ED 386 511 UD 030 558

TITLE Families on Welfare. Focus on Teenage Mothers Could

Enhance Welfare Reform Efforts. Report to the

Chairman, Subcommittee on Human Resources, Committee

on Ways and Means, House of Representatives.

INSTITUTION General Accounting Office, Washington, DC. Health,

Education, and Human Services Div.

REPORT NO GAO/HEHS-94-112

PUB DATE May 94

NOTE 30p.; For related documents, see UD 030 560 and UD

030 557.

AVAILABLE FROM U.S. General Accounting Office, P.O. Box 6015,

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of Documents).

PUB TYPE Reports - Evaluative/Feasibility (142)

EDRS PRICE MF01/PC02 Plus Postage.

DESCRIPTORS \*Adolescents; \*Early Parenthood; Economically

Disadvantaged; Educationally Disadvantaged; \*Family Characteristics; Job Training; Low Income Groups; \*Mothers; One Parent Family; Poverty; Social Change;

Trend Analysis; \*Welfare Recipients; Welfare

Services

IDENTIFIERS \*Aid to Families with Dependent Children; Job

Opportunities and Basic Skills Program; \*Welfare

Reform

#### **ABSTRACT**

The Subcommittee on Human Resources of the House Committee on Ways and Means asked the General Accounting Office for information on characteristics of single-parent families receiving Aid to Families with Dependent Children (AFDC) and whether the characteristics of this population have changed in recent years. This report examines how certain characteristics of female-headed families receiving AFDC influence their length of stay on welfare and assesses the implications of the analysis for welfare reform in general and the Job Opportunities and Basic Skills Training (JOBS) program in particular. To analyze characteristics associated with length of stay on AFDC, univariate and multivariate statistical techniques on data obtained from the Census Bureau's Survey of Income and Program Participation (SIPP) were used. AFDC families headed by women with less than a high school education, little recent work experience, or children younger than age 6 are likely to leave AFDC less quickly than other families. These characteristics are especially prevalent among teenage mothers, and being a teenage mother has long-term implications for the welfare system. The JOBS' emphasis on education and work experience as a means of helping young parents avoid longer stays on welfare is appropriate, but teenage mothers should be targeted more directly. Four figures and one table present study findings. Four appendixes provide seven tables to detail the report and a list of major contributors to the report. Contains a five-item list of related GAO products. (SLD)



May 1994

# FAMILIES ON WELFARE

Focus on Teenage Mothers Could Enhance Welfare Reform Efforts



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United States General Accounting Office Washington, D.C. 20548

Health, Education, and Human Services Division

B-257193

May 31, 1994

The Honorable Harold E. Ford Chairman, Subcommittee on Human Resources Committee on Ways and Means House of Representatives

Dear Mr. Chairman:

As the Congress and the administration consider how to reform the nation's welfare system and reduce the number of long-term dependent families, one of the measures being discussed would place limits on the amount of time that a family could receive benefits from Aid to Families With Dependent Children (AFDC), the nation's largest cash welfare program. The current debate over moving to a time-limited welfare system raises questions about who is likely to leave welfare quickly and who is likely to remain on AFDC for longer periods of time.

To inform this debate, you requested that we analyze data on single-parent AFDC families to determine the factors that affect how quickly these families leave welfare. We examined demographic, economic, and other characteristics of the largest segment of single-parent families receiving AFDC: female-headed families. This report (1) examines how certain characteristics of AFDC female-headed families influence their length of stay on welfare and (2) assesses the implications of our analysis for welfare reform in general and the Job Opportunities and Basic Skills Training (JOBS) program in particular.

## Background

Concerns about rising caseloads and long-term dependency have prompted renewed attention to the nation's welfare system. AFDC caseloads have risen dramatically since the fall of 1989 and are currently at record high levels. The average AFDC family receives assistance for about 2 years, but many families, including those who go on and off welfare numerous times, receive assistance for much longer periods of time. In November 1993, AFDC benefits reached about 5 million families with children. Total assistance payments for families receiving AFDC, including federal, state, and local funds, were about \$22.2 billion in fiscal year 1992.



<sup>&</sup>lt;sup>1</sup>AFDC provides cash benefits to economically needy families with children who lack support from one or both of their parents because of death, absence, incapacity, or unemployment.

In recent years, the Congress redirected welfare programs to help poor families become more self-sufficient. In 1983, the Congress amended the AFDC program when it created the JOBS program. JOBS requires states to provide AFDC recipients with the education, training, work experience, and supportive services that they need to help them move toward self-sufficiency and avoid long-term welfare dependence.

Unlike the welfare-to-work programs that preceded it, Jobs encourages states to target their resources on long-term and potential long-term AFDC recipients, including young parents under 24 years of age with little education or work experience. Moreover, Jobs places greater emphasis on serving teen parents than past programs. Jobs directs states to require teen parents who have not completed their secondary educations to participate in educational activities. Older teen parents may be required to participate in training or work-related activities.

Despite Jobs' emphasis on teen parents, recent work we have done shows that states have moved unevenly to enroll teen parents in Jobs. Jobs accords states substantial discretion in deciding whether and how teens will be served. Because states must commit their own funds to obtain federal Jobs funds, states are generally allowed to operate their programs—including teen parent activities—subject to available resources. Therefore, states are not required to serve every eligible AFDC recipient. In the 16 states we reviewed, the share of teen parents enrolled in Jobs activities varied greatly among states, ranging from 7 to 53 percent. Overall, about 24 percent of the AFDC teen parents had been enrolled in Jobs.

### Results in Brief

AFDC families headed by women who have either less than a high school education, little recent work experience, or children younger than age 6 are likely to leave AFDC less quickly than other families. These characteristics are especially prevalent among teenage mothers receiving AFDC. Moreover, being a teenage mother has long-term implications for the welfare system. Together, current and former teenage mothers make up a large percentage of the AFDC caseload, totalling nearly 42 percent of all single women on AFDC in 1992. And they are among the poorest AFDC recipients—over half of women who gave birth as teenagers had total family in comes below 50 percent of the poverty line in 1992.



<sup>&</sup>lt;sup>2</sup>Welfare to Work: States Move Unevenly to Serve Teen Parents in JOBS (GAO/HRD-93-74, July 7, 1993).

Our analysis thus confirms that Jobs' emphasis on education and work experience as a means of helping young parents avoid longer stays on welfare is appropriate. But results from our work, as well as those from other research, also indicate that welfare reform efforts should consider focusing more explicitly on teenage mothers. As part of welfare reform, Jobs' targeting efforts could be enhanced by narrowing its focus on the youngest parents—teenagers—rather than all recipients und \(\gamma\) age 24 with little education or work experience.

### Scope and Methodology

To analyze characteristics associated with the length of stay on AFDC, we used univariate and multivariate statistical techniques on data obtained from the Census Bureau's Survey of Income and Program Participation (SIPP). To do this, we examined the lengths of stay for female-headed families who started to receive AFDC between June 1987 and August 1991.<sup>3</sup> We used multiple panels of SIPP data on these new entrant families that each covered a period of 20 months and we analyzed single stays on AFDC of up to 19 months that started during those time periods. For a more detailed discussion of our scope and methodology, including a complete list of the variables we analyzed, see appendix I. The results of our multivariate analysis are presented in appendix II.

Unless otherwise stated, the data presented in this report refer to female-headed, new entrant families. Moreover, we report data that indicate whether the presence or absence of certain characteristics affect the rate at which families leave welfare. However, the data do not allow us to conclude that some of these characteristics are more important than others in determining the rate at which families leave AFDC. In addition, to assess the implications for current and future targeting of young parents in the Jobs program, we did additional data analyses on parents under 24 years of age.

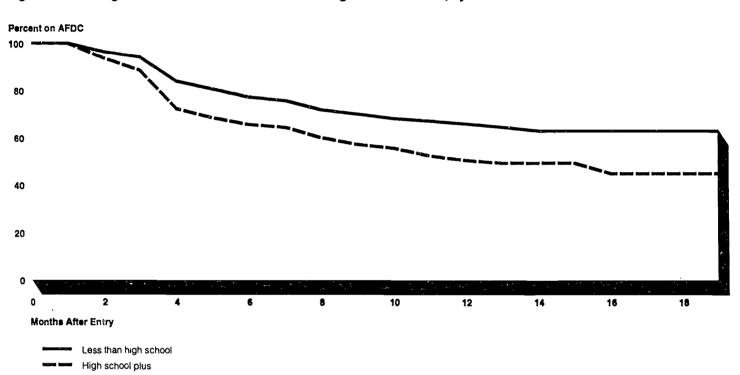
## Women Without a High School Diploma Left AFDC Less Quickly Than Others

We found that families headed by women who do not have a high school diploma or its equivalent were likely to leave AFDC less quickly than those with at least a high school diploma or equivalent degree. Figure 1 shows that at the end of 19 months, 63 percent of families headed by women without a high school diploma remained on AFDC compared with 45 percent of families with at least a high school diploma or its equivalent. (See app. III for the data used in these and other figures.)



<sup>&</sup>lt;sup>3</sup>Although our data are limited to families who started receiving AFDC during our period of analysis, such families may have had prior periods of AFDC receipt.

Figure 1: Percentage of Female-Headed Families Continuing to Receive AFDC, by Level of Education



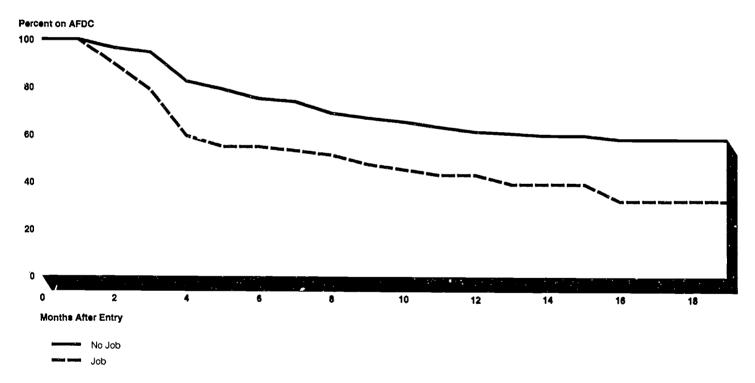
Source: SIPP.

When other factors that could affect the length of time a family remains on AFDC—such as work experience or the unemployment rate—were taken into account, AFDC families headed by women with a high school diploma were about 1.5 times as likely to leave AFDC in a given amount of time than were those without a high school diploma.



Women Without Recent Work Experience Left AFDC at a Slower Rate Than Others Recent work status and experience also affect the rate at which families leave AFDC. Figure 2 shows that at the end of 19 months, 58.1 percent of families headed by women who were not working at the time they started to receive AFDC remained on AFDC compared with 32.1 percent of families whose heads were employed at the time of entry. And figure 3 shows that at the end of 19 months, 63.9 percent of families headed by women who had no work experience lasting at least 6 months within the previous 2 years remained on AFDC compared with 42.8 percent of families headed by women with recent work experience.

Figure 2: Percentage of Female-Headed Families Continuing to Receive AFDC, by Job Status at Entry

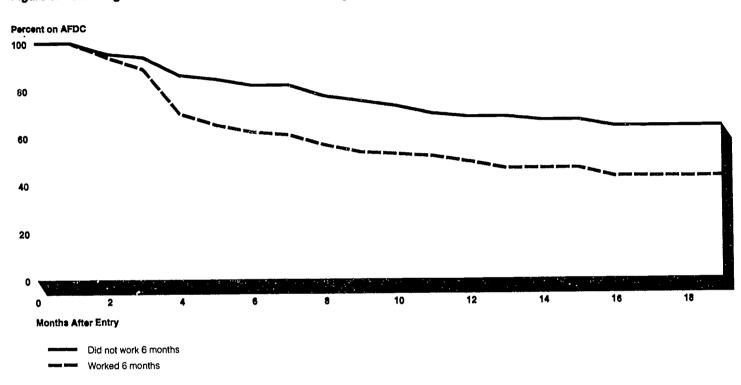


Source: SIPP.

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Figure 3: Percentage of Female-Headed Families Continuing to Receive AFDC, by Work Experience in the Previous 2 Years



Source: SIPP.

When other factors that could affect the length of time a family remains on AFDC were taken into account, families headed by women who were working at the time they entered AFDC were almost 1.7 times as likely to leave AFDC in a given amount of time than were those who were not working when they started to receive AFDC. In addition, families headed by women who worked at least 6 consecutive months within the last 2 years were 1.7 times as likely to move off welfare in a given time period than were those with no recent work history.



Figure 4: Percentage of Female-Headed Families Continuing to Receive AFDC, by Age of Youngest Child

### Women With Children Under Age 6 Left AFDC Less Quickly Than Others

Families headed by women who had children under age 6 left AFDC at a slower rate than families whose children were older. Figure 4 shows that at the end of 19 months, 57.6 percent of families with young children remained on AFDC compared with 44.2 percent of families with older children.

Percent on AFDC

100

80

40

20

Source: SIPP.

When other factors that could affect the length of time a family remains on AFDC were taken into account, AFDC families headed by women with children 6 years old and older were 1.7 times as likely to leave AFDC in a given amount of time than were families with younger children.



Months After Entry

Under 6 6 or older

### Teenage Mothers on AFDC Tended to Have Characteristics Associated With Longer Stays on Welfare

We also found that the characteristics associated with relatively longer welfare stays were prevalent among teenage mothers on AFDC. All teenage mothers on AFDC in our sample had children younger than 6 years old. About two-thirds of the teenage mothers in our sample did not have a high school diploma or its equivalent. Also, only a small percentage of teenage mothers had a job at the time they entered AFDC and only about one-third had recent work experience.

Moreover, teenage mothers receiving AFDC were less likely to have a high school diploma or recent work experience than were recipients 20 years of age and older, including other young mothers 20 to 23 years of age. Table 1 shows that in terms of the percentages having a high school diploma or recent work experience, AFDC recipients 20 to 23 years old were more like recipients 24 years old and older than they were like teenagers.

Table 1: Characteristics Associated With Relatively Longer Welfare Stays, by Age of Female Head Receiving AFDC

|                           |    |                                  | 4 1 2                 |                           |
|---------------------------|----|----------------------------------|-----------------------|---------------------------|
|                           |    | Percentage of recipients at AFDC |                       |                           |
| Recipient characteristic  |    | Younger than 20 years old        | 20 to 23<br>years old | 24 years old<br>and older |
| No high school diploma    |    | 64                               | 40                    | 43                        |
| No job                    |    | 92                               | 82                    | 75                        |
| No recent work experience |    | 65                               | 49                    | 37                        |
| Child under 6 years old   |    | 100                              | 92                    | 48                        |
|                           | ce |                                  | <del></del>           |                           |

Source: SIPP.

Current and Former Teenage Mothers Are a Large and Costly Percentage of the AFDC Population Women who had their first child as teenagers comprise a large and costly segment of the AFDC population. Data from the National Longitudinal Survey of Youth show that about half of all unmarried teenage mothers are likely to go onto AFDC within the first 48 months after the birth of their child. We recently reported that from 1976 to 1992 about 42 percent of all single women receiving AFDC were or had been teenage mothers. In 1992, about 5 percent of all female-headed families receiving AFDC were headed by current teenage mothers and about 36 percent were headed by former teenage mothers.

Our data indicate that teenage mothers may not completely close the gap in education as they get older. In our report on teenage mothers receiving AFDC, we found that less than half the women who gave birth as teenagers



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<sup>&</sup>lt;sup>4</sup>Families on Welfare: Teenage Mothers Least Likely to Become Self-Sufficient (GAO/HEHS-94-115, May 1994).

had a high school diploma in 1992 compared with about two-thirds of the women receiving AFDC who did not give birth as teenagers. And even though women who gave birth as teenagers worked to the same degree as other women receiving AFDC, they earned less and were more likely to have total family incomes<sup>6</sup> below 50 percent of the poverty line.

Available estimates of the public costs associated with supporting teenage mothers and their children are high. For example, the Center for Population Options has estimated that in 1990 the federal government spent about \$25 billion for AFDC, Medicaid, and Food Stamps to support families begun by teenagers.

### Conclusions

Our analysis has implications for welfare reform and Jobs' targeting efforts. Focusing on teenage mothers in developing welfare reform proposals would select a group of recipients that is not currently well-served by the Jobs program but is likely to have one or more of the characteristics that are associated with taking longer to get off welfare.

Targeting assistance to teenage mothers to help them leave welfare is also warranted because current and former teenage mothers comprise a large and costly percentage of all female-headed families receiving AFDC. In addition, our analyses suggest that while the current emphasis on placing teenage parents in education programs is appropriate, work experience and child care are also important in assisting families with leaving AFDC.

# Matters for Consideration

We believe an enhanced focus on teenage mothers currently receiving AFDC should be considered as the Congress debates the various issues central to welfare reform. If the Congress wants to increase assistance to teenage AFDC mothers, it could do so by narrowing the current JOBS target group of parents under 24 years of age with little education or work experience to the chage mothers. However, in considering such action, the Congress should take into account that absent an increase in spending on JOBS, narrowing the target group of young parents may mean that teenage mothers would receive assistance at the expense of other JOBS participants.



<sup>&</sup>lt;sup>6</sup>As used in this report, total family income includes cash benefits, such as AFDC benefits, but does not include the value of such noncash benefits as Food Stamps and Medicaid.

We did our work between April 1992 and December 1993. We did not obtain agency comments because this report does not deal with the operations of a federal agency. If you or your staff have any questions concerning this report, please call me on (202) 512-7215. Other major contributors are listed in appendix IV.

Sincerely yours,

Joseph F. Delfico

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Director, Income Security Issues

Joseph 7, Defico.



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#### Abbreviations

| AFDC | Aid to Families with Dependent Children             |
|------|---|
| CPS  | Current Population Survey                           |
| HHS  | Department of Health and Human Services             |
| JOBS | Job Opportunities and Basic Skills Training program |
| SIPP | Survey of Income and Program Participation          |



# Scope and Methodology

To accomplish our objectives, we obtained and analyzed data on female-headed AFDC families from the Census Bureau's Survey of Income and Program Participation (SIPP). We used univariate and multivariate statistical techniques to analyze the factors influencing the lengths of stay for female-headed families that started to receive Aid to Families with Dependent Children (AFDC) between June 1987 and August 1991.

### **Data Sources**

SIPP is a longitudinal survey of a nationally representative sample of households of the civilian, noninstitutionalized adult population of the United States. Each year a new sample of persons is selected for the survey. Demographic, income, labor-force, and program participation data on these persons are obtained through interviews conducted every 4 months. At each interview, data are collected on AFDC recipiency for each of the 4 preceding months.

We used data from the first five interviews for individuals in the 1990 survey, which were the most recent data available when we began our analysis. These interviews cover a 20-month period. To increase the number of observations in our analysis, we also included data for 20-month periods on individuals in the 1987 and 1988 SIPP surveys. The total time period spanned by the SIPP data we used was from June 1987 to August 1991. We supplemented the SIPP data with state unemployment rates from Census's Current Population Survey (CPS) and with Department of Health and Human Services (HHS) data on state AFDC benefits.

Selection of Cases/Measuring Length of AFDC Receipt For each SIPP year, we selected female heads of families (excluding those residing with a spouse) who began receiving AFDC during the 20-month periods analyzed. Therefore, we men who were receiving AFDC at the start of the period covered were not included. If a woman had more than one period of AFDC receipt during the period analyzed, we only included the first one.<sup>2</sup> In addition, we excluded women who were not in the SIPP sample at the beginning of the survey and women who left the survey



<sup>&</sup>lt;sup>1</sup>We did not use data from the 1989 survey because the survey only spanned a 12-month period.

While this period of AFDC receipt constitutes the first new period during the SIPP time frame, it may not be the first time the individual ever had a period of AFDC receipt.

Appendix I Scope and Methodology

while they were receiving AFDC. There were 502 cases across the three surveys that met our selection criteria.<sup>3</sup>

Approximately two-thirds of the cases were still receiving AFDC at the end of the period that they were in SIPP. Because we could not determine the exact lengths of stay for these cases, they were considered to be "censored" in our analyses. We used statistical techniques that produced estimates using the partial information on length of stay about the censored cases in conjunction with the complete information for those who completed their stays during the study period (that is, the uncensored cases).

Our analysis of factors associated with length of AFDC receipt was limited to a 19-month span, which was the maximum amount of time that a censored case received AFDC. The statistical techniques used are described below.

### Proportional Hazards Model

We used a proportional hazards model to examine the relationship of selected variables to the length of time receiving AFDC. The proportional hazards method is a multiple regression technique that is used to analyze survival data with censored observations. In our analysis, survival pertains to the number of months between the start and end of a period of AFDC receipt.

The selection of variables we used in our model both updates and expands on earlier studies of the factors that are associated with the rates at which families leave AFDC. For example, one study examined whether the mother's age, race, marital status, and employment status affected the rates at which female-headed families left AFDC. She also examined whether the number of children, presence of young children, level of AFDC



<sup>&</sup>lt;sup>3</sup>We considered a woman to have begun a new period of AFDC receipt only if she received AFDC for at least 2 consecutive months after not receiving AFDC for 2 or more months. However, an exception to this "2 month change rule" was made if the SIPP indicated that the woman did not receive AFDC in the first month of the survey, but then received AFDC in the second and third months of the survey. Similarly, we considered an AFDC period to have ended only if AFDC was not received for 2 consecutive months. The rationale for this approach was to minimize the number of spurious periods of AFDC receipt arising from administrative or reporting errors.

<sup>&</sup>lt;sup>4</sup>We estimate that the probability of still receiving AFDC after 19 months was 53 percent.

<sup>&</sup>lt;sup>5</sup>In our analysis, length of stay is analyzed in terms of the likelihood of leaving AFDC over the course of 19 months.

<sup>&</sup>lt;sup>6</sup>Ruggles, Patricia, "Welfare Dependency and Its Causes: Determinants of the Duration of Welfare Spells," Survey of Income and Program Participation, No. 8908, Bureau of the Census, U.S. Department of Commerce (May 1989).

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benefits, and presence of other income were significant variables. Another study examined many of these same variables, but also examined the effect of education and the monthly state unemployment rate.<sup>7</sup>

Our analysis extends these previous studies by including variables on whether the AFDC recipient had ever been a teenage mother and whether she had recent work experience. The independent variables we included in our model were teenage mother status, race, education, employment status, recent employment history, marital status, number of children, age of youngest child, amount of income (other than earnings or AFDC), state female unemployment rate, and amount of state benefits. To account for potential changes over time, we also included a variable that distinguished between cases from the 1990 and the 1987-88 surveys.

All of the independent variables were coded as categories in our model except other income, unemployment rate, and state AFDC benefits, which were included in the model as continuous variables. Listed below are more detailed descriptions of the variables we incorporated in the model.

# Definition of Variables Included in the Model

Teenage mother status: This variable reflects whether or not a woman had her first child as a teenager. We subdivided the teenage mothers into current teenage mothers (those who were under age 20 at entry) and former teenage mothers (those who were 20 years of age or older at entry).

Race: A woman's race was classified as white, black, or other.

Year: This variable distinguishes between cases from the 1990 and the  $\overline{1987}$ -88 SIPP surveys.

Employment status: This variable reflects whether or not a woman had a job at the time she began receiving AFDC.

Recent work experience: We classified women as having recent work experience if they worked for a period of 6 consecutive months or more during the approximate 1-1/2 year period before their second SIPP



<sup>&</sup>lt;sup>7</sup>Fitzgerald, John, "Welfare Durations and the Marriage Market: Evidence from Survey of Income and Program Participation, "The Journal of Human Resources, XXVI (Summer 1991), pp. 545-561.

interview. Women who had worked for a shorter period or who had not been employed during this time frame were classified as not having recent work experience. An additional category was developed for cases with missing data for this variable.

Marital status: This variable distinguishes women who had never been married from other women.

Number of children: Women were categorized according to whether they had two or more children or fewer than two children at the time they began receiving AFDC.

Age of youngest child: Women were categorized according to whether or not their youngest child was under 6 years of age at the time they entered the AFDC rolls. An additional category was comprised of cases with missing data for this variable.

Amount of other income: This variable is the amount of family property income combined with income from sources other than earnings or AFDC benefits.

Unemployment rate: This variable is either the 1988 or 1990 state female unemployment rate, depending on which year most closely corresponded to the period of the SIPP survey. Data for this variable was elemented from CPS.

State AFDC benefits: This variable is the amount of monthly state AFDC benefits for a family of three with no income. We used data for either fiscal year 1988 or 1990, depending on which year most closely corresponded to the period of the SIPP survey. Data for this variable were obtained from HHS publications.

Our proportional hazards model was based on 423 of the 502 AFDC recipients who met our criteria for analysis. Table I.1 shows the distributions of these cases for the categorical variables while table I.2 shows the medians and ranges for the continuous variables.



We excluded 79 cases—62 for which we could not determine teenage mother status and an additional 17 for which we could not determine state benefit amounts and unemployment rates.

Table I.1: Distribution of Cases for Categorical Independent Variables in Model

| /ariable              | Number of cases | Percent |
|-----------------------|-----------------|---------|
| otal                  | 423             | 100.0   |
| Feenage mother        |                 |         |
| Current               | 77              | 18.2    |
| Former                | 160             | 37.8    |
| Never                 | 186             | 44.0    |
| Race                  |                 |         |
| White                 | 246             | 58.2    |
| Black                 | 164             | 38.8    |
| Other                 | 13              | 3.1     |
| Year                  |                 |         |
| 1987-88               | 190             | 44.9    |
| 1990                  | 233             | 55.1    |
| Education             |                 |         |
| Fewer than 12 years   | 196             | 46.3    |
| 12 years or more      | 227             | 53.7    |
| Employed at entry     |                 |         |
| No                    | 333             | 78.7    |
| Yes                   | 90              | 21.3    |
| Worked 6 months       |                 |         |
| No                    | 150             | 35.5    |
| Yes                   | 211             | 49.9    |
| Unknown               | 62              | 14.7    |
| Martial status        |                 |         |
| Never married         | 185             | 43.7    |
| Other                 | 238             | 56.3    |
| Number of children    |                 |         |
| Fewer than 2          | 248             | 58.6    |
| 2 or more             | 175             | 41.4    |
| Age of youngest child |                 |         |
| Under 6               | 222             | 52.     |
| 6 or older            | 147             | 34.     |
| Unknown               | 54              | 12.     |



Appendix I Scope and Methodology

Table i.2: Medians and Ranges for Continuous independent Variables in Model

| 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |        |             |
|---|--------|-------------|
| Variable                                | Median | Range       |
| Other income                            | \$0    | \$0-\$5,503 |
| Unemployment rate                       | 5.5%   | 2.3%-10.6%  |
| Monthly state AFDC benefits             | \$321  | \$118-\$694 |



# Results From Proportional Hazards Model

The results from the model we used are presented in table II.1 as adjusted odds ratios that approximate the relative risk of leaving Aid to Families with Dependent Children (per unit time) for each factor. The reported odds ratio indicates the effect of a particular factor (for example, having a child under 6 years of age) on leaving AFDC, controlling for the effects of the other variables in the model. If there were no significant differences between two groups, their odds would be equal, and the ratio of their odds would be 1.00. The more the odds ratio differs from 1.00 in either direction, the larger the effect it represents.

The odds ratios presented in table II.1 were computed in relation to a defined reference group. An odds ratio that is greater than 1.00 indicates a faster rate of leaving AFDC than the reference group (that is, shorter length of stay) while a ratio under 1.00 indicates a slower rate of leaving than the reference group (that is, longer length of stay).

## Table II.1: Proportional Hazards Model Results

| Variable .          | Adjusted odds<br>ratio <sup>a</sup> | 95-percent<br>confidence<br>interval |
|---------------------|-------------------------------------|--------------------------------------|
| Teenage mother      |                                     |                                      |
| Current             | 1.00                                | (0.53-1.88)                          |
| Former              | 0.75                                | (0.51-1.09)                          |
| Never               | 1.00<br>(reference group)           |                                      |
| Race                |                                     |                                      |
| White               | 1.00<br>(reference group)           |                                      |
| Black               | 1.14                                | (0.78-1.67                           |
| Other               | 2.20                                | (0.97-4.98                           |
| Year                |                                     |                                      |
| 1987-88             | 1.00<br>(reference group)           |                                      |
| 1990                | 0.76                                | (0.54-1.06                           |
| Sducation           |                                     |                                      |
| Fewer than 12 years | 1.00<br>(reference group)           |                                      |
| 12 years or more    | 1.46 <sup>b</sup>                   | (1.02-2.08                           |
| Employed at entry   |                                     |                                      |
| No                  | 1.00<br>(reference group)           |                                      |
| Yes                 | 1.74 <sup>b</sup>                   | (1.17-2.60                           |
|                     |                                     | (continued)                          |



| Varlabie              | Adjusted odds<br>ratio    | 95-percent<br>confidence<br>interval |
|-----------------------|---------------------------|--------------------------------------|
| Worked 6 months       |                           |                                      |
| No                    | 1.00<br>(reference group) |                                      |
| Yes                   | 1.72 <sup>b</sup>         | (1.14-2.59)                          |
| Unknown               | 1.40                      | (0.75-2.61)                          |
| Marital status        |                           |                                      |
| Never married         | 1.00<br>(reference group) |                                      |
| Ever married          | 0.91                      | (0.60-1.38)                          |
| Number of children    |                           |                                      |
| Fewer than 2          | 1.00<br>(reference group) |                                      |
| 2 or more             | 0.87                      | (0.60-1.27)                          |
| Age of youngest child |                           |                                      |
| Under 6               | 1.00<br>(reference group) |                                      |
| 6 or older            | 1.66 <sup>b</sup>         | (1.15-2.40)                          |
| Unknown               | 0.88                      | (0.47-1.64)                          |

Note: The variables that were coded as continuous variables in the model (other income, unemployment rate, and amount of AFDC benefits) have no reference category and, therefore, were not included in the table. No variable was statistically significant.



<sup>&</sup>lt;sup>a</sup>The odds ratio reflects the relative likelihood of leaving AFDC during a specified period of time. If there were no significant differences between two groups, their odds would be equal, and the ratio of their odds would be 1.00. The odds ratios were computed in relation to a defined reference group.

<sup>&</sup>lt;sup>b</sup>Odds ratio is significantly different from 1.00 at the 95-percent confidence level.

# **Data Points for Figures**

To illustrate differences among groups in the rates at which they left AFDC, we plotted survival curves (figures 1-4) for variables that were statistically significant in our proportional hazards model. These curves, which were estimated using a standard life table technique, show the percentage of cases that were still receiving AFDC at each month after entry (up to 19 months). Unlike the odds ratio estimates from the proportional hazards model, however, the data used for these curves are not adjusted for the effects of other variables. This appendix presents the data points used to plot these curves.

Table III.1: Data for Figure 1

| Months | Percentage of female-<br>continuing to receive A | Percentage of female-headed families continuing to receive AFDC, by level of education |  |
|--------|--|--|--|
|        | Less than high                                   | High school or greater   |  |
| 0      | 100.0  | 100.0  |  |
| 1      | 100.0  | 100.0  |  |
| 2      | 96.4   | 93.7   |  |
| 3      | 94.2   | 88.6   |  |
| 4      | 84.0   | 72.4   |  |
| 5      | 80.7   | 68.5   |  |
| 6      | 77.3   | 65.7   |  |
| 7      | 75.8   | 64.5   |  |
| 8      | 71.9   | 60.1   |  |
| 9      | 70.1   | 57.3   |  |
| 10     | 68.2   | 55.7   |  |
| 11     | 67.2   | 52.5   |  |
| 12     | 66.0   | 50.6   |  |
| 13     | 64.6   | 49.4   |  |
| 14     | 63.0   | 49.4   |  |
| 15     | 63.0   | 49.4   |  |
| 16     | 63.0   | 45.0   |  |
| 17     | 63.0   | 45.0   |  |
| 18     | 63.0   | 45.0   |  |
| 19     | 63.0   | 45.0   |  |

Note: Data points based on life table methodology.

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#### Table III.2: Data for Figure 2

| -      | Percentage of female-headed families continuing to receive AFDC, by job status at entry |       |
|--------|---|-------|
| Months | No  | Yes   |
| 0      | 100.0   | 100.0 |
| 1      | 100.0   | 100.0 |
| 2      | 96.4  | 89.7  |
| 3      | 94.5  | 78.7  |
| 4      | 82.4  | 59.5  |
| 5      | 79.0  | 54.9  |
| 6      | 75.1  | 54.9  |
| 7      | 73.9  | 53.3  |
| 8      | 69.1  | 51.5  |
| 9      | 67.1  | 47.6  |
| 10     | 65.5  | 45.4  |
| 11     | 63.3  | 43.1  |
| 12     | 61.3  | 43.1  |
| 13     | 60.6  | 39.2  |
| 14     | 59.7  | 39.2  |
| 15     | 59.7  | 39.2  |
| 16     | 58.1  | 32.1  |
| 17     | 58.1  | 32.1  |
| 18     | 58.1  | 32.1  |
| 19     | 58.1  | 32.1  |

Note: Data points based on life table methodology.

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Table III.3: Data for Figure 3

| Percentage of female-headed families |
|--------------------------------------|
| continuing to receive AFDC, by work  |
| experience in the previous 2 years   |

|        | experience in the previous z years |                 |  |
|--------|------------------------------------|-----------------|--|
| Months | Did not work<br>6 months           | Worked 6 months |  |
| 0      | 100.0                              | 100.0           |  |
| 1      | 100.0                              | 100.0           |  |
| 2      | 95.2                               | 93.8            |  |
| 3      | 93.8                               | 88.8            |  |
| 4      | 86.1                               | 69.8            |  |
| 5      | 84.4                               | 65.0            |  |
| 6      | 81.8                               | 62.0            |  |
| 7      | 81.8                               | 60.7            |  |
| 8      | 77.1                               | 56.5            |  |
| 9      | 75.0                               | 53.4            |  |
| 10     | 72.8                               | 52.6            |  |
| 11     | 69.5                               | 51.6            |  |
| 12     | 68.2                               | 49.3            |  |
| 13     | 68.2                               | 46.4            |  |
| 14     | 66.6                               | 46.4            |  |
| 15     | 66.6                               | 46.4            |  |
| 16     | 63.9                               | 42.8            |  |
| 17     | 63.9                               | 42.8            |  |
| 18     | 63.9                               | 42.8            |  |
| 19     | 63.9                               | 42.8            |  |

Note: Data points based on life table methodology.



Table III.4: Data for Figure 4

| Months | Percentage of female-headed families continuing to receive AFDC, by age of youngest child |                           |
|--------|---|---------------------------|
|        | Fewer than 6 years of age   | Six years of age or older |
| 0      | 100.0   | 100.0                     |
| 1      | 100.0   | 100.0                     |
| 2      | 96.8  | 92.3                      |
| 3      | 94.0  | 86.5                      |
| 4      | 84.0  | 68.2                      |
| 5      | 81.1  | 63.2                      |
| 6      | 75.8  | 62.4                      |
| 7      | 73.9  | 61.5                      |
| 8      | 70.7  | 55.8                      |
| 9      | 70.7  | 51.6                      |
| 10     | 67.6  | 51.6                      |
| 11     | 64.4  | 50.4                      |
| 12     | 62.5  | 48.9                      |
| 13     | 60.3  | 48.9                      |
| 14     | 60.3  | 47.1                      |
| 15     | 60.3  | 47.1                      |
| 16     | 57.6  | 44.2                      |
| 17     | 57.6  | 44.2                      |
| 18     | 57.6  | 44.2                      |
| 19     | 57.6  | 44.2                      |

Note: Data points based on life table methodology.



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