help service firms (Burtless, 1997; Spalter-Roth, et al., 1995; Zill, Moore, Nord & Steif, 1991). In contrast, public administration, health services and social services are the industries most successful in retaining former welfare recipients (Lane, Jinping, and Stevens, 1998).

Our employment data allows us to examine the most common types of UI-covered industries in which former recipients work immediately after leaving welfare. As has been done in our previous *Life After Welfare* reports, we have grouped payees' first post-exit employers by Standard Industrial Classification (SIC) codes. The vast majority (80.3%) of employed exiters work for only one employer in the first post-exit quarter. For the remaining 19.7% with more than one employer, we consider the post-exit employer from whom the former TANF casehead received the highest quarterly earnings. The employment data represent 3,116 jobs which could be classified by industry, held by 3,116 leavers in the first post-exit quarter.[20]

For ease of interpretation we present data at the most general (SIC 1, Figure 1) and most specific (SIC 4, Table 8) levels of classification. In sum, these data indicate the following:

- The most frequent employer type in the first post-exit quarter is wholesale and retail trade, accounting for a little less than one-third (30.4%, n=948/3,116) of all jobs where the industry could be identified. Just about three-fifths (57.5%; n=545/948) of the jobs in this sector are: eating and drinking places (n=277); department stores (n=154); and supermarkets (n=114).

- The second most common industry type (n=708/3,116) is organizational services, accounting for 22.7%, or one fifth, of the total. Almost two-fifths (37.0%, n=262/708) of employers classified as organizational services are skilled nursing care facilities (nursing homes and hospices (n=143), hospitals (n=68) and colleges and universities (n=51)).

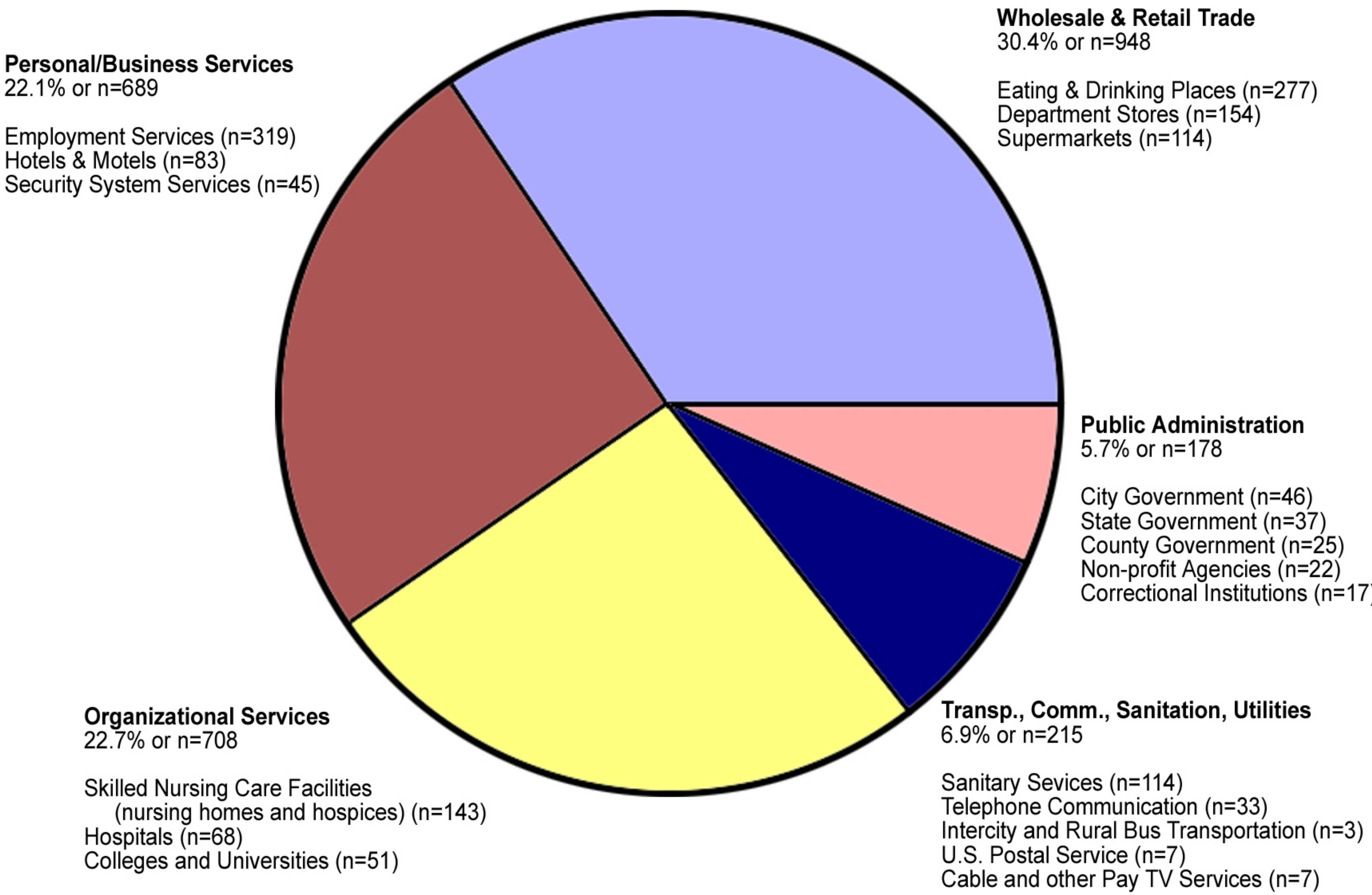
[20] An additional 550 jobs for 550 exiters could not be classified.

> The next most common industry is personal/business services (n=689/3,116), accounting for one of every five (22.1%) employers in the sample. Employment services (n=319), hotels and motels (n=83), and security system services (n=45) are the most common types of employers within this classification. Combined these three industries account for three-quarters (75.2%, n=2,345/3,116) of the employers former recipients worked for in the first quarter after their welfare exit.

These findings differ slightly from what we reported in our sixth report (Born, et al., 2001). In the sixth report, personal/business services was the second largest group of employers and organizational services was the third largest group of employers. However, in the aggregate, the top three industries have remained the same since we first began collecting this data six years ago. 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. Moreover, in this and all prior reports (September 1997, March 1998, March 1999, October 1999, October 2000, October 2001), these three industries, together, have accounted for fully three-fourths of all first post-welfare jobs secured by recipients.[21]

[21] The figures for the first six reports are 78.7% (September 1997), 78.1% (March 1998), 78.8% (March 1999), 78.6% (October 1999), 77.2% (October 2000), 77.9% (October 2001).

Figure 1. Employment in the Quarter After Exit



Note : 4,845 UI-covered jobs were reported; however, only 4,167 could be identified by the Standard Industrial Classification(SIC).

At the more specific level of analysis (SIC 4, Table 8) there has also been little change over time. Since the onset of welfare reform in Maryland, the four specific fields in which former recipients have most often found jobs have been and remain: temporary/employment agencies; eating/drinking places; department stores; and nursing homes/hospices. Prior to this report, grocery stores/supermarkets have accounted for the fifth most common field employing TANF leavers. For this report, though, grocery stores/supermarkets tie with sanitary services/commercial and residential as the fifth most common industry. Together, these six specific industries account for 36.0% of jobs in the first post-exit quarter.

At the most specific level of employer type, the fact that almost two-thirds (64.0%) of all first post-welfare jobs are not accounted for by the "top five" (see Table 8) suggests that adults leaving welfare are moving into a diverse array of employment situations. Nonetheless, the relative concentration of exiters in three general industry areas over time (see Figure 1) speaks loudly to the need for job retention/support services, and also for strategies to promote and make possible job advancement and the acquisition of new skills. As we continue to move forward with welfare reform, job/skill advancement efforts especially on behalf of/for working former recipients would seem to hold great promise in preventing recidivism, as well as enabling these adults and their families move forward in the market economy.

Table 8. The Top 25 Employers/Industries in the First Quarter after Exiting

Type of Employer/Industry (SIC4)	Frequency	Percent
Employment agencies, temporary help	319	10.2
Eating and Drinking Places (General Restaurants)	277	8.9
Department/Discount Stores	154	4.9
Skilled Nursing Care Facilities (Nursing Homes and Hospices)	143	4.6
Sanitary Services, Commercial & Janitorial	114	3.7
Grocery Stores, Supermarkets	114	3.7
Hotels and Motels	83	2.7
Hospitals	68	2.2
Colleges and Universities	51	1.6
Social Services, Welfare	50	1.6
Miscellaneous Food Stores, Convenience	47	1.5
City Government	46	1.5
Security Systems Services	45	1.4
Drug Stores and Proprietary Stores	37	1.2
State Government	37	1.2
Services, nec (Individual Employers, Sole Proprietors	35	1.1
Telephone Communication	33	1.1
Offices and Clinics of Medical Doctors	32	1.0
Home Care Services, incl. Temp Nursing	32	1.0
Schools and Educational Services, nec (Driving Schools)	31	1.0
Child Day Care Services	31	1.0
Elementary and Secondary Schools	30	1.0
Groceries and Related Products (Wholesale Food Dist.)	27	0.9
Commercial Banks	26	0.8
Food and Kindred Products	25	0.8

Note: Data are based on 3,116 jobs held by 3,116 exiters.

Findings: Returns to Welfare

This findings chapter focuses on a second type of outcome which families may experience after exiting TCA - returning to the welfare rolls. Research focused on the AFDC program illustrated that exits from cash assistance are not necessarily permanent and, in fact, many families return to the rolls within a short period of time (see, for example, Bane and Ellwood, 1994; Born, Caudill, and Cordero, 1998, Brandon, 1995; Cao, 1996). Recent studies of TANF leavers have also shown that within one year of exiting the rolls, 17 to 38% of families will return to cash assistance (Acs and Loprest, 2001; Office of the Assistant Secretary for Planning and Evaluation, 2001). Our own previous *Life* reports have shown that while many of the returns to welfare occur within the first month and are thus a type of "administrative churning", two-fifths of those who exit for at least one month will return within the first four years (Born, et al., 2001). Also, we have consistently found that recidivism risk varies by cohort, case closing reason, and region.

Our present analysis of recidivism patterns includes only those families who leave the TANF rolls for at least one month. At this point, our follow up data are current through March 2002. Table 9, following, presents the amount of follow up recidivism data available by sample month. Three month recidivism data is available for all cases which exited between October 1996 and December 2001 (n = 7089). Data at our latest follow up period, 60 months or five years after initial exit, are available for families who left the rolls in the first six months of welfare reform (October 1996 through March 1997; n = 974).

Table 9. Amount of Recidivism Data by Sample Month

Sample Month	3 mos n=7089	6 mos n=6815	12 mos n=6543	18 mos n=6010	24 mos n=5452	36 mos n=4345	48mos n=2689	60 mos n=974
Oct-Dec 1996	X	X	X	X	X	X	X	X
Jan-Mar 1997	X	X	X	X	X	X	X	X
Apr-Jun 1997	X	X	X	X	X	X	X	
Jul-Sep1997	X	X	X	X	X	X	X	
Oct-Dec 1997	X	X	X	X	X	X	X	
Jan-Mar 1998	X	X	X	X	X	X	X	
Apr-Jun 1998	X	X	X	X	X	X		
Jul-Sep1998	X	X	X	X	X	X		
Oct-Dec 1998	X	X	X	X	X	X		
Jan-Mar 1999	X	X	X	X	X	X		
Apr-Jun 1999	X	X	X	X	X			
Jul-Sep1999	X	X	X	X	X			
Oct-Dec 1999	X	X	X	X	X			
Jan-Mar 2000	X	X	X	X	X			
Apr-Jun 2000	X	X	X	X				
Jul-Sep 2000	X	X	X	X				
Oct-Dec 2000	X	X	X					
Jan-Mar 2001	X	X	X					
Apr-Jun 2001	X	X						
Jul-Sep 2001	X	X						
Oct-Dec 2001	X							
Jan-Mar 2002								

How Many Families Return to Welfare?

Table 10, following, displays the recidivism rates for our entire sample. In the first three months, 14.1% of families return to TCA. Over the next nine months the rate nearly doubles, so that by the end of the first year one out of four exiters (26.5%) have returned to the TANF rolls. The rate increases more slowly over the next four years so that by the end of the fifth year, almost two-thirds of families (63.2%) have <u>not</u> experienced an additional welfare spell.[22]

Table 10. Recidivism Rates by Cohort

	% not returning to TCA by this time		
Months Post-Exit	**Entire Sample**	**Most Recent Cohort**	**Earlier Cohorts**
3 mos	85.9%	83.1%	86.2%
6 mos	79.6%	72.2%	80.2%
12 mos	73.5%		73.5%
18 mos	70.3%		70.3%
24 mos	67.8%		67.8%
36 mos	65.5%		65.5%
48 mos	63.1%		63.1%
60 mos	63.2%		63.2%
	% returning to TCA by this time		
	Entire Sample	**Most Recent Cohort**	**Earlier Cohorts**
3 mos*	14.1%	16.9%	13.8%
6 mos*	20.4%	27.8%	19.8%
12 mos	26.5%		26.5%
18 mos	29.7%		29.7%
24 mos	32.2%		32.2%
36 mos	34.5%		34.5%
48 mos	36.9%		36.9%
60 mos	36.8%		36.8%

Note: Differences in sample size across follow up periods may result in the appearance that cumulative returns to welfare decrease over time. As with the other analyses presented in this report, cases which return to TCA within one month are excluded.

[22] Readers should note that, unlike other studies, our analyses include families who exit and return in the second month. This difference in sample definition results in higher reported recidivism rates among our sample.

Does Recidivism Differ for More Recent Leavers?

Our previous reports as well as other studies have suggested that later leavers may be experiencing more difficulties in transitioning from welfare to work than earlier leavers did (Born, et al., 2001; Office of the Assistant Secretary for Planning and Evaluation, 2001; Research Forum on Children, Families, and the New Federalism, 2001; Welfare and Child Support Research and Training Group, 1999b, 2000). In fact, as shown in the previous chapter, we found that post-exit employment rates are lower for the most recent cohort than for the earlier cohorts.

The data in Table 10 further illustrate that later leavers may not be faring as well as their earlier-exiting counterparts. At both the 3 and 6 month follow up points, recidivism rates are significantly higher for the most recent cohort than for the earlier cohorts. Within six months of exiting, more than one-fourth of families in the most recent cohort had returned to the TANF rolls, compared to one-fifth of those in the earlier cohorts.

What are the Risk Factors for Recidivism?

In the present area of time-limited welfare benefits, it is critical for policy makers and program managers to develop strategies for preventing welfare recidivism. Table 11, following, presents empirical data on the characteristics of those who return to the welfare rolls within three months of exiting, compared to those who do not return. We find that recidivists differ from non-recidivists on nine variables: payee age; payee racial/ethnic background; region; assistance unit size; number of children; age of youngest child; closing code; welfare history; and post-exit employment.

Compared to their counterparts who do not return to TCA, recidivists are younger, have younger children, and are more likely to be African American and Baltimore City residents. Larger families, particularly those with more children, are at higher risk of returning to TCA. Families who leave TCA because of "income above limit/started work" or because "assistance unit requested closure" are less likely to return in the first few months than are families whose cases closed for other reasons.

In terms of welfare history, we find that non-recidivists received assistance for significantly fewer months prior to exit, on average 32 months out of the previous 60, compared to recidivists (M = 37 months). While only about one quarter of non-recidivists had a pre-exit welfare history of more than four years, two-fifths of recidivists had such a history.

Finally, we find that those who are employed in a UI-covered job in the quarter of exit or the first quarter after exit are at lower risk of returning to TANF. Over one-half of non-recidivists work after leaving cash assistance, compared to two-fifths of non-recidivists.

Table 11. Comparisons between Recidivists and Non-Recidivists

Characteristics	Non-Recidivists	Recidivists	Entire Sample
Payee's Age* **			
Mean	32.75 years	31.33 years	32.55 years
Median	30.92 years	29.90 years	30.79 years
Std. Dev.	10.58 years	9.29 years	10.42 years
Range	17 to 89 years	17 to 76 years	17 to 89 years
Payee's Age at First Birth			
Mean	21.89 years	21.56 years	21.84 years
Median	20.29 years	20.02 years	20.25 years
Std. Dev.	5.40 years	5.24 years	5.38 years
Range	13 to 46 years	13 to 43 years	13 to 46 years
Payee's Racial/Ethnic Background* **			
African-American	71.4%	78.4%	72.5%
Caucasian	26.2%	19.4%	25.2%
Other	2.4%	2.1%	2.3%
Region **			
Baltimore City	44.1%	49.5%	44.9%
Prince George's County	13.6%	13.2%	13.5%
Baltimore County	12.3%	12.4%	12.3%
Montgomery County	4.7%	3.3%	4.5%
Anne Arundel County	4.5%	5.8%	4.7%
Baltimore Metro Region	6.2%	3.8%	5.9%
Southern Maryland	3.2%	2.0%	3.1%
Western Maryland	3.9%	3.1%	3.8%
Upper Eastern Shore	4.0%	3.5%	3.9%
Lower Eastern Shore	3.4%	3.5%	3.4%
Assistance Unit Size* **			
Mean	2.59	2.78	2.62
Median	2.00	3.00	2.00
Std. Dev.	1.15	1.19	1.16
Range	1 to 9	1 to 8	1 to 9
Number of Children* **			
Mean	1.72	1.87	1.74
Median	1.00	2.00	1.00
Std. Dev.	1.03	1.12	1.04
Range	0 to 8	0 to 6	0 to 8
Age of Youngest Child*			
Mean	5.71 years	5.39 years	5.67 years
Median	4.37 years	4.04 years	4.33 years
Std. Dev.	4.67 years	4.33 years	4.63 years
Range	<1 mo to 18 years	<1 mo to 18 years	<1 mo to 18 years
Percent less than 3 years	38.3%	39.2%	38.4%
Closing Code* **			
Failed to Reapply/Complete Redetermination	18.3%	23.3%	19.0%
Income Above Limit/Started Work	32.9%	21.2%	31.2%
Eligibility/Verification Information Not Provided	14.9%	20.6%	15.7%
Work Sanction	9.9%	16.7%	10.8%
Assistance Unit Requested Closure	7.9%	2.8%	7.2%
Total Closings Accounted for by These 5	83.9%	84.6%	84.0%

Characteristics	Non-Recidivists	Recidivists	Entire Sample
Length of Exiting Spell			
Less than 12 mos.	58.1%	58.9%	58.2%
12 - 24 Months	19.3%	19.3%	19.3%
25 - 36 Months	8.0%	6.9%	7.8%
37 - 48 Months	4.2%	4.3%	4.2%
49 - 60 Months	2.8%	1.9%	2.7%
More than 60 mos.	7.6%	8.7%	7.7%
Mean (months)	20.38	20.91	20.45
Median (months)	10.19	9.94	10.14
Std. Dev. (months)	29.96	30.52	30.04
Range	1 to 343	1 to 235	1 to 343
Welfare Receipt in 5 Years Prior to Exit* **			
Less than 12 mos.	24.2%	15.9%	23.0%
12 - 24 Months	17.6%	13.3%	17.0%
25 - 36 Months	15.6%	15.4%	15.6%
37 - 48 Months	14.6%	17.1%	15.0%
49 - 60 Months	28.0%	38.3%	29.5%
Mean (months)***	31.60	37.15	32.38
Median (months)	31.00	41.00	32.00
Std. Dev. (months)	19.47	18.84	19.48
Range (months)	1 to 60	1 to 60	1 to 60
Percent Working in the Exit Quarter* **	53.1%	42.1%	51.6%
Percent Working in 1st Post-Exit Quarter* **	54.0%	39.3%	51.9%

Note: *p<.05 **p<.01 ***p<.001

Findings: Receipt of Other Benefits

Transitional benefits such as Food Stamps, Medical Assistance and Child Care subsidies provide critical support for families transitioning from welfare to work. Given that many exiters obtain employment which yields relatively low quarterly earnings, receipt of support services may make the difference between maintaining employment that will eventually lead to family self-sufficiency and returning to the welfare rolls (Shuptrine, Grant and McKenzie, 1994). In the wake of welfare reform and declining cash assistance caseloads, many were surprised and concerned that Food Stamp and Medical Assistance caseloads were also decreasing. In light of this concern, TANF leavers' utilization of support services has become a common outcome measured in leavers studies (Born, et al., 2001; Center on Budget and Policy Priorities, 1999; General Accounting Office, 1999; Guyer, Broaddus, and Cochran, 1999; Wilde, Cook, Gunderson, Nord, and Tiehen, 2000). This chapter presents our most recent findings concerning Food Stamps, Medical Assistance, and Child Care subsidy receipt rates among Maryland families exiting TANF.

How Many Families Receive Food Stamps After Leaving Welfare?

Table 12, following this discussion, presents our findings on post-TANF Food Stamp receipt patterns among all welfare leavers in our sample.[23] Not quite three of five (58.1%) participated in the Food Stamp program at some point during the first three months after the TCA exit that brought them into our sample. Participation is lower, but

[23] Different amounts of follow-up data are available depending on when the case closed.

still substantial in later periods; at least two-fifths (43.3%) participate in Food Stamps through the end of the first three years post-exit. The rates, by period, are 53.0% (4th through 6th months); 52.7% (7th through 12th months); 47.2% (13th through 18th months); 43.1% (19th through 24th months); 43.3% (25th through 36th months); 36.1% (37th through 48th months); and 33.3% (49th through 60th months). During the fourth and fifth years post-exit the rate is substantially lower, although still a significant minority (36.1% in the 37th through 48th months and 33.3% in the 49th through 60th months). These rates compare favorably to those reported in other states' welfare leavers studies (see, for example, Coulton et. al. 2000; Westra and Routley, 1999) and may reflect targeted outreach efforts by the Maryland Department of Human Resources to increase Food Stamp and Medical Assistance receipt among families exiting TANF.

Table 12. Food Stamp Participation Rates

Follow Up Period	Received Food Stamps	Did Not Receive Food Stamps
Months 1-3 (n=7336)	58.1%	41.9%
Months 4-6 (n=7089)	53.0%	47.0%
Months 7-12 (n=6543)	52.7%	47.3%
Months 13-18 (n=6010)	47.2%	52.8%
Months 19-24 (n=5452)	43.1%	56.9%
Months 25-36 (n=4345)	43.3%	56.7%
Months 37-48 (n=2689)	36.1%	63.9%
Months 49-60 (n=974)	33.3%	66.7%

How Many Families Receive Medical Assistance After Leaving Welfare?

To examine rates of participation in Medical Assistance among families in our sample, we gathered administrative data at the case- and individual level. Table 13, following this discussion, presents our findings.

The top third of Table 13 presents findings for the payees in our study cases. The data show that, at some point during the first three months following the welfare exit that brought them into our sample, two-thirds (64.9%, n=4,763/7,336) have Medical Assistance coverage; slightly fewer payees (58.6% n=4,151/7,089) have coverage in the 4th through 6th post-exit months. The same percentage (58.1%) are covered during the 7th through 12th months and half (52.5%) participate during the 13th through 18th months and during the 19th through 24th months. The percentage increases to three-fifths (59.2%) being covered during the 25th through 36th months, and then decreases again to a little more than half participating in the 37th through 48th months (54.6%) and in the 49th through 60th months (51.5%). In other words, throughout the entire five year period following TCA exit, half or more of former payees have Medical Assistance coverage.

In the middle portion of Table 13, information on Medical Assistance coverage of children in our exiting cases indicates that the coverage pattern for minors is very similar to that for adults.[24] About two-thirds of all sample cases (64.2%) have at least one child with Medical Assistance coverage during the first three months after exit; during the 4th through 6th months, not quite three-fifths (58.7%) of all cases contain at

[24]Data presented in this section include Maryland Children's Health Insurance Program (M-CHIP) coverage.

least one covered child. The percentage steadies during the 7th through 12 months (59.8%) and does not rise again until the 25th through 36th months, when it increases to 62.3%. Then, the figure decreases again in the 37th through 48th months (57.3%) and the 49th through 60th months (53.3%).

The bottom third of the table shows, for the various post-exit time periods, how many cases contain any family member (whether the payee or a child) with Medical Assistance coverage. Considering the payee and her children together, just about seven of every ten families (69.4%) contain at least one person with such coverage during the first three month period. Mirroring the pattern observed when we considered payees and children separately, the proportion of cases with at least one covered individual increases slightly during the 4th through 6th months. This figure either remains steady, or slightly decreases until the 25th through 36th months, where the number increases to two-thirds (67.6%). In the 37th through 48th months, the number decreases to 63.1%, and remains steady in the 49th through 60th months at 60.0%. In general, the data show that, across the five year follow up period, the majority of former TCA families have at least one member participating in Medical Assistance or M-CHIP.

Table 13. Medical Assistance Participation Rates

Follow Up Period	Received MA	Did Not Receive MA
Payees		
Months 1-3	64.9%	35.1%
Months 4-6	58.6%	41.4%
Months 7-12	58.1%	41.9%
Months 13-18	52.5%	47.5%
Months 19-24	53.1%	46.9%
Months 25-36	59.2%	40.8%
Months 37-48	54.6%	45.4%
Months 49-60	51.5%	48.5%
Any child under 18 in the		
assistance unit	64.2%	35.8%
Months 1-3	58.7%	41.3%
Months 4-6	59.8%	40.2%
Months 7-12	55.6%	44.4%
Months 13-18	56.9%	43.1%
Months 19-24	62.3%	37.7%
Months 25-36	57.3%	42.7%
Months 37-48	53.3%	46.7%
Months 49-60		
Anyone in the assistance unit		
Months 1-3	69.4%	30.6%
Months 4-6	64.0%	36.0%
Months 7-12	64.8%	35.2%
Months 13-18	60.4%	39.6%
Months 19-24	61.5%	38.5%
Months 25-36	67.6%	32.4%
Months 37-48	63.1%	36.9%
Months 49-60	60.0%	40.0%

Note: Total Ns for this table are 7,336 cases for Months 1-3, 7,089 for Months 4-6, 6,543 for Months 7-12, 6,010 for Months 13-18, 5,452 for Months 19-24, 4,345 for Months 25-36, 2,689 for Months 37-48 and 974 for Months 49-60.

How Many Families Receive Child Care Subsidies After Leaving Welfare?

As discussed in the first findings chapter, the typical exiting case is composed of a woman and her one or two children. On average, the youngest child in an exiting case is about six years old, and two out of five cases include a child under the age of three. These findings suggest that child care will be an issue for the majority of families exiting TANF. In fact, previous research has demonstrated that lack of adequate child care can be a barrier to leaving cash assistance and keeping a job (Rangarajan, Schochet & Chu, 1998).

In this chapter, we examine the rates of child care subsidy utilization by welfare leavers at the child level. For this analysis, we selected all children under 13 (n=1,520 from 3,078 cases) in our sample who exited during the most recent quarters (April 2000 through March 2002). We determined whether or not caseheads received child care subsidies for any of these children, utilizing data from the Child Care Automated Management Information System.[25]

Table 14 presents subsidy receipt data for quarter of exit up to the seventh quarter after exit for the April 2000 through March 2002 samples, the most recent cohort (April 2001 – March 2002), and the earlier cohort (April 2000 – March 2001). Utilization rates range from 11.3% to 20.1%. Generally, the trend is for utilization rates to decrease over time by quarter of exit through the seventh quarter after exit. There are two exceptions to this. First, for the entire sample, in the third quarter after exit, 15.8% of cases received child care subsidies and in the fourth quarter after exit 16.0%

[25]We report subsidy utilization and vouchers paid through March 2002.

of cases received subsidies. The second exception is for the earlier cohort, in the quarter of exit, 19.1% of cases received child care subsidies. In the first quarter after exit, 20.1% cases received subsidies.

Fewer cases in the most recent cohort receive child care subsidies than those in the earlier cohort (16.7% versus 19.1% in quarter of exit, 14.7% versus 20.1% in first quarter after exit, 13.5% versus 20.0% in the second quarter after exit, and 11.3% versus 16.9% in the third quarter after exit). This trend may be related to the fact that more recent leavers are less likely to work in UI covered employment and more likely to return to TCA than earlier leavers.

Table 14. Child Care Subsidies in Quarter Of and After Exit by Exit Quarter

Quarter	Total 4/00-3/02	Most Recent Cohort 4/01-3/02	Earlier Cohort 4/00-3/01
Quarter of Exit	17.9% (552/3,078)	16.7% (254/1,520)	19.1% (298/1,558)
1st Post-Exit	17.8% (486/2,734)	14.7% (173/1,176)	20.1% (313/1,558)
2nd Post-Exit	17.8% (419/2,356)	13.5% (108/798)	20.0% (311/1,558)
3rd Post-Exit	15.8% (308/1,949)	11.3% (44/391)	16.9% 264/1,558)
4th Post-Exit	16.0% (249/1,520)	___________	16.0% (249/1,558)
5th Post-Exit	14.2% (165/1,166)	___________	14.2% (165/1,166)
6th Post-Exit	14.2% (111/782)	___________	14.2% (111/782)
7th Post-Exit	14.1% (55/390)	___________	14.1% (55/390)

Findings: Child Welfare

The possibility that stricter TANF policies such as work requirements, time limits, and full family sanctions would increase the risk of children experiencing abuse and neglect was one of the major concerns of child and family advocates at the outset of welfare reform. This concern was partly based on previous research which has correlated decreases in benefits (Courtney, 1997) and decreases without employment income (Shook, 1999) with poorer child welfare outcomes. Because increased child abuse and neglect and children coming into foster care was a potential unintended and certainly undesirable consequence of welfare reform, we have included examination of child welfare outcomes in our leavers study. This chapter presents the findings of our most recent analyses.

Table 15, following, presents child welfare data for our sample of 13,240 exiting children. We limit our analysis to Child Protective Services investigations,[35] Intensive Family Services case openings, and kinship care and foster care placements in the first post-exit year. If there is any causal link between the discontinuation of cash assistance and child welfare involvement, this effect should be seen in the first post-exit year. Data describing historical involvement in the child welfare system provide a baseline to which our post-exit findings can be compared.

As Table 15 illustrates, more than one in five study children (21.1%, n=2,794/13,240) had an historical (i.e., pre-exit) indication or confirmation of child

[35] Child abuse or neglect investigations are included in the analyses if they are "substantiated" or "indicated".

abuse or neglect. Few children (2.3%, n=301/13,240) were involved in an abuse or neglect investigation which began in the 90 days before their families left welfare. The percentage of children with an abuse or neglect investigation that began in the first 90 days after the welfare exit was slightly lower (1.6%, n=206/12,833). The percentage of children with an indication/confirmation of child abuse or neglect increased over time, although remaining low, to 5.2% (n=596/11,466) by the 12th post-exit month.

Few children (2.8%; n =377/13,240) had a history of receiving Intensive Family Services (IFS) prior to exiting welfare. Within the three months before their exit from welfare, 24 out of 13,240 children (0.2%) began receiving IFS. Within the 3 months after their welfare exit, 50 out of 12,833 children (0.4%) began receiving IFS. The number increased slightly over the next nine months, reaching one percent (1.0%, n=116/11,466) by the twelfth post-exit month.

Five hundred ninety one children (4.5%) had a history of kinship care placement and 747 children (5.6%) had a history of placement in foster care before their welfare exit. More children entered kinship care and foster care in the 90 days preceding their cash assistance exit (0.6% and 1.4%, respectively) than after (0.3% and 0.5%, respectively). During the three months following their families' exit from welfare, only 39 of 12,833 children (0.3%) entered kinship care and only 70 (0.5%) entered foster care. By the one year follow up point, 123 of 11,466 children (0.9%) had been placed in kinship care and 211 (1.6%) had been placed in foster care.

Two findings are particularly notably in Table 15. First, for all child welfare services, post-exit rates are lower than would be expected given children's historical rates of child welfare involvement.

Second, with one exception, differences observed between later leavers and earlier leavers are for historical (i.e., pre-exit) child welfare involvement and not post-exit involvement. Specifically, children in the most recent cohort have significantly higher levels of prior child abuse and neglect investigations (23.4%), Intensive Family Services (5.2%), kinship care placement (5.5%) and foster care placement (7.6%) than their peers in the earlier cohorts (20.7%, 2.5%, 4.3%, and 5.3%, respectively). Despite these differences and the fact that historical child welfare involvement is one of the best predictors of future involvement, children in the later leaving cohort do not have higher rates of post-exit child abuse and neglect investigations, kinship care placements, and foster care placements. However, at both the three month and six month follow up points, children from the most recent cohort have significantly higher rates of Intensive Family Services involvement. This difference may be related to some of the other differences we have observed between earlier and later leavers in terms of demographic characteristics, post-exit employment, and welfare recidivism. They may also lend support to the notion that families receiving TANF in these latter years of reform face more complex situations and barriers to employment and financial self-sufficiency than families transitioning off the rolls in the early years. For policy makers and program managers, these results confirm the wisdom of continuing to monitor the overlap among the TANF and child welfare populations.

Table 15. Child Welfare Entries Among Exiting Children[36]

	% Involved with Child Welfare by this time		
	Entire Sample 10/96-3/02 (n = 13,240)	**Most Recent Cohort 4/01-3/02 (n = 1774)**	**Earlier Cohorts 10/96-3/01 (n = 1851)**
Child Abuse/Neglect			
History before Exit**	21.1%	23.4%	20.7%
90 days before Exit	2.3%	2.0%	2.3%
90 days after Exit	1.6%	1.4%	1.6%
6 months after Exit	2.9%	2.0%	3.0%
12 months after Exit	5.2%	----	5.2%
Intensive Family Services			
History before Exit***	2.8%	5.2%	2.5%
90 days before Exit	0.2%	0.2%	0.2%
90 days after Exit**	0.4%	1.0%	0.3%
6 months after Exit***	0.6%	2.0%	0.5%
12 months after Exit	1.0%	---	1.0%
Kinship Care			
History before Exit*	4.5%	5.5%	4.3%
90 days before Exit	0.6%	0.5%	0.6%
90 days after Exit	0.3%	0.2%	0.3%
6 months after Exit	0.7%	0.4%	0.7%
12 months after Exit	1.1%	---	1.1%
Foster Care			
History before Exit***	5.6%	7.6%	5.3%
90 days before Exit*	1.4%	1.9%	1.3%
90 days after Exit	0.5%	0.8%	0.5%
6 months after Exit	1.0%	1.2%	0.9%
12 months after Exit	1.8%	---	1.8%

Note: The n is based on all children in our exiting sample who have follow up data available at the different time periods and are under the age of 18 at the end of the follow up period. Child abuse or neglect investigations are only counted if they are “indicated” or “substantiated”.

[36] For this report two additional codes which indicate emotional abuse and neglect investigations were added to the calculation of child abuse and neglect. Also, more complete data are now available for all child welfare services. Because of these methodological changes, results reported here are not directly comparable to those in previous reports.

Conclusions

This seventh Life After Welfare report goes to press in a time of uncertainty for Maryland's welfare reform program. The inevitable economic downturn predicted by numerous analysts in the early days of reform has arrived and it remains unclear how long and deep this recession will be (Hall, et al., 2002). In addition, the federal government has yet to reauthorize the TANF program, possibly with increased work participation goals for states, as well as other design modifications.

In times of uncertainty, empirical data are especially critical for guiding public programs. Today's report provides such data on the characteristics and outcomes for families leaving TANF in the first five and one half years of reform. In sum, the following conclusions can be drawn from the analyses presented here:

Single mothers with young children remain the most common type of case leaving the TANF rolls.

A typical exiting case still consists of a woman in her early thirties and her one or two children. The largest proportion of cases, over two-fifths, are from Baltimore City. Given that the youngest child in the former TCA household is, on average, six years old and that four out of ten families include a child under the age of three, child care likely remains a significant issue for families leaving welfare.

The most recent exiting cohort (April 2001 to March 2002) differs significantly from the earlier cohorts (October 1996 to March 2001) in terms of casehead gender, casehead race/ethnicity, casehead age, region, assistance unit size, and proportion of child only cases.

Consistent with general caseload trends, we find that the adult heads of household exiting the TANF rolls today are significantly, though only slightly, older than those exiting in the earlier years of reform. The most recent exiting cohort also contains higher proportions of African American caseheads, female caseheads, cases from Baltimore City, and child only cases. Given the evidence that the characteristics of families leaving TCA are changing, policy makers and program managers should consider if and how post-exit services may need to be modified. For example, former child only cases may have different post-welfare needs and require different services than other types of cases.

"Income above limit/started work" is the most commonly recorded case closing reason among families leaving TCA for at least one month. Although still affecting only a minority of cases, sanctioning has increased.

Three out of ten cases close because of "income above limit/started work." Work sanctions are the fourth most common code, accounting for approximately one-tenth of all closures. Among the most recent exiting cohort, sanctioning is much more common; almost one-fifth of cases in this cohort close because of a work sanction. These results suggest that while the majority of cases are not exiting the rolls through sanctioning, a significant minority are and the rate of sanctioning has increased. For policy makers and program managers, these findings suggest that continued monitoring of sanctioning policies, practices and outcomes is warranted.

The most recent exiting cohort differs significantly from earlier cohorts in terms of welfare and employment history.

Heads of household in the most recent exiting cohort received cash assistance for an average of seven fewer months in the five years preceding their TCA exit than their counterparts in earlier cohorts. Three-fourths of recent exiters worked in a Maryland UI-covered job at some point during the eight quarters before exit, compared to seven out of ten early exiters. Together, these results suggest that in terms of recent work experience and welfare history, the latest leavers may be better positioned than earlier leavers to make their TCA exit a permanent one.

> **In the quarters after leaving welfare, one-half of former TCA caseheads work in a Maryland UI-covered job. An additional 3 to 6% are employed in UI-covered jobs in the District of Columbia or one of the border states. Quarterly earnings figures increase over the follow up period so that those working in the 20th post-exit quarter earn about $2000 more than those working in the first post-exit quarter.**

In this seventh report, as in the previous six, we find that half of all TANF leavers work in a Maryland UI-covered job in the first quarter after exit. The percent employed remains at around 50% through the 20th post-exit quarter. Data from the District of Columbia and the four states bordering Maryland (Delaware, Pennsylvania, Virginia and West Virginia) reveal that an additional 3 to 6% are employed out of state in each quarter.

These results are encouraging in that they reveal that a higher percentage of leavers are working than the approximately 30% indicated by the case closing reason "income above limit/started work." It is also encouraging that mean and median quarterly earnings increase over time. However, while employment rates do not decrease over time, it is discouraging that they do not increase either.

> **In terms of steady employment, over 60% of former caseheads who are employed in the first post-exit quarter, work in all quarters in the first post-exit year. One-third of all former caseheads work in a UI-covered job through the first post-exit year.**

While an in-depth analysis of employment stability is beyond the scope of this report, our analyses of data during the first post-exit year indicate that once employed, three-fifths of exiters remained employed throughout the year. This finding is heartening. However, for policy makers and program managers, these findings also indicate that post-exit job retention services are critical, as a significant proportion of leavers, at least two-fifths, experience at least one interruption in employment during the first post-exit year. A forthcoming report will present a detailed examination of post-exit employment and earnings patterns over a four year follow up period. These analyses will provide policy makers and program managers with more empirical data from which to develop job retention and career advancement strategies.

Wholesale and retail trade, organizational services and personal/business services remain the top three industries in which TCA leavers find employment.

Three out of ten former TANF caseheads find employment in wholesale and retail trade (e.g., eating and drinking places, department stores, supermarkets) in the first post-exit quarter. One-fifth work in organizational services (e.g., nursing homes and hospices, hospitals, colleges and universities) and an additional one-fifth are employed in personal/business services (e.g., employment services, hotels and motels, and security system services). It may be of concern that these are the types of industries that typically employ former welfare recipients (Burtless, 1997; Spalter-Roth, et al., 1995) and they may, in general, provide low wages and few opportunities for advancement. In addition, these industries have suffered significant losses during the current recession (Boushey, 2001). Clearly, further research is needed to determine which industries hold the best long-term prospects for TANF leavers.

Among those who exit cash assistance for at least one month, almost two-thirds remain off the rolls through the fifth post-exit year.

The extent to which welfare exits are permanent remains a critical question for families, policy makers and program managers. Our findings show that the majority of families do not return for a second episode of cash assistance receipt during the five years following their original exit. Among those who return to the rolls, the majority do so within the first 18 months. The results suggest that there may be a critical period immediately following a family's welfare exit for providing post-exit, recidivism-prevention services.

At least through the first six post-exit months, more recent leavers experience a higher recidivism risk than earlier leavers.

By the sixth follow up month, 27.8% of later leavers have returned to the cash assistance rolls, compared to only 19.8% of those in the earlier cohorts. This heightened recidivism risk for the most recent exiters may stem from their exiting the rolls during a less prosperous economic time (Hall, Feldstein, Bernanke, Frankel, Gordon, and Zarnowitz, 2002). For policy makers and program managers, these findings suggest that the several years of continuous caseload decline may be at an end. That is, program managers should plan that should the economic downturn continue, more families may be returning to TCA.

Significant proportions of TANF leavers utilize Food Stamps, Medical Assistance/M-CHIP and child care subsidies following their cash assistance exit.

During the first post-exit year, over half of families receive Food Stamps, about two-thirds have at least one member participating in Medical Assistance or M-CHIP, and one-fifth receive a child care subsidy for at least one child. Not surprisingly, participation rates decline over the next few years. However, in the fifth year after exit one-third of former TANF families are still receiving Food Stamps and three-fifths are still receiving Medical Assistance/M-CHIP. The role these programs play in supporting families' transitions off welfare is an important topic for future research. Moreover, while the take-up rate for child care subsidies reported here compares favorably with rates reported in other states, policy makers and program managers may wish to further investigate if eligible families are fully utilizing this valuable support.

For all child welfare services, post-exit rates are lower than would be expected given children's historical rates of child welfare involvement. However, children in the most recent cohort have higher rates of historical child welfare involvement and higher rates of post-exit Intensive Family Services involvement.

As in our previous six reports, we find that although approximately 5% of children have a history of foster care or kinship care placement, only 1.8% of children enter foster care and 1.1% enter kinship care in the first year after exit. A larger proportion of children in the most recent exiting cohort have a history of child welfare involvement than children in earlier cohorts. However, in terms of post-exit child welfare events, more recent leavers differ from earlier leavers only in rates of Intensive Family Services involvement. These differences may be related to other cohort differences in family characteristics and post-exit employment and welfare recidivism patterns. They may also lend support to the notion that families receiving TANF in these latter years of reform face more complex situations and barriers to employment and financial self-sufficiency than families transitioning off the rolls in the early years. For policy makers and program managers, these results confirm the wisdom of continuing to monitor the overlap among the TANF and child welfare populations.

In sum, the findings from the fifth year of Maryland's TCA leavers study are for the most part consistent with those from the first: the majority of families are leaving the rolls through employment rather than sanctions; most utilize the Food Stamp and Medical Assistance programs and remain off cash assistance; and few children enter foster care. Later leavers continue to differ from early leavers in a variety of ways and these differences make it mandatory that our state's welfare program continue to evolve and be flexible enough to be able to effectively meet the needs of a diverse, perhaps more disadvantaged, clientele, while still meeting mandated performance standards. Finally, many questions regarding the best ways to support families in achieving long-term financial self-sufficiency remain open. Thankfully, Maryland is well-positioned to meet these challenges because of the continued strong bi-partisan commitment to welfare reform and families on the part of elected officials and others.

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Appendix A. UI-Covered Employment in Bordering States

As mentioned in previous sections of this report, our employment figures are based on data from Maryland Unemployment Insurance-covered jobs. However, census figures indicate that employment in the bordering states and the District of Columbia is not uncommon among Maryland residents.

In order to assess the extent to which our inability to report on out-of-state employment among TCA exiters results in an underestimate of post-exit employment, we obtained, through interstate data sharing agreements, UI-covered employment data from Delaware (1st quarter 2000 through 4th quarter 2001), the District of Columbia (2nd quarter 1999 through 4th quarter 2001), Pennsylvania (2nd quarter 2000 through 4th quarter 2001), Virginia (1st quarter 1999 through 4th quarter 2001), and West Virginia (2ND quarter 1999 through 4th quarter 2001). These data were combined with our Maryland UI data in order to assess rates of out-of-state employment among our exiting sample.[37] Table A-1, following, displays the number of quarters of follow up data available for each exiting cohort.

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[37]Although more complete than estimates based solely on MABS data, the figures reported in this appendix are still an underestimate as they do not include federal government and non-UI-covered employment.

Table A-1. Number of Quarters of Post-Exit Employment Data by Sample Month

Sample Months	Exit 2980	1 Qtr 3105	2 Qtrs 3267	3 Qtrs 3427	4 Qtrs 3574	8 Qtrs 4224	12 Qtrs 3958	16 Qtrs 2285	20 Qtrs 503
Oct-Dec 1996							X	X	X
Jan-Mar 1997							X	X	
Apr-Jun 1997						X	X	X	
Jul-Sep 1997						X	X	X	
Oct-Dec 1997						X	X	X	
Jan-Mar 1998						X	X		
Apr-Jun 1998					X	X	X		
Jul-Sep 1998				X	X	X	X		
Oct-Dec 1998			X	X	X	X	X		
Jan-Mar 1999		X	X	X	X	X			
Apr-Jun 1999	X	X	X	X	X	X			
Jul-Sep 1999	X	X	X	X	X	X			
Oct-Dec 1999	X	X	X	X	X	X			
Jan-Mar 2000	X	X	X	X	X				
Apr-Jun 2000	X	X	X	X	X				
Jul-Sep 2000	X	X	X	X	X				
Oct-Dec 2000	X	X	X	X	X				
Jan-Mar 2001	X	X	X	X					
Apr-Jun 2001	X	X	X						
Jul-Sep 2001	X	X							
Oct-Dec 2001	X								
Jan-Mar 2002									

Table A-2, following, presents the results of our employment analyses including data from bordering states. In the quarter of exit, 2.6% of former TCA caseheads worked in a bordering state or the District of Columbia. Inclusion of this out-of-state employment raises the overall percent working by 2.0% to 52.0%; median earnings also increase by about $60.

In the 1st through 20th quarters after exit, 3.6% (1st quarter after exit) to 7.4% (16th quarter after exit) of the statewide sample worked outside of Maryland. Thus, our figures based on only Maryland UI-covered employment understate post-exit employment in these quarters from 3 to 6%. Inclusion of employment data from other states also results in higher median earnings figures (with the exception of the 20th quarter after exit) and continues to reflect the trend of increasing earnings over time.

Table A-2. UI-Covered Employment in Maryland and Bordering States in Post-Exit Quarters

UI-Covered Employment	Maryland	Border States	Total
Quarter of TCA Exit			
Percent Working	50.1%	2.6%	52.0%
Median Earnings	$1895.00	$2492.56	$1962.18
1st Quarter After TCA Exit			
Percent Working	49.6%	3.6%	52.5%
Median Earnings	$2472.06	$2166.00	$2515.07
2nd Quarter After TCA Exit			
Percent Working	49.1%	3.9%	52.0%
Median Earnings	$2572.83	$2226.86	$2588.15
3rd Quarter After TCA Exit			
Percent Working	49.3%	4.3%	52.6%
Median Earnings	$2534.99	$2634.40	$2603.35
4th Quarter After TCA Exit			
Percent Working	49.4%	4.7%	52.9%
Median Earnings	$2717.86	$3279.08	$2817.55
8th Quarter After TCA Exit			
Percent Working	50.2%	5.4%	54.9%
Median Earnings	$3013.00	$3846.33	$3089.00
12th Quarter After TCA Exit			
Percent Working	51.8%	6.8%	57.0%
Median Earnings	$3376.00	$3403.86	$3456.50
16th Quarter After TCA Exit			
Percent Working	49.8%	7.4%	55.9%
Median Earnings	$3862.00	$3887.88	$3954.02
20th Quarter After TCA Exit			
Percent Working	51.9%	5.0%	55.3%
Median Earnings	$4226.00	$2252.00	$4218.50

Note: Earnings are only for those working. Also, as noted previously, these are aggregate quarterly earnings. We do not know how many weeks or hours an individual worked, so hourly wage can not be computed from these data. Data on federal government jobs are not included.

As expected, employment outside of Maryland is more common among former TCA caseheads living in Maryland's 23 counties than their peers who reside in Baltimore City. As can be seen in Table A-3, 1% or less of Baltimore City exiters work out-of-state in any given quarter. In contrast, 4.8% (quarter of exit) to 10.5% (16th quarter after exit) of exiters from Maryland's 23 counties are employed in a border state or the District of Columbia.

Table A-3. UI-Covered Employment in Maryland and Bordering States by Jurisdiction

UI-Covered Employment	Baltimore City	23 Counties
Quarter of Exit		
% working in MD	50.2%	50.0%
% working in other state	0.5%	4.8%
Total % working	50.7%	53.4%
1st Quarter after Exit		
% working in MD	49.4%	49.8%
% working in other state	0.6%	6.9%
Total % working	49.9%	55.3%
2nd Quarter after Exit		
% working in MD	48.2%	50.0%
% working in other state	0.8%	6.9%
Total % working	49.0%	55.1%
3rd Quarter after Exit		
% working in MD	49.0%	49.5%
% working in other state	1.1%	7.6%
Total % working	49.9%	55.3%
4th Quarter after Exit		
% working in MD	49.5%	49.3%
% working in other state	1.1%	8.1%
Total % working	50.5%	55.3%
8th Quarter after Exit		
% working in MD	52.4%	48.6%
% working in other state	1.0%	8.7%
Total % working	53.3%	56.0%
12th Quarter after Exit		
% working in MD	55.3%	49.6%
% working in other state	1.3%	8.7%
Total % working	56.2%	56.0%
16th Quarter after Exit		
% working in MD	54.9%	47.0%
% working in other state	1.7%	10.5%
Total % working	56.4%	55.7%