

Welfare Reform's Impact on Child Welfare

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Instructional Guide to Chapter III

Purpose:

- To explore the effects that welfare changes might have on child welfare and what is known thus far about these effects.

Content:

- The initial section of this chapter outlines a framework for thinking about how welfare reform may affect child welfare outcomes.
- Figure 3.1 (Simplified Model of Welfare Reform’s Potential Impact on Child Welfare) synthesizes the potential impacts of welfare reform on child welfare and provides a graphic representation of these effects.
- This section of the curriculum also provides a comprehensive review of the current literature of the effects of welfare reform on child welfare.

Use:

- This section of the curriculum is meant to familiarize instructors and their students with the relationship between welfare and child welfare.
- This section may be required reading for students and used to formulate class discussions.

Teaching Aids:

- Possible questions for discussion are included at the beginning of this chapter.
- The group activity: Welfare Reform’s Effect on Child Welfare prepares the instructor for an in-class activity that expands students’ thinking on the impact of welfare reform on child welfare.
- 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:

- 2.1 Student understands that child abuse and neglect are presenting symptoms of social and family dysfunction.
- 2.2 Student is able to assess the interaction of individual, family, and environmental factors which contribute to abuse, neglect, and sexual abuse, and identifies strengths which will preserve the family and protect the child.
- 2.5 Student has knowledge of the special characteristics and situations of the low income family and the single parent family.
- 2.11 The student understands the mission and goals of public departments of social services and the network of community child welfare services.
- 3.10 Student has knowledge of how clients are nonvoluntarily referred to public child welfare.
- 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.
- 4.7 Student understands the interaction between environmental factors especially in terms of racism, poverty, violence, and human development.
- 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.
- 6.6 Student can demonstrate knowledge of public child welfare funding streams for public child welfare agencies and their implications for agency policy objectives and service delivery priorities.
- 6.7 Student can identify how the legislative process impacts agency policies, procedures and programs.

How Might Welfare Programs Affect Child Welfare?

As with the federal welfare reforms, the specific features of CalWORKs, outlined in the previous section, are intended to effect change in parental behavior. Some changes may occur as intended, and other outcomes may be different from those intended by policymakers. The impact of welfare reform on family functioning, in various ways, is expected to have a consequent effect on what will be called here, “child welfare outcomes.” Welfare reform has also been expected to have systemic effects, or an impact on the institutions involved in welfare and child welfare. These systemic or “mechanical effects” (Paxson & Waldfogel, 2001) may also have an impact on child welfare outcomes.

The flow chart below (“Simplified Model of Welfare Reform’s Potential Impact on Child Welfare”) outlines some of the possibilities. The model is considered “simplified” because it does not incorporate all of the effects of welfare reform, such as changes in communities and neighborhoods that may occur as a result of transitions from welfare to work, or the effects of changed income levels on children’s health and development, which can affect parent-child relationships and child welfare outcomes. Changes that occur as a result of welfare reform’s specific features may be positive or negative. Included in the box marked “Welfare System/TANF” are aspects of TANF including benefit levels, which are influenced by sanctions, penalties, time limits and the family cap; the effect on income levels of earnings disregards and the Earned Income Tax Credit; welfare-to-work activities in which parents are expected to participate; the possibility of exemptions and services for those with special barriers to employment; child care and other work supports; and other behavioral expectations. Finally, although it is beyond the scope of this chapter, it is important to note that altered eligibility for immigrants is an important feature of TANF that has wide-ranging implications.

These features of welfare will affect the income level and daily activities of families, thereby having effects on parental mental health and psychological well-being

(see box marked “Effects on Parent”). By influencing parental psychological factors, it is expected that aspects of parenting and family life will change. Additionally, these changes may also affect other aspects of the lives of low-income families such as the nature and functioning of their social support networks. The experience of participating in the new welfare system and moving from welfare to work are likely, it is thought, to affect such aspects of family functioning as the quality of relationships between parents and children, the use of alternate forms of child care, and the structure of families and households (see box marked “Family Functioning and Structure”). These shifts may then have an impact on child welfare outcomes for families involved with the welfare system. The “child welfare outcomes” listed here include maltreatment reporting, substantiation, service involvement, and placement in out-of-home care (kin and non-kin foster care). They will also include the length (and intensity) of services provided, the ways that families exit the system (e.g., via reunification, guardianship, or adoption), and reentries to the system (service use or foster placement) for those who have exited. Each of these is listed as a separate “child welfare outcome” because each constitutes a different measure of child welfare involvement, impact on the family involved, and on the system as an operational entity.

Finally, features of TANF such as welfare-to-work requirements are also likely to have systemic effects because the institutions and service systems of welfare have shifted their mandates, sources and uses of funding, philosophies and approaches (see box marked “Systemic Effects”), thereby influencing the resource base of the child welfare service delivery system. We focus here on the pathway to child welfare outcomes that involves family functioning and structure.

Welfare Reform and Child Welfare: What Do We Know Thus Far?

Five years following the passage of PRWORA, it is not yet possible to “quantify the impact of TANF on the need for child welfare services” (Greenberg et al., 2000, p. 22). The research that speaks to this question is indeed limited, and TANF’s effects will probably be clearer over time. However, some information is available that tells us about welfare reform’s effects on the actual or potential child welfare population. The following section briefly discusses what is known, to date, about some of the overall economic and employment outcomes for families affected by welfare reform. This is done in order to place the experiences of the most precarious, or hard-to-serve, families in context of the larger population of welfare recipients. It provides some information about long-term welfare “stayers,” as well as those who have left for employment, and those who have left due to sanctions or time limits. Employability and parenting ability are not equivalent capacities, and there is not a consensus about the relationship between the two. However, the characteristics of those who are struggling the most, economically, may offer some clues to understanding the challenges faced by some parents on welfare. The section then turns to a summary of what is known about the welfare-child welfare relationship prior to TANF, and reviews the evidence of TANF’s effects since welfare reform’s implementation.

Welfare Reform’s Effects on Families

Welfare reform has not had the widespread negative impact on families that was anticipated by many. Rather, the available research suggests positive changes in a number of areas since the federal reforms of 1996, including decreases in welfare caseload size and child poverty rates, a flattening out in nonmarital birth rates, and increased rates of employment among single mothers (Haskins, Sawhill, & Weaver, 2001a; 2001b). The decline

in caseloads that has occurred throughout the rest of the country has also occurred in California. Between March, 1995 and June 2000, the number of individuals receiving assistance through AFDC or CalWORKs decreased by 43% (California Budget Project, 2001a). During the same period, the Food Stamp caseload declined by 42% (California Budget Project, 2001a). However, the relative contributions of a healthy economy and the new welfare programs are difficult to tease out. Not all families are experiencing better standards of living (Haskins, et al., 2001a; 2001b).

Aggregate statistics on the outcomes of welfare reform, such as lowered welfare caseloads and increased labor force participation, do not capture the variation in outcomes nor the experience of subgroups (Paxson & Waldfogel, 2001). These subgroups include the hard-to-employ “stayers” on welfare and those who have exited welfare (the “leavers”), either voluntarily, through work or marriage, or involuntarily, because of a sanction or reaching a time limit. Many of those who move into the labor force do so by obtaining low-wage jobs with no benefits, and many eligible families are not receiving the food stamp or MediCal benefits that might assist them (Greenberg, Levin-Epstein, Hutson, et al., 2000; California Budget Project, 2001a; 2001b).

Since welfare reforms began, the proportion of families in deep poverty (below 50% of the poverty line) has increased (W. Primus, cited in Haskins, et al., 2001a). These “floundering families” are more visible now than under the previous welfare system, since they are supposed to transition from welfare to work (Haskins, et al., 2001b). Danziger (2001) states that

despite four years of a booming economy and strong pressures from state agencies, many current and former recipients cannot keep and find jobs. Some will be sanctioned or reach their time limits even if they are willing to work, either because employers will not hire them or because personal attributes will prevent them from working steadily. (pp. 5-6)

For those still receiving assistance, there may be many barriers to employment. Estimates at the time of the federal welfare reform legislation suggested that 24-50% of the AFDC caseload would need special interventions to help them move toward employment (e.g., Olson & Pavetti, 1996; cited in Zedlewski & Loprest, 2000), although some of the welfare population might be employable in spite of facing challenges. In a study of women receiving welfare in February, 1997, Danziger and colleagues (2000) found that survey respondents cited lack of adequate transportation as the most common barrier to employment. However, the authors found that perceived discrimination, few work skills, and substance abuse were the greatest hindrance to employment for these women. Other barriers cited by the authors were inadequate education, little work experience, domestic abuse, health and mental health issues, and inadequate child care. In a study of Alameda County, California's CalWORKs program early in the implementation process (Speigman, Fujiwara, Norris & Green, 1999), it appeared that the number of participants reporting significant limitations could exceed the state's allowable 20% exemption limit. A later analysis of interviews with CalWORKs recipients examined relationships between potential barriers to working, and the likelihood of working soon after the CalWORKs program began in Alameda County (Driscoll, Speigman, & Norris, 2000). The study found lack of child care, lack of transportation, limited work skills and a criminal history to be barriers to employment, as were (to a lesser extent) heavy drinking and the recent birth of a child. Interestingly, however, the following factors were not apparent barriers to work, at the early stage of CalWORKs implementation: mental or physical health problems, use of illegal drugs, family violence or a history of child hood abuse. Whether this finding will hold for CalWORKs participants who remain on the rolls in later years, is unknown.

Other investigators are studying whether families who leave welfare more slowly (and remain as part of the welfare caseload, for longer periods), have greater problems than those who left welfare soon after TANF's implementation. Zedlewski and Loprest (2000) found no significant difference in the employment barriers of adults on welfare in 1999 versus 1997, but did find employment barriers to be common. About 60% of welfare leavers in Zedlewski and Loprest's study were working; of the non-working

leavers, 17% were considered “at risk” (with no current or recent employment history). The “at risk” group was similar to the “continuous stayers,” or the long-term TANF recipients, in that about half of each group had two or more barriers to employment (poor physical and mental health, low educational level, substance abuse, domestic violence, or child disability). It has been noted that these data may underestimate the actual prevalence of barriers to employment (Danziger, 2001). Loprest (2001) also found relatively little difference between early and recent welfare leavers, except that a larger percentage of recent leavers were considered to be in “poor physical or mental health.”

Thus, the obstacles to be overcome in leaving welfare may go hand in hand with other hardships. In Driscoll et al.’s (2000) Alameda County study, serious hardships were reported among both working and non-working welfare recipients. Among them: almost half of the sample (46%) was unable to pay the rent fully in the previous year, one in seven “experienced moderate to severe hunger” and one fourth” suffered from poor diet quality” (pp. vii-viii). But notably, barriers to working, and hardships such as these, were correlated with one another; people with more hardships also had more barriers to employment. The authors point out:

The relationship between people’s welfare and work situations can be safely said to be tied to the number and type of hardships in their daily lives. This relationship is bound to be complicated and bi-directional. People with more, and more severe, hardships may be less likely to be able to find and keep employment that improves their standard of living. On the other hand, people who do find jobs that increase their net incomes may experience a decline in the number and severity of hardships.

(Driscoll, et al., 2000, p. 39)

Continuing study of the progress of welfare recipients will better illuminate the circumstances that prevent families from successfully leaving welfare for work, and for higher incomes. Such findings are of interest here as it is likely that some of those with difficulty successfully leaving welfare, particularly those with mental health, substance

abuse or domestic violence problems, are families who will also be in need of child welfare services.

As implied by the findings in Alameda County (Driscoll, et al., 2000), exiting the welfare system does not necessarily lead to a better standard of living. In a three-city study (of Boston, Chicago, and San Antonio), 74% of leavers were categorized as living in poverty (Moffitt & Roff, 2000). In general, leavers with less education, who are in poor health, who have young children and who are younger themselves have worse employment, household income, and poverty rates (Moffitt & Roff, 2000). In Loprest's (2001) study of early and recent groups of welfare leavers, about one-third of both groups reported having to cut the size of meals, more than half worried that food would run out before getting more money, and nearly one half of recent leavers (46%) had not been able to pay their housing costs sometime in the last year. The California Budget Project (2001b) reports that over half of CalWORKs leavers say they are no better off financially, and significant proportions struggle with necessities and paying bills (California Budget Project, 2001b). Although over half of the CalWORKs leavers surveyed in that study were working, their earnings were generally low: above the poverty level (for working leavers), they still only made about half the cost of raising a family in California.

For the purposes of child welfare, of special significance and concern is an understanding of families whose benefits are reduced or eliminated because of sanctions, penalties or time limits. One study found that sanctioned leavers fare worse than those not previously sanctioned; they are employed less often, are more likely to be poor after leaving welfare, and to have lower monthly earnings (Moffitt & Roff, 2000). Pavetti & Bloom (2000) reviewed the limited empirical literature on sanctions and time limits and

concluded that “families who lose benefits due to sanctions are harder to employ than welfare recipients as a whole, while many families who reach time limits are employed, but not earning enough to make ends meet” (p. 27). Many of those sanctioned experience “personal and family challenges” such as chemical dependency, physical and mental health problems, domestic violence and “logistical barriers” such as lack of child care and transportation (Pavetti & Bloom, 2000). Noting that findings are mixed about the status of sanctioned families, Pavetti and Bloom state that although increased homelessness has not been reported, “a substantial proportion” (from one-third to one half) of sanctioned families are struggling to make ends meet, and between 15-25% reported insecurities about having enough food. In fact, sanctions and penalties may be most often imposed on families experiencing the greatest hardships (Cherlin, Burton, Francis, et al., 2001). In addition, “some research suggests that states use sanctions against families that do not understand why they are being sanctioned, and that sanctions are sometimes applied inequitably” (Haskins, et al., 2001, p. 4). In one study (Cherlin et al., 2001), the most frequent reason sanctions and penalties were imposed was for not following the rules. The authors suggest that non-compliance with program rules may be a flag for other problems, a flag which could be turned to positive use if it led to intervention.

In sum, the literature reviewed here suggests that many families are leaving welfare only to remain in poverty, and some families experience significant “barriers to employment” that may also compromise other aspects of their functioning (e.g., parenting). While welfare reform has succeeded in certain respects, there is a segment of the population that has not benefited from the changes in welfare. Given that many maltreating families, especially neglecting families involved with the child welfare system, are among the poorest of the poor (Nelson, Saunders & Landsman, 1993; Wolock & Horowitz, 1979), it is reasonable to expect that some of those adversely affected (or who fail to benefit from) the new welfare system will also have a need for child welfare services. The next section examines what is known about these overlapping populations, and evidence about the impact of welfare reform on child welfare.

Welfare and Child Welfare Involvement

The research on child welfare and welfare includes both pre-welfare reform studies, and those that have tracked the impact of TANF. This section first discusses what is known about the relationship between welfare and child welfare prior to the implementation of TANF or pre-TANF waivers.

Families involved with child welfare services (CWS) constituted a small proportion of the pre-reform, or AFDC population. However, the CWS population before TANF was largely made up of poor families who had relied, at least in part, on welfare for their income support. In a study of 1990-1995 California AFDC entrants Needell and co-authors (1999) found that about 27% were reported for maltreatment, 21% were investigated, 8% had a case opening and 3.2% entered foster care. Another study found that about 2.0 to 2.6% of children entering AFDC in Illinois, California and North Carolina, entered foster care between the years 1995-1996 (USDHHS/ASPE, 2000). Shook (1998) has estimated that (prior to TANF) more than 40% of Illinois foster children came from a family that received AFDC in the same month, and an additional 20% came from families with recent welfare or food stamp receipt. These figures, alone, have constituted good cause for concern about the potential impact of welfare reform. As Geen et al. (2001) point out, “even a slight increase in the rate of child welfare involvement of TANF families could lead to a significant increase in the number of children involved with child welfare” (p. 9).

Prior to TANF, higher rates of maltreatment were associated with lower state welfare benefit levels, as well as higher proportions of children in more severe levels of poverty (Paxson and Waldfogel, 1999a, 1999b). This association is consistent with the numerous studies that document a relationship between poverty and maltreatment, especially neglect (e.g., Drake & Pandey, 1996; USDHHS, 1996). Within the pre-TANF

welfare population, families with particular vulnerabilities to child welfare involvement could be identified. Of children who entered AFDC in 1990, in California, those with greater risk of a child welfare event included those who entered welfare as infants, Caucasians, those from single-parent homes, those born into larger families, and children with low birth weight and/or whose mothers had late or no prenatal care (Needell, Cuccaro-Alamin, Brookhart & Lee, 1999). Needell and co-authors also found that families who cycled off and on welfare had a higher likelihood of being reported for maltreatment, having a case opening and being placed in foster care.

Studies conducted on welfare reform waivers of the 1990s, as well as TANF, have produced findings about child welfare that are somewhat mixed and complicated to interpret. There are several likely reasons for these complexities: (1) the time since TANF's implementation is still relatively short, and therefore we likely have not yet observed the full impact of key features of the law, such as time limits; (2) during the period of TANF's implementation, the generally positive state of the economy may have acted as a buffer against some of the effects most likely to be negative; (3) there are limited studies that have included child maltreatment and child welfare services outcomes in their evaluations of TANF's effects; (4) the studies that have been conducted use a variety of methodologies, including different measures of maltreatment, child welfare services involvement, and indicators of income and workforce participation,ⁱ and (5) the studies that use administrative or survey data have limited or no capacity to measure the role of key mediating variables, such as parental stress and mental health, and/or to explicate the nature of those stressors or mental health issues (see Appendix for summary Table).

These limitations notwithstanding, since welfare reform's inception a few things have been learned about the relationship between welfare and child welfare. These findings are discussed below in terms of (1) the overall impact of TANF on child welfare services caseloads, (2) the role of benefit levels, family income, and poverty on child welfare outcomes, (3) the role of parental employment, (4) the evidence about sanctions

and other specific features of reform, and (5) other possible mediating factors such as family structure, parental stress and mental health.

There are mixed reports about the state of child welfare caseloads, overall. Geen et al. (2001) report there is no evidence of an increase in child welfare caseload size since welfare reform, as measured using state-level child welfare caseload data and through a survey of child welfare stakeholders. However, Geen and his Urban Institute coauthors note that workers in some states reported increases in “poverty-related neglect cases,” sanctioned cases, and cases involving domestic violence. Workers and others indicated, as well, that welfare reform seemed to be affecting “dual system families” (those involved with both welfare and child welfare systems) more than new child welfare clients. The respondents to the Urban Institute survey also suggested that it was generally “too early to tell” the impact of welfare reform on child welfare. The concern that child welfare caseloads will be negatively impacted, remains. In Romero, Chavkin & Wise’s (2000) survey of 50 state child welfare administrators, about half reported increases in their caseloads (although, as the authors note, there is a potential for recall bias, given no comparative AFDC data). Half of the respondents said their caseload profiles had changed, with over half of that group reporting that cases had grown more complicated. Opinions were mixed about whether welfare reform had been positive or detrimental to agency efforts. Most respondents believed that TANF sanctions would be unlikely to result in a CPS report, although of those sanctions that might trigger a report, a full-family sanction elicited the highest likelihood rating. Finally, although there may not be evidence of a child welfare caseload increase, there has also not been a *decrease* in child welfare caseloads, comparable to the public assistance caseload reduction since TANF began (Courtney et al., 2001). Additionally, as Geen, Fender, Leos-Urbel and Markowitz (2001) point out, “it is possible that the most vulnerable welfare families are already involved with child welfare agencies. Thus, if they are affected by welfare reform, we might possibly see a change in the number of such families to remain intact, but not in the number coming to the attention of child welfare” (p. 42).

In spite of the mixed assessments about state child welfare caseloads, some associations between welfare-related features and child welfare indicators have been found. Since TANF's implementation, states with higher poverty rates have been found to have increased rates of substantiated maltreatment (Paxson & Waldfogel, 2001). Additionally, higher state welfare benefit levels have been associated with lower rates of neglect, and children in out-of-home care (Paxson & Waldfogel, 2001). Put another way, "to the extent that welfare reforms mean lower benefits, these results indicate that benefit cuts will increase neglect and placement of children in out-of-home care" (p. 16). The authors state that their interpretations are subject to the problem of an ecological fallacy, and it should also be noted that the foster care data used by Paxson and Waldfogel, which are counts of children in care at the end of each year, may not accurately reflect other variables' impact on foster care placement rates. This is because any point-in-time count of children in care necessarily overrepresents children in long-term care, and does not capture change in entry rates.

In a study that linked welfare and child welfare data, case-by-case, Shook (1999) found grant reductions accompanied by lack of employment income to be associated with the greatest risk of entry into the child welfare system, compared to those who were unemployed, but had intact grants. Focusing on families trying to *reunify* with their children prior to TANF, Wells and Guo (in press) found that although income level was associated with reunification, the source of income was important. In that study, families maintained their level of AFDC support (with no loss of benefits) had the fastest rate of reunification. The group with the slowest rate of reunification had lost some of their AFDC income, but had gained income from employment. Although the authors report the sample's length of time in care (e.g., 62% of the sample spent 12 months or less in care), they do not report comparative time frames to exit, for these groups. Thus, depending upon the length of time involved, it is worth mentioning that slower reunifications may result in *fewer* reunifications, because of child welfare policies that limit the time within which families can reunify. However, cases that reunify more slowly (and take longer than three months, for example) tend to be more stable, with children less likely to reenter foster care (e.g., Berrick, Needell, Barth, & Jonson-Reid,

1998; Wells & Guo, 1999). Thus, if Wells and Guo's (in press) findings prove to be consistent following TANF's implementation, depending upon the actual length of the child placements involved it may be that moves from welfare to work support lengthier, but more effective, reunification processes.

Wells and Guo's (in press) finding regarding employment income and reunification speaks to the apparently complex role of parental employment in child welfare outcomes. There is some evidence that at the aggregate (state) level, maternal moves from welfare to work (given that fathers are absent) *increases* maltreatment rates, especially for neglect (Paxson & Waldfogel, 2001). Courtney and coauthors (2001), however, found that in the case of individual TANF applicants, workforce involvement *decreased* the risk of CPS involvement. As noted earlier, in Shook's (1999) study the absence of employment income increased the odds of child welfare involvement in cases where welfare grants were reduced, however the author states that it is

difficult to discern... whether unstable employment or unstable welfare grants are more problematic for recipients of welfare. The fact that the group of respondents who were unemployed with intact grants faced the lowest odds of child welfare system involvement suggests that a decline in welfare income has a more powerful effect on child welfare risk than one's employment status. (p. 803)

She also suggests, however, that "environmental hardships and employment-related absences" may be "two potential mediators in the relationship between welfare income reductions and child welfare system involvement" (p. 805). Perhaps the activities of being employed and the income derived from employment serve different functions in the lives of certain families. In Fein and Lee's (2000) study, it appeared that "benefit reductions are most likely to lead to neglect when they stimulate increased employment" (p. 20). Fein and Lee (2000) draw similar conclusions to those of Paxson and Waldfogel (1999), that employment plays a different mediating role between welfare policies and maltreatment, than does income changes. Perhaps this is a beginning explanation for the apparently contrasting findings of Courtney et al. (2001) and Shook (1999). It is likely that future studies will need to account, in more complex ways, for the

relative roles of income, income source, and the meaning of employment as a daily activity that reflects on parental functioning.

Sanctions and time limits are particular causes of benefit reductions that may in some way reflect on families' difficulties. Although little data are available on time limits, some are available regarding sanctions. At the state level, Paxson and Waldfogel (2001) have found that sanctions were related to child welfare involvement, as with their findings about lower benefits, in general. Additionally, lifetime limits shorter than 60 months and tougher sanctions (e.g., those that last until a family is in compliance) lead to increased maltreatment. In particular, states that have adopted full family sanctions have experienced a 21% increase in the number of substantiated cases, Paxson and Waldfogel report. Shook (1998) reported that sanctioned family grants were associated with higher odds of the following: a maltreatment allegation (for lack of supervision, risk of harm, or environmental neglect), a child welfare case opening, or child placement, compared to a non-sanctioned group. (These sanctions were imposed because of "reasons related to work mandates, child support enforcement, or school truancy problems" (Shook, 1998, p. 11).) Fein and Lee (2000) reported a slight increase in neglect rates among those in an experimental group affected by welfare reforms (including sanctions), over those in a comparison group (although contamination of the comparison group weakened the conclusions about the program's full impacts). These neglect rates rose, in particular, among the most disadvantaged participants (non-whites, long-term welfare recipients, those with lower educational levels, and those with a history of maltreatment). In addition, neglect incidents (but not abuse) increased for both voluntary and involuntary leavers of TANF, in Fein and Lee's study, although there were some differences between them. Fein and Lee (2000) found that while the incidence of neglect increased for both "voluntary" and "involuntary" welfare leavers, the rate of neglect among involuntary exits (preceded by sanctions) were associated with a steeper climb. The peak for this group was three to five months before case closure, and the authors state that "this peaking corresponds most closely to the months when these families were likely to have received the initial sanctions that ultimately led to closure" (p. 23). For the voluntary leavers, the incidence of neglect peaked in the month of case closure and then declined.

This finding is interpreted as “some clients who choose to leave welfare may encounter difficulties in balancing new responsibilities that leave them unable to provide adequate supervision for their children....after exits, rates of neglect declined somewhat, possibly reflecting families’ adjustment to new circumstances” (p. 23). In sum, more needs to be learned about the relationship between restrictive dimensions of welfare reforms and child welfare, such as sanctions. However, the findings to date are consistent with the findings reported earlier about the serious hardships faced by sanctioned families. It appears that families whose income is reduced because of noncompliance with the rules, or other reasons, are at some degree of increased risk for child maltreatment and entry into the public child welfare system.

Finally, in Wells and Guo’s (in press) study of reunification, it appeared that inclusion of a crude measure of mothers’ “mental problems” “magnified” the relationship between loss of welfare income, and the reduced speed of reunification. Shook (1999) reported that the relationship between income loss and child welfare involvement was partially mediated by environmental hardships (e.g., food, housing, and utility problems), and slightly compounded by other stressful life events (e.g., birth of a child). Courtney et al. (2001) also reported that parental stress, a greater number of children, and reports of economic hardship, as well as a history of CWS involvement, increase risk. The role of such mediating factors warrants more detailed consideration in future studies.

Summary

In summary, in spite of reduced caseloads and increased employment among welfare recipients overall, it is clear that not all families are economically better off with welfare reform. Many continue to live in poverty, and the proportion in deep poverty has increased. An important share of the population experiences barriers to employment, some of these families are being sanctioned, and those who have their benefits reduced or who leave welfare due to sanctions are at some risk of experiencing financial hardships. While the effects of welfare reforms on state child welfare caseloads do not appear significant thus far, subjective assessments suggest there may be changes in the kind of

child welfare cases being served, that are not evident in data on the overall caseload size. Other evidence indicates that poverty rates continue to be associated with maltreatment rates, and state benefit levels are still related to maltreatment rates, post-welfare reform. Additionally, there is evidence that transitions out of welfare, particularly transitions due to sanctions, may have a relationship to child welfare risk if those transitions result in decreased or less predictable income levels.

Parental employment may play an important mediating role in child welfare outcomes (including maltreatment risk, success while families are involved with ongoing child welfare services, and placement in out-of-home care), although the findings to date are not conclusive on this point. Leaving welfare for work may involve special difficulties and hazards for certain families (e.g., those who are unable to secure adequate supervision for children), whereas a different subset of families may face special child welfare risks because of leaving welfare *without* employment. Given that many parents and children continue to experience serious economic hardships in spite of leaving welfare for work, employment may represent an income source, but not an easier life. It may also signify that some parents have certain functional capacities, but that nonetheless, employment presents new challenges and requirements (such as getting children to daycare). Finally, it appears that at least some of the families who find it most difficult to successfully transition from welfare to sustainable employment, may also need supports for their parenting to prevent poor child welfare outcomes from occurring.

ⁱ Twelve empirical reports specifically pertaining to welfare and child welfare were located for this review. To date, two studies (Geen Fender, & Leos-Urbel, 2000; Romero Chavkin, & Wise, 2000) have surveyed child welfare administrators about the impact of welfare reform on their caseloads. Geen and coauthors also examined state-level caseload data. Two studies (Needell, Cuccaro-Alamin, Brookhart, & Lee, 1999; USDHHS/ASPE, 2000) have used case-level administrative data to establish base rates of overlap between welfare and child welfare populations, prior to welfare reform. One of these studies (Needell et al., 1999) identified predictors of various levels of child welfare involvement. One study (Paxson & Waldfogel, 1999a) has used aggregate, state-level data to examine socioeconomic and household data linked to child welfare data, to examine the effects of socioeconomic circumstances on pre-welfare reform cohorts' maltreatment rates. Following upon their 1999 study mentioned above, Paxson and Waldfogel (1999b, 2001) have used state-level, aggregate data to examine the effects of specific state welfare features on maltreatment rates and foster care caseload sizes. Five studies have examined the effects of specific features of welfare reform on maltreatment and child welfare involvement, at the case level. Courtney, Piliavin, & Power, 2001 used case-level administrative and survey data to examine the level of child welfare involvement among TANF applicants, and predictors of child welfare involvement before and after TANF application. Shook (1998) established baseline rates of child welfare involvement among the AFDC population, and using pre-TANF waiver data in Illinois, identified children and families most at risk of child welfare involvement including comparisons by sanction status. This report was followed by another (Shook, 1999) that tested whether income loss associated with welfare grant reductions was associated with child welfare risk; this study also included survey data regarding environmental hardship, stressful life events and other child welfare risk factors. Fein and Lee (2000) conducted a unique experimental study of one state's welfare program, and its effects on alleged and substantiated maltreatment. Finally, Wells and Guo (in press) used administrative data on a cohort of foster care first entries to assess the relationship between welfare and work income, and the speed of reunification prior to welfare reform. Forthcoming reports by Wells and Guo using post-TANF cohorts, and others, will add to the empirical knowledge base.