



LIFE ON WELFARE: TEMPORARY CASH ASSISTANCE FAMILIES & RECIPIENTS, 2017

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At the end of 2016, Maryland's Temporary Cash Assistance (TCA) caseload reached a record low. In November 2016, the number of families receiving TCA dropped below the previous low of 20,725 in March 2007, and it continued to decline throughout the state fiscal year. The most recent caseload figures indicate that the decline has not abated; in February 2018, the last month data was available, only 18,210 families received TCA (Maryland Department of Human Services, 2018).

This record low is the product of a long-term trend. Figure 1, which shows the number of TCA cases in each month from July 2012 to June 2017, demonstrates that participation in the TCA program has consistently declined. Over this five-year period, the number of families receiving TCA in Maryland decreased by 30%, from 27,304 to 19,215.

A major contributing factor to Maryland's all-time caseload low is the state's continuing recovery from the Great Recession. In state fiscal year (SFY) 2017, which ran from July 2016 to June 2017, Maryland's economy remained healthy. The unemployment rate dropped from 4.3% to 4.1% over this time period, and there were 13,300 jobs added to the state's economy in June 2017 (US. Bureau of Labor Statistics, 2017; Maryland Department of Labor, Licensing and Regulation, 2017). Economists and government officials point to job growth across a variety of sectors and increases in the state's year-over-year employment as positive signs for Maryland's economy (Gantz, 2017).

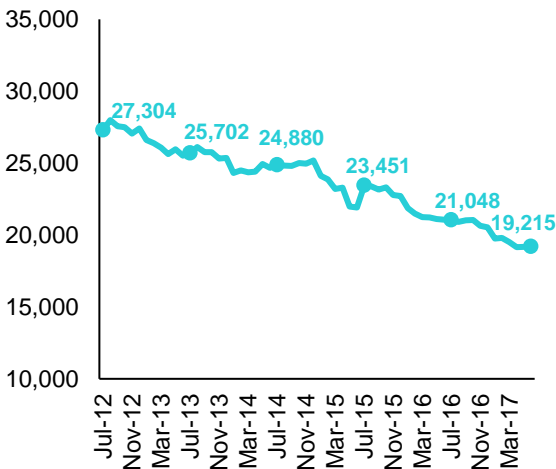
Although Maryland's economy is strong, some families still struggle with unemployment and poverty, leading them to seek assistance from safety net programs. TCA, Maryland's version of the federal Temporary Assistance for Needy Families (TANF) program, provides cash assistance to families experiencing economic difficulties and other crises. When the economy is in an upswing and unemployment is low, it is common for fewer

KEY FINDINGS

- ❖ Statewide, the number of cases declined 8% between SFY2016 and SFY2017, and all but two jurisdictions experienced caseload decreases.
- ❖ Most cases include one adult and one or two children.
- ❖ The children on the cases were young, and the youngest child on each case had an average age of six.
- ❖ Adult recipients are typically African American women in their 20s and 30s who graduated high school but have no further education.
- ❖ Just under a quarter of adult recipients were classified as being disabled during 2017.
- ❖ The majority of adult recipients worked in the year before they received TCA, but they usually did not work in all four quarters.
- ❖ Median annual earnings in the year before receiving TCA were \$5,673, which is well below the poverty line (\$20,420) for a three-person family.
- ❖ Adult recipients most commonly worked in administrative and support services, restaurants, and general retail.

families to rely on assistance from safety net programs. Low unemployment and an improving economy enable adults to find new jobs and support their families more easily, often resulting in a decline in utilization of these programs.

Figure 1. Number of TCA Cases, July 2011 to June 2016



Note: Data retrieved from statistical reports provided by the Maryland Department of Human Services: <http://dhs.maryland.gov/business-center/documents/>

With fewer families receiving assistance and a robust economy, it is important to consider which kinds of services are needed by those who continue to receive TCA. In this brief, we focus on the characteristics of families, primarily the adult recipients of these families, who received TCA during SFY 2017. Understanding the characteristics of TCA recipients is a critical component to providing services that will be impactful for these families.

To learn more about the lives of those receiving TCA, we examine the following research questions:

1. What are the characteristics of cases and families who receive TCA? What are their patterns of cash assistance participation?

2. What are the demographic characteristics of adult recipients? What were their employment experiences prior to receiving TCA?

These insights into recipients' characteristics and their experiences with TCA are important so that policymakers and program administrators in Maryland can continue to serve these families effectively.

Data and Study Population

Data

Data comes from the Client Automated Resource and Eligibility System (CARES) and the Maryland Automated Benefits System (MABS), which are the administrative data systems for TCA and Unemployment Insurance (UI), respectively. Additional data on disability is from WORKS, which the Maryland Department of Human Services uses to document participation in work activities. CARES provides individual- and case-level data on demographics and program participation for families receiving TCA. The MABS system includes data from all employers covered by the state's Unemployment Insurance (UI) law and the Unemployment Compensation for Federal Employees (UCFE) program. Together, these account for approximately 91% of all Maryland civilian employment.

There are a variety of limitations to MABS data. MABS only reports data on a quarterly basis, which means that it is not possible to calculate weekly or monthly employment and earnings. Another limitation is that MABS does not contain data on certain types of employment, such as self-employment, independent contractors, and informal employment; consequently, earnings from under-the-table jobs are not included. Finally, MABS has no information

on employment outside Maryland. Because out-of-state employment is common in Maryland,¹ we are likely understating employment and may be missing some earnings.

Study Population

In last year's research brief on current recipients, we introduced a new approach to examining this population. We continue that approach in this brief, which means that the study population includes every family who received TCA

for at least one month in state fiscal year 2017² (July 2016 through June 2017).

Additionally, demographic and employment analyses are only for adult recipients, so payees who are not recipients themselves are excluded. Adult recipients who are not payees, such as the second parent in a two-parent family, are included.³

Because we are interested in receipt during a state fiscal year, the first month in the year that a family actually received benefits is the first month included in the analysis. For example, if a family applied for TCA in January 2017, that family might not actually receive benefits until February 2017. We would consider February 2017 the first month of receipt. However, benefits are

Adult Recipient

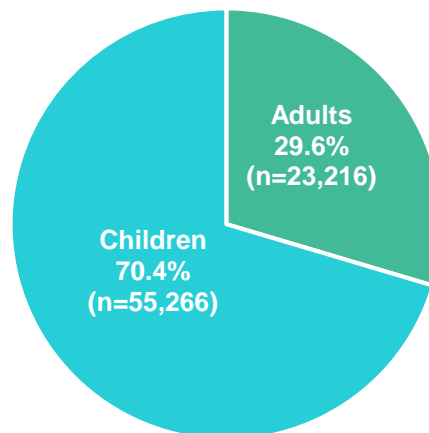
23,216 in SFY17

An adult who receives the TCA benefit and is either the payee (head of household) on the case, the payee's spouse, or the other parent of the children on the case

retroactive to the date that a family applied for assistance, so this family would receive prorated benefits for January. Since the family received benefits for January 2017, some of the measures we use, such as months of receipt in the state fiscal year or months of receipt counted toward the time limit, would count January as a month of receipt. These discrepancies are relevant in understanding data related to past program participation.

In 2017, 30,803 unique families received at least one month of TCA. Although we focus on the adult recipients (n=23,216) in these families for most of this report, it is important to note that the majority of TCA recipients are children. Figure 2, below, shows the breakdown of child and adult recipients. In 2017, 70% of all TCA recipients were children.

Figure 2. Adult and Child Recipients, 2017



¹ More than one in six (16.9%) Maryland residents works out of state, which is over four times greater than the national average (3.7%) (U.S. Census Bureau, 2018b).

² All years discussed in this report are state fiscal years, unless otherwise noted.

³ In earlier reports, the study population was families who received TCA in October of a given year, and only payees were included in demographic and employment analyses, regardless of whether they were recipients. Due to these changes, the data in this brief is not comparable to the data in reports published prior to 2017.

Cases and Families

Each family who receives TCA has its own case, and the characteristics of cases and families are fundamental in understanding who receives assistance. Policymakers and program administrators may find families' characteristics particularly useful in preparing services and interventions that will be most beneficial to these families.

Location is an important part in understanding the needs of families who receive TCA. This information helps local offices know how many families they serve over time, and it is a key component in determining the types of services recipient families require. Families in urban, suburban, and rural areas may have different needs based on their location and environment, which in turn can impact the

Table 1. Percent of Statewide Caseload and Number of Cases by Jurisdiction, 2016-2017

	SFY 2016		SFY 2017		Year-to-Year Change	
	%	n	%	n	%	n
Allegany County	1.9%	(642)	1.9%	(594)	-7.5%	(-48)
Anne Arundel County	6.5%	(2,167)	6.6%	(2,034)	-6.1%	(-133)
Baltimore City	40.3%	(13,478)	40.3%	(12,424)	-7.8%	(-1,054)
Baltimore County	12.1%	(4,033)	12.2%	(3,751)	-7.0%	(-282)
Calvert County	0.6%	(196)	0.5%	(168)	-14.3%	(-28)
Caroline County	0.7%	(229)	0.7%	(204)	-10.9%	(-25)
Carroll County	1.0%	(330)	0.9%	(282)	-14.5%	(-48)
Cecil County	2.3%	(780)	2.4%	(724)	-7.2%	(-56)
Charles County	1.8%	(586)	1.8%	(560)	-4.4%	(-26)
Dorchester County	1.2%	(393)	0.9%	(267)	-32.1%	(-126)
Frederick County	1.8%	(602)	1.9%	(570)	-5.3%	(-32)
Garrett County	0.4%	(128)	0.3%	(98)	-23.4%	(-30)
Harford County	2.4%	(801)	2.4%	(740)	-7.6%	(-61)
Howard County	1.8%	(597)	1.8%	(543)	-9.0%	(-54)
Kent County	0.3%	(113)	0.3%	(105)	-7.1%	(-8)
Montgomery County	5.3%	(1,780)	5.4%	(1,659)	-6.8%	(-121)
Prince George's County	9.1%	(3,052)	8.8%	(2,707)	-11.3%	(-345)
Queen Anne's County	0.4%	(123)	0.4%	(119)	-3.3%	(-4)
St. Mary's County	2.3%	(759)	2.3%	(717)	-5.5%	(-42)
Somerset County	0.9%	(285)	0.8%	(253)	-11.2%	(-32)
Talbot County	0.3%	(102)	0.4%	(117)	+14.7%	(+15)
Washington County	3.4%	(1,150)	3.8%	(1,163)	+1.1%	(+13)
Wicomico County	2.9%	(978)	2.8%	(868)	-11.2%	(-110)
Worcester County	0.4%	(142)	0.4%	(136)	-4.2%	(-6)
Maryland	100%	(33,446)	100%	(30,803)	-7.9%	(-2,643)

Note: These counts differ from those provided by DHS's statistical reports, because the statistical reports provide the average number of cases receiving TCA in each month while these counts provide the total number of cases that received TCA in 2016 and 2017.

types of services they need to be successful. For example, recipients living in rural areas without access to a car or reliable public transportation may have difficulty commuting to a job or work-related activities, whereas urban families may have easier access to transportation. Due to such differences, location is an essential piece of the puzzle. Table 1 shows the percentage of the state's caseload and the total number of families served in each jurisdiction for 2016 and 2017.

Maryland's TCA caseload is heavily concentrated in more populated areas of the state. Baltimore City comprises the largest share of the state's caseload, with 40% of recipient families residing in the city in 2017. This high caseload concentration is not surprising, as Baltimore City contains over 10% of the state's population and has a poverty rate of 23%, which is notably higher than Maryland's overall poverty rate of 10% (U.S. Census Bureau, 2018a). The next largest portion of the caseload falls to Baltimore County, which carries just over 12% of the state's TCA caseload. Prince George's County has the third largest share, with just under 9% of the caseload. When combined, these three jurisdictions account for over 60% of all Maryland's TCA recipients and thus have a large impact on caseload trends. The remaining jurisdictions each account for under 7% of the state's caseload, with 10 jurisdictions each containing less than 1% of Maryland's TCA caseload.

Maryland experienced a statewide caseload decline of 8% between 2016 and 2017, which was mirrored by declines in all but two jurisdictions. The jurisdictions with the largest caseloads saw declines similar to that of the state. The caseloads of Baltimore County and Baltimore City each declined

between 7% and 8%, but Prince George's County saw a higher decline of 11%. Wicomico County, which has one of the largest caseloads outside urban and suburban areas, saw a similar caseload decrease of 11%. However, the 11% decline in Wicomico County represents a loss of 110 cases, compared to a loss of 345 cases in Prince George's County.

The percentage decline was greatest in several smaller jurisdictions, with Dorchester County and Garrett County experiencing caseload declines of 32% and 23%, respectively. Although both counties experienced large percentage declines, their numerical declines were quite different. Dorchester County's 32% decline is paired with a caseload decline of 126 cases. This is notable, as Dorchester County is one of Maryland's smaller jurisdictions. The county constituted just 1% of the state's caseload, but it accounted for approximately 5% of the total caseload decline. Its numerical decline is similar to that of much larger jurisdictions. Garrett County, which has both one of the smallest populations and smallest caseloads in the state, experienced a large percentage decline, but that 23% caseload decline represented just 30 cases. The remaining jurisdictions that experienced caseload decreases had rates of decline that varied between 3% and 15%.

Only two jurisdictions experienced any increase in caseload. Talbot County, which has one of the smallest caseloads, saw an increase of 15%, and Washington County had a slight caseload increase of just over 1%. It is worth noting that when combined, these two counties saw a total caseload increase of just 28 cases and represent a relatively small portion—just over 4%—of the state's total TCA caseload. As such, these increases in caseload have a minimal

impact on the state’s overall caseload trends.

The number of recipients on each case is another important element in understanding the TCA caseload. Table 2 details the total number of recipients on each case, as well as the breakdown of child and adult recipients. Over half (57.5%) of all cases have just one or two recipients, and one in five (19.8%) cases have four or more recipients. Slightly less than one in three (29.0%) cases have no adult recipients, meaning these are child-only cases. Two in three (66.6%) cases have one adult recipient, and 4% of cases have two adult recipients.

Virtually all TCA cases have at least one recipient child, and the youngest child on each case is very young. Almost half (47.0%) of all cases have one child; just over one in four (27.4%) cases have two

children. Only about one in five (21.7%) cases has three or more recipient children. The youngest child is six years old, on average, and almost 60% of families have a child age five or younger.

The length of time families receive TCA is an additional factor that can have an impact on which types of services they need and for how long. As Table 3 shows, the majority of families do not rely on TCA for long periods of time.

In fact, most families have spent two years or less of the previous five years on assistance. One in five (20.5%) families did not receive TCA at all in the previous five years, approximately one in four (24.0%) spent one or less of the previous five years on TCA, and one in six (16.7%) families spent one to two years on TCA. Fewer than one in five (18.3%) spent four to five years receiving assistance. On average, families

Table 2. Case Characteristics, 2017

		%	<i>n</i>
Number of recipients	1	20.6%	(6,355)
	2	36.9%	(11,371)
	3	22.6%	(6,967)
	4 or more	19.8%	(6,110)
Number of adult recipients	0	29.0%	(8,938)
	1	66.6%	(20,527)
	2	4.3%	(1,338)
Number of child recipients	0	4.0%	(1,227)
	1	47.0%	(14,467)
	2	27.4%	(8,433)
	3 or more	21.7%	(6,676)
Age of youngest recipient child	Younger than 3	37.1%	(10,968)
	3 - 5	20.7%	(6,131)
	6 - 12	28.7%	(8,479)
	13 - 18	13.4%	(3,971)
	Average [median]	6.1	[4.7]

Note: Of the 1,227 cases with no children, 760 (61.9%) had a pregnant head of household. The remaining cases with no recipient children may include children who receive disability, subsidized adoption, or foster care payments

received TCA for seven months during this 12-month period. One in four (25.1%) families received assistance for just one to three months, one in five (19.4%) received TCA for four to six months, just under one in six families (15.0%) received assistance for seven to nine months, and two in five (40.5%) families received TCA for 10 to 12 months. It is notable that child-only cases, which are exempt from time limits and work requirements, account for a large portion of cases that received 10 to 12 months. When child-only cases are excluded from analysis, 30% of cases have 10-12 months of receipt, compared to 41% with all cases included. This difference suggests that cases with an adult recipient—which are usually subject

to time limits and work requirements—receive assistance for shorter periods of time than child-only cases.

Whether or not families have previously received cash assistance is an important part of understanding the TCA population. The majority of families on TCA have received assistance previously, and just 27% are on their first spell⁴ of receipt. Families on their first spell of TCA tend to have fewer children than the total TCA population, and these children tend to be younger. The youngest child in first-time recipient families is five years old, on average, compared to an average age of six for all TCA recipients. In comparison to the

Table 3. Program Participation, 2017

		%	<i>n</i>
Months of receipt in the last 5 years	0 months	20.5%	(6,303)
	12 months or fewer	24.0%	(7,400)
	13 - 24 months	16.7%	(5,149)
	25 - 36 months	11.3%	(3,488)
	37 - 48 months	9.2%	(2,839)
	49 - 60 months	18.3%	(5,624)
	Average [median]	22.4	[16]
Months counted toward time limit	0 Months	2.9%	(586)
	1-12 months	40.2%	(8,209)
	13 - 24 months	17.5%	(3,572)
	25 - 36 months	12.0%	(2,450)
	37 - 48 months	8.1%	(1,665)
	49 - 60 months	5.8%	(1,179)
	More than 60 months	13.6%	(2,777)
Average [median]	28.0	[17]	
Months of receipt in state fiscal year	1 - 3 months	25.1%	(7,730)
	4 - 6 months	19.4%	(5,970)
	7 - 9 months	15.0%	(4,623)
	10 - 12 months	40.5%	(12,478)
	Average [median]	7.4	[8]

Note: Cases exempt from the federal time limit are excluded from the time limit analyses. Valid percentages reported.

⁴ A TCA spell is defined as the number of consecutive months that a family received cash assistance

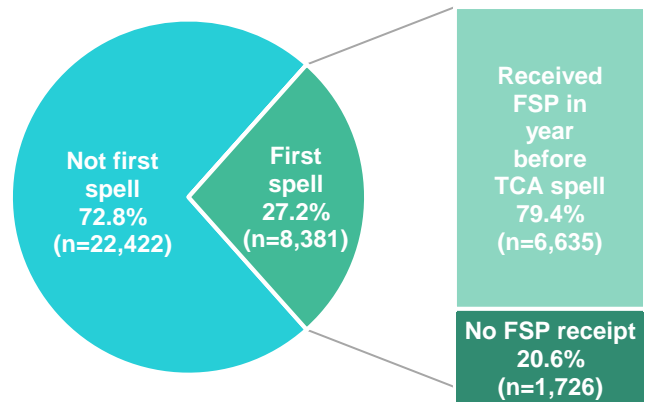
total TCA population, fewer first-time recipient families reside in Baltimore City (27.4%) and a greater percentage are located in suburban areas such as Prince George’s County (13.4%), Montgomery County (9.0%), and Anne Arundel County (9.2%).

The large number of recipients who have had multiple spells of assistance is not surprising, as over half of all recipient families return to TCA within five years after exiting (Passarella & Nicoli, 2017). An exit and subsequent return to TCA can be caused by several factors, with one of the most common being work sanctions. Of recipients with a 30-day work sanction, 70% return to TCA within 12 months (Nicoli, 2016). Other reasons for exiting TCA, such as changes in eligibility or a family not reapplying for benefits, can leave families open to additional TCA receipt in the future.

To understand more about how first-time TCA recipients learned about the program, we examine their utilization of the Food Supplement Program (FSP) prior to TCA receipt. Of adult recipients on their first TCA spell, 79% received assistance through FSP in the year before their receipt of TCA. The large portion of TCA recipients who received food assistance before starting the program suggests that receiving FSP may introduce eligible recipients to TCA.

Families who receive TCA have different needs. Circumstances such as disability, illness, domestic violence, and legal immigration may all impact the types of interventions or services a family requires. To best serve families in varying

Figure 3. First Time Recipients, 2017



Note: The TCA spell is determined by prior receipt as an adult payee; receipt as a child is not included. FSP receipt is measured in the year before TCA receipt for those in their first spell as an adult. Valid percentages reported.

circumstances, Maryland uses a classification system to group families into categories that reflect these needs. At the most basic level, the system distinguishes between two types of cases. Work-eligible cases are those in which adult recipients are required to participate in work-related activities as a condition of receiving TCA. Work-exempt cases are those in which adults do not have to work, including relative caregivers and others who are caring for infants or disabled family members.⁵ Under the umbrella of work-eligible or work-exempt, cases are further categorized into more specific designations. While some cases may fit more than one designation, a hierarchical algorithm assigns each case to only one.

⁵ The work exemption for caring for an infant is only available for a total of 12 months in each recipient’s lifetime.

Table 4. Caseload Designation, 2017

	%	<i>n</i>
Work-eligible	56.8%	(17,495)
Single-parent cases	43.5%	(13,378)
Earnings cases	4.5%	(1,391)
Short-term disabled	3.5%	(1,064)
Legal immigrant	0.8%	(244)
Domestic violence	1.3%	(415)
Two-parent cases	3.3%	(1,003)
Work-exempt	43.2%	(13,292)
Child-only	29.1%	(8,974)
Child under one	9.1%	(2,813)
Caring for disabled family member	3.3%	(1,025)
Needy caretaker relative	1.6%	(480)

Note: Valid percentages reported.

The distribution of work-eligible and work-exempt cases has shifted in recent years. As Table 4 shows, in 2017 57% of cases were work-eligible, while about 43% fell into the work-exempt category. Between 2016 and 2017, these numbers changed significantly; in 2016, only 46% of cases were considered work-eligible during their first month of receipt in the year. The 11 percentage-point increase in work-eligible cases is largely due to the removal of the long-term disabled designation in October 2015, which placed cases in the next most applicable designation. The majority of long-term disabled cases—over 80%—were re-categorized as work-eligible designations (Nicoli & Passarella, 2017). Due to the removal of the long-term disabled designation, these percentages are not comparable to data from previous years.

Among work-eligible cases, single-parent cases were the most common, with slightly more than two in five (43.5%) cases from the total caseload falling into this category. All other work-eligible caseload designations each accounted for 5% or less of the caseload; earnings cases comprised

about 5%, and short-term disabled made up approximately 4%. Two-parent cases were about 3% of the caseload, families with reported domestic violence comprised approximately 1%, and just under 1% of cases were given the legal immigrant designation.

Child-only cases made up the largest share (29.1%) of the work-exempt caseload. Cases with a child under the age of one, in which the adult recipient is temporarily exempt from work requirements in order to care for an infant, accounted for about 9% of the caseload. Caring for a disabled family member made up 3%, and the needy caretaker relative designation made up under 2%. Overall, the majority of cases that are exempt from work requirements have no adult recipients, and there are very few designations in which adult recipients are not required to participate in work activities.

Adult Recipients

For most families who receive TCA, attaining self-sufficiency through employment is the primary goal. As such, helping adult recipients find good-paying jobs or learn skills that can lead to steady work is a crucial component of the TCA program. Adult recipients' demographic characteristics and employment histories are fundamental factors to consider in designing these interventions.

There is little change in the characteristics of adult TCA recipients from year to year, and 2017 continues the demographic trends seen in previous years. As Table 5 details, adult TCA recipients are overwhelmingly female (89.8%), predominantly African-American (73.0%) and are typically in their 20s and 30s. Slightly more than one in five (22.2%) of adult recipients are Caucasian,

and less than 3% are Hispanic. With an average age of 32 years, only 5% of recipients are age 20 or younger, and approximately one-third (32.5%) are 35 years old or older. The vast majority (78.9%) of adult recipients never married; about 10% are married, and 11% are divorced, separated, or widowed.

In terms of education, almost 30% of adult recipients did not finish high school, just over 60% completed high school but have no further education, and 9% have education beyond high school. Education is clearly related to the ability of those receiving assistance to support their families, as research shows adult recipients' level of education is associated with their employment and economic outcomes. Those with high school diplomas or education beyond high school have better employment outcomes and are less

Table 5. Demographic Characteristics, 2017

		%	<i>n</i>
Gender	Female	89.8%	(20,848)
	Male	10.2%	(2,368)
Race and Ethnicity	Caucasian [^]	22.2%	(4,890)
	African American [^]	73.0%	(16,102)
	Hispanic	2.7%	(603)
	Other [^]	2.2%	(476)
Age	20 & younger	5.0%	(1,153)
	21-24	16.6%	(3,852)
	25-29	25.2%	(5,862)
	30-34	20.7%	(4,802)
	35 & older	32.5%	(7,547)
	Average [median]	32.3	[30.7]
Marital Status	Married	9.9%	(2,289)
	Never married	78.9%	(18,209)
	Divorced / Separated / Widowed	11.2%	(2,580)
Education	Did not finish grade 12	29.3%	(6,752)
	Finished grade 12	61.9%	(14,248)
	Additional education after 12 th grade	8.8%	(2,032)

Note: [^]=non-Hispanic. Valid percentages reported.

likely to return to TCA than their counterparts who did not finish high school (James & Nicoli, 2016; Nicoli, Passarella & Born, 2014). Thus, educational attainment is important to the future success of TCA recipients.

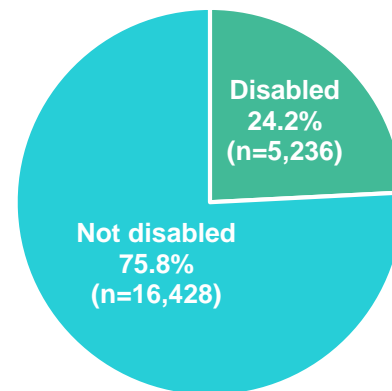
Disability is another demographic characteristic that is important to examine, as disability status can affect a recipient's ability to work or become self-sufficient.⁶ In this brief, *long-term disabled* refers to those coded as having a disability lasting longer than 12 months in the data system that tracks participation in work activities. As Figure 4 shows, disabilities are relatively common among TCA recipients. Almost one quarter (24.2%) of adult recipients were classified as being long-term disabled during 2017.⁷

This sizeable percentage of TCA recipients with long-term disabilities means that there is a substantial number of recipients who may benefit from disability-related services. These services could range from assistance in transitioning to a program like Supplemental Security Income (SSI) or help finding jobs that are compatible with their disabilities. Due to new federal workforce legislation, the Family Investment Administration (FIA) is a partner in the workforce system with the Division of Rehabilitative Services (DORS), which helps people with disabilities find and retain employment. DORS may be an avenue to help disabled TCA recipients become more self-sufficient through finding employment that is manageable with a disability.

⁶ In October 2015, the long-term disabled designation was eliminated, which necessitated a new way of measuring disability status among TCA recipients.

⁷ Due to the change in method for gathering this data, this number is not comparable to data from previous

Figure 4. Percent Long-Term Disabled, 2017



Note: Represents those coded as OTD (disabled for 12+ months) in WORKS at any point during SFY17. Valid percentages reported. The second adult on cases with more than one adult recipient is excluded from this analysis due to data availability (n=1,466).

In addition to education and disability status, prior work histories are likely to affect TCA recipients' ultimate employment outcomes. Since 2015, there have been increases across the board in employment and earnings in the year prior to TCA receipt. The percent of recipients employed, the number of quarters they worked during the year, and their median earnings have all increased over the past three years. As presented in Figure 5, 54% of adult recipients were employed in the year before TCA receipt in 2017. This was an increase from 2015, when 51% of adult recipients worked in the year before they received TCA.

Of those who were employed, most did not work for the entire year. Figure 6 shows the number of quarters adult recipients

years. Also, as a result of data limitations, the second adult recipient on cases with more than one adult recipient is not included in this analysis.

Figure 5. Percent Employed, 2015-2017
Year before TCA Receipt

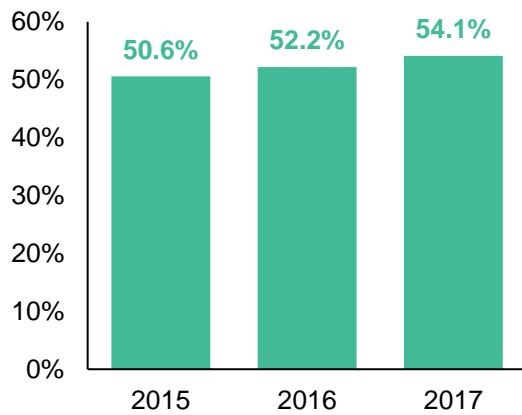


Figure 6. Quarters Worked, 2015-2017
Year before TCA Receipt

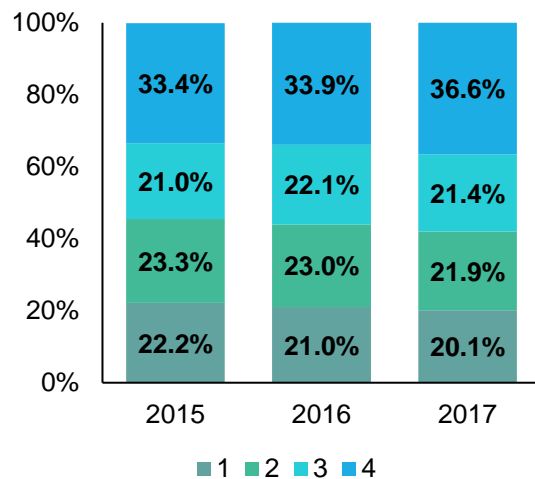
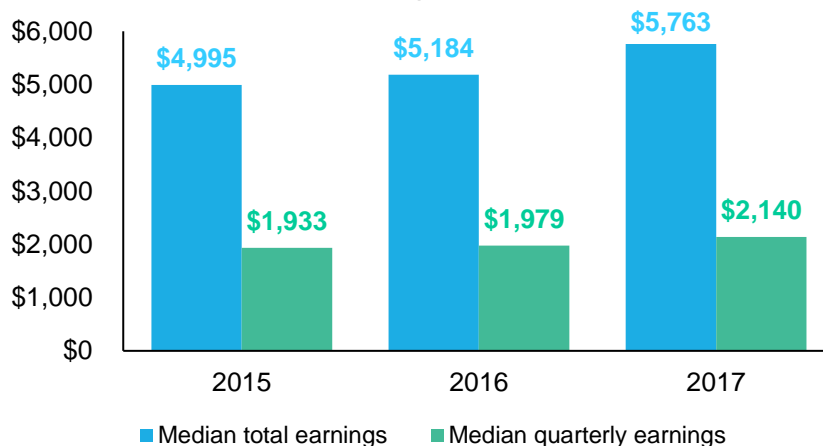


Figure 7. Median Earnings, 2015-2017
Year before TCA Receipt



worked in the year before TCA receipt. Less than two in five (36.6%) worked for the entire four quarters of the year, and the rest are relatively evenly split among those who worked for one, two, or three quarters. Overall, the number of quarters worked has grown in recent years. Since 2015, the percentage of those working all four quarters has risen by over three percentage points, and the percentage working for one or two quarters has declined. There is a strong link between number of quarters worked and earnings, as earnings are substantially higher for individuals who work in all four quarters (Passarella & Nicoli, 2017).

The median earnings of those who worked were typically quite low, as shown in Figure 7. In 2017 median total earnings for the year were \$5,763, and median quarterly earnings were \$2,140. Although earnings remain low, it should be noted that they have steadily risen over the past few years; there has been a 13% increase in median total earnings and a 10% increase in median quarterly earnings since 2015. Despite this trend, these median earnings still place TCA recipients well below the 2017 federal poverty level for a family of three, which was \$20,420 (U.S. Department of Health and Human Services, 2017).

INDUSTRY DESCRIPTIONS

Administrative & Support

(NAICS 561)

Organizations that support day-to-day operations—clerical, cleaning, and general management activities—and temporary employment services.

Restaurants

(NAICS 722)

Full-service or fast food restaurants as well as caterers and mobile food services.

General Retail

(NAICS 452)

Department stores and other general merchandise stores.

Nursing Homes

(NAICS 623)

Organizations that provide health and social services such as nursing homes, substance abuse facilities, or residential care for the mentally ill.

Food & Beverage Stores

(NAICS 445)

Retail stores that sell food and beverages, such as grocery stores and specialty drink stores.

Outpatient Health Care

(NAICS 621)

Outpatient healthcare facilities, medical and diagnostic laboratories, and home health care services.

Social Assistance

(NAICS 624)

Provide a wide variety of social assistance, including personal & home care, child care, and social & human services.

Accommodation

(NAICS 721)

Provide lodging or short-term accommodation for travelers, vacationers, and others.

Hospitals

(NAICS 622)

Inpatient health services at general and surgical hospitals, psychiatric and substance abuse hospitals, and specialty hospitals.

Education

(NAICS 611)

Instruction or training services such as K-12 schools, community colleges, universities, and training centers.

The industries in which recipients work can affect the future economic stability and earning potential of TCA recipients. Certain industries, such as hospitals, outpatient health care, and government are associated with higher rates of economic stability among those leaving TCA (James & Nicoli, 2016). In contrast, other industries, including restaurants and retail, are associated with lower economic stability (James & Nicoli, 2016). Table 6 portrays the 10 most common industries for adults who worked in the year prior to receiving TCA. These industries were identified using three-digit North American Industry Classification System (NAICS) codes.

In 2017, 73% of adults who worked in the year prior to receiving TCA were employed in one of the top 10 industries. One in five adults (19.7%) worked in administrative and support services, and 17% were employed in the restaurant industry. An additional 9% worked in general retail, 6% worked in nursing homes, and slightly more than 5% were in food and beverage retail. Between 3% and 5% were employed in outpatient health care (4.5%) and social assistance (3.5%). Accommodation, hospitals, and education each captured 2% to 3%.

The three top industries—administrative and support services, restaurants, and retail—are all associated with lower than average economic stability and higher than average rates of return to welfare (James & Nicoli, 2016; Nicoli, Passarella & Born, 2014). Focusing on employment in higher paying and more stable industries could help improve economic outcomes for this population.

Table 6. 10 Most Common Industries, 2017

Industry	%	<i>n</i>
Administrative & Support Services	19.7%	(2,438)
Restaurants	16.9%	(2,096)
General Retail	9.0%	(1,117)
Nursing Homes	6.0%	(743)
Food & Beverage Stores	5.2%	(641)
Outpatient Health Care	4.5%	(558)
Social Assistance	3.5%	(431)
Accommodation	2.7%	(334)
Hospitals	2.6%	(325)
Education	2.5%	(307)
Other	27.5%	(3,402)
Total	100.0%	(12,392)

Conclusions

Although Maryland's TCA caseload is at an all-time low, thousands of families across the state still utilize cash assistance. Thus, it is crucial to learn more about these families and how to better serve their needs. In this brief, we examine the nearly 31,000 families who received TCA in state fiscal year 2017. While we largely focus on the adult recipients of these families, over two thirds of TCA recipients are children.

Typically, families receiving TCA were small, with one adult and one or two children. The youngest child on the case tended to be very young, with an average age of six. Three in every five families receiving TCA resided in some of Maryland's most densely populated jurisdictions, mainly Baltimore City, Baltimore County, and Prince George's County. Typically, families did not rely on TCA for very long. The majority of families spent two years or less of the previous five years on assistance. For one quarter of families, this was their first time receiving TCA.

Adult recipients are often the primary providers for their families and are a critical part of the TCA program. The portrait of adult TCA recipients remains relatively unchanged from year to year; adult recipients were predominantly African American women in their 20s and 30s who had never been married and typically had minimal education after high school. About one quarter of adult recipients reported being long-term disabled, which could impact their ability to work.

Over half of adult recipients worked in the year prior to TCA receipt, although most did not work for the entire year. Earnings over the course of the year were very low, and most adult recipients did not earn enough to lift them above the federal poverty threshold for a three-person family. Employment in lower-wage industries was common; just under half of those who were employed worked in administrative and support services, the restaurant industry, or in retail.

Adults' economic outcomes are important for children's current wellbeing as well as for their future economic stability. This is why a two-generation approach, which centers the needs of parents and children together, may work well for families receiving TCA (The Aspen Institute, 2012). Because most recipients are young children, working with partners to ensure that they have access to early childhood education is an important part of serving them well.

Furthermore, reliable care for their children may help adult recipients succeed in the workforce. If adult recipients know that their children are engaged in high-quality care, they can concentrate on improving their abilities to earn a decent wage. Increased wages support families' current needs, but they also have a direct benefit on children's future earnings, creating more positive economic outcomes for the younger generation that extend well into adulthood (Duncan & Magnuson, 2011). Using an approach that focuses on outcomes across generations may help TCA recipients achieve the self-sufficiency that is the ultimate goal of cash assistance.

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