

Welfare Reform in California

In: Frame, L. et al., (2001). CalWORKS and Child Welfare: Case Management for Public Child Welfare Workers. Berkeley, CA: Child Welfare Research Center.

Instructional Guide to Chapter II

Purpose:

- To provide an introduction to welfare reform as it is being implemented in California.

Content:

- A description of CalWORKs and Alameda County's program, specifically, provide the backdrop for the remainder of the curriculum.
- Table 1.1, "Sample Calculation of Monthly Income," gives examples of welfare and employment income calculations and compares the total monthly income of sample families at different wage rates.
- Table 1.2, "CalWORKs Payment Standards," provides a realistic look at the level of benefits that families of different sizes might receive under the current system.

Use:

- This section of the curriculum is meant to be used as background material for the instructor.
- This section may be required reading for students to insure that all students have some familiarity with welfare reform in California.

Teaching Aids:

- Possible questions for discussion are included at the beginning of this chapter.
- An in-class activity: Imagining Welfare-to-Work helps students gain a deeper understanding of welfare reform.
- Additional activities for outside the classroom are provided at the end of the chapter.

This chapter can be used to foster the following curriculum competencies:

- 2.5 Student has knowledge of the special characteristics and situations of the low income family and the single parent family.
- 3.13 Student has knowledge of and understands how to work collaboratively with other disciplines that are routinely involved in child welfare cases.
- 3.24 Student understands the strengths and concerns of diverse community groups and is able to work with community members to enhance services for families and children.
- 5.1 Student effectively negotiates with supervisor and professional colleagues, systems and community resources to further accomplish professional, client, and agency goals.
- 5.3 Student can understand client and system problems from the perspective of all participants in a multidisciplinary team and can assist the team to maximize the positive contribution of each member.
- 5.6 Student can effectively use advocacy skills in the organization to enhance service delivery.

- 5.8 Student demonstrates a working knowledge of the relationship process of accessing community resources available to families and children; utilizes them appropriately and updates as necessary.
- 6.2 Student demonstrates knowledge of specific laws, policies, court decisions and regulations essential to child welfare services.
- 6.7 Student can identify how the legislative process impacts agency policies, procedures and programs.

What is Welfare Reform?

A Brief Description of California's CalWORKs

Welfare, as we know it today, is a system that provides cash assistance to qualifying low-income families on a time-limited basis, with the intent of transitioning parents into the labor force. Parents must meet a number of behavioral requirements such as participating in work-related activities, immunizing their children, and cooperating with child support enforcement. The failure to meet these requirements results in a loss of financial benefits through sanctions and penalties. Since the passage of PRWORA, federal funding is now structured in the form of block grants to states, and TANF dollars may be spent on a range of child welfare services. One implication of this block granting arrangement is that while certain aspects of welfare are federally mandated, individual states may also choose to implement more restrictive features such as specific penalties for parental non-compliance, or in some cases they can implement more expansive, supplemental programs.

California is among a handful of states that have the most lenient time limits and sanctions in place (Pavetti & Bloom, 2000). For example, California families with work-related sanctions have only the “adult portion” of their grant reduced – whereas Federal law allows states to eliminate the entire family’s cash grant amount. Thus, the “child only” grant protects families from losing their entire income source. In addition, California’s welfare system is county administered, and thus not only does the California Work Opportunities and Responsibility to Kids (CalWORKs) program differ from the welfare programs in other states, but CalWORKs’ provisions vary to some extent between California counties. Counties in California “differ tremendously with respect to status of local economies and labor markets, caseload size and characteristics, expenditures on welfare-related services and approaches to decision-making and implementation” (California Budget Project, 2000, p. 4). Still, a number of key features of CalWORKs are statewide, and are listed below.¹

- * Families on aid at the time of the county's implementation of CalWORKs are limited to 24 consecutive months of cash assistance; "new" applicants are eligible for 18 months with a possible 6-month extension. There are two exceptions to this: (1) there is no job available, or (2) the individual is engaged in unsubsidized employment or community service. After a one-month interruption in financial assistance, a participant may again be eligible. Both single-parent and two-parent CalWORKs families are subject to the national five-year "lifetime" limit on aid for adults. As noted above, in California families can continue to receive a "child-only" grant for eligible children, in the form of cash or vouchers. Certain individuals (e.g., kin caregivers, disabled adults) are exempt from the lifetime limit.

- * Single parents or caregivers must participate in work activities such as a job search, job training, community service, or paid employment for at least 32 hours per week to receive the full assistance amount, unless they are exempt. Adults in 2-parent households must be involved in 35 hours per week of welfare-to-work activities. Noncompliance results in sanction of the "adult portion" of the family's cash grant.

- * Welfare-to-work activities generally include an orientation and a four-week job search, after which participants who have not obtained employment may receive an individualized assessment of work history and skills. This is accompanied by a welfare-to-work plan that specifies work activities and supportive services. These activities may include employment in the public or private sector, selected educational opportunities that are directly related to employment, and/or mental health, domestic violence, or substance abuse treatment if necessary.

- * By federal law, 20% of the state's caseload can be exempt from work activity requirements. Under CalWORKs, exempt individuals can include those who are disabled, older caregivers and caregivers of disabled family members, kinship caregivers of foster children, or parents of infants under 6 months old. Teen

mothers under 18 who enroll in a teen parent program (such as CalLearn), some pregnant women, and those deemed to have “good cause” for nonparticipation are also included. Participants experiencing mental health problems, domestic violence or substance abuse issues can be excused from work activities for a specified time period (e.g., six months), if good cause is determined. These participants can receive special services to support their eventual transition from welfare to work.

- A formula is applied by which family cash grants are allocated, in relation to the number of children and adults receiving assistance, and the amount of employment earnings. Families are allowed to keep a proportion of their employment income (called the “earnings disregard”), in addition to an adjusted TANF grant.

Table 2.1

- * California's welfare laws include a "family cap": No additional benefits are provided for children born while parents are receiving TANF.
- * Counties may choose to utilize lump-sum "diversion payments" in an effort to prevent families from entering CalWORKs.
- * Preschool children must be up to date on their immunizations, and school age children must enroll in and attend school regularly for the parent or caregiver to avoid financial penalties. Unless good cause can be established, applicants and recipients must also cooperate with paternity establishment for the purposes of child support enforcement. The penalty for this form of noncooperation is a 25% reduction in the family grant amount. Adults whose grants have been penalized (unlike those sanctioned for noncompliance with welfare-to-work requirements) must still participate in work activities.
- * Adults with a felony drug conviction after 1/1/98, or who are convicted of certain types of welfare fraud, are permanently denied their portion of the cash assistance amount. (Some fraud convictions result in time-limited denials for cash assistance).
- * Child care is subsidized for families participating in welfare-to-work activities, and certain other expenses such as transportation to work, and uniforms or dress clothes for employment, are covered.
- * Eligibility for TANF, MediCaid, Food Stamps and SSI have been restricted for legal immigrants.ⁱⁱ

CalWORKs in Alameda County, California

The CalWORKs program in Alameda County includes: (1) Eligibility/intake; (2) Orientation; (3) Appraisal (initial assessment of participants' needs and skills); (4) Benefits (Medi-Cal, food stamps, cash-assistance); (5) Support services (e.g., transportation, child care); (6) Diversion, Cal-Learn, job workshops, or approved welfare-to-work activity (can include treatment for substance abuse, mental illness, or domestic violence); (7) Case management; (8) Individual welfare-to-work plan and; (9) Assessment (a more thorough assessment of participants' skills following job workshops, for participants who have not yet found jobs) (Lum, 1997, p.3). A number of important aspects of Alameda County's program are described in detail below.

- * **Payment standards:** The table below lists payment amounts by family size (or individuals who are included as a part of the "assistance unit"). These amounts constitute the basic maximum aid payment; payment amounts change depending upon employment income.

Family Unit Size	Maximum Aid Payment (non-exempt)
1	319
2	520
3	645
4	768
5	874
6	981
7	1,079
8	1,175
9	1,269
10	1,363
more than 10	1,363

Source: <http://www.dss.cahwnet.gov/wtw/pdf/00map.pdf>

- * **Assessment:** When a client first comes into the social service agency for assistance, there is an initial assessment of the client's needs and skills. This

includes such information as urgent needs (e.g., housing, food, mental health services), language ability (e.g., E.S.L.), and the client's abilities (A. Ford, personal communication, September 12, 2001). Unlike many counties, Alameda County provides a more thorough initial screening for participants, which is meant to address barriers to employment (e.g., language) before the participant enters Job Club (Klerman, et al., 2001). Participants with special needs are referred to private and non-profit community based organizations for further assessment and assistance (A. Ford, personal communication, September 12, 2001). After this initial assessment, the participant is assigned a case manager who follows the participant throughout the welfare-to-work process (A. Ford, personal communication, September 12, 2001).

- * **Benefits to enable participation in welfare-to-work:** Participants receive benefits, such as transportation and child care, so that they are able to meet the program's participation requirements. Transportation benefits include bus and rapid transit passes for participants to use when attending program-related, educational, and employment-related activities (Lum, 1997, p. 24). These passes are also available for transporting children of participants to and from child care and school (A. Ford, personal communication, September 12, 2001).

- * **Welfare-to-work activities:** Participants without exemptions or waivers must participate in welfare-to-work activities at least 32 hours per week. In Alameda County, there are several activities that may count toward welfare-to-work hours. These include: employment (either unsubsidized private employment, subsidized private employment, subsidized public employment, self-employment, or transitional employment), community service, on-the-job training, vocational training and education, job skills training, work study, adult basic education, and community service (Lum, 1997, p. 13). In addition, Alameda County also offers substance abuse services, domestic violence services, mental health services, and post-employment services as approved welfare-to-work activities (Lum, 1997, p. 13).

- * **Initial phase of welfare-to-work:** During the initial phase of welfare-to-work, participants are required to attend Job Club and job workshops. Job Club may begin immediately after the initial assessment. During the first week of Job Club, participants learn about job preparation, including: interviewing skills, problem solving, conflict resolution, and identifying specific job skills the participant possesses (e.g., look at specific skills of a homemaker). They are also video-taped during a mock interview with a program leader. Following this, they critique their interviewing skills. At the end of the week, they repeat the interview process, but this time they have interviews with employers from the community. Afterward, they discuss the improvements they have made with regard to their interviewing skills (A. Lilie, personal communication, September 13, 2001). This day is also considered “graduation day,” and the participants have a party to celebrate. Following their graduation from Job Club, participants have four weeks to search for jobs. At the beginning of each day, they meet at a Network Center. During this time, they apply what they learned in class. This usually includes a motivational activity and setting goals for that day. They then spend the day searching for a job. After each day of job hunting, participants report back and discuss their day. This includes problems or successes they may have, interviews, and questions. In addition, they discuss what is necessary to find and maintain a job. Whenever a participant finds a job placement, the class has a celebration (A. Lilie, personal communication, September 13, 2001). If a participant is unable to find a job after the four-week search, then the participant is referred to an outside agency for an in-depth assessment of skills and needs (Klerman, et al., 2001).

- * **Child Care:** Child care continues to be a problematic issue for both participants and case workers. At its inception there was a considerable dearth of available child care slots for children in the infant to three year-old category in Alameda County (Lum, 1997). To illustrate, in 1997 there were “. . . 1, 189 subsidized child care slots in Alameda County for children ages 0-3 years . . .” but there were

“10,171 children on aid in Alameda County who are ages 0-3, producing a deficit of 8,952 slots for that age range” (Lum, 1997, p. 24). The majority of requests for child care services are for children in the 0-2 year-old category, and infant child care is “. . . 45% more expensive than child care for children ages 2-5 years” (Lum, 1997, pp. 23-24). The *maximum* hourly rate the state will pay is “\$3.44 for infants, \$3.23 for preschool-aged children, and \$2.97 for children ages 6-14” in cases where the provider is non-licensed (S. McPherson, personal communication, October 22, 2001). Licensed providers are reimbursed at the rate they charge, provided it does not exceed the state’s maximum rate (S. McPherson, personal communication, October 22, 2001). If the rate does exceed the state’s maximum (only about 10-20% of providers’ rates exceed state maximums), the parent must make up the difference between the hourly rate requested by the child care provider, and the amount the agency is willing to pay (S. McPherson, personal communication, August 7, 2001). In these cases, the parent can also opt to choose a different provider. Family members and TANF recipients are able to provide child care services and receive payment for caring for children other than their own, but they must report their payments as income (S. McPherson, personal communication, October 22, 2001).

- * **Time Limits:** Throughout California, counties have differing interpretations of the CalWORKs legislation and, thus, have differing interpretations of which point in time the 18 to 24 month time limit begins. In Alameda County, a participant signs either a welfare-to-work plan or a self-initiated plan at assessment and the 18 to 24 month state “clock” starts (A. Ford, personal communication, October 23, 2001).
- * **Exemptions:** Although there is usually a “good cause” for employment exemption for mothers of children under 12 months of age for the first child and 6 months of age for subsequent births (Klerman, et al., 2001), exemption is determined on a case-by-case basis (Lum, 1997). The criteria used in determining exemption include: “special needs of the parent, special needs of the child, the

availability of child care, the best interests of the child, or the desire of the parent to remain at home or obtain employment” (Lum, 1997, p. 23). When a participant enters a social service agency, s/he may disclose certain problems or needs to the case worker. Case workers are not permitted to ask whether or not participants have substance abuse problems (A. Lilie, personal communication, September 13, 2001). Instead, they must rely on self-disclosure by the participant. If a participant discloses a substance abuse problem, then the participant would be granted a temporary (i.e., 3 month) deferral, and referred to a contracted agency for assessment and treatment. If participant treatment needs exceed 1 year, the participant may be granted an exemption from work requirements. This time would not be counted on the state’s 18-24 month time clock, but would count against the federal 5-year lifetime limit. Depending on individual case needs, it is also possible to work substance abuse treatment into the participation plan (A. Lilie, personal communication, September 13, 2001). Similarly, mental health services may also be included in the welfare-to-work plan (Lum, 1997). If participants’ mental health needs impair his or her ability to seek and maintain employment, then an exemption may be granted. The county will continue to provide mental health services, even after the 18-24 month time limit expires, provided the participant is still eligible to receive Medi-Cal benefits (Lum, 1997). However, if the mental health services were included in the welfare-to-work plan, they will count against the federal 5-year time limit (A. Ford, personal communication, October 23, 2001). CalWORKs participants who have been victims of domestic violence within the twelve months prior to seeking assistance may also receive temporary waivers that allow them to receive counseling and treatment, instead of participating in work-related requirements. Waivers are reviewed every three months, and the decision to offer the waiver is based on: “the best interest and safety of the family; the desire of the parent to obtain counseling or employment or a combination of the two” (Lum, 1997, p. 28). If the participant is unable to work after 12 months, the participant is referred to mental health services for further treatment and evaluation (Lum, 1997). It is important to note that, in this county, funds are used for existing clients in

treatment (for substance abuse, domestic violence, or mental health), not to expand program sizes to accommodate increasing needs (Klerman, et al., 2001).

- * **Sanctions:** If a non-exempt participant drops out of the Job Club, or fails to comply with program requirements, then the participant is considered non-compliant, and is subject to sanctions (A. Lillie, personal communication, September 13, 2001; A. Ford, personal communication, September 12, 2001). The consequence of a sanction is a reduction in the grant amount, and the sanctioned amount varies with the size of the family. For a family of three with a grant amount of \$645.00, for example, the grant amount would be reduced to \$520.00 (A. Ford, personal communication, September 12, 2001). In Alameda County, only 35% of participants who are asked to attend Job Club actually complete it (Klerman, et al., 2001, p. 173). The most common reasons cited for non-compliance, or “no-shows” to Job Club and Orientation include “problems with child care, problems with transportation, late notice of requirements, illness, work conflict or confusion, and emergencies” (Klerman, et al., 2001).

ⁱ This provides only a rough outline of CalWORKs' features. For additional detail, please see the following sources consulted for this section: California Department of Social Services, Welfare-to-Work Division (<http://www.dss.ca.gov/wtw/default.htm>); Frame, et al., (1998). Child Welfare in a CalWORKs Environment: An Empirically-Based Curriculum. University of California, Berkeley: Child Welfare Research Center.

ⁱⁱ For additional detail see Greenberg, et al., (2000); and Zimmerman & Tumlin (1999).