

Welfare Reform and Caseload Composition: Findings from the County of Los Angeles

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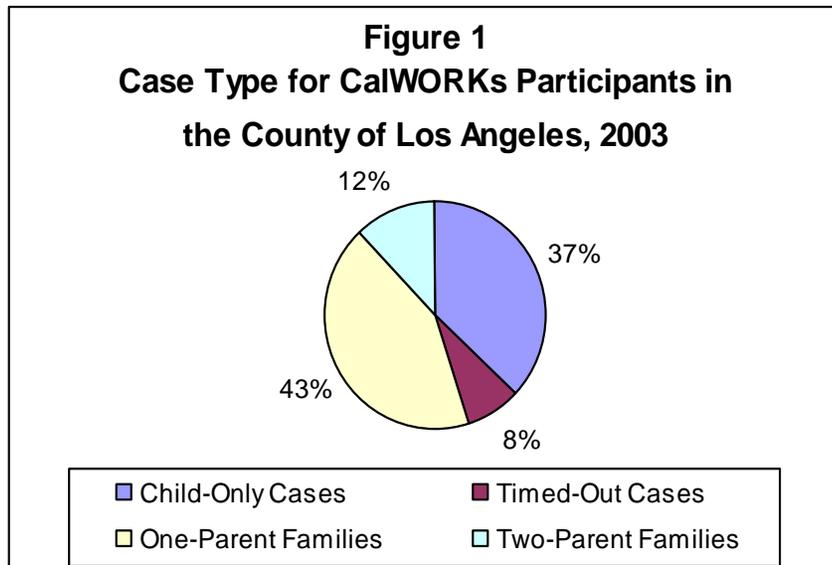
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Welfare Reform and Caseload Composition

As Welfare reform enters its second decade, one crucial issue with which policymakers will have to grapple is *how Welfare-to-Work programs have re-shaped the composition of welfare caseloads*. This presentation looks, in particular, at how the internal balance of case types have changed within Los Angeles County's CalWORKs caseload since 2002, the last year before participants in the County began to reach 60-month TANF time limits on cash assistance.

The Importance of Child-Only Cases



Source: County of Los Angeles Department of Public Social Services (DPSS) LEADER data.

In a 2005, a County of Los Angeles report on the well-being of CalWORKs children showed that more than one-third (37 percent) of the County's CalWORKs cases in 2003 were child-only cases – i.e. cases in which families received only the child portion of their CalWORKs cash assistance. (See Figure 1). Note here that this is based on the County's *official* definition of 'zero-parent cases', which separates timed-out and sanctioned cases from child-only cases.



Expanding the Definition of Child-Only Cases

In a research brief published earlier this year, the County of Los Angeles examined the County's changing CalWORKs caseload. The analysis developed a broader definition of child-only cases by dividing participants into two categories: Non-aided adult cases (which is a more inclusive version of the child-only category) and aided-adult cases. Unlike the 'zero parent' cases category used in the County's official administrative records to capture child-only cases, the category of non-aided adult cases includes parents who are sanctioned and parents who have reached TANF time limits.

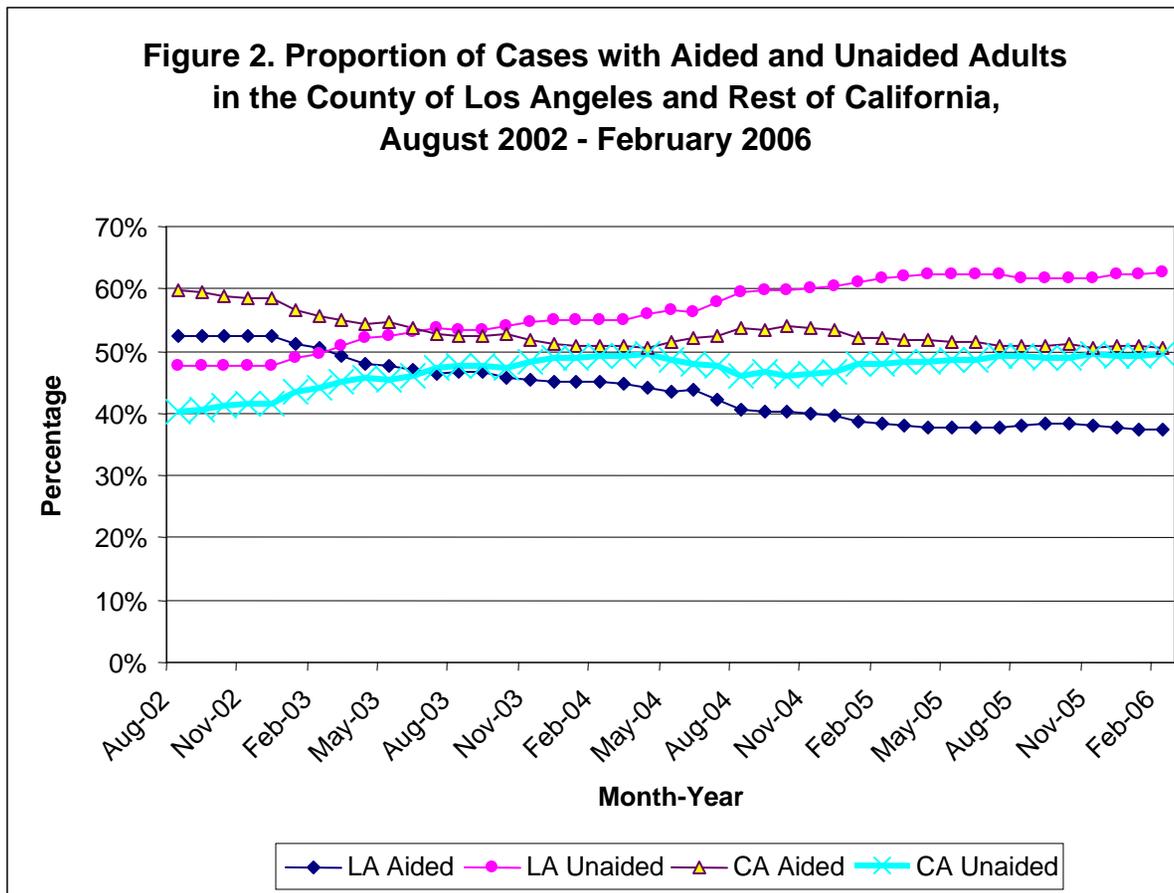


The Growing Prevalence of Non-Aided Adult Cases

Between April 2002 and February 2006, the percentage of cases with unaided adults increased steadily in both Los Angeles County and the State of California as a whole:

- In the state, the percentage of cases with unaided adults rose from 40 percent to 49 percent. In Los Angeles County, this percentage increased from 47 percent to 63 percent.
- At the state level, the proportions of aided and unaided cases converged by fall 2003, and they have remained close since then. At the County level, the proportion of unaided cases surpassed aided cases by fall 2003 and has been growing since then. (See Figure 2).

The Growing Prevalence of Non-Aided Adult Cases



Source: California Department of Social Services (CDSS) CalWORKs Cash Grant Movement Report (CA 237 CW, CalWORKs Welfare-to-Work WTW 25 (all other families) and CalWORKs Welfare-to-Work two parent families WTW 25A)



A Closer Look at Non-Aided Adult Cases

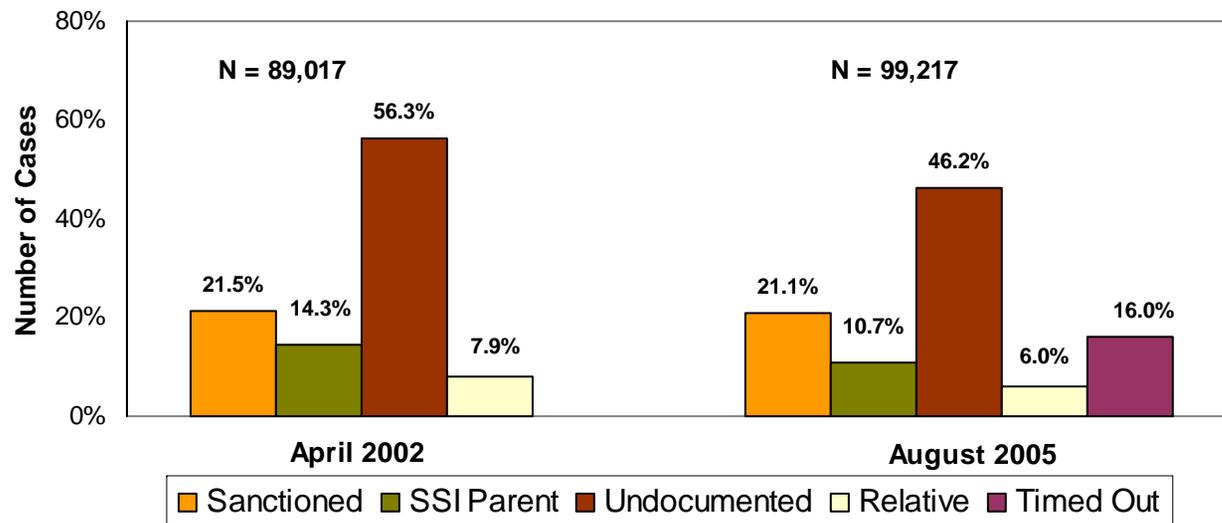
The County of Los Angeles' caseload composition brief compares the composition of the County's non-aided adult (i.e. child-only) cases for April 2002 and August 2005:

- The biggest difference between the two points of measurement is the timed-out category, which was nonexistent in 2002 but comprised 16 percent of non-aided adult cases by August 2005.
- Figure 3 allows us to infer that time limits are one of the central factors that have driven the trend towards an increasing proportion of non-aided adult cases. (See Figure 3).

A Closer Look at Non-Aided Adult Cases

Figure 3

Case Type Composition for Non-Aided Adult Cases,
County of Los Angeles, April 2002 and August 2005



Source: County of Los Angeles Department of Public Social Services (DPSS) LEADER data.



Policy Implications and Conclusions

- RES' use of the category of non-aided adult cases – which includes both sanctioned and timed-out adults – sharpens and simplifies the way child-only cases are understood. The non-aided adult category captures more of the cases in which only children receive aid and, as such, helps illuminate the impact welfare reform has had on welfare caseloads.
- TANF time limits have generally been the largest contributor to the growth in unaided adult cases in the County of Los Angeles. Sanctions have been an important contributing factor as well.



Policy Implications and Conclusions

- The growing prevalence of unaided adult cases suggests that the incomes of welfare families may be falling. This will be an important issue for policymakers and researchers to examine more carefully in the future: What is the relationship between incomes and changes in caseload composition?
- In Los Angeles County, unaided adult cases now represent more than three-fifths of the welfare caseload. Moreover, in the rest of the State of California, unaided adult cases represent roughly one-half of the overall caseload. For these reasons, policymakers in California, as well as in other states where similar developments have taken place, must consider whether welfare and welfare reform programs should place increasing emphasis on ensuring positive outcomes for children.