

## WELFARE CASES WITH CHILD SUPPORT SANCTIONS: CHARACTERISTICS AND OUTCOMES

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In Maryland, a family must fully comply with program requirements and rules to receive benefits from the Temporary Cash Assistance program (TCA, Maryland's version of the federal welfare program, Temporary Assistance for Needy Families). When the adult on the case does not cooperate with requirements, financial sanctions may be imposed that revoke the entire family's cash assistance grant by closing the case. Most often, families are sanctioned because the adult on the case does not comply with mandatory work participation activities. Between October 2013 and September 2014, for example, one out of every three TCA cases closed due to a work sanction (Gleason & Passarella, 2015).

A less common sanction administered to families is a child support sanction. Families who seek financial assistance through the TCA program are required to cooperate with the local public child support agency. While the family receives cash assistance, the state pursues child support and retains any support collected for the duration of the family's participation in the TCA program. This requirement is in place to offset the cost the state incurs in providing cash assistance to the family. When the family leaves the TCA program, the state continues to collect child support payments but transfers the payments to the family each month. Similar to work sanctions, a child support sanction is administered when the adult on the case does not cooperate with state efforts to collect child support

from the noncustodial parent. More than half (n=31) of all states have penalties in place that terminate cash assistance benefits for families who do not cooperate with the child support program (Urban Institute, 2014).

### Good Cause Waivers

Some families may be exempt from the child support requirement if it is clear that the pursuance of support could be harmful to the child or the parent. Under the Family Violence Option (FVO) of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), families that have experienced physical or emotional harm in the home are able to obtain good cause waivers, which waive the requirement to cooperate with the child support agency. In Maryland, TCA applicants are screened for potential family violence and may be granted a waiver if evidence or information is provided to the family violence counselor during the screening process.

Obtaining a good cause waiver is rare, however, and data on the frequency at which these waivers are granted is scarce. The most timely data reported by the Administration for Children and Families estimates that approximately 500 waivers were granted in Maryland during federal fiscal year 2010 (DHHS, ACF, 2012). In federal fiscal year 2013, less than one percent (n=167) of all closed TCA cases in Maryland was either in the process of obtaining a good cause waiver or had already been approved for one at the time

the case closed.<sup>1</sup> The two most common reasons for a good cause waiver to be awarded are the potential for physical or emotional harm to the parent (57.5%) and the child was conceived through sexual assault by the other parent (21.6%). Other reasons for which good cause waivers are awarded include potential physical or emotional harm to the child, the release of parental rights, and a pending adoption.

## Child Support Sanctions

In the literature, most research on welfare sanctions does not discern between work sanctions and child support sanctions. Consequently, an accurate interpretation of the extent to which child support sanctions are administered at the national level is difficult to infer. Maryland, however, remains at the forefront in producing timely and valuable research related to welfare policy, releasing annual reports that document the characteristics and outcomes welfare recipients and their cases. Specifically, in the annual *Caseload Exits at the Local Level* series, we report the percent of TCA cases that close in Maryland each year due to a child support sanction.

Our previous research has shown varying patterns in the use of child support sanctions over time, which is collectively displayed in Figure 1. Overall, though, we find that the use of child support sanctions is rare. At the outset of welfare reform in 1996, the rate of child support sanctions was less than one percent, and over the

next ten years it gradually increased. By the mid-2000s, the child support sanction rate hovered around four percent, before dropping during the era of the Great Recession. In recent years, though, the child support sanction rate has increased again, exceeding pre-recession sanction rates. In fact, in the most recent year for which we have data, 4.7% of TCA cases closed due to a child support sanction, the highest rate documented since welfare reform. Though increasing, it is clear that child support sanctions are still seldom used.

## Methods

To better understand the characteristics of child support sanctioned cases as well as the outcomes of families receiving these sanctions, we utilize the population of all TCA cases that closed between October 2012 and September 2013 for at least one month.<sup>2</sup> If a case experienced multiple closures during this time frame, one closure was randomly selected. Throughout this brief, we compare cases that closed due to a child support sanction (n=1,027) and cases that closed for other reasons (n=25,756). The final sample includes 26,783 unique case closures.

All data for this research brief were retrieved from the Client Automated Resources and Eligibility System (CARES), maintained by the State of Maryland Department of Human Resources.

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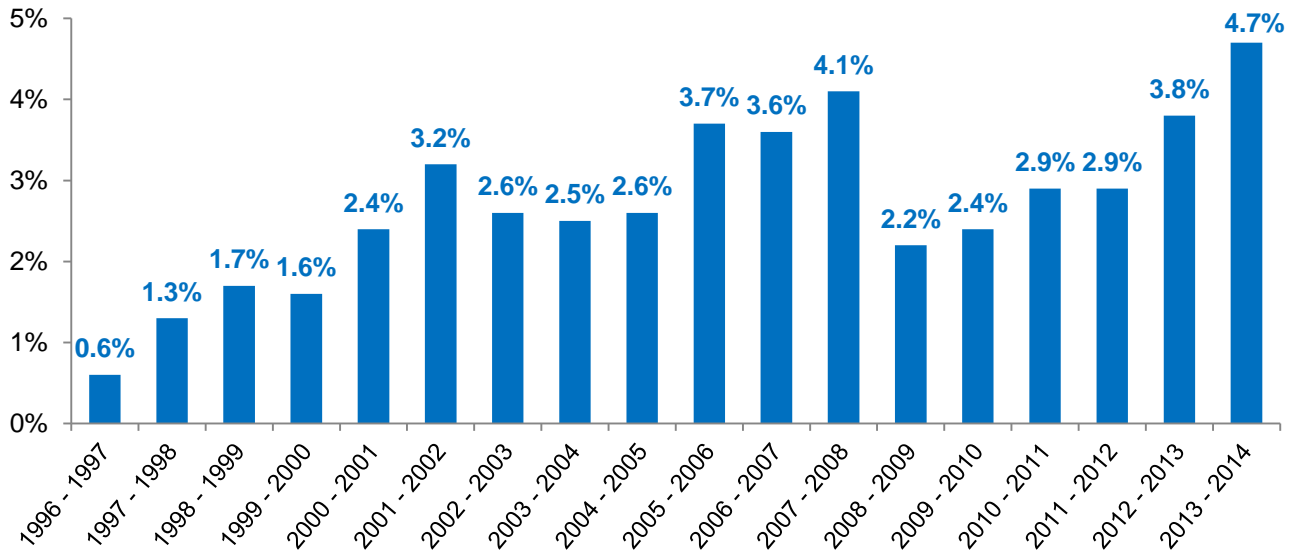
<sup>1</sup> Analysis completed by author using the sample identified in the methods section of this brief. Data are obtained from the CARES administrative database and are manually recorded by caseworkers. After a good cause waiver is entered into the database, it can later expire, be discredited, or be annulled by the child support agency. We do not have reliable data on the extent to which these circumstances may occur.

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<sup>2</sup> For more information on sample selection, please review the methods described in the *Caseload Exits at the Local Level, October 2012 through September 2013* report available online: <http://www.familywelfare.umaryland.edu/reports1/macro17.pdf>

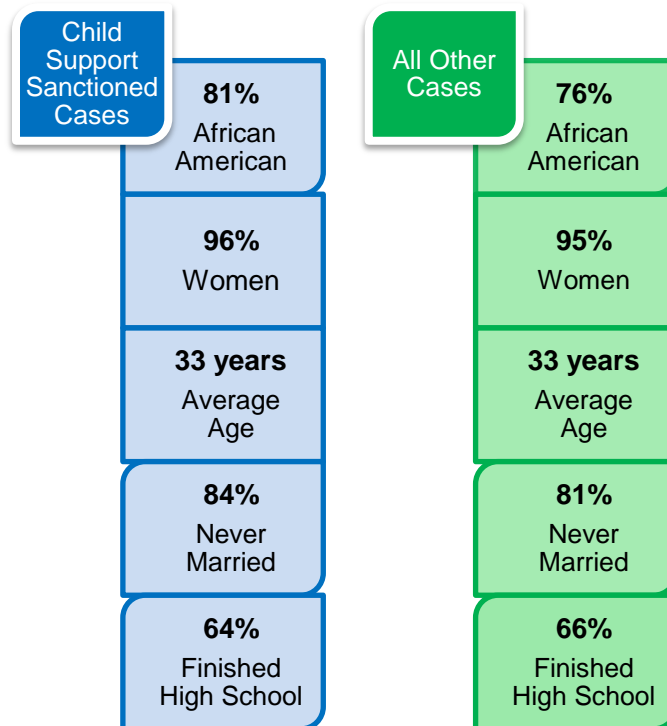
**Figure 2. Child Support Sanction Rate**

1996 – 2014



**Note:** Each year represents the 12 months during the federal fiscal year, which runs from October through September. For example, 2013 – 2014 represents the child support sanction rate from October 1, 2013 through September 30, 2014.

**Figure 3. Payee Demographics**



**Note:** Valid percentages reported. Race, gender, and marital status variables are significant at the .05 level.

## Payee Demographics

Overall, the demographic profile of adults who received a child support sanction is not very different from that of the general population of cases that closed between October 2012 and September 2013 (O'Donnell & Passarella, 2014). Not surprisingly, then, the adult payees of child support sanctioned cases are very similar to those of cases that closed for other reasons.

In Figure 2, we present some key demographics of both cases that closed because of child support sanction and cases that closed for some other reason. The typical payee that received a child support sanction was an African American (81%) woman (96%) in her early 30s (average age = 33 years) who had never married (84%) and had likely finished the twelfth grade (64%). Similarly, the typical payee of all other closed cases was also an African American (76%) woman (95%) in her early 30s (average age = 33 years) who had never married (81%) and had most likely finished the twelfth grade (66%). Though the profiles are very similar, payees who received child support sanctions were more likely to be African American by five percentage points.

## Case Characteristics

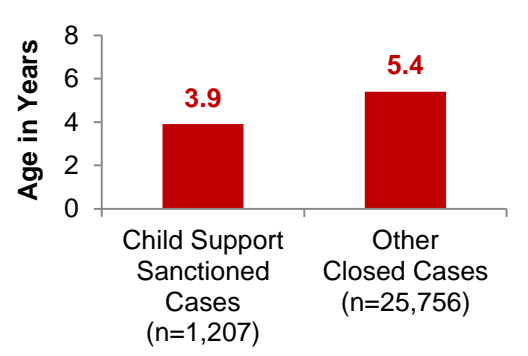
Similar to demographics, the case characteristics of child support sanctioned cases and other closed cases were also very similar. Though not shown, the typical child support sanctioned case had an average of three people in the assistance unit, and the majority (72%) had one or two children on the case. Cases that closed for other reasons also had an average of three

people in the assistance unit and one or two children on the case (75%).

## Age of Youngest Child

Child support sanctioned cases differed notably from other closed cases on two key case characteristics. The first characteristic is the age of the youngest child in the household, presented in Figure 3. For sanctioned cases, the average age of the youngest child was 3.9 years while the average age in other closed cases was 5.4 years, a one-and-a-half year difference. Not surprisingly, child support sanctioned cases also had a considerably higher percentage of children under the age of three years (59.4% vs. 42.9%).

**Figure 3. Average Age of Youngest Child in Household\*\*\***



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

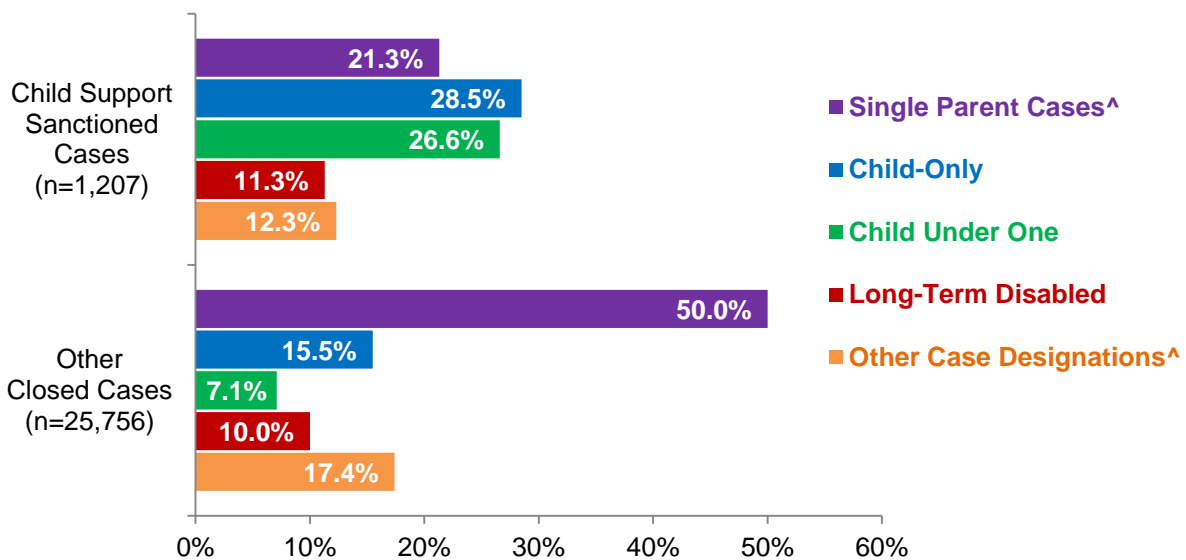
## Caseload Designations

The second case characteristic by which sanctioned cases differ is caseload designation, presented in Figure 4. Caseload designations are a classification tool used by the state to distinguish between work-eligible cases, which are required to participate in work activities as a condition of receiving assistance, and work-exempt cases. For this sample, cases that closed due to a child support sanction were largely work-exempt cases (70.1%). Three

out of ten sanctioned cases (28.5%) were exempt from work requirements because they were child-only cases, in which only the child is included in the calculation of the TCA grant. One out of four (26.6%) child support sanctioned cases was exempt from work requirements because of a child under the age of one, while an additional one out of ten was exempt because of a disability (11.3%). Of all child support sanctioned cases, one-fifth (21.3%) were single parent cases and required to comply with work requirements set forth by the federal government. The remaining one out of eight (12.3%) cases that closed for some other reason was designated as one of the other seven caseload categories.

On the other hand, a majority of other case closures were work-eligible (64.4%) rather than work-exempt. Exactly half (50.0%) of all other cases that closed were single parent cases, a work-eligible category. About one out of six (15.5%) was exempt because it was a child-only case and exactly one out of ten (10.0%) was exempt from work requirements due to a long-term disability. Compared to child support sanctioned cases, only a small portion of all other closed cases were child under one cases (7.1%). Finally, just over one out of six (17.4%) of these cases were among the remaining seven caseload designations.

**Figure 4. Caseload Designations\*\*\***



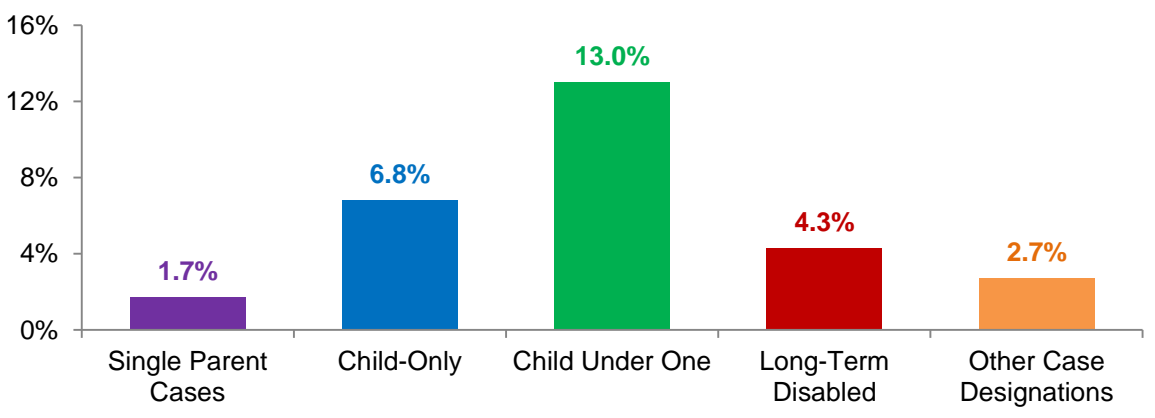
**Note:** ^Single parent cases are work-eligible cases in the TCA caseload, subject to work participation requirements. Among both child support sanctioned cases and all other closed cases, 82.7% of the other case designations category are work-eligible cases, which include the following categories: short-term disabled, earnings, legal immigrant, domestic violence, and two-parent households. The remaining 17.3% with other case designations are work-exempt cases, including needy caretaker relative and caring for a disabled household member cases. Valid percentages are reported. \*p<.05, \*\*p<.01, \*\*\*p<.001

As shown in Figure 5, well over half of child support sanctioned cases are either child-only cases or child under one cases. In Figure 6 we show the child support sanction rate for the most utilized caseload designations. Child under one cases have, by far, the highest child support sanction rate (13.0%). To be clear, if we consider *all* child under one cases that closed between October 2012 and September 2013 (n=2,103), we find that 13% of these cases received a child support sanction. Child-only cases have the second highest child support sanction rate. Approximately 7% of all child-only case closures (n=4,276)

received a child support sanction between October 2012 and September 2013.

These two percentages are fairly high, considering less all other caseload designations had a child support sanction rate under 5%. The largest caseload designation, single parent cases (n=13,089), had a sanction rate of less than 2%. This figure suggests that child under one cases and child-only cases are most vulnerable to such sanctions and may perhaps require more support from caseworkers.

**Figure 5. Sanction Rate by Caseload Designation**  
*All Case Closures*



**Note:** Valid percentages reported.

## Welfare History

### Cumulative Months of Receipt

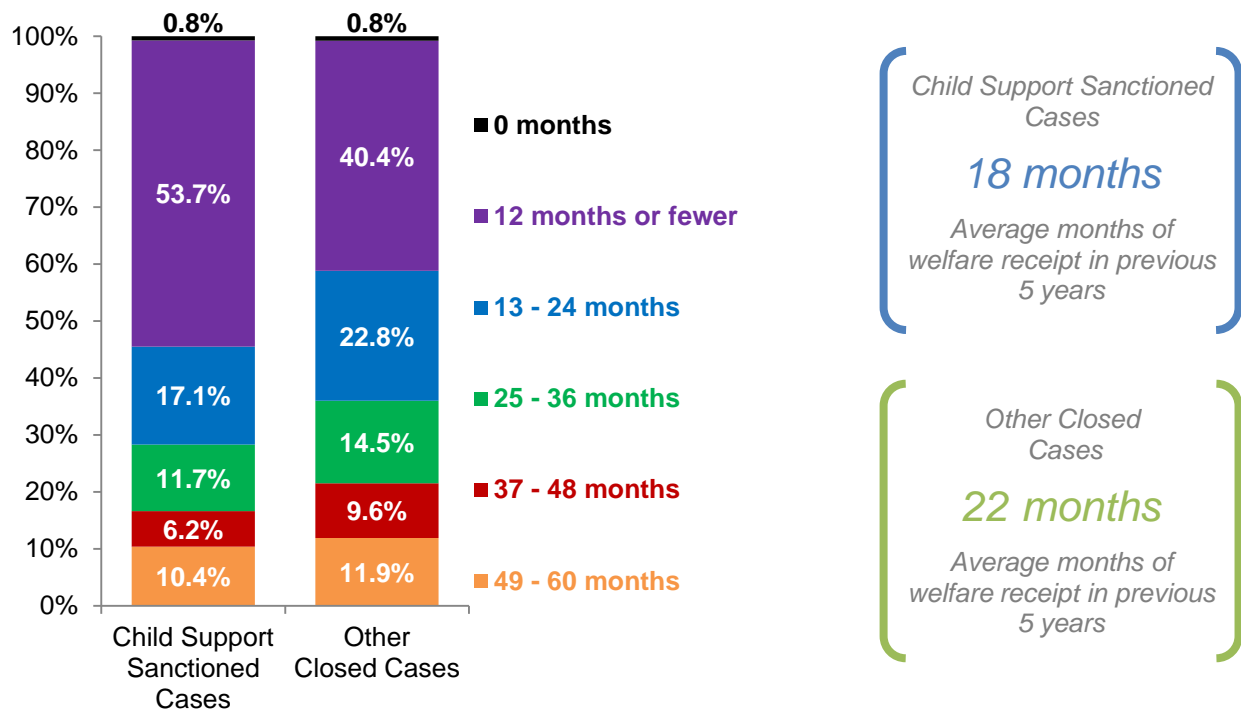
In addition to differences in case characteristics, we also find there are differences in previous welfare receipt. Figure 6 provides the cumulative months of TCA receipt in the five years prior to the case closure. As shown, cases that closed because of a child support sanction were overwhelmingly cases with a short welfare history in Maryland. More than half (54.5%) of these cases received TCA for a year or less in the five years before the case

closed, and an additional one in six (17.1%) received TCA for one to two years. Cases that closed for other reasons also had generally short TCA histories, though their previous TCA receipt was lengthier. Two out of five (40.4%) cases that closed due to other reasons had only a year or less of receipt in the previous five years and an additional one out of five (22.8%) had one to two years of assistance. On average, cases that closed due to a child support sanction had 18 months of receipt in the five years before exit, while all other cases had an average of 22 months of previous receipt.

It is not surprising that cases that closed due to a child support sanction had relatively short histories with the program in the previous five years. After applying for TCA, these clients are referred to their local child support agency. If they do not cooperate in filing an application for child

support, identifying the other parent, establishing paternity, or pursuing a child support order, they may be sanctioned. This process would result in a higher percentage of cases closing due to a child support sanction within the first year.

**Figure 6. Months of TCA Receipt\*\*\***  
Previous Five Years

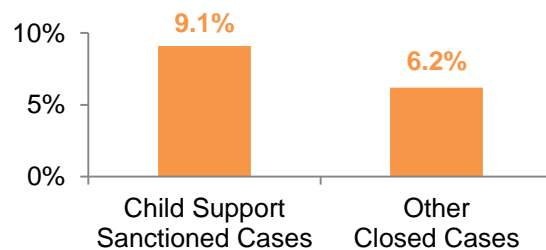


**Note:** Months of receipt in the previous five years refers to the 60 months prior to case closure. Valid percentages are reported. \*p<.05, \*\*p<.01, \*\*\*p<.001

**Sanction History**

Figure 7 shows the percent of cases that previously received a child support sanction, for both groups. Congruent with earlier findings, the use of child support sanctions is rare. Although very low percentages of cases overall had ever received a child support sanction, child support sanctioned cases in this sample were more likely to have had a previous child support sanction than cases that closed for other reasons (9.1% vs. 6.2%).

**Figure 7. Previous Child Support Sanctions\*\*\***



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



## Cooperation

The findings reported in this brief thus far have set the baseline for cases that received child support sanctions.

Specifically, demographic and case characteristics, previous welfare use, and history of sanctions were presented for both cases that closed due to a child support sanction and cases that closed for some other reason. The next section of findings examines if and how these cases cooperate upon return.

There are many steps to securing current support for each recipient child, and consequently, cooperation can be measured in a variety of ways. It can include filing an application with the local child support agency, identifying and locating the absent parent, complying with paternity establishment efforts, and cooperating with enforcement efforts utilized to obtain support payments. Non-parent caretakers, such as those on some child-only cases, are also expected to comply with each step of the process.

A brief review of administrative narratives written by caseworkers demonstrated that many of the compliance measures listed in the TCA manual are utilized. Additionally, the reviewed narratives suggest that caseworkers are administering sanctions appropriately when clients are not cooperating with child support efforts.

An alternative to reviewing case narratives is to measure compliance utilizing quantitative data captured within the administrative databases. We examine cooperation in the year after closure in two ways. First, we present the recidivism patterns of child support sanctioned cases compared to other closed cases. Second,

we explore the incidence of additional child support sanctions among child support sanctioned cases that reopened.<sup>3</sup>

## Recidivism

Although many welfare cases do not reopen once they are closed, some do reopen relatively quickly, and there are myriad reasons why this may happen. In Figure 8, we present the cumulative recidivism rates at several points in time during the first year after case closure.

Figure 8 shows that there are largely no significant differences in recidivism rates between child support sanctions and cases that closed due to other reasons, with the exception of six-month recidivism. Overall, in the first year after case closure, about half of all closed cases reopen, for both child support sanctioned cases (53.5%) and other closed cases (51.2%).

At first glance, this might appear disconcerting. However, we expect child support sanctioned cases, and some other cases, to reopen in a relatively short time frame. The purpose of both child support and work sanctions is to encourage adults to comply with program rules so their families can continue to receive the benefits they need until they are self-sufficient. A high return rate one year after the case closed suggests that child support sanctioned cases are complying with the

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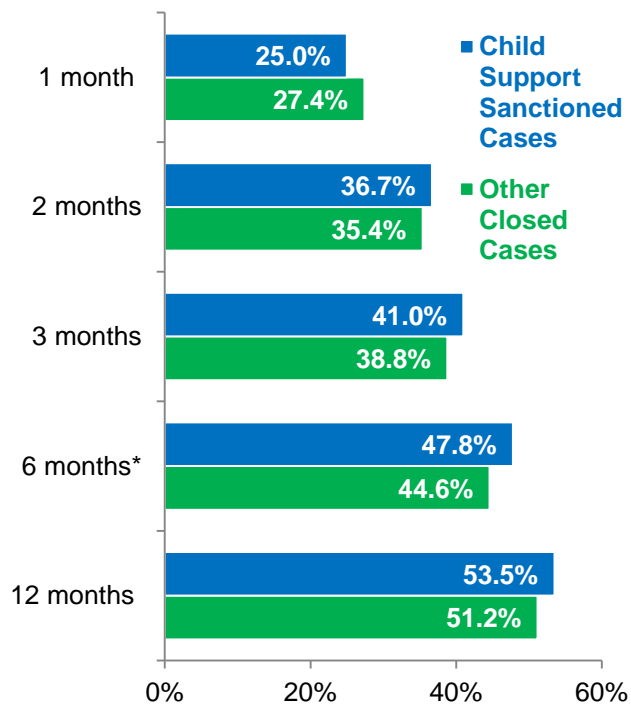
<sup>3</sup> A third analysis was conducted, but is not presented because of the small number of cases that were available. In this analysis we examined child support sanctioned cases that *did not have* a child support case at the time their TCA case closed, and that reopened their TCA case within a year (n=45). Of these cases, we identified the percent that had a new child support case within a year and the percent that did not. We found that the majority (82.2%) of these TCA cases that returned had opened a new child support case.



child support requirement of the TCA program.

Additionally, this sample includes churners, which are a unique group of cases that close and reopen within one month. These cases usually have short, temporary closures for reasons such as missing an agency appointment or failing to submit required paperwork on time (Born, Owvigho, & Cordero, 2002). Including churners, then, inflates the recidivism rate and provides a rate much higher than presented in other reports that exclude churners (Hall, Nicoli, & Passarella, 2014; Passarella, Hall, & Born, 2013). After considering the purpose of sanctions and the inclusion of churners in the sample, these recidivism rates are not surprising nor are they a cause for concern.

**Figure 8. Cumulative Recidivism Rates**

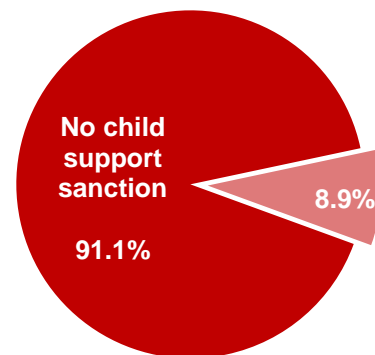


**Note:** Valid percentages reported. \* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$

### Additional Child Support Sanctions

Cooperation can also be measured by reporting the percent of cases that received an additional child support sanction one year after case closure. As shown in Figure 9, a very small percentage (8.9%) of cases that closed due to a child support sanction and reopened within one year received another child support sanction. The majority (91.1%) of the cases that reopened after a previous sanction cooperated with the child support agency, to the best of our knowledge.

**Figure 9. Child Support Sanctions One Year after Case Closure**



**Note:** This figure includes TCA cases that closed due to a child support sanction and reopened within 12 months (n=549). Valid percentages reported.

## Conclusions

Child support sanctions, though rarely used, are an important component of the federal welfare program. Little is known about the population that receives these sanctions and their cooperation with the program, though. The purpose of this brief is to provide a demographic snapshot of cases that receive child support sanctions in Maryland and examine cooperation after exit. Full-family sanctions are used in Maryland, so while some states may partially sanction the cash assistance grant, in this state, the welfare case is closed and receipt of benefits ceases for non-compliance.

The results of this brief suggest that the adults who receive child support sanctions are not very different from adults on other closed cases; however, there are some characteristics that appear to make them more likely to receive this type of sanction. Specifically, child support sanctioned cases had younger children residing in the household, were more likely to be a child-only case or a child under one case, and had fewer months of cash assistance in the previous five years.

Family structures can often be complex, a consideration that must be taken into account not only by those creating policies, but by those who make program decisions and those who work on the ground. In this brief, families that received child support sanctions were largely cases with short welfare histories. Many were caring for a child under the age of one or were considered a child-only case. In many instances, the designation of child-only can describe a case in which a relative is caring for the child. New parents with infants and adults who are caring for children that are

not their own may be especially fragile families. They may not fully understand the program requirements, or they simply may not want to pursue child support against the noncustodial parent. For child-only cases, pursuing a child support order could potentially mean pursuing an order against a close relative.

The results also suggest that child support sanctions may be an effective tool to increase compliance with TCA and local child support programs for some clients. The analyses of available administrative data show that over half of child support sanctioned cases returned to cash assistance within a year, a finding we would expect to see. Additionally, the vast majority of cases do not receive further child support sanctions, suggesting that clients continue to comply with the requirement to cooperate with child support enforcement when they return.

It is essential to ensure that program requirements and consequences of non-compliance as well as the benefits of child support receipt are clearly explained to welfare recipients, especially vulnerable new mothers or those with unstable family structures. By ensuring expectations are clearly communicated, overall efficiency may be increased. And, for those who are still non-compliant, a financial sanction may be the most effective way to encourage compliance and continue to assist the family in their journey to financial independence.

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