



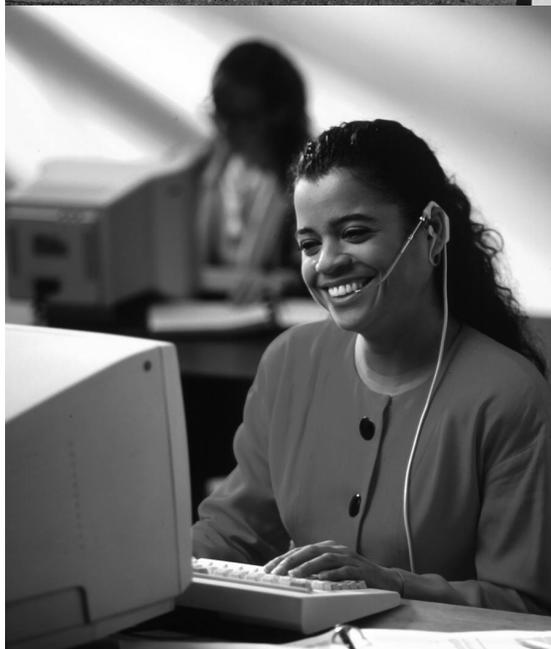
# Minnesota Family Investment Program Longitudinal Study:

**Approaching the 60-Month  
Time Limit**



*Seventh report in a series*

*September 2002*



**Program Assessment and Integrity Division  
Minnesota Department of Human Services**

*For inquiries or comments contact:*

Ramona Scarpace, Division Director  
Program Assessment and Integrity Division  
444 Lafayette Road North  
St. Paul, MN 55155-3845  
(651) 296-5767  
ramona.scarpace@state.mn.us

Karen Green Jung, Project Manager  
Program Assessment and Integrity Division  
444 Lafayette Road North  
St. Paul, MN 55155-3845  
(651) 296-4408  
karen.green.jung@state.mn.us

Leslie I. Crichton, Ph.D., Co-Author  
Program Assessment and Integrity Division  
444 Lafayette Road North  
St. Paul, MN 55155-3845  
(651) 215-9520  
leslie.crichton@state.mn.us

Vania A. Meyer, Ph.D., Co-Author  
Program Assessment and Integrity Division  
444 Lafayette Road North  
St. Paul, MN 55155-3845  
(651) 296-3507  
vania.meyer@state.mn.us

All reports from the MFIP Longitudinal Study series are available on the  
DHS Web site ([www.dhs.state.mn.us](http://www.dhs.state.mn.us)).

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## Executive Summary

The Minnesota Family Investment Program (MFIP) replaced Aid to Families with Dependent Children (AFDC) as Minnesota's family public assistance program in 1998. This followed the enactment of the federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) that was signed into law in August 1996. The new program changed the emphasis of assistance from entitlement to "work first" as required by the act, while also supplementing earnings until family income reached approximately 120 percent of the Federal Poverty Guideline (FPG). Minnesota is unusual among states in including poverty reduction among its program goals, in addition to increasing employment and earnings and reducing welfare dependency.

To follow MFIP participants' progress after the program was implemented statewide, the Department of Human Services (DHS) initiated a longitudinal study that sampled 843 ongoing assistance clients (the *Recipient* group) and 985 new clients (the *Applicant* group) in May through October 1998. Study participants were interviewed about the economic and social situations of their families at the beginning of the study and at least once every year thereafter. The study will track participants for five years after the baseline month.

Previous reports have described these MFIP participants at the start of the study, six months, one year, and two years later. A special report examined health care coverage and utilization by leavers at 18 months after baseline. This report focuses on the issue of the 60-month time limit to provide information about the situation of MFIP participants most likely to be affected by the time limit. Future reports will focus on teen mothers, job retention and advancement, the status of leavers, and other relevant issues through the rest of the five years of the study.

In the first quarter of 2002, interviewers talked to people from the *Recipient* sample who had accumulated at least 36 months counted toward the time limit as of November 2001, had received cash assistance sometime during the six months of June through November, lived in Minnesota, and had not qualified for Supplemental Security Income (SSI). The survey completion rate was 84 percent; 178 of the 211 participants who met these criteria were interviewed.

The report addresses how these long-term MFIP families were faring under welfare reform and an economy that was in trouble in early 2002. It includes data from the surveys and administrative records. Information from these families will supplement administrative data on the hundreds of families in the MFIP caseload reaching the time limit each month starting in June 2002.

Based on a review of the data, three categories of long-term recipients were identified and used in analyses herein. The three groups and their characteristics were as follows:

- Long-term MFIP recipients striving for self-sufficiency with a realistic chance of success in the near future (15 percent of the long-term recipients surveyed).
- Those trying to improve their situation and possessing notable personal resources, but still having a hard time and making only tentative progress (30 percent).
- Those facing many barriers with few resources and unlikely to succeed at self-sufficiency in the foreseeable future (55 percent).

This executive summary highlights points raised by the study. Discussion of related policy issues was prepared with input from the MFIP policy staff at DHS.

### **MFIP longitudinal study themes about long-term recipients**

1. Most long-term MFIP recipients faced major life problems.
2. Sanctions were very common for long-term recipients.
3. Many participants did not understand policies around the time limit and extensions.
4. About two-thirds of long-term MFIP recipients had circumstances that could potentially make them eligible for extensions.
5. Interviewers considered only about 1 in 7 long-term recipients they talked with to have developed a well thought-out plan and prepared for reaching the time limit.
6. Long-term participants had engaged in employment services activities but often with little success.
7. A good job was highest on the list of participants' hopes and dreams. The other most commonly mentioned desires were owning a home, seeing their children doing well, and having enough money.

**1. Most long-term MFIP recipients faced major life problems.** Large percentages of these long-term recipients have suffered major life problems such as homelessness, serious physical health problems or disabilities, mental health problems (especially depression), chemical dependency, child maltreatment, and family violence. Other common problems included disabled children, children with other special needs, very young children, absent second parents who provided no support, lack of education, low job skills, unsuccessful job search, job loss, criminal records, single parenthood, medical bills, debt, and lack of English skills.

*Policy issues.* Beginning February 2002, screening for mental health, chemical dependency, and learning disabilities is required at the secondary assessment for all MFIP participants. Better coordination of services and connections to professional assessments need to be developed to ensure that people get services to address their condition. Further integration of such screening into the MFIP assessment process may be warranted.

**2. Sanctions were very common for long-term recipients.** Seventy-two percent had their MFIP case sanctioned; the average total time sanctioned was five months. The group with the biggest barriers had a significantly higher sanction rate and number of months sanctioned than the other two groups.

*Policy issues.* Life problems listed in the first point likely made it particularly difficult for some long-term recipients to comply with MFIP requirements. There are allowable (“good cause”) reasons not to comply with employment services requirements. Job counselors and clients need to be well informed about reasons not to apply sanctions for apparent instances of noncompliance. This requires good communication between the job counselor and financial worker. Requirements for case review and face-to-face meetings with sanctioned clients passed by the 2001 legislature may help ameliorate these problems in the future. At the same time, sanctions may sometimes be effective tools for encouraging progress.

**3. Many participants did not understand policies around the time limit and extensions.** Interviewers thought that three-quarters of those they surveyed had a good understanding of the 60-month limit. Only about half of participants surveyed could say within three months how many months they themselves had used at the time of the interview; a quarter knew exactly. Forty-seven percent had received their 48-month notice outlining 60-month extension policies at the time of this study. Three-quarters of those who had received the notice seemed to have a good understanding of it. Only about one-third of the participants who were on MFIP understood the categories for extension and a sixth understood the process for getting an extension.

*Policy issues.* At the time of the interviews, policies were still being finalized. A certainty that large numbers of families would leave MFIP because of the time limit had yet to be demonstrated. As more recipients become informed about time limit policies and their own situation from both written notices and verbal communications, the level of awareness and understanding should go up. This will be examined in future leaver studies. These data point out the need to get program information to participants early, often, and in as many ways as possible. Community participation could be enlisted in getting the message out. A lowered expectation that MFIP cash assistance will continue past the time limit needs to be established to help participants plan for the future.

**4. About two-thirds of these long-term MFIP participants had circumstances that could potentially make them eligible for extensions.** Health issues and working enough hours were the most frequent situations related to extension categories participants said they were involved in. Seventy-one percent identified circumstances in

their lives that, if continued, could become grounds for an extension. This was not far from the 62 percent of extensions granted for MFIP's 61st month for all cases reaching the time limit in June 2002.

***Policy issues.*** Good communication of program information will help those who qualify for extensions plan for and obtain continued assistance.

**5. Interviewers considered only about 1 in 7 long-term recipients they talked with to have developed a well thought-out plan and prepared for reaching the time limit.**

About half, however, were worried and planning. The main things they were doing centered on housing, talking with people who could help them, and figuring out a budget. Most people knew where to find a variety of services they could use once their MFIP cash grant ended. Participants generally felt that they had considerable control over their futures and the responsibility for finding a job.

***Policy issues.*** Earlier screening and services for MFIP participants with little initial success in moving to self-sufficiency could improve their planning and preparation.

**6. Long-term participants had engaged in employment services activities but often with little success.** While nearly everyone had received some employment services, employment services records showed only 60 percent proceeding to a secondary assessment to determine why they were not making progress. These records also showed a quarter involved in work activities in November 2001. A third were doing nothing, neither work nor work activities. Only 1 in 5 were working full time after more than three years on MFIP. Fifty-five percent still had family income below the FPG.

***Policy issues.*** Whether secondary assessments were not happening for so many long-term recipients or were done but not recorded needs to be determined. If not a record-keeping issue, was the lack due to funding or some other service issue? Beginning February 2002 (after the scope of this study), secondary assessments could be identified by the required screening measures noted in the first point. Earlier screening and services may be appropriate for some MFIP participants. There are challenges facing many people with extended cases who still have to participate with employment services and continue trying to become self-sufficient. There are also challenges facing job counselors as they continue to work with clients who were not able to attain self-sufficiency during their first five years on MFIP.

**7. A good job was highest on the list of participants' hopes and dreams. The other most commonly mentioned desires were owning a home, seeing their children doing well, and having enough money.** Low-income families want many of the things that higher-income families want. Half of the participants named as one of their top priorities getting the kind of job that would help make these other things possible. This desire aligns with the goal of MFIP to "make work pay." Those with the biggest barriers were less likely than other long-term recipients to aspire to goals such as owning a home, getting married, or getting more education and more likely to mention having enough

money to meet their needs as their goal. One in 9 talked about wanting to get married, a goal of the TANF program.

***Policy issues.*** Helping people with major life problems and barriers to employment achieve their economic goals requires more than temporary family assistance and employment services. A job may not be enough; services addressing life problems and economic work supplements may also be essential. More research is needed to determine why adults who want to work are not succeeding.

## **MFIP Longitudinal Study: Approaching the 60-Month Time Limit**

The Minnesota Family Investment Program (MFIP) replaced Aid to Families with Dependent Families (AFDC) in Minnesota in 1998. The longitudinal study has been following two samples of MFIP participants since they were selected that year – an ongoing *Recipient* sample and a sample of *Applicants* who were new to welfare or had not used it for at least five years. The study follows these individuals as they find work, lose jobs, leave welfare, stay on welfare, become self-sufficient, and even leave Minnesota.

MFIP is Minnesota's version of the federal Temporary Assistance to Needy Families (TANF) program that requires people to work or at least prepare to work if they are able. TANF limits the time people can receive family assistance to 60 months in their lifetime unless they qualify to have MFIP extended beyond 60 months. The clock started on those 60 months in July 1997 in Minnesota and as early as September 1996 in some other states. Hundreds of MFIP participants reached their 60<sup>th</sup> month in summer 2002.

By the end of 2001, some study participants found the TANF time limit looming. During January through March 2002, interviewers from the longitudinal study talked with study participants in that situation. Those selected for this survey were potential candidates for MFIP extensions. They were members of the *Recipient* sample who had accumulated at least 36 months of assistance counting toward the time limit by November 2001, had received MFIP sometime during the six months including June through November 2001, lived in Minnesota, and had not been determined eligible for the Supplemental Security Income (SSI) program for the disabled. There were 211 people in this group, of whom 178 (84 percent) completed the survey. Out of the 178 participants interviewed, 124 were still on MFIP at the time of the interview. The 211 long-term MFIP recipients were 25 percent of the total MFIP longitudinal study *Recipient* sample of 843.

The goal of the survey was to obtain information to better understand the situation of these participants. Were they striving for self-sufficiency with a realistic chance of success in the near future? Were they trying to improve their situation with notable personal assets but still having a hard time and making only tentative progress? Or were they and their families apparently unlikely to succeed at self-sufficiency in the foreseeable future?

This report will begin by describing Minnesota's family assistance program, focusing especially on issues surrounding the time limit. It will then describe the survey group<sup>1</sup> in terms of welfare use, employment, and an overall evaluation of how well they were doing when interviewed. Findings will be presented about the families (family composition, marriage, education, and citizenship), economic factors (employment, income, assets, and expenses), barriers to employment and well-being both internal (such as chemical dependency, disability, and depression) and external (like discrimination and homelessness), interactions with the welfare system, planfulness (anticipation, preparation, and responsibility), and participants' strengths, hopes, and dreams.

Previous reports from the longitudinal study have presented findings on both the *Recipient* and *Applicant* samples on a wide range of topics at baseline, six months, one year, and two years. The report at 18 months studied leavers, highlighting health care coverage and utilization. The next report will be on teen parents in the *Applicant* sample at 30 months after baseline, followed by the three-year report on both samples focusing on job retention and advancement. The longitudinal study is scheduled to continue through five years after baseline, the last survey covering the middle of the year 2003.

## **The TANF Program in Minnesota**

The United States Congress changed family public assistance from an entitlement under AFDC to a block grant program to the states called Temporary Assistance to Needy Families (TANF) effective July 1, 1997. Minnesota designed a program within the federal requirements using waivers. MFIP has three goals: to increase employment and earnings, to decrease welfare use, and to reduce poverty.

To become eligible for this assistance, a family must have minor children in the household, assets under \$2,000 (excluding a car with a loan value of \$7,500 or less and equity in a home), and income (less an 18 percent disregard for earnings) below the MFIP transitional standard (the basic MFIP total cash and food assistance amount for their family size). To stay eligible, ongoing recipients must continue to have minor children living with them, assets (less the above exclusions for car and home) under \$5,000, and income (less a 38 percent earnings disregard) under approximately 120 percent of the Federal Poverty Guideline (FPG).

The grant level is set according to number of family members eligible, the level of family income, whether the eligible adults are working, and whether the household is shared with people outside the “assistance unit.” For example, the grant for a family with one parent and two children that lives on their own and has no income was \$831 in November 2001 (\$532 cash and a \$299 food portion).<sup>2</sup> The basic grant amount for families with earnings is 10 percent higher than the basic grant amount for families without earnings. Earnings decrease the grant, but not dollar for dollar because 38 percent of the earnings are disregarded (that is, not deducted from the grant). If a parent with two children earned \$500,<sup>3</sup> she would have gross income totaling \$1,104, including a \$604 MFIP grant. The program thus functions to provide money for the basic needs of extremely poor families and also as an income supplement program for low-income working families.

Under AFDC, a family received assistance as long as they met eligibility requirements. Under TANF, adults receiving assistance must work or perform approved work activities every month unless they qualify for and request an exemption for that month.<sup>4</sup> If they fail to participate in work or work activities for the required number of hours (in the year 2001, 30 hours per week for a one-eligible adult case or 55 hours for two eligible adults), they are subject to sanction. An employment-related sanction lowers the MFIP grant by

10 percent in the first month, 30 percent thereafter (with rent and utilities paid directly to the vendor at the county's option).<sup>5</sup> The sanction may not be imposed if there is reason for a "good cause exception" for not complying.

Additionally, there is a 60-month lifetime limit on family assistance receipt of cash under TANF/MFIP.<sup>6</sup> There are a some exemptions<sup>7</sup> that stop the time clock while they are in effect and an exemption for participants with a family member meeting special medical criteria that allows months to be "banked" (used after the regular 60 months of assistance and any extensions). Months of counted TANF receipt in other states are added to MFIP months counted toward the time limit.

MFIP may be extended under certain conditions. When a family has accumulated 48 months, they receive a special notice. The 48-month notice includes information on the number of counted months and possible ways that MFIP could be extended beyond 60 months. Extension reasons include the following:

- Employed categories – working enough hours (30 hours for one eligible adult that may include 25 hours of paid employment and five hours of work activity, or 55 hours for two eligible adults that may include 45 hours of paid employment and 10 hours of work activity, or a lesser number of hours determined by a qualified medical professional).
- Hard-to-employ – diagnosed mental illness, learning disability, or IQ below 80, or otherwise determined to be unemployable.
- Ill, injured, or incapacitated – the participant, or a family member the participant must care for, or a family member who meets special medical criteria, if professionally certified.
- Victims of domestic abuse – if following an approved alternative employment plan.

Only participants who are in compliance (not sanctioned) in month 60 can be considered for an extension. For the employed participant category, the person must additionally have been in compliance for at least 10 of the last 12 months on MFIP. Participants continue to get monthly notices of how many months of MFIP they have left and possible ways to extend MFIP. An MFIP participant must request an extension, either orally or in writing, to be considered for one.

Following an administrative review of the case, MFIP participants are invited to a face-to-face meeting with county representatives between 60 and 180 days prior to the end of the 60<sup>th</sup> month. Counties must offer this meeting (a minimum of three attempts to make contact are required for a good faith effort), but the MFIP recipient's attendance is voluntary. The state encourages counties to use a team approach during the review process. The purpose of the meeting is to discuss the recipient's situation and plan for the time after the 60 months of cash assistance have been used. This planning may include identifying an extension that the participant may qualify for, referral for assessment for serious issues in the participant's life that may provide documentation for the extension (such a medical statement) or require intervention (such as chemical dependency), information about resources for help in the community, and help with

accessing other public programs such as SSI, MinnesotaCare,<sup>8</sup> and stand-alone Medical Assistance (MA)<sup>9</sup> and food support (formerly food stamps). The participant is informed of the decision on an extension in a timely manner and may appeal denial of an extension request.

## Highlights of Findings

- **Long-term MFIP recipient subgroups.** More than one-half of the 178 long-term MFIP participants (with 36 or more counted months of cash assistance, most but not all of whom were still receiving MFIP) had many barriers and few resources as the time limit approached. Another 30 percent were taking steps in a positive direction, and 15 percent had personal assets that made it more likely for them to succeed. More of those who were judged to have better prospects were working and had finished high school. However, one-third of the group with many barriers had also worked in November 2001 and two-thirds had finished high school or its equivalent. There were no significant differences across these three groups – the big barriers, tentative progress, and better prospects groups – on current welfare use, race (white versus non-white), or immigrant status.
- **Demographics.** Only 1 in 10 families had a second parent in the household. Only about one-third of participants had ever been married. Families averaged 2.5 children and a youngest child seven years old. More than half, however, had a child under age five, and 18 percent either had an infant or were currently pregnant. One-quarter shared their household with friends or relatives outside the nuclear family. Two-thirds lived in Minnesota's two most urban counties (Hennepin and Ramsey), where only half of the families in the total MFIP caseload lived.
- **Major life problems.** Homelessness and physical disability were the most frequent problems for people on MFIP the longest, with more than one-quarter reporting each of these major life problems during the period of the study. One in 5 reported a mental disability, 1 in 5 a special needs child, 1 in 10 their own substance abuse, and 1 in 12 the substance abuse of someone close to them during this time. One in 6 had been through chemical dependency treatment and 1 in 3 had been diagnosed for depression sometime during their life. Nearly 1 in 3 scored high on a screener for current depression. Nearly half said they had experienced discrimination. One in 4 was assessed for child maltreatment in the previous two years and 15 percent were determined to be offenders by the child protection system. Domestic abuse was known to have been an issue for at least 20 percent of participants.
- **Welfare issues.** Ninety percent were receiving MFIP in November 2001.
  - **Time limit.** While interviewers thought that three-quarters of those they surveyed had a good understanding of the 60-month limit, only about half of participants surveyed could say within three months how many months they had used at the time of the interview. Three-quarters of those who had received the 48-month notice seemed to have a good understanding of it. Only about one-third of the

- participants who were on MFIP understood the categories for extension and only half of these understood the process for getting an extension. Many, however, had not yet had the interview counties are required to offer recipients approaching the time limit to inform and help prepare them.
- **Job search.** Three-quarters of respondents had met with a job counselor during the previous six months. The most common services provided were job search, transportation, resumes and job interviews, fixing sanctions, and child care. Half of the participants had filled out a job application within the last month, and even more had interviewed for jobs.
  - **Exemptions and sanctions.** Thirty-nine percent had an exemption from employment services at some point during their time on MFIP, most often for caring for a child under age one (25 percent). Total length of time exempt averaged three months. Only 6 percent were exempt in November 2001. Three-quarters had ever had their case sanctioned, for an average total of five months. Eight percent had cases in sanction status in November 2001.
- **Planfulness.**
    - **Extensions.** For those on MFIP when interviewed, only a minority (a third or fewer for each action) had figured out the earliest month MFIP might end for them, thought they knew how their children could continue to receive MFIP even if they themselves could not, or understood the extension categories. Health issues and working 30 hours or more were the main extension categories MFIP participants thought they would qualify for, about 1 in 5 for each. Only 29 percent did *not* think they had grounds for their MFIP cash assistance to continue past 60 months. However, some people thought that demonstrated need would be a sufficient reason for an extension.
    - **Actions.** About half of those on MFIP at the time of the interview were worried, and more than that said they were spending a lot of time thinking and planning for a time when they would have used 60 months of MFIP. The main things they were doing centered around housing, talking with people who could help them, like job counselors and financial and social workers, and figuring out a budget. Forty-three percent did not yet have a plan for living expenses after MFIP.
    - **Preparedness.** Interviewers considered only about 1 in 7 of all those interviewed to have a well-thought-out plan and to be well prepared. Most people knew where to find a variety of services they could use once MFIP ended for them. Participants themselves did feel that they had considerable control over their futures and responsibility for finding a job.
  - **Work.** Half of all participants were working in November 2001; 19 percent were working 40 hours or more. One-third were neither employed nor involved in work activities; a quarter had no work, work activity, exemption, or sanction. Only two people had never worked, and 20 percent had not worked in the last two years.
  - **Economic status.** The average income for everyone surveyed of \$1,390 for the month put more than half of these families below the poverty line, including three-quarters of those in the group with the biggest barriers compared with 15 percent of the better

prospects group. Nearly everyone received additional help with food (school lunches and food shelves), two-fifths got energy assistance, a third owned a car, a third had a bank account, and very few were homeowners.

- **Expenses.** Over half lived in public or subsidized housing. One-third were paying more than 30 percent of their income on housing, with an average housing cost of \$350. Three-quarters had expenses for phones, around half for cars, and half for cable television. Smaller numbers paid for loans, child care, and health insurance. Fewer than 1 in 5 were connected to the Internet, with about one-third of these using a free provider.
- **The future.** When asked about their strengths, nearly everyone had something to say. They mentioned personal characteristics, social skills, job skills, and work ethic. Nearly everyone hoped that these assets would bring them to a better future and talked about one or more of their dreams: a good job, owning a home of their own, children doing well, having enough money, getting married, getting a car, good health, more education, and a stable life.

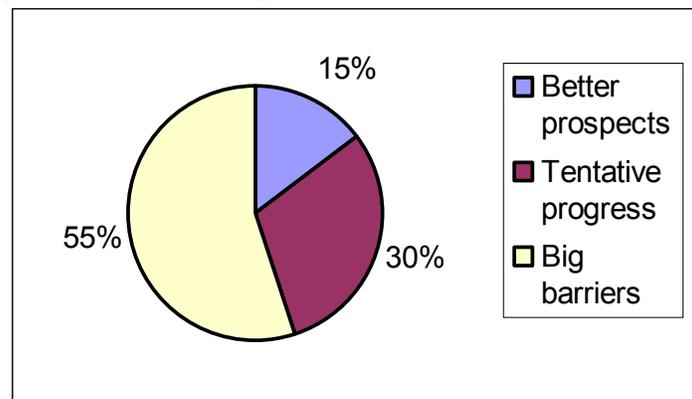
## Long-Term Recipient Groups

The authors were struck by the hopefulness with which both participants and interviewers described the situations of some families, by the deeply troubling circumstances of many of the families, and by positive steps taken by some participants who were having a difficult time but were trying to change their circumstances. Based on the review of the survey data described below, they identified three categories:

- Participants with big barriers and few resources.
- Participants making tentative progress.
- Participants with better prospects than other long-term recipients.

More than half of these long-term MFIP participants (55 percent) were in the big barrier group as the time limit approached. Thirty percent were taking steps in a positive direction. Fifteen percent had characteristics, situations, or resources that made it more likely for them to succeed. Figure 1 illustrates the percentages in each category.

**Figure 1. Status of long-term MFIP cases in November 2001**



The two authors independently read and categorized all the surveys, coming to consensus on those on which they differed (which were either tentative versus better progress or tentative versus biggest barriers). The factors considered in forming a global picture of each participant's situation included the following:

- Employment and work effort.
- Family income.
- Time since last job, reason for not working, and recent efforts to find a job if unemployed.
- Current MFIP status (in November 2001 – when everyone surveyed had at least 36 counted months – and at the interview two to three months later).
- MFIP extension possibilities.
- Problems in the last three years with physical and mental disabilities, special needs children, their own drug or alcohol use or that of someone close to them.
- Any chemical dependency treatment or a diagnosis of depression.
- Number of minor children in the household.
- Whether they were currently pregnant or had an infant.
- Relationship with a second parent or spouse.
- Their education and English-speaking ability.
- Type of housing and whether subsidized or affordable.
- Spending patterns.
- Planning and preparation for the end of welfare.
- Interviewer comments and summary impressions.

Case notes in administrative data were consulted to confirm the category for borderline cases. Composite portraits of families in each category follow.

### **Better Prospects for Self-Sufficiency: Multiple Strengths**

Participants judged to have a good chance at self-sufficiency in the near future – at least relative to the group of long-term recipients – often had employment of 30 or more hours per week and had been characterized by interviewers as capable and resourceful, or having a good attitude and good outlook, or determined and positive, or motivated and looking ahead. What they said about themselves and their goals also was an important consideration, especially when it was consistent with other information. Some people in this group had education beyond high school, some were off MFIP, some had family income high enough to stay off MFIP, some had support and stability from a spouse or partner, most had no baby or toddler among one or two children, some were receiving steady child support payments, and some had successful chemical dependency treatment in their past.

On the other hand, most were missing many of these advantages. Many had significant problems such as physical ailments, depression, high medical bills, the lack of high school credentials, family violence, a new baby, a special needs child, or a large family.

However, based on progress made and personal qualities and their current situation, people in this group seemed to be on their way.

### **Tentative Progress: Assets and Difficulties**

Those making tentative progress had taken significant steps toward self-sufficiency but still had an array of difficulties to face. For example, one participant was unemployed, an immigrant, divorced, and the custodial parent of a large family, but she had also just finished training as a carpenter, was looking for a job, and received a large and regular child support payment and child care assistance. Another, whose only child still at home was a teen, had completed training as a certified nursing assistant and was working 30 hours per week after overcoming health problems and completing chemical dependency treatment, but also was dealing with a domestic abuse situation requiring a restraining order. Yet another person with three elementary school-age children who had never been married or completed high school, was sharing a home and rent with her mother, had a disabled child receiving SSI, was working 35 hours a week, and had temporarily suspended GED<sup>10</sup> classes for lack of time and energy.

### **Big Barriers: Multiple Problems and Few Resources**

More than half of long-term recipients were dealing with difficult situations, often in the context of multiple major personal problems. Depression, chemical dependency, abusive partners, disabled children, absent second parents who did not pay any child support or provide any other kind of help, health problems requiring surgery or causing disabilities, special needs children requiring care that resulted in parents losing jobs, lack of education, no job skills, little success in job search (e.g., one interview from 20 job applications), no income, job firings, pregnancy or new baby with a new boyfriend, evictions, homelessness, criminal records, house arrest for DWI, divorced or never married, medical bills, debt, lack of English skills for immigrants – these were common problems, often several simultaneously for the same person. Additionally, people in this category lacked advantages like those that gave people in the tentative progress category some hope of improving their situation.

### **Those Not Surveyed**

There were 33 people who would have fit the study parameters (if they still lived in Minnesota) but did not participate in this survey. Interviewers documented everything they found out about these people when trying to locate them and what past searches revealed about why these people could not be contacted or refused to participate. Only nine refused outright to talk with the interviewers. More typically, people had no phone or did not answer their phone or said they could not talk just then or were not home when the interviewer made home visits. Some could not be located at all. At least eight had a history of involvement in the child protection system (and several others had children who lived with relatives), at least nine had a history of homelessness, and at least eight had been abused, at least six had been in jail, at least five were chemically dependent.

## Demographic Characteristics of Long-term Welfare Recipients

Table 1 describes these groups in terms of their status on the two primary study outcomes – working and leaving MFIP – and several demographic variables.<sup>11</sup> Working and educational level were important considerations in placing people into evaluative categories. Not surprisingly, more of those who were judged to have better prospects were working (85 percent) and had finished high school (89 percent). One-third of the group with many barriers, however, had also worked during the month of November 2001 and two-thirds had finished high school or its equivalent. There were no significant differences across the groups on current welfare use, race (white versus all others), or immigrant status. The differences among groups on the number of counted months accumulated toward the 60-month limit were small.

**Table 1. Outcomes and demographics by status in November 2001**

<b>Evaluative categories</b>	Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed	26	54	98	178
Percent of all surveyed	15%	30%	55%	100%
Working	85%	70%	32%	51%
Leavers	15%	11%	7%	10%
HS completed	89%	69%	65%	70%
White	39%	37%	40%	39%
Immigrant	12%	6%	7%	7%
Counted months	45.0	43.8	46.3	45.3

Table 2 describes the families of the long-term MFIP recipients. There were no significant differences across the evaluative groups. Only 1 in 10 families had a second parent in the household (married to the study participant or not). Only about one-third of participants had ever been married. Families averaged 2.5 children, and the average age of the youngest child was seven years old. However, more than half had a child under age five, and 18 percent either had an infant or were currently pregnant. One-quarter shared their household with friends or relatives outside the nuclear family. Two-thirds lived in Minnesota's most urban counties: Hennepin (including Minneapolis) and Ramsey (encompassing St. Paul); in comparison, half of the total MFIP caseload live in these two counties. The survey asked two questions about opinions concerning working mothers and found that only 10 percent were opposed to mothers working and over 80 percent thought it was all right for mothers of preschoolers to work. Only 1 in 5, however, supported mothers of infants under 12 months of age working. MFIP requires all mothers to work unless they use the 12-month lifetime exemption for caring for a child under age one or some other employment services exemption.

**Table 2. Family characteristics of long-term MFIP recipients**

<b>Family characteristics</b>	Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed	26	54	98	178
Two-parent family	12%	9%	10%	10%
Ever married	46%	44%	33%	38%
Number of minor children	2.6	2.4	2.5	2.5
Age of youngest child	6.7	6.0	8.4	7.4
Youngest child under 5	50%	56%	57%	56%
Pregnant or baby	8%	15%	22%	18%
Shared household	12%	26%	29%	25%
Region of residence				
Hennepin	42%	41%	32%	36%
Ramsey	31%	30%	28%	29%
Metro suburban	8%	9%	17%	14%
Greater Minnesota	19%	20%	24%	22%
Opposed to mothers working	8%	14%	9%	10%
Youngest child age when mother working outside home okay				
< 1 year	29%	26%	19%	22%
1 to 5 years	42%	56%	66%	59%
> 5 years	29%	18%	15%	18%

The baseline survey asked people about their age, marital status, and educational attainment at the time of the birth of their first child. Table 3 compares what these long-term participants said with the responses of everyone else surveyed at baseline. There were no significant differences on age (the majority were teens) or marital status (only 1 in 5 were married) at first birth. Members of the long-term group were significantly less likely to have had high school credentials (although the majorities of each the three groups had not finished high school) when their first child was born. The long-term group also looked worse on a risk factor of being an unmarried teen who had not finished high school at the time of birth of first child (47 percent versus 39 percent).

**Table 3. Status of Recipients at birth of first child**

<b>Status at first birth</b>	Long-term	All others	All surveyed
Count of surveyed	165	530	695
Age 15 and below	13%	8%	9%
15-17	23%	21%	21%
18-19	25%	28%	27%
20-24	29%	29%	29%
25-29	9%	11%	11%
30-34	2%	2%	2%
35-39	0%	1%	1%
Married	17%	20%	19%
Diploma or GED*	36%	46%	43%
Risk group*	47%	39%	41%

Note: Data from baseline survey.

\* Significant difference across evaluative groups at p=.05 or less.

## Major Life Problems

Homelessness and physical disability were the major life problems participants were most likely to report as having occurred during the three-and-a-half years since the start of the MFIP Longitudinal Study. Table 4 lists problem areas that people were questioned about. Homelessness was reported by about 3 out of 10. The barriers group was significantly more likely than the other two groups to say they had experienced a physical or mental disability in the past three years. Having a special needs child or substance abuse issues (own or another's use) did not vary significantly by category.

**Table 4. Major life problems of long-term MFIP recipients**

Life problems	Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed	26	54	98	178
Homelessness	15%	28%	33%	29%
Physical disability	15%	15%	37%	27%
Mental disability	8%	13%	27%	20%
Special needs child	23%	22%	18%	20%
Substance abuse - self	4%	7%	12%	10%
Substance abuse - other	4%	4%	12%	8%
CD treatment ever	8%	15%	19%	16%
Depression diagnosis ever	15%	30%	42%	34%
Depression score mean	11	12	14	13
Scored above cut-off*	17%	25%	34%	29%
Discrimination	31%	41%	51%	45%

\* The cut-off score was between 16 and 17; anyone with a score of 17 or higher would be a candidate for a referral.

The table also tells how many participants said they had *ever* received treatment for chemical dependency or depression and gives the results of a depression scale in the survey and the incidence of discrimination reported.

### Homelessness

More than a quarter of the participants reported that they had been homeless during the study (approximately a three-and-a-half-year period). According to MFIP case notes, some people became homeless when they were asked to leave by people they had been staying with (relative, boyfriend, or friend), had just arrived in the area from another state or another part of Minnesota, had to move out of an apartment because of problems with the building (e.g., condemned, no electricity, bad wiring) or the building had been sold, or they had been evicted (usually for not paying rent). In some cases, homelessness had been averted by money from emergency assistance or a homelessness prevention fund. In many cases, help was provided to stay in a homeless shelter or hotel.

The three-year survey (not yet released) asked about types of alternative housing people had lived in during their entire life. Table 5 summarizes the lifetime housing history of the 168 long-term MFIP recipients who answered this item. As children, some people had lived in foster homes and group homes, shelters and transitional housing, and on the

streets. They had also received residential treatment for chemical dependency and mental health and some had been incarcerated as children. As adults, one-fifth had lived in homeless shelters and one-fifth had lived in battered women’s shelters. Ten percent had been incarcerated, and nearly that number had been treated at in-patient chemical dependency programs. The last column tells where people have lived during this study (besides homes or apartments they rented or owned), reflecting the continuing problem housing poses for many long-term MFIP recipients. Forty-four percent (74 people) lived in at least one of the types of housing listed in the table as adults. The subgroups did not differ on their use of any particular type of housing or on whether they ever used any of these types of alternative housing.

**Table 5. Types of alternative housing throughout life**

<b>Housing history</b>	Housing as a child	Housing as an adult	Housing in last 3 years
Foster home	11%	1%	0%
Orphanage	0%	0%	0%
Group home	7%	0%	0%
Homeless shelter	2%	21%	11%
Battered women's shelter	3%	20%	4%
On the streets	2%	7%	4%
Transitional housing	1%	5%	5%
Physical health care facility	0%	0%	0%
Mental health care facility	1%	2%	1%
Drug or alcohol treatment facility	3%	8%	5%
Detention center, jail, or correctional facility	4%	10%	4%
Halfway house	0%	4%	2%

Note: Data from 168 participants on the 3-year survey.

## Health

More than one of three recipients (37 percent) in the barriers group said they had a physical disability during the course of the study (Table 4). Fewer than one out of six recipients (15 percent) in each of the remaining groups reported a physical disability. Fifty-seven percent of those who indicated that they had experienced a physical disability in the last three years also said they were currently not able to work because they were sick or hurt. Back problems were the most frequent type of disability (21 percent of participants with a physical disability). Arthritis (12 percent), knee or leg problems (12 percent), and diabetes (8 percent) were the next most frequently mentioned problems.

## Chemical Dependency

Ten percent reported problems with substance abuse within the previous three and a half years (Table 4). Respondents were also asked whether they had *ever* received chemical dependency (CD) treatment. Sixteen percent said they had. The likelihood of ever being in treatment did not vary significantly across groups. Eight of these participants were known to have been in jail during the study, at least four for driving under the influence (according to MFIP administrative case notes that also provided evidence that at least 10 participants had a spouse or partner in jail or prison during this time).

## Depression

One-third of these long-term recipients said they had been diagnosed with depression at some point in their lives. The barriers group had a significantly higher proportion of people who had ever been diagnosed with depression than the other two groups.

The survey included a clinical screening instrument for current depression, a five-item subset of the Mental Health Inventory.<sup>12</sup> The items ask, “How much of the time during the last month have you...?” The five feelings described are nervous, calm and peaceful, downhearted and blue, happy, and down in the dumps. A high score on the six-point scale is given for the response *all of the time* for the negative items (nervous, down in the dumps, downhearted and blue) and *none of the time* for the positive items (calm and peaceful, happy). The scale authors recommend that people with a score of 17 or above out of 30 possible points be referred for further screening.

These items were administered to 166 participants. Immigrants were excluded due to concerns about the cultural appropriateness of the items for non-English speakers. Obtained scores ranged from 5 to 30. The internal consistency reliability of the scale was high<sup>13</sup> for this group. Twenty-nine percent of the respondents scored high enough to indicate the possibility of current general depression. The depression scale category was significantly related to two other depression items in the survey. Forty-two percent of those with a high depression scale score said they had “a mental disability that makes it hard for you to work” versus 11 percent of those with a score below the cutting score. Sixty-nine percent of those with a high score versus 22 percent of those with a low score on the depression scale said they had ever been diagnosed with depression. The barriers group had a higher mean depression score than the group with better prospects and twice the percentage scoring above the cut-off score.

The current depression score was not related to any of the demographic or outcome measures that might be hypothesized to be related to depression, including working, being off MFIP, and having family income above the FPG. Nor was it related to having finished high school, being white, having a second parent in the household, or having all three risk factors at first child’s birth. And mean family income was not significantly different for those above and below the depression scale cutting score.

This is the first time a depression scale has been reported in this study. The key information may be that depression is common among long-term MFIP recipients. Comparisons will be possible across all study participants on the three-year follow-up (to be released in early 2003), the first time the scale was used in the study. Notably, depression was only mentioned for eight of these long-term participants in the MFIP administrative case notes during the course of the study, six of whom were being treated for depression.

## Discrimination

Respondents were asked if they had been treated differently in the last three years because of their race, their ethnic or cultural background, their gender, their sexual orientation, their age, their disability, their religion, their physical appearance, their family size, or for being on welfare. Nearly half of participants reported experiencing discrimination (45 percent), especially in housing (19 percent) and employment (19 percent). About 1 in 8 reported discrimination by stores (13 percent) and police (12 percent), and fewer than 1 in 10 participants reported being discriminated against by a health care provider (9 percent) or welfare agency (7 percent). Examples of reported discrimination included:

- **Housing.** Prospective landlords who were informative and pleasant over the phone would react differently when they met in person. One black participant said a landlord told her the place was rented when she got there. Another landlord did not want a Section 8 (subsidized) renter because he did not want to make repairs. Some people said they were treated differently because of family size.
- **Employment.** The ability to obtain employment was a source of concern. Some reported they were not hired because they were American Indian or they were treated differently because they were overweight. People also talked about how they were treated on the job, both by customers (giving change while working as a cashier, one person was told, "That's close enough, put the money on the table.") and by supervisors (another worker whose allergies and lack of sleep left dark rings around her eyes was asked if she was a "crackhead.")
- **Stores.** Participants reported being watched or followed in stores by sales clerks concerned about shoplifting, being treated differently when returning an item, and receiving less or hurried attention because of their race.
- **Health care providers.** The difficulty of finding a dentist who would accept Medical Assistance was a major issue for a number of participants. The process might take up to six months or they had to travel far for treatment. Several types of differential service were noted: not receiving "full service treatment" until a participant accompanied her daughter to a doctor's visit wearing her nursing assistant uniform, being verbally attacked by a dental receptionist who loudly warned that "since she was using a state medical card, she had better not *ever* miss any scheduled appointments or she wouldn't be allowed to return," or feeling "like they rush through my appointments and don't answer my questions because I am on welfare."
- **Police.** A number of incidents involving perceived mistreatment by police officers were reported. Examples of sarcastic and racially oriented remarks, and differential treatment based on race were mentioned. For example, when one U.S.-born participant was told that her child's police charges would be mailed to her, and if she was unable to read, she should get someone to read them to her.
- **Welfare agency.** Several participants reported workers with insensitive and belittling attitudes. Red tape was a problem for other respondents. There were concerns about the requirement for documentation and the need, in some cases, for legal assistance to ensure fair treatment.

## Child Maltreatment

Social services data on assessments for alleged maltreatment of children was newly available to the longitudinal study for this report, using a statewide database dating back to late 1999.<sup>14</sup> For the approximately two years up to November 2001, one-quarter of the long-term MFIP users surveyed had been subjects of assessments for maltreatment. In fifteen percent of all cases (59 percent of those assessed), the alleged maltreatment was determined to have occurred. About half of these families received ongoing child protection services to prevent continued maltreatment. As Table 6 shows, the percentages were highest for participants with the biggest barriers, with one-quarter determined to be offenders.<sup>15</sup> In the year 2000, there were 5.1 alleged offenders per 1,000 adults in Minnesota and 2.3 determined offenders per 1,000 adults in Minnesota. Therefore, there would have been 0.9 alleged and 0.4 determined offenders in any random group of 178 Minnesota adults for that one year. In this sample of 178 long-term welfare recipients, there were 46 alleged and 27 determined offenders for two years.

**Table 6. Long-term MFIP recipients with maltreatment determined**

<b>Social services</b>	Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed	26	54	98	178
Assessed for alleged maltreatment	19%	15%	34%	26%
Maltreatment determined to have occurred	8%	2%	24%	15%
Services to prevent continued maltreatment	4%	0%	14%	8%

## Family Violence

As reported in Table 10 below, only three participants had an employment services exemption because of domestic violence. Twelve people, however, had payments to battered women's shelters documented and four more had been abused but did not enter a shelter, according to MFIP administrative case notes. Thirty-six people (20 percent as reported in Table 5) said they had stayed at a battered women's shelter as an adult. Besides the obvious physical harm and the disruption to family life, these events cause problems for employment as family safety and finding new housing become the highest priorities at that time. Also, some of the abusive partners did things that directly affected employment, such as assaulting the person at the workplace.

## Welfare Issues

MFIP recipients receive a monthly notice warning them that they are approaching the 60-month time limit, telling them how many months they have left, and listing extension possibilities, starting with a special 48-month notice (described in detail on page 3). The survey asked those with 48 or more months about their reactions to the notice, as well as what happened at the face-to-face meeting if they had already participated in one. The participants' responses to the policies and interventions in the 48 to 60 month transitional period are summarized in the following sections, as well as their experiences with

employment services and, for current MFIP recipients, their current exemption and sanction status.

## 60-Month Time Limit

**48-month notice.** Almost half of the recipients (47 percent) had more than 48 counted months and had received their 48-month notice. Responses to the notice varied from expecting it and not being surprised (32 percent) to being nervous, scared, or stressed out (19 percent) to anger and panic (6 percent). Very few responses were more action oriented such as get busy and need to do more (4 percent) and need a career or go to work (4 percent). Only a few people (2 percent) reported being surprised by the notice. Ten recipients had questions about the notice, mainly about requirements for an extension. Two people asked about considerations for non-English speakers. Financial workers answered most of these questions.

**Face-to-face meeting.** Counties are required to offer recipients the opportunity for a face-to-face meeting between months 54 and 58. Thirty-two recipients (18 percent) had accumulated 54 or more counted months. Only 10 people reported being contacted by someone from the county to set up a meeting to talk about what would happen once their 60 months were used. Seven had met with county representatives in person. The others said they did not know where the meeting was or they had not made an appointment yet, and one was applying for SSI. Six of the seven who had met said the meeting was helpful. People appreciated information on available resources, suggestions or plans for work and school, and learning about ways to extend MFIP eligibility.

**Understanding of time limit and extensions.** Twenty-four percent knew the exact number of months they had used toward the 60-month limit, as Table 7 delineates. A majority of participants could tell how many months they had used within three months of their actual counted months (54 percent). Conversely, over one-third said they did not know how many months they had used and were unable or unwilling to guess, and 5 percent were more than six months off. Those who had received their 48-month notice were more likely to know how many months they had used and were less likely to underestimate the number of months they had used.

**Table 7. Accuracy of recipient estimates of months counted toward 60-month limit**

Counted months	Received 48-month notice		Had not received notice		All surveyed	
	Count	Percent	Count	Percent	Count	Percent
Count of surveyed	84	100%	94	100%	178	100%
Underestimated						
By over 6 months	0	0%	7	7%	7	4%
By 4-6 months	2	2%	3	3%	5	3%
By 1-3 months	14	17%	17	18%	31	17%
Knew exact number of months	35	42%	8	9%	43	24%
Overestimated						
By 1-3 months	12	14%	10	11%	22	12%
By 4-6 months	1	1%	2	2%	3	2%
By over 6 months	1	1%	1	1%	2	1%
Said they did not know	19	23%	46	49%	65	37%

The 48-month notice was the main source of this information (cited by 79 percent who gave a number of months). One-fourth (26 percent) said that their financial worker or job counselor told them. Only seven percent said they figured it out on their own.

Interviewers rated participants' understanding of several policy issues. They thought that 73 percent of all respondents had a good understanding of the 60-month limit. Among those who had received the 48-month notice, 78 percent seemed to have a good understanding of the notice. According to interviewers, however, only 33 percent of the participants who were on MFIP understood the categories for extension and 17 percent understood the process for getting an extension. This understanding should improve as more MFIP recipients have face-to-face meetings in the counties.

## **Employment Services**

**Help from job counselors.** Almost all of the surveyed participants said they had been assigned and met with a job counselor. Table 8 describes their experiences. Participants in the tentative and barriers groups were more likely to have been in touch with their job counselor during the last six months than people in the group with better prospects. The latter group was more likely not to have gotten together with a job counselor for at least a year.

Job search was the most frequently reported activity the job counselor helped with or provided. Transportation was a close second. Other activities mentioned were related to job search, including how to write a resume, how to interview for a job, and how to get into training. Fixing a sanction and setting up childcare were each mentioned by more than a third of the participants.

**Table 8. Experiences with employment services job counselors**

<b>Employment services</b>	Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed	26	54	98	178
Assigned to job counselor	100%	100%	98%	99%
Met with job counselor				
Within last 6 months	46%	80%	81%	75%
7-12 months ago	19%	11%	10%	12%
More than 12 months ago	27%	7%	5%	9%
Never	8%	2%	2%	3%
Job counselor helped with or provided				
Job search	67%	68%	70%	69%
Transportation	63%	60%	68%	65%
How to write resume	42%	45%	50%	47%
How to interview for job	38%	42%	51%	46%
Fix a sanction	29%	38%	51%	44%
Set up child care	38%	42%	44%	42%
Get into training	29%	34%	36%	35%
Soft skills	17%	30%	29%	27%
Find another job	25%	28%	27%	27%
Pay for training	21%	17%	23%	21%
Problems at work	13%	19%	22%	20%
Problems at school	13%	19%	14%	15%
Housing	4%	13%	17%	14%
Reading or writing skills	8%	11%	14%	12%
Clothes / clothing voucher	8%	9%	9%	9%
Support / listened / patience	8%	9%	5%	7%
How to get exemption / extension / SSI	4%	2%	3%	3%
Domestic abuse / family violence	0%	0%	4%	2%
Food / bills / insurance	0%	2%	3%	2%
Other crises	4%	2%	1%	2%
Other	0%	0%	2%	1%

**Actively looking for work in the past month.** Almost half of the long-term participants reported filling out and returning job applications to employers during the previous month, with the highest percentage in the barriers group. Table 9 quantifies their level of activity. Job applicants in the barriers group also filled out significantly more applications – averaging 12 and ranging between one and 50 – than those in the other groups. Three-fifths of job applicants had a job interview. The average number was one in the groups with better prospects and two interviews in the other groups. The most interviews anyone reported were 20 interviews. Neither the likelihood of filling out a job application, nor the likelihood of getting a job interview was related to the employment status of the participant.

**Table 9. Reported job search activities in last month**

<b>Job searches</b>	Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed	26	54	98	178
Job applications				
Percent of surveyed	35%	41%	53%	47%
Mean among applicants	4.7	6.8	12.4	10.1
Job interviews				
Percent of applicants	67%	73%	56%	61%
Mean among applicants	0.9	1.8	1.9	1.8

## Exemptions

An exemption excuses an MFIP participant from engaging in paid employment or other employment services activities for the number of hours per week that would otherwise be required to avoid a sanction. As Table 10 shows, 39 percent of these long-term participants had been exempt at some point during their time on MFIP. The barriers group was exempt significantly more often than the other groups (46 percent versus 38 percent for the group with better prospects and 26 percent for the tentative group), but there were no differences across the groups for any of the specific types of exemptions. Care of a child under age one was the most frequent exemption, given to one-quarter of these participants, and lasting an average of five months for those who had used it (out of the maximum 12 months permitted in a lifetime). The average number of exempt months of any type for the entire group was three months. In November 2001, 10 people (6 percent) were exempt.

**Table 10. Exemptions and sanctions under MFIP and in November 2001**

Exemptions and sanctions		Long-term surveyed	
		Count	Percent or mean
Count of surveyed		178	100%
Exempt ever	Any exemption*	69	39%
	Care of child under one year old	44	25%
	Ill, injured, or incapacitated for 30 days or more	17	10%
	Care of ill, injured, or incapacitated family member	9	5%
	Personal or family crisis	8	4%
	Domestic violence	3	2%
	Pregnancy complications	2	1%
	Age 60 or older	0	0%
Months exempt	Mean for child under age one exemption if used	44	4.9
	Mean of all exemptions for all surveyed	178	2.9
November 2001	Exempt	10	6%
Sanctioned ever (employment services)*		128	72%
Months sanctioned	Mean for all surveyed*	178	5.1
November 2001	Sanctioned	15	8%

\* Significant difference across evaluative groups at  $p=.05$  or less.

## Sanctions

Sanctions result in a deduction to the MFIP grant imposed for not complying with MFIP rules. Nearly three-quarters of these participants had their grant reduced sometime during their time on MFIP for not cooperating with employment services (see Table 10). People in the barriers groups were significantly more likely to have been sanctioned (80 percent versus 65 percent in the better prospects group and 61 percent in the tentative progress group). The average number of months in sanction status was five. The barriers group also had significantly more months in sanction, an average of six months versus three months for each of the other two groups. In November 2001, 15 people (8 percent of the survey group) were in sanction status. This was 9.9 percent of non-exempt people on MFIP, very close to the 10.6 percent of nonexempt cases sanctioned in the total MFIP caseload.<sup>16</sup>

## Planfulness

Welfare recipients are often perceived as having a very short-term perspective. The survey focused on several issues related to how much people on welfare thought about the imminent possibility of losing welfare as a source of income, what kinds of plans they were making to deal with this dilemma, the degree to which they felt responsible for their situation, and what kinds of long-term educational and career plans they had made.

### Post-MFIP Plans of Current MFIP Recipients

Among the 124 participants who were on MFIP as of the interview date, 71 percent said they knew the number of months they had used. Fewer than half of those who said they knew the number of months they had used had actually figured out what their last month on MFIP might be if they stayed on continuously until they used up their 60 months. There was no difference across the three groups in thinking they knew this. (As noted above, only 1 in 4 of all the long-term recipients surveyed knew the exact number of months they still had left.)

Only 9 percent of participants on MFIP thought their children would *definitely* be able to continue receiving MFIP once their 60 months had been used. An additional 48 percent thought their children *might* be able to stay on MFIP. Reasons people who were sure of their children's continued eligibility gave included the following parental actions: qualifying for SSI, working and cooperating with employment services, meeting all extension requirements, having a new baby, only needing medical and child care, and having a second parent on the case who had fewer counted months. Some could not give a reason. Generally children would only be able to continue receiving MFIP when their parents were not eligible if the parent (or both parents in a two-parent household) were eligible for SSI.

Only 30 percent of people on MFIP said they understood how they could continue to receive MFIP beyond 60 months. Even among those who had received their 48-month notice that lists extension categories, 55 percent said they did not understand the ways they could continue to receive MFIP. Over 90 percent of those who had not yet received their 48-month notice indicated their lack of understanding.

Twenty-nine percent of long-term recipients on MFIP at the time of the interview did *not* specify some grounds for their case being extended after the time limit was reached. Those on MFIP were asked whether or not each of the 60-month extension categories described to them applied to their current situation. Table 11 summarizes their responses. Being ill or incapacitated was the most common cause those with big barriers gave that might result in their MFIP being extended. Those with better prospects were the most likely to be working 30 hours or more per week and cooperating (63 percent); the other reason they gave was complying with a family violence safety plan.<sup>17</sup> Employment was also the biggest reason those with tentative progress gave that might qualify them for an extension (43 percent plus another 9 percent were working 25 hours and doing an additional five hours of work-related activities). A fifth of those in the biggest barriers

group said they were dealing with mental illness, a learning disability or low IQ. Taking care of someone who was sick or disabled occupied 14 percent of those in the tentative progress group and 10 percent of those in the biggest barriers group.

**Table 11. Possible extension situations**

<b>Reasons people thought they might qualify for an MFIP extension</b>	Better prospects	Tentative progress	Big barriers	On MFIP
Count of surveyed on MFIP	8	35	81	124
Percent of surveyed long-term MFIP recipients	31%	65%	83%	70%
No proposed reason for MFIP extension at present	38%	26%	30%	29%
MFIP extension categories				
Ill or incapacitated for 30 days or more	0%	6%	31%	22%
Working 30 hrs or more and cooperating	63%	43%	6%	20%
Learning disability / mental illness / IQ below 80	0%	3%	21%	15%
Taking care of someone who is ill or incapacitated	0%	14%	10%	10%
Complying with family violence safety plan	13%	0%	7%	6%
Working at least 25 hours plus 5 hours work activity and cooperating	0%	9%	2%	4%
Not MFIP extension categories				
Cannot find job / needs time to find good job	0%	3%	7%	6%
Cooperating / following rules	0%	6%	4%	4%
Pregnant / new baby / children	0%	0%	6%	4%
Family member needs	0%	9%	0%	2%
Hardship / in need	0%	3%	1%	2%

When asked whether there was any other reason they thought their family might qualify for an MFIP extension, participants cited need (not having a job or a good job, children or other family members to support, hardship) or said they were following the rules. None of these reasons would qualify them for an extension under current policies.

**Worry, planning, and preparation.** Nearly half of current MFIP recipients reported that they were very or somewhat worried about losing their cash assistance once their 60 months had been used. Three-fifths said they spent a lot of time thinking and planning what they would do when their 60 months are up. Table 12 shows what they have been doing to get ready for that time. Nearly everyone has been doing something (all but 2 percent). Housing assistance was considered the most important activity. Many were seeking information, both about how to get off MFIP and how to extend it. Figuring out a budget and where to get various kinds of help were also priorities for some people. Among those who were currently employed, only a few had acted to try to secure more earnings, either by increasing hours or increasing wages per hour.

**Table 12. Activities in last six months to get ready for time after 60 months of MFIP**

<b>Activities to get ready for after month 60</b>	<b>On MFIP</b>
Count of surveyed on MFIP	124
Very or somewhat worried	45%
A lot of time thinking or planning	61%
Activities to get ready	
Applied for or getting housing assistance	74%
Spoke with job counselor about help to get off	52%
Found out about services after MFIP	51%
Completed budget	47%
Found out about social services to help get off MFIP	36%
Spoke with job counselor about continuing MFIP	35%
Spoke with financial worker about help to get off MFIP	34%
Spoke with financial worker about continuing MFIP	23%
Thought about moving in with friends	15%
School or GED classes	4%
No activities	2%
Count of surveyed on MFIP and employed	43
Activities to get ready by employed	
Looked for higher paying job	20%
Looked for job with more hours	16%
Asked employer about more hours	15%
Asked about better paying job within my company	11%

The interview asked about specific activities people might be taking to prepare for their future (see Table 13). Three-quarters thought they knew how much money they would need each month to make ends meet. The actual amount they specified ranged from \$350 to \$3,000. In terms of their November 2001 family income, that was between 13 percent and 520 percent of the amount they were currently living on. In terms of the Federal Poverty Guideline for their size family, the amount they specified was between 48 percent and 420 percent of the FPG for 2001 for their family size.

Fifty-nine percent thought they would get off MFIP before the time limit was up in less than two years. These people planned to find a job (39 percent of participants still on MFIP), work more hours, perhaps up to full-time (7 percent) or keep working at their current job (6 percent). Some said they would go to school and then get a job (11 percent), get a GED, high school diploma, or an education (5 percent), or address other barriers such as transportation or health care (7 percent). Eight percent said they planned to apply for SSI. More than half had considered stopping their cash grant to save some of their 60 months for the future.

Two out of five participants indicated that the county could do nothing to help them leave MFIP. Help finding a job (22 percent) was mentioned most often as the type of help desired from the county. Other targets of desired help included school, childcare, and housing and other expenses.

The 41 percent who did not think they could get off MFIP explained that they had health problems, could not find work, needed an education or were currently in school, or simply that they did not have enough income.

More than half had a plan for how they would pay for living expenses once MFIP ended for them. For a third, there was the prospect of help from a family member or friend, most often parents. Other ideas for what to do to cover expenses after MFIP ended included job-related activities such as finding a job or working more hours, becoming a foster parent, borrowing money, budgeting better, reducing housing expenses, selling goods in the cash economy, and relying on charity or emergency assistance. Over 40 percent said they did not know anything to do or would do nothing.

**Table 13. Financial planning for the future**

<b>Planning for after time limit</b>	<b>On MFIP</b>
Count of surveyed on MFIP	124
Knew amount needed each month	77%
Believed definitely or probably would get off MFIP	59%
Had plan for living expenses after MFIP	57%
Considered stopping cash grant	55%
Knew someone who would help after MFIP	34%
Parents	12%
Partner / boyfriend / fiancé	8%
Extended family	6%
Brother	3%
Children	2%
Children's father	2%
Husband	2%
Friends	2%
Other	1%

### **Planning and Preparation by All Long-term Recipients**

The interviewers were asked to rate the participant's level of planning for the future after MFIP and the participants' level of preparation if they thought they had enough information. Table 14 summarizes their judgments. While two-thirds of those in the group with better prospects had a well thought-out plan, about three-quarters of those in each of the other two groups either had done only some or little planning. One in 6 of all long-term recipients had done little or no planning, and 1 in 4 had taken no action at all. One-sixth were considered well-prepared (including two-thirds of those with better prospects), and a majority had at least taken some actions.

**Table 14. Level of planning and preparation as rated by interviewer**

<b>Planning and preparation</b>	Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed	26	55	91	172
Well thought-out plan	68%	15%	1%	15%
Some plans	8%	40%	26%	28%
Started to think about it	20%	36%	50%	41%
Little or no planning	4%	9%	23%	16%
Well prepared	65%	16%	2%	16%
One or more steps taken	19%	71%	65%	60%
No action	15%	13%	13%	24%

One of the ways low-income people prepare for hard times is by knowing where to get help. Most of these long-term recipients knew where to get a variety of help for their families. Table 15 tells how many knew where to find various services.

**Table 15. Knowing how to find services**

<b>Knowledge of how to get services</b>	All surveyed
Count of surveyed	178
Housing assistance (public or subsidized housing)	93%
Energy or heat assistance	93%
Food shelf	93%
Free or reduced school lunches	92%
Battered women's shelter	86%
Homeless shelter	83%
Social services to help with family problems	81%
Help for drug or alcohol problem	81%
Help paying for child care	80%
Free or low-cost legal service	78%
Free or nearly free clothing closet	75%
A free or low-cost community clinic	67%

**Locus of control and responsibility.** The survey included the items about participants' attitudes toward themselves, life, work, and jobs listed in Table 16. (Immigrants were not asked these items because non-native English speakers have some difficulty understanding them.) The first group of items was taken from the Perceived Mastery Scale.<sup>18</sup> Nearly everyone (98 percent) agreed that their future depends on themselves and relatively few thought that they had little control over things that happen to them (78 percent disagreed with this statement). The mean number of agreements with positive statements and disagreements with negative statements was 5.6 out of 7 possible. There were no significant differences across the evaluative groups or between whites and non-whites or between high school graduates and those who had not finished high school. Those who scored high on the depression scale, however, also scored significantly lower on the mastery scale (4.2 compared to 6.2).

**Table 16. Feelings of mastery and attitudes about work**

<b>Beliefs about self, life, work, and jobs</b>	All surveyed citizens
Count of surveyed citizens	166
Mastery	
What happens to me in my future mostly depends on me.	98%
There are things I can do to change important things in my life.	95%
I can do just about anything I really set my mind to.	90%
Sometimes I feel that I'm being pushed around in life.	39%
I often feel helpless in dealing with the problems of life.	34%
There is really no way I can solve some of the problems I have.	27%
I have little control over the things that happen to me.	22%
Attitude toward job search	
I am totally responsible for finding my own job.	89%
Working for pay is one of the most important things a person can do.	78%
Getting a job often depends on being in the right place at the right time.	48%
People who find jobs often do so by luck.	23%
I think a job counselor's job is to find me a job.	15%

The items about attitudes toward jobs and job search were taken from a number of different sources, and were intended to address the idea of being responsible for one's work life. Most see work as a positive value. Only the last item showed significant differences across the evaluative groups, with nobody in the group with good prospects agreeing, but 14 percent of the tentative group and 20 percent of the more challenged group expecting job counselors to find them jobs.

**Goals and plans.** About half of participants who were still on MFIP (52 percent) believed they had the right education or training to get a job that would get them off MFIP; 45 percent of respondents thought they needed more education or training. One-third of those who anticipated needing more education wanted to complete high school or a GED, and 1 in 4 wanted to earn a technical or business certificate. Other goals included general computer skills training, completing a college degree, taking clerical classes, learning to read and speak English, nursing training, and getting a driver's license.

Most of these long-term recipients could name a job they would like to be doing in five years (83 percent). The most popular fields were medical positions (19 percent) like certified nursing assistant, licensed practical nurse, medical or dental assistant, and x-ray technician and office positions (19 percent) like administrative assistant, general office worker, and customer service. A tenth aspired to professional careers like social worker, teacher, accountant, writer, or lawyer and another tenth to work as a skilled or general laborer. Several wanted to work with each of the following: children, computers, food, and personal services. A few wanted to manage or own a business. Finally, there were some specific jobs proposed in entertainment and sales.

## Economic Factors

This section presents information people gave us about their economic situation, including their income (from employment, MFIP, and other sources), their financial assets, and their expenses.

### Employment

As discussed above and also shown in Table 17, half of these long-term MFIP recipients were working in November 2001. Work was especially common among those whose prospects looked favorable (85 percent) – working being one indicator for this judgment. Thirty-two percent of those with considerable barriers to self-sufficiency were nevertheless working, far fewer, however, than in the other two groups. From the total group, five people had more than one job, and four were self-employed, all in child care.

**Table 17. November 2001 employment and work activities of long-term MFIP recipients**

Employment	Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed	26	54	98	178
Working	85%	70%	32%	51%
Working 40 hours or more	54%	24%	7%	19%
Work activities	12%	30%	24%	24%
Job club	4%	13%	16%	14%
Postsecondary	8%	6%	2%	4%
GED	0%	6%	2%	3%
Vocational	0%	4%	2%	2%
ESL	4%	2%	2%	2%
ALC	0%	2%	0%	1%
Any work or work activity	92%	81%	52%	67%
Family working rate	88%	74%	35%	54%

**Hours worked.** Fewer than half of those employed were working at least 40 hours per week (19 percent of all), significantly more in the group with better prospects than in the other two groups. The main reason workers gave for working less than 40 hours was that they could not get more work hours (three-quarters of part-time workers said this). Their main explanation was that their employer only offered part-time work. Several said their hours had been cut due to lack of business or their employer defined full-time work as less than 40 hours per week. Other reasons for part-time work included attending school concurrently, wanting to care for their children, medical limitations, child care problems, and pregnancy.

**Unemployed.** There were only two people who had never worked and three who could not remember the last time they had worked, all five in the barriers group. Of the rest of the unemployed, 80 percent had worked since the start of 2000. There was no difference across the groups (regardless of employment status) in having quit a job in the past (41 percent), although there was a difference in having another job lined up when they quit, to be discussed in the section on planfulness.

By far the most frequent reason people gave for not working was a physical or mental health problem (47 percent). Not being able to find a job (17 percent), wanting to care for their own children (14 percent), school or training (10 percent), and housing problems (7 percent) also kept some people from working. A variety of problems kept four or fewer people each at home: pregnancy, problems with child care, transportation, the health of a family member, unwillingness to work, lack of English proficiency, a family crisis, chemical dependency, and incarceration. These reasons are nearly identical to the unemployment causes and their incidence reported for all those surveyed in the *Recipient* sample in the 24-month survey period, except that the percentage with a health problem was higher for the long-term participants (47 percent) than for all surveyed at two years (30 percent).

**Types of jobs.** Service jobs (49 percent) and clerical or sales jobs (41 percent) together were even a larger share of employment than in the total study sample (four-fifths at baseline and two years). The most common service job class was food preparation or serving. More than twice as many did this as either medical aide or housekeeping or school aide; a few each did child care, personal care, and school bus driving. More worked in offices than selling. There were a few laborers (8 percent) and two professionals, one newly trained and the other caring for an incapacitated family member.

**Work activities.** One in 4 said they were involved in training, education, or a formal job search activity in November 2001 (Table 17). Job club was by far the most common activity overall (14 percent) for the tentative and barriers groups. Eight percent of the better prospects group were in post-secondary education, in fields including nursing, accounting, x-ray technician, website design, visual arts, and information technology support. Some people in each of the other groups were also in these activities. Significantly fewer people in the barriers group (52 percent) had any work, training, education, or job activity in November 2001 than in the other two groups.

The rest of this section reports data on work and work activities from the Department of Economic Security (DES) from the start of MFIP through November 2001. Nearly all of these long-term recipients (97 percent) had an initial assessment by an employment services provider since originally enrolling in MFIP. A secondary assessment<sup>19</sup> to determine barriers to employment had been reported for 60 percent (compared with 36 percent of all in the total *Recipient* sample at month 24). Ninety-one percent had been involved in formal job searches. Training and education (30 percent for up to 12 months, 9 percent for 13 to 24 months), GED classes (20 percent), English (ESL or ELL) classes (6 percent), Adult Basic Education (5 percent), and high school (5 percent) had provided formal learning. Eleven percent had received social services as part of an employment plan.

There were no significant differences among the three groups in utilizing any of these employment services. Significantly fewer people in the big barriers group, however, had ever reported unsubsidized employment to their job counselor or employment services provider, 79 percent compared with 96 percent in each of the other two groups.

For the total group, 26 percent were *unaccounted for*, people who are neither working, nor in work activities, nor exempt from employment services, nor in sanction for not cooperating with employment services, very close to the 24 percent unaccounted for the total state caseload in November 2001.

**Second parents and employment.** Exactly half of the second parents in the household (9 of 18) were employed. Because this number was small, there was only a minor increase in the family employment rates over those of just the study participants, with 54 percent of all families having an earner, compared to 51 percent. The second parents who were not working gave a variety of reasons: not being able to find work, seasonal work, not wanting to work, their own or a family member's health problem.

## Income and Assets

Earnings of the participants and the second parents are listed in Table 18, along with other components of family income: public assistance, child support, and other unearned income (for example, SSI or unemployment insurance). These amounts are for one month and cannot be reliably annualized because many who were workers that month did not work every month or the same number of hours every month they were employed during the year.

**Table 18. November 2001 income and assets for long-term MFIP recipients**

Income and assets		Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed		26	54	98	178
Family income	Total income in review month	\$1,866	\$1,657	\$1,116	\$1,390
	Earnings of participants	\$1,229	\$770	\$212	\$530
	Earnings of 2nd parents	\$105	\$80	\$31	\$56
	Public assistance	\$423	\$630	\$719	\$648
	MFIP cash	\$165	\$293	\$373	\$318
	MFIP food portion	\$216	\$285	\$290	\$277
	Other programs	\$42	\$52	\$56	\$53
	Child support received	\$49	\$91	\$66	\$71
Other unearned income	\$61	\$85	\$89	\$84	
Average percent of Federal Poverty Guideline (FPG)		137%	125%	83%	103%
Poverty rate (% below FPG)		15%	37%	75%	55%
Above 200% FPG		8%	9%	0%	4%
Supports	Food shelf	13%	20%	19%	19%
	Free or reduced school lunch	87%	90%	80%	84%
	Energy assistance	39%	41%	44%	42%
	Earned Income Tax Credit for 2000	83%	63%	44%	55%
	Child support	27%	37%	29%	31%
Bank accounts	Checking	50%	26%	12%	22%
	Savings	35%	19%	6%	14%
	Neither	35%	63%	83%	70%
Car ownership		42%	30%	33%	33%
Home ownership		8%	6%	1%	3%

Sources: DHS administrative data for public assistance and car ownership and survey for all else.

**Income.** The two primary income sources were MFIP and personal earnings. MFIP cash and food averaged \$595 per family and was highest for the barriers group. Participant's earnings averaged \$530 per family, but average earnings were far higher for the group with better prospects (by nearly six times over the barriers group). Family earnings plus child support represented 74 percent of family income for the group closest to self-sufficiency, 57 percent for the group making some progress, and 28 percent for the group with the greatest barriers. Earnings and child support – the amount of income available to the family potentially for leaving MFIP – was 47 percent of family income for all surveyed here compared to 63 percent for all surveyed at month 24 of the study. Child support was not much different from what was reported for the total sample in month 24, in terms of proportion receiving any (31 percent) and average amounts, with no significant differences across the subgroups. (There also was no difference between one-parent families – 31 percent getting child support – and two-parent families – 28 percent.) While \$0 was the median amount received (123 of the 178 families got nothing), 13 families got less than \$100, 39 between \$100 and \$500, and three more than \$500 in November 2001. The other public programs included as income were stand-alone food support (formerly food stamps), General Assistance, and Emergency Assistance. Unearned income was primarily from SSI.

**Other supports.** About one-fifth of the families used a food shelf in a typical month (19 percent). Most families (84 percent) were able to supplement their budget with free or reduced school lunches for their children during school year 2000 to 2001, and 42 percent got fuel or energy assistance for the winter of 2000 to 2001. The groups differed on receipt of the Earned Income Tax Credit for tax year 2000 (55 percent), with fewer in the barriers group getting this refundable credit, mainly because a lower percentage worked during the year 2000.

**Poverty.** The average family surveyed consisted of one parent and 2.5 children. The 2001 Federal Poverty Guideline (FPG) for this family of three was \$14,630 annual income (\$1,219 per month). For a family of four, the FPG was \$17,650 (\$1,471 per month). As Table 18 shows, the average family surveyed was living at the poverty line for their family size. Family income was below the poverty line for 15 percent of the group with better prospects, 37 percent of the group making tentative progress, and 75 percent of the group with the greatest barriers. Basic budgets computed by various organizations hold that income around twice the FPG is needed to provide a family with its basic needs.<sup>20</sup> Around 1 in 10 families in each of the first two groups had income at least 200 percent of FPG, and none in the barriers group.

**Assets.** Applicants for family assistance must have assets below a certain level to be eligible (\$2,000 excluding equity in a home and a car with a loan value of no more than \$7,5000 in 2001). Accumulating assets is problematic when meeting current expenses presents a challenge. Seventy percent of these participants had neither checking nor savings accounts. Table 18 gives banking rates for the subgroups. According to administrative records, 59 participants owned or were buying cars, the median model

year being 1989. This was one-third of all long-term recipients. Three percent reported they owned or were purchasing their home.

## Expenses

Housing is a major expense for most families, and affordable housing was especially hard to find in a rental market with an extremely low vacancy rate (around one percent in 2001). Table 19 gives shelter costs, types of ongoing expenses beyond food and clothing, and how many were not able to pay all bills in November 2001.

**Housing.** More than half of the 178 long-term MFIP recipients – and also a majority of each of the three subgroups – were living in public or subsidized housing in November 2001. Around one-third of each subgroup were living in unsubsidized rentals. A few were homeowners, as noted in the section on assets. Other types of housing included caretaking in lieu of rent, hotels, and shelters. Housing costs (rent or mortgage plus utilities) averaged \$350 and were highest for the group doing better than for the others. Nearly half of that group, however, was paying more than 30 percent of their income for housing.

**Other ongoing expenses.** Three-quarters had basic phone service, including nearly all in the better prospects group, but only 70 percent of the barriers group. About 1 in 5 (18 percent) had no phone service at all (wired or wireless). More people had expenses for operating and maintaining a car than owned cars; the survey asked about access to a

**Table 19. November 2001 expenses for long-term MFIP recipients**

Expenses		Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed		26	54	98	178
Housing type	Subsidized or public housing	54%	59%	55%	56%
	Unsubsidized rental	39%	35%	34%	35%
	Purchasing / own home	8%	6%	1%	3%
	Lived free with relatives or friends	0%	0%	5%	3%
	Other	0%	0%	5%	3%
Housing costs		\$543	\$339	\$303	\$350
Percent paying > 30% of income for housing		46%	21%	38%	34%
Basic phone		96%	82%	70%	78%
Transportation by car					
	Gas and maintenance	50%	50%	38%	43%
	Insurance	42%	43%	29%	35%
	Loan	19%	11%	7%	10%
Health insurance		31%	4%	1%	6%
Child care		12%	22%	5%	11%
Debt payment	Credit card	35%	24%	8%	17%
	Other loans	12%	19%	9%	12%
Extras	Long distance	42%	32%	29%	32%
	Cell phone	31%	26%	21%	24%
	TV cable	54%	50%	42%	46%
	Internet	46%	15%	12%	18%
	Paid for internet connection	27%	13%	9%	13%
Did not pay all bills in November 2001		15%	13%	19%	17%

reliable car rather than ownership. (Table 18 showed 33 percent owned cars, but Table 19 listed 43 percent paying for gas and maintenance expenses.) Health insurance premiums are primarily an issue for the employed. One-third of those in the better prospects group had this expense, but very few in the other groups. Only about 1 in 10 were paying for child care. Payment on credit card debt and other loans was least common for those in the barriers group; the groups with more income were more likely to have debt. The most common “extra” was cable television, then long distance calls, and cell phones. Some long-term MFIP recipients had connected to the Internet, especially in the better prospects group that was also more able to find free access.

## Current Strengths and Dreams for the Future

The survey ended on what was intended to be an upbeat pair of questions focused on two positive areas: the person’s strengths and assets that helped her get along in life and her hopes and dreams for the kind of life she might have five years in the future. These questions were open-ended, so people were free to mention the characteristics and desires that were most important to them. Table 20 summarizes their responses.

### Strengths and Assets

Nearly everyone (all but 6 percent) had positive things to say about themselves when they were asked the following questions: “What do you consider your most important strengths or assets? What special abilities or skills do you have that help you get along each day?” Participants were free to give as many responses as they wanted. More than half noted personal traits, that they were patient, able to cope, not a quitter, motivated, independent, outspoken, cheerful, ambitious, friendly; these were the most frequent traits of the many mentioned.

**Table 20. Strengths and dreams volunteered in response to open-ended questions**

<b>Strengths and dreams</b>	Better prospects	Tentative progress	Big barriers	All surveyed
Count of surveyed	26	54	98	178
Strengths and assets				
Personal traits	50%	46%	55%	52%
Social skills	31%	26%	36%	32%
Work ethic	31%	24%	9%	17%
Job skills	23%	15%	10%	13%
None	4%	2%	8%	6%
Hopes and dreams				
Good job	46%	54%	48%	49%
Owning a home	42%	37%	23%	30%
Children doing well	15%	26%	21%	22%
Enough money	4%	17%	26%	20%
Getting married	23%	7%	9%	11%
Getting a car	8%	9%	9%	9%
Good health	4%	7%	11%	9%
More education	12%	9%	5%	7%
Stable life	0%	4%	9%	6%
Nothing	4%	6%	7%	6%

Social skills – such as getting along well with people, being a people person, good communicator, working well with people, good listener, nice, and helpful – were the next most popular type of responses, contributed by a third of the participants.

People in the group with better prospects were more likely to bring up work-ethic issues than the group with the biggest barriers, but this may have been because they were more likely to be in the workplace. One in 6 of these long-term recipients talked about working hard, liking to work, going to work every day, being a good worker. One in 8 brought up job skills, especially being a quick learner and computer skills. Some people said they got strength from other people (15 percent), most from their own children, and nearly as many spoke about being a good mother. Nine people mentioned prayer or faith, and there were unique responses about liking to walk, to draw, and to write poetry.

## Hopes and Dreams

Nearly everyone talked about what they wanted out of life (again, all but 6 percent) when they were asked, “When you think of your life five years from now, what kind of hopes or dreams do you have?” They volunteered their most cherished goals. For half, this was a good job, a better job, a steady job. This was true across the three groups. Note that if asked directly whether they wanted a good job, *more* than half would likely have said yes. Thirty percent dreamed of owning their own home, including nearly half of those in the group with better prospects. Housing was on people’s mind; an additional 7 percent talked about wanting a better place to live or an apartment of their own. One in 5 were anticipating their children doing well, being happy, healthy, safe, staying in school, going to college, or succeeding out on their own. Having enough money was uppermost on the minds of many, especially those who had the least. People wanted to be self-sufficient, self-supporting, financially secure, debt-free, have money in the bank, have enough to take a vacation. One in 9 volunteered that they were hoping to get married. Getting a car, good health, more education, and a stable life were each mentioned by more than 10 people. There were many other dreams, such as moving someplace else, starting a business, getting off welfare, learning to drive, feeling safe, managing stress better, traveling, learning English, not being married, meeting a rich man, and world peace.

Here are some individuals’ dreams.

- Better home, better car, better job.
- Becoming a licensed carpenter and building my own home.
- Becoming a nurse and having my daughter graduate from high school and go to college.
- Hope to be self-sufficient and not have to worry about basic needs.
- Be happy, sober, and healthy.
- Healthy children, stable career, good car, comfortable – don’t expect to be rich.
- Married, having a home, both of us employed, having a comfortable life with enough money to get by.
- Real education and a real job, not a cashier but a professional job that pays good wages.
- A full-time job with good benefits, happy and comfortable with my kids.

## Appendix: 2001 FPG and Maximum MFIP Grants by Family Size<sup>21</sup>

Family size	Federal Poverty Guideline (FPG)		Maximum MFIP monthly grant
	Annual income	Monthly income	
1	\$8,590	\$716	\$366
2	\$11,610	\$968	\$651
3	\$14,630	\$1,219	\$831
4	\$17,650	\$1,471	\$981
5	\$20,670	\$1,723	\$1,113
6	\$23,690	\$1,974	\$1,265
7	\$26,710	\$2,226	\$1,381
8	\$29,730	\$2,478	\$1,522
9	\$32,750	\$2,729	\$1,661
10	\$35,770	\$2,981	\$1,794

## Endnotes

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<sup>1</sup> Data include both the 42-month survey and administrative data extracted from the DHS data warehouse.

<sup>2</sup> Maximum MFIP grants by family size are listed in the table in the appendix. These grants provide two-thirds or less of the Federal Poverty Guideline amount.

<sup>3</sup> Actually the earnings from two months before (retrospective earnings) are usually used in figuring the grant because earnings must be verified, typically with pay stubs.

<sup>4</sup> Reasons to be exempt from work and work activities include being age 60 or older; taking care of a child under one year old (12 months maximum exempted in lifetime); being needed in the home to care for another household member due to a professionally-certified illness or disability; suffering from a professionally certified illness, injury, or disability expected to continue for more than 30 days; having an adult or child in the household who meets certain disability or medical criteria; pregnancy if professionally certified as a disability preventing employment; and a personal or family crisis preventing participation in the program.

<sup>5</sup> Counties can impose 100 percent sanctions as of March 2002. The initial sanction for non-compliance with child support is 25 percent.

<sup>6</sup> In 2001, state funds paid for cases of legal immigrants and those with two eligible parents and TANF funds paid for all other cases.

<sup>7</sup> Time limit exemptions “stop the clock” for that month. The only federal time limit exemption is for people living on an Indian reservation with a high “not employed” rate. State time limit exemptions can be given for being over age 60, a family violence victim with an alternative employment plan, or a high school student under age 20.

<sup>8</sup> MinnesotaCare is a sliding fee, state-subsidized health care program for low-to-moderate-income Minnesotans. It is funded in part by the federal State Child Health Insurance Program (SCHIP).

<sup>9</sup> Medical Assistance (MA) is Minnesota’s Medicaid program.

<sup>10</sup> The General Educational Development Equivalency Certificate (GED) is an alternative to a high school diploma that students who have dropped out of high school can earn.

<sup>11</sup> Significant tests were not conducted for variables used to decide group membership.

<sup>12</sup> Bersick, D.M., Murphy, J.M., Goldman, P.A., Ware, J.E., Barsky, A.J., & Weinstein, M.C. *Performance of a five-item mental health screening test*. Medical Care, February 1991, Vol. 29, No. 2.

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<sup>13</sup> Cronbach's alpha = 0.86.

<sup>14</sup> Alexandra Beutel of DHS provided child protection data from the SSIS database. This database became functional statewide in 1999.

<sup>15</sup> Only the differences between the tentative progress group and the big barriers group were statistically significant.

<sup>16</sup> *Characteristics of December 2001 Minnesota Family Investment Program Cases and Eligible Adults*. Minnesota Department of Human Services, May 2002.

<sup>17</sup> Starting October 1, 2001, an alternative employment plan was required for all victims of domestic violence.

<sup>18</sup> Pearlin, L. and C. Schooler, The structure of coping. *Journal of Health and Social Behavior*, 1978, Volume 19, pages 2-21. An agree/disagree format was used, with one point given for each agreement with a positive statement or disagreement with a negative statement.

<sup>19</sup> Beginning in February 2002, screening for mental health, chemical dependency, and learning disabilities is required at the secondary assessment for all MFIP participants. The secondary assessment is supposed to be done after eight weeks of unsuccessful job search or sooner if the job counselor thinks necessary. At the time of this study, counties and providers varied in what constituted a secondary assessment, when or how it was done, and whether it was reported to DES. The client may or may not have been aware of the secondary assessment.

<sup>20</sup> For example, in Minnesota, the JOBS NOW Coalition developed "basic budgets" contingent on family composition through research on the local economy. According to their research (*The Cost of Living in Minnesota: The Job Gap Family Budgets*, St Paul, MN, 2001), a Minnesota family with one working parent and two children would have needed \$34,032 in the year 2000 to meet basic needs such as food, shelter, health care, child care, transportation, and clothing (excluding such items as savings, eating out, and vacations). The Minnesota House Research Department published a report (*Basic Needs Budgets for Custodial and Noncustodial Parents*, St. Paul, MN, 1999) which pegged the amounts needed for a no-frills standard of living for a single working parent with two young children requiring child care and not on MFIP at \$36,161 in the Twin Cities metropolitan area and \$21,426 outside the metropolitan area in 1999. For comparison, the median 2000 family income was \$68,600 in the Twin Cities metro area, \$44,800 in the nonmetro area of Minnesota, and intermediate amounts in other metro areas (*Legislative Fact Book* by Minnesota House Research, St. Paul, MN, January 2001).

<sup>21</sup> Sources are DHS Bulletin #01-69-01 for the FPG and DHS Bulletin #01-07-06 for the MFIP transitional grant amounts, both available on the DHS website at [www.dhs.state.mn](http://www.dhs.state.mn).

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## Contributors

*The following staff contributed their efforts to make this report possible.*

- Ramona Scarpace . . . . . Director, Program Assessment and Integrity Division  
(PAID)
- Karen Green Jung . . . . . Longitudinal Study Project Manager, PAID
- Sue Wruck . . . . . Data Analysis Supervisor, PAID
- Scott Chazdon . . . . . Manager for Results Initiative, County Performance &  
Evaluation
- Leslie Crichton, Ph.D. . . . . Senior Research Analyst, Program Assessment and  
Integrity Division, Co-Author
- Vania A. Meyer, Ph.D. . . . . Senior Research Analyst, Program Assessment and  
Integrity Division, Co-Author
- Alexandra Beutel . . . . . Community Services Program Evaluator, Children’s  
Research, Planning, and Evaluation Division
- Jeanne McGovern Acuña. . . . Coordinator of survey design, second party reviews, and  
training
- Connie Freed. . . . . Coordinator of survey implementation and instruction
- Joan Glander. . . . . Development of database and data entry system
- Sharen Johnson. . . . . Data entry, verification, case tracking, and data collection  
from county child care offices
- Judy Howe. . . . . Data entry and verification
- Jim Allard. . . . . Case tracking for issuance of gift certificates for study  
participants
- Dorothy Richardson

Staff who conducted surveys and administrative file reviews for purposes of this report:

Nan Anderson  
Gail Beckman  
Connie Freed  
Jan Hermanson  
Jan Johnson  
Pat Saari  
Barbara Tollefson

Mary Bauck  
Patricia Bell  
Melissa Hansen  
Dorie Hofmeister  
Laural Rieckman  
Mary Springborn  
Steve Zauhar