# HISPANIC CHILD-ONLY CASES

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The Hispanic population in Maryland is growing, more than doubling between 2000 and 2010.<sup>1</sup> This has led to an increase in the percentage of the Temporary Cash Assistance (TCA) population that is Hispanic (Nicoli. Passarella, & Born, 2012). Currently, Hispanics are about 4% of the caseload and about 8% of the state population. Because the percentage of Hispanics in the caseload is smaller than the percentage of Hispanics in the state population—and Maryland's Hispanics are more likely to be poor (14.1%) than the entire state population (9.7%)—we can expect the Hispanic TCA population to continue to grow.

Interestingly, Maryland's Hispanic population differs substantially from the national Hispanic population. Over half of Maryland's Hispanic population is foreign born, compared to less than two-fifths nationally. This difference is rooted in Hispanics' countries of origin. While almost two in three Hispanics in the U.S. identify as Mexican, fewer than one in five Hispanics in Maryland identify as Mexican. Instead, Maryland Hispanics are disproportionately Salvadoran (31.1%), Guatemalan (8.2%), and Honduran (5.5%). Hispanics with a Mexican or Puerto Rican origin are less likely to be foreign born than Hispanics who trace their heritage to Central and South America (Lopez, Gonzalez-Barrera, & Cuddington, 2013).

Because so many of Maryland's Hispanics are foreign born, it is important to review TCA policy on legal immigrants. The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) excludes immigrants with fewer than five years of legal residency in the U.S. from receiving federal monies, but states are allowed to provide cash assistance to legal immigrants with their own funds. Maryland has chosen this option, so all legal immigrants are able to access cash assistance. Additionally, while all undocumented immigrants are ineligible for assistance, any children who are U.S. citizens are eligible for TCA.

In our previous brief, we profiled the Hispanic TCA population and found that Hispanic payees and cases differ from non-Hispanic payees and cases (Nicoli, Passarella, & Born, 2012). The most striking difference between Hispanic and non-Hispanic cases is the percentage of cases that do not include an adult in the assistance unit. Two-thirds of Hispanic cases are child-only, compared to one quarter of non-Hispanic cases.

In child-only cases, the adult caring for the child, called the payee, receives the grant on behalf of the child, but that adult is not included in benefit calculation. Because child-only cases do not have adult recipients, they are not subject to work requirements or time limits, which lead to substantial differences from adult-aided cases (Golden & Hawkins, 2012). This brief examines Hispanic and non-Hispanic childonly cases, investigating how these cases differ and why the Hispanic TCA caseload is so heavily child-only.

#### **Research Methods**

We collected administrative data on childonly cases in the October 2011 TCA caseload (n=7,063) from the system Maryland uses to manage the TCA program. Our definition of child-only is based on caseload designation, not the number of adults in the assistance unit. We use chi-square and analysis of variance (ANOVA) tests to determine whether differences between Hispanic and non-Hispanic child-only cases and their payees are statistically significant.

# **Demographic Characteristics**

Table 1 presents basic demographic information about child-only cases and the payees on those cases. Payees on Hispanic child-only cases are different from pavees on non-Hispanic child-only cases in a number of statistically significant ways. Hispanic payees are slightly more likely to be female (95.5% vs. 93.0%), and they are more likely to have never married (72.3% vs. 65.9%). Non-Hispanic payees are more likely to have been married previously (20.1% vs. 11.5%), and they are far more likely to be at least 51 years old (36.4% vs. 5.2%). In contrast, over two-thirds of Hispanic payees are age 35 or younger. and half of them never finished 12<sup>th</sup> grade, compared to less than 40% of non-Hispanic payees.

Hispanic child-only cases are significantly different from non-Hispanic child-only cases

as well. For example, there are fewer children on non-Hispanic child-only cases. While just over one-third of Hispanic childonly cases have one child on the case, 60% of non-Hispanic child-only cases have one child. Similarly, over one quarter of Hispanic child-only cases have three or more children while less than 15% of non-Hispanic childonly cases have three or more children. The children on non-Hispanic cases are much older too. On average, the youngest child on Hispanic cases is under 5 years old, compared to almost 9 years old on non-Hispanic cases.

For local offices, it is also important to know how concentrated Hispanic child-only cases are. Three jurisdictions—Baltimore City (23.2%), Prince George's County (22.6%), and Montgomery County (19.2%)—account for two-thirds of all Hispanic child-only cases in the state. The remaining 35% of Hispanic child-only cases, therefore, reside

		Hispanic (n=717)	Non-Hispanic (n=6,346)
Gender*	Female	95.5% (685)	93.0% (5,902)
Age***	18-25	19.7% (141)	7.4% (469)
	26-35	49.1% (352)	20.7% (1,315)
	36-50	26.1% (187)	35.5% (2,252)
	51 & older	5.2% (37)	36.4% (2,310)
Marital Status***	Never married	72.3% (490)	65.9% (4,026)
	Married	16.2% (110)	14.0% (857)
	Previously married	11.5% (78)	20.1% (1,227)
Education***	Did not finish grade 12	50.6% (320)	37.8% (1,993)
Number of children***	1	34.9% (250)	60.9% (3,865)
	2	39.1% (280)	25.1% (1,596)
	3 or more	26.1% (187)	13.9% (885)
Age of youngest child	Mean*** [Median]	4.37 [3.39]	8.83 [8.76]
	Standard deviation	3.58	5.20
Location***	Baltimore City	23.2% (166)	39.4% (2,501)
	Prince George's County	22.6% (162)	11.0% (698)
	Montgomery County	19.2% (138)	3.9% (249)
	Remaining 21 Counties	35.0% (251)	45.6% (2,895)

#### Table 1. Demographic Characteristics

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

in Maryland's 21 other jurisdictions. In contrast, slightly more than half of the non-Hispanic child-only caseload is in Baltimore City (39.4%), Prince George's County (11.0%), and Montgomery County (3.9%).

## **Payee Characteristics**

In addition to standard demographic information, we also investigate some other aspects of payees on child-only cases. Table 2 displays payees' citizenship status, primary language, recipient status, and their relationship to the children on the case. Because Maryland's Hispanic population is heavily immigrant, it is not surprising that less than 10% of Hispanic payees are U.S. citizens, compared to over 95% of non-Hispanic payees. Furthermore, a strong majority (64.0%) of Hispanic payees speak Spanish as their primary language, suggesting that they are recent immigrants.

Looking at payees' recipient status makes the situation clear. If payees were included in the assistance unit and received TCA for themselves, they would be listed as "recipient." Because these are child-only cases, in which payees are not included in the assistance unit, none of the payees here are recipients. Instead, their recipient statuses provide some clues as to why the case is child-only.

Seven in ten Hispanic payees are listed as "excluded aliens," meaning that they are unable to receive assistance because they are not U.S. citizens or legal residents. The children, however, are citizens or legal residents and are eligible for TCA. In contrast, virtually all non-Hispanic payees are listed as "non-members."

This interpretation is bolstered by payees' relationships to children on the case. Non-Hispanic payees are usually either relative caregivers, like grandmothers or aunts (57.3%), or parents who receive Supplemental Security Income (SSI, 36.5%), which makes them ineligible to receive TCA. Hispanic payees, however, are largely parents who are not receiving SSI (88.0%), but who are still ineligible for cash assistance.

Historically, parents receiving SSI and relative caregivers are the mainstays of the child-only caseload. It may be that another group, parents who are excluded aliens, is becoming more common in Maryland. Furthermore, Hispanics account for the vast majority (79.0%) of all excluded alien cases.

		Hispanic (n=717)	Non-Hispanic (n=6,346)
Payee's citizenship***	US citizen	9.2% (66)	96.4% (6,063)
Payee's primary	Spanish***	64.0% (458)	0.2% (10)
language	English***	35.8% (256)	98.4% (6,187)
	Excluded alien	69.6% (499)	2.1% (133)
Payee's recipient status***	Cash ineligible	12.0% (86)	0.6% (39)
	Non-member	18.4% (132)	97.3% (6,171)
	Relative caregiver***	8.2% (59)	57.3% (3,639)
Payee's relationship to children	SSI parent***	3.8% (27)	36.5% (2,314)
	Parent not receiving SSI***	88.0% (631)	6.2% (393)

#### **Table 2. Payee Characteristics**

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

# Welfare Receipt

Now that we have determined that Hispanic and non-Hispanic child-only cases appear to represent quite different populations, we explore whether these populations have similar patterns of cash assistance use. Table 3 shows the number of months of TCA receipt in the previous year, previous five years, and previous ten years. Furthermore, it includes the number of months of TCA receipt in the 18 months after October 2011, to see how many additional months of assistance child-only cases received, on average.

Non-Hispanic child-only cases have substantially longer histories of cash assistance receipt than Hispanic child-only cases. In the ten years prior to October 2011, Hispanic child-only cases averaged two years of TCA receipt, compared to an average of slightly less than five years of TCA receipt among non-Hispanic child-only cases. TCA receipt in the previous five years is similar. Non-Hispanic child-only cases received cash assistance for just over three years (38 months), on average, while Hispanic child-only cases received assistance for less than two years (21 months), on average.

Lengthier receipt among non-Hispanic cases could have a number of causes. Age

could be a factor, as the youngest child on non-Hispanic cases (8.83 years) is much older than the youngest child on Hispanic cases (4.37 years). Relatedly, Hispanic cases may simply not have been eligible for assistance as long, perhaps because they are recent immigrants. On average, Hispanic cases have 21 months of receipt in the previous five years and 24 months of receipt in the previous ten years, suggesting that many Hispanic families may not have been in the country for ten years.

Given these divergent welfare histories, it is fascinating that TCA receipt in the year prior to and 18 months after October 2011 is much more similar among Hispanic and non-Hispanic child-only cases. Nevertheless, the differences between Hispanic and non-Hispanic cases are statistically significant. In the previous year. non-Hispanic cases received cash assistance for 10 months, on average, compared to an average of 9 months among Hispanic cases. In the 18-month follow-up period, Hispanic cases averaged 13 months of TCA receipt while non-Hispanic cases averaged 14 months of receipt. Going forward, it seems that TCA participation among Hispanic child-only cases may more closely resemble non-Hispanic child-only cases.

	Hispanic	Non-Hispanic
	(n=717)	(n=6,346)
TCA Receipt in the Last 10 Years Mean*** [Median]	24 [17]	58 [54]
TCA Receipt in the Last 5 Years Mean*** [Median]	21 [17]	38 [42]
TCA Receipt in the Last Year Mean*** [Median]	9 [12]	10 [12]
TCA Receipt, November 2011 to April 2013 Mean*** [Median]	13 [17]	14 [18]

#### **Table 3. Months of Welfare Receipt**

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

# **Closure Codes**

Since child-only cases are not subject to work requirements or time limits, they tend to remain open for much longer than adultaided cases. Most (62.7%) of the October 2011 child-only cases remained open during the entire 18-month follow-up period, but investigating closed cases may prove informative. When cases close, caseworkers are required to enter a code describing the reason for the closure. Examining the listed reasons for case closure can reveal important information, such as if the child aged out of cash assistance or if the child's family found another source of income.

Figures 1 and 2 present the distribution of case closure codes for Hispanic (Figure 1) and non-Hispanic (Figure 2) child-only

cases. The pattern of case closure codes is guite different for Hispanic and non-Hispanic cases. Non-Hispanic cases tend to close because they no longer meet categorical eligibility requirements, such as no dependent child (20.1%) and no eligible members (15.0%). Very few Hispanic cases close for these reasons (3.8% and 0.6%, respectively). Instead, Hispanic cases close due to high income (30.5%) or simply not reapplying (36.8%), which can often indicate that an adult has found a job. While twothirds of Hispanic cases close due to either high income or not reapplying, about onethird of non-Hispanic cases close for those reasons. This pattern suggests that Hispanic cases close because the child's parents are able to find employment while non-Hispanic cases close because the child has left the household or aged out of TCA.



#### Figure 1. Hispanic Closure Codes Figure 2. Non-Hispanic Closure Codes



## **Returns to Welfare**

Some families return to cash assistance after their cases close, which we term "recidivism." As shown in Figure 3, over the 18-month follow-up period, less than one in five child-only cases that closed subsequently returned to TCA. There are statistically significant differences in recidivism between Hispanic and non-Hispanic child-only cases, with Hispanic cases being more likely (17.6%) to return to cash assistance than non-Hispanic cases (13.4%). This is consistent with what we observed with regard to case closure reasons. For instance, parents' unstable employment may lead some Hispanic cases to reopen. In contrast, issues related to employment are largely irrelevant when it comes to case closures for non-Hispanic child-only cases.

# Figure 3. Percent Returned to TCA\*



**Note**: Valid percentages are reported. \*p<.05 \*\*p<.01 \*\*\*p<.001

# **Child-Only Cases over Time**

One question that remains is whether this represents a shift in the composition of Maryland's child-only caseload. Recent increases in the Hispanic population and our findings on welfare use suggest that Hispanic child-only cases are relatively new to TCA. We do not have long-term historical data on the Hispanic TCA population,<sup>2</sup> but we can compare a group that is heavily Hispanic in the current child-only caseload, ineligible immigrant parents, to the same group in an earlier year.<sup>3</sup>

Figures 4 and 5 show the types of child-only cases in the October 2003 caseload and in the October 2011 caseload,<sup>4</sup> respectively. There have been some changes over time,

and not only in the ineligible immigrant population. In 2003, 75.2% of child-only cases were classified as relative caregiver, compared to less than 60% in 2011. Increases in both the ineligible immigrant parent category and in the SSI parent category make up some of the ground that relative caregiver cases lost. Child-only cases in which the parent receives SSI rise 7.7 percentage points (from 21.9% to 29.6%) and ineligible immigrant parent cases increase 7.7 percentage points (from 2.2% to 9.9%) as well. Essentially, ineligible immigrant parents are now a small, rather than miniscule, portion of the child-only caseload.



**Note:** Sanctioned parents are disqualified from receiving cash benefits because they did not cooperate with a substance abuse treatment program, and a third-party payee manages the grant. Parental other cases are otherwise ineligible for cash assistance, and other parental disability cases are those in which the parent is disabled and recorded as receiving disability assistance (but not actually receiving SSI).

#### Conclusions

These analyses suggest that Hispanic childonly cases are a distinct segment of the child-only caseload. Because over half of Maryland's Hispanic population is foreign born, Hispanic child-only cases largely reflect non-citizen parents with citizen children. Seven in ten payees on Hispanic child-only cases are listed as excluded aliens, and over six in ten speak Spanish as their primary language. Additionally, almost nine in ten Hispanic child-only payees are parents who do not receive SSI. This indicates that parents' citizenship and immigration statuses may be the reason that two-thirds of all Hispanic TCA cases are child-only.

Ineligible immigrant parents are a considerable portion of the entire Hispanic TCA caseload. Of all Hispanic cases in the October 2011 caseload, 58% are ineligible immigrant parent child-only cases. For comparison, about 13% of Hispanic cases fit the traditional TCA demographic—workeligible single parents and their children (Nicoli, Passarella & Born, 2012).

It is important to keep in mind, however, that Hispanics are still a very small percentage of the TCA caseload. While all signs indicate continued growth in this population, there are only 1,078 Hispanic cases in the October 2011 caseload, compared to 25,356 non-Hispanic cases. Similarly, the 717 Hispanic child-only cases pale in comparison to the 6,346 non-Hispanic child-only cases.

Nevertheless, this report provides valuable information for managing the current TCA caseload and for planning for future growth in the Hispanic population. In jurisdictions with large percentages of the Hispanic TCA caseload, for example, it may be useful to have an interpreter at each local office. Some of the Spanish-speaking parents may actually be eligible for assistance but unable to communicate that fact. Getting them into programs that help their language skills could help them leave TCA permanently.

This report should also assist the Department of Human Resources in future planning endeavors. If ineligible immigrant parents are becoming a larger portion of the child-only caseload, there is potential for some jurisdictions to experience disproportionate growth in child-only cases. Understanding the dynamics of the Hispanic child-only caseload will help program managers and caseworkers design strategies to better serve Maryland families.

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#### Acknowledgements

<sup>&</sup>lt;sup>1</sup> Data for 2000 from DP-1, Profile of General Demographic Characteristics: 2000, Census 2000 Summary File 1 (SF1) 100-Percent Data; data for 2010 from DP1, Profile of General Population and Housing Characteristics: 2010, 2010 Census Summary File 1. Available from the U.S. Census Bureau website (<u>http://factfinder2.census.gov/</u>).

<sup>&</sup>lt;sup>2</sup> Caseworkers were not required to enter information about ethnicity until March 2008.

<sup>&</sup>lt;sup>3</sup> Ineligible immigrant parents include both cases in which the casehead parent is an excluded alien and cases in which the parent is listed as not having a legal immigration status, although the recipient status is not excluded alien.

<sup>&</sup>lt;sup>4</sup> Our 2005 report on the child-only caseload is the source for the 2003 data (Hetling, Saunders & Born, 2005).

The authors would like to thank Jamie Haskel and Somlak Suvanasorn for their assistance in the collection and processing of data for this research brief. This brief was prepared by the Family Welfare Research and Training Group with support from its long-time research partner, the Maryland Department of Human Resources.

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