

**Appendix A**

**Supplemental Tables for the Section Entitled  
“The Evaluation”**

**Vermont's Welfare Restructuring Project**

**Appendix Table A.1**

**Selected Data About the WRP Evaluation's Research Districts**

	Barre	Burlington	Newport	Rutland	Springfield	St. Albans	Six-District Total	State Total
<b><u>Demographics/economic characteristics</u></b>								
Population in area served by DSW district office (1998)	56,444	143,491	25,862	62,825	55,311	43,852	387,785	590,883
Population of main city/town (1998)	9,538	40,727	4,797	21,330	9,078	12,736	98,206	N/A
Annual average unemployment rate <sup>a</sup> (%)								
1994	5.0	3.3	8.7	5.5	3.6	5.5	N/A	4.7
1996	5.2	3.0	9.2	5.2	3.6	5.0	N/A	4.6
1998	4.1	2.3	6.9	3.8	2.6	3.3	N/A	3.4
2000	3.1	1.8	5.9	3.6	2.3	3.3	N/A	2.9
<b><u>Cash assistance caseload data</u></b>								
Total cash assistance caseload								
1994 monthly average	1,007	1,916	695	1,189	738	946	6,492	9,886
1996 monthly average	870	1,642	588	1,038	560	823	5,521	8,959
1998 monthly average	759	1,442	510	932	471	751	4,865	7,374
2000 monthly average	572	1,145	410	790	395	611	3,923	5,998
<b><u>Staffing structure (1997)</u></b>								
Number of eligibility specialists <sup>b</sup>	13	21	9	13	7	13	76	121
Number of Reach Up case managers								
DSW <sup>b</sup>	3	4	3	5	3	3	21	35
DET (two-parent cases) <sup>c</sup>	3	4	2	3	2	2	16	N/A
Other contracted workers <sup>d</sup>	2.8	7	1.5	3	1.5	2	17.8	28.8
Number of Family Services Case Managers	3	6	2	2	2	2	17	23

SOURCES: Gaquin and DeBrandt, 2000; U.S. Department of Labor, Bureau of Labor Statistics (unemployment rates); population, caseload, and staffing data from Vermont Department of Social Welfare and MDRC field research.

NOTES: N/A indicates that data are not applicable or are not available.

Rounding may cause slight discrepancies in calculating sums and differences.

<sup>a</sup>Unemployment rates are for counties, which do not correspond exactly to DSW district offices. The figures are for Washington County (Barre), Chittenden County (Burlington), Orleans County (Newport), Rutland County (Rutland), Windsor County (Springfield), and Franklin County (St. Albans).

<sup>b</sup>This does not include Family Services Case Managers (FSCMs), who are listed separately below.

<sup>c</sup>In some cases, these figures include Department of Employment and Training (DET) staff who worked with single-parent end-of-time-limit cases.

<sup>d</sup>Figures reflect full-time equivalents.

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Appendix Table A.2

Selected Characteristics of Single-Parent Sample Members  
at the Time of Random Assignment

Characteristic	Report Sample
<b><u>Demographic characteristics</u></b>	
District office (%)	
Barre	15.0
Burlington	33.0
Newport	9.3
Rutland	18.9
Springfield	10.6
St. Albans	13.2
Gender/sex (%)	
Female	93.3
Male	6.7
Age (%)	
Under 20	5.9
20-24	21.9
25-34	43.5
35-44	24.1
45 or over	4.6
Average age (years)	30.8
<b><u>Family status</u></b>	
Marital status (%)	
Never married	40.0
Married, living apart	15.4
Separated	6.7
Divorced	36.3
Other	1.7
Average number of children	1.8
Age of youngest child (%)	
Under 3 <sup>a</sup>	36.9
3-5	22.8
6-12	29.7
13-18	10.6
<b><u>Labor force status</u></b>	
Ever worked (%)	91.7
Ever worked full time for 6 months or more for one employer <sup>b</sup> (%)	61.6

(continued)

**Appendix Table A.2 (continued)**

Characteristic	Report Sample
Approximate earnings in the past 12 months (%)	
None	53.1
\$1-\$999	13.9
\$1,000-\$4,999	18.5
\$5,000-\$9,999	9.1
\$10,000 or more	5.4
Currently employed <sup>c</sup> (%)	22.7
Among those currently employed: <sup>d</sup>	
Average hourly wage (\$)	5.81
Average hours worked per week <sup>e</sup> (%)	
1-19	38.0
20-29	25.8
30 or more	35.5
<b><u>Educational status</u></b>	
Highest grade completed in school (average)	11.4
Highest degree/diploma earned (%)	
GED <sup>f</sup>	17.2
High school diploma	43.7
Technical/2-year college degree	8.8
4-year (or more) college degree	3.4
None of the above	26.9
Enrolled in any education or training during the past 12 months (%)	37.1
<b><u>Public assistance status</u></b>	
Aid status (%)	
Applicant	43.6
Recipient	56.4
Resided as a child in a household receiving AFDC (%)	21.7
<b><u>Housing status</u></b>	
Number of moves in the past 2 years (%)	
None	49.2
1 or 2	42.6
3 or more	8.2
Moved from another state in the past year (%)	10.4
Sample size	5,469

(continued)

### Appendix Table A.2 (continued)

SOURCE: MDRC calculations using data from Background Information Forms.

NOTES: The sample includes members randomly assigned from July 1994 through June 1995 in the six research districts.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in calculating sums and differences.

<sup>a</sup>Includes sample members pregnant with their first child.

<sup>b</sup>Full-time employment is defined as 30 hours or more per week.

<sup>c</sup>Includes sample members who reported self-employment.

<sup>d</sup>Calculations are for those employed at the time of random assignment who reported an hourly wage.

<sup>e</sup>Distributions may not add up to 100 percent because, even among those who indicated they were employed at the time of random assignment, a few registrants reported their average weekly work hours as none.

<sup>f</sup>The General Educational Development (GED) certificate is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

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Appendix Table A.3

Selected Characteristics of Single-Parent Sample Members  
at the Time of Random Assignment, by District Office

Characteristic	Report Sample	Barre	Burlington	Newport	Rutland	Springfield	St. Albans
<b><u>Demographic characteristics</u></b>							
Gender/sex (%)							
Female	93.3	93.2	94.0	91.0	92.8	93.8	93.6
Male	6.7	6.8	6.1	9.0	7.3	6.2	6.4
Age (%)							
Under 20	5.9	5.2	6.9	5.5	4.1	5.3	7.2 **
20-24	21.9	21.1	24.6	18.5	19.3	22.7	21.6 ***
25-34	43.5	43.9	42.4	42.8	45.0	44.9	43.1
35-44	24.1	25.9	21.4	27.5	27.1	22.9	23.6 ***
45 or over	4.6	3.9	4.7	5.7	4.6	4.1	4.6
Average age (years)	30.8	31.1	30.2	31.7	31.4	30.6	30.5 ***
<b><u>Family status</u></b>							
Marital status (%)							
Never married	40.0	38.2	46.6	32.0	35.9	34.9	40.7 ***
Married, living apart	15.4	16.8	13.9	19.7	16.3	16.7	12.5 ***
Separated	6.7	4.5	5.8	8.8	6.6	5.7	10.7 ***
Divorced	36.3	38.9	32.1	37.9	39.0	41.3	34.5 ***
Other	1.7	1.6	1.6	1.6	2.2	1.4	1.7
Average number of children	1.8	1.8	1.8	1.9	1.9	1.9	1.7 ***
Age of youngest child (%)							
Under 3 <sup>a</sup>	36.9	37.3	41.4	35.3	33.3	34.7	33.3 ***
3-5	22.8	22.3	23.3	20.5	22.4	23.5	23.9
6-12	29.7	28.7	26.1	32.7	32.9	31.8	31.3 ***
13-18	10.6	11.7	9.1	11.6	11.5	10.0	11.5
<b><u>Labor force status</u></b>							
Ever worked (%)	92.0	89.4	92.4	94.3	90.9	90.5	95.0 ***
Ever worked full time for 6 months or more for one employer <sup>b</sup> (%)	61.6	62.9	59.7	64.1	61.0	62.3	63.6
Approximate earnings in the past 12 months (%)							
None	53.1	53.2	54.6	51.9	51.6	51.8	53.6
\$1-\$999	13.9	13.2	12.4	14.9	13.5	17.2	15.4 *
\$1,000-\$4,999	18.5	19.4	18.2	20.6	19.6	17.2	16.5
\$5,000-\$9,999	9.1	9.7	9.0	7.1	9.7	10.2	8.3
\$10,000 or more	5.4	4.5	5.7	5.5	5.6	3.6	6.2

(continued)

**Appendix Table A.3 (continued)**

Characteristic	Report Sample	Barre	Burlington	Newport	Rutland	Springfield	St. Albans
Currently employed <sup>c</sup> (%)	22.7	23.8	22.0	22.8	22.9	22.1	23.2
Among those currently employed: <sup>d</sup>							
Average hourly wage (\$)	5.81	5.64	6.15	5.50	5.81	5.43	5.69 ***
Average hours worked per week <sup>e</sup> (%)							
1-19	38.0	45.4	34.2	44.0	38.0	44.4	29.3 ***
20-29	25.8	19.6	27.9	15.5	29.5	26.2	29.9 **
30 or more	35.5	34.0	37.2	40.5	32.5	27.8	39.5
<b><u>Educational status</u></b>							
Highest grade completed in school (average)	11.4	11.6	11.4	11.6	11.5	11.3	11.3 **
Highest degree/diploma earned (%)							
GED <sup>f</sup>	17.2	20.2	17.1	15.7	16.0	18.6	15.4 *
High school diploma	43.7	45.4	40.6	49.7	45.2	43.1	43.9 ***
Technical/2-year college degree	8.8	6.6	10.5	5.7	8.2	8.2	10.7 ***
4-year (or more) college degree	3.4	4.3	3.8	3.0	3.3	2.4	2.5
None of the above	26.9	23.5	28.0	25.9	27.3	27.7	27.6
Enrolled in any education or training during the past 12 months (%)	37.1	36.1	38.5	36.7	34.4	41.1	35.7 *
<b><u>Public assistance status</u></b>							
Aid status (%)							
Applicant	43.6	44.8	42.7	45.8	43.6	42.9	43.6
Recipient	56.4	55.2	57.4	54.2	56.4	57.1	56.4
Resided as a child in a household receiving AFDC (%)	21.7	21.5	22.5	16.9	18.1	25.7	25.5 ***
<b><u>Housing status</u></b>							
Number of moves in the past 2 years (%)							
None	49.2	49.3	49.8	48.8	48.8	49.4	48.5
1 or 2	42.6	43.3	42.3	40.9	43.1	41.7	43.6
3 or more	8.2	7.4	7.9	10.2	8.0	9.0	7.9
Moved from another state in the past year (%)	10.4	10.9	9.7	14.2	10.1	13.5	7.2 ***
Sample size	5,469	820	1,803	509	1,034	581	722

(continued)

### Appendix Table A.3 (continued)

SOURCE: MDRC calculations using data from Background Information Forms.

NOTES: The sample includes members randomly assigned from July 1994 through June 1995 in the six research districts.

Invalid or missing values are not included in individual variable distributions.

A Chi-square test was applied to the differences between the districts. Statistical significance levels are indicated as:

\*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

<sup>a</sup>Includes sample members pregnant with their first child.

<sup>b</sup>Full-time employment is defined as 30 hours or more per week.

<sup>c</sup>Includes sample members who reported self-employment.

<sup>d</sup>Percentages are calculated for those employed at the time of random assignment who reported an hourly wage.

<sup>e</sup>Distributions may not add up to 100 percent because, even among those who indicated they were employed at the time of random assignment, a few registrants reported their average weekly work hours as none.

<sup>f</sup>The General Educational Development (GED) certificate is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.



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Appendix Table A.4

Selected Characteristics of Two-Parent Families with an Unemployed Parent  
at the Time of Random Assignment, by Case Status

Characteristic	Two-Parent Report Sample	
	Applicants	Recipients
<b><u>Demographic characteristics</u></b>		
District office (%)		
Barre	15.1	13.9
Burlington	25.0	25.4
Newport	11.7	14.2
Rutland	20.9	19.8
Springfield	8.0	9.7
St. Albans	19.3	16.9
<b><u>Family status</u></b>		
Marital status (%)		
Never married	15.4	31.1 ***
Married, living with spouse	77.8	54.5 ***
Married, living apart	2.7	2.2
Separated	0.3	1.3
Divorced	3.7	10.8 ***
Average number of children	2.1	2.4 ***
Age of youngest child (%)		
Under 3 <sup>a</sup>	54.8	54.1
3-5	21.4	21.5
6-12	18.0	19.5
13-18	5.8	4.9
<b><u>Labor force status</u></b>		
Approximate earnings in the past 12 months for the principal earner <sup>b</sup> (%)		
None	20.3	39.8 ***
\$1-\$999	4.7	12.8 ***
\$1,000-\$4,999	15.8	20.2 *
\$5,000-\$9,999	23.5	11.4 ***
\$10,000 or more	35.6	15.9 ***
<b><u>Housing status</u></b>		
Number of moves in the past 2 years (%)		
None	51.6	52.4
1 or 2	40.0	40.5
3 or more	8.4	7.0
Moved from another state in the past year (%)	12.9	4.7 ***
Sample size	1,097	555

(continued)

### **Appendix Table A.4 (continued)**

SOURCE: MDRC calculations using data from Background Information Forms.

NOTES: The sample includes members randomly assigned from July 1994 through June 1995 in the six research districts.

Invalid or missing values are not included in individual variable distributions.

For families who received cash assistance, the state data system designated one parent as the principal earner. For families who did not receive cash assistance, the present analysis assumed the male to be the principal earner, though that may not have been the situation in all such families.

Statistical significance levels are indicated as \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

<sup>a</sup>Includes families pregnant with their first child.

<sup>b</sup>Prior earnings for principal earners were calculated using data from Vermont and New Hampshire unemployment insurance systems.

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Appendix Table A.5

**Selected Characteristics of Two-Parent Families with an Incapacitated Parent  
at the Time of Random Assignment**

Characteristic	Two-Parent Report Sample
<b><u>Demographic characteristics</u></b>	
District office (%)	
Barre	15.6
Burlington	18.6
Newport	16.5
Rutland	18.1
Springfield	11.6
St. Albans	19.7
<b><u>Family status</u></b>	
Marital status (%)	
Never married	9.3
Married, living with spouse	86.6
Married, living apart	0.5
Separated	0.5
Divorced	2.6
Widowed	0.4
Average number of children	2.2
Age of youngest child (%)	
Under 3 <sup>a</sup>	30.4
3-5	20.8
6-12	31.5
13-18	17.3
<b><u>Labor force status</u></b>	
Approximate earnings in the past 12 months for the able-bodied parent <sup>b</sup> (%)	
None	63.3
\$1-\$999	7.9
\$1,000-\$4,999	7.9
\$5,000-\$9,999	8.1
\$10,000 or more	12.8
<b><u>Public assistance status</u></b>	
Aid status (%)	
Applicant	41.9
Recipient	58.1

(continued)

**Appendix Table A.5 (continued)**

Characteristic	Two-Parent Report Sample
<b><u>Housing status</u></b>	
Number of moves in the past 2 years (%)	
None	66.7
1 or 2	26.5
3 or more	6.8
Moved from another state in the past year (%)	7.2
Sample size	570

SOURCE: MDRC calculations using data from Background Information Forms.

NOTES: The sample includes members randomly assigned from July 1994 through June 1995 in the six research districts.

Invalid or missing values are not included in individual variable distributions.

In cases where the able-bodied parent was not designated on the state data system, the present analysis assumed the male to be the principal earner, though that may not have been the situation in all such families.

Rounding may cause slight discrepancies in calculating sums and differences.

<sup>a</sup>Includes families pregnant with their first child.

<sup>b</sup>Prior earnings for able-bodied parents were calculated using data from Vermont and New Hampshire unemployment insurance systems.

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Appendix Table A.6

Attitudes and Opinions of Single-Parent Sample Members at the Time of Random Assignment

Characteristic	Report Sample
<b><u>Client-reported barriers to employment</u></b>	
Among those not currently employed, percentage who agreed or agreed a lot that they could not work part time right now for the following reasons: <sup>a</sup>	
No way to get there every day	40.6
Cannot arrange for child care	39.6
A health or emotional problem, or a family member with a health or emotional problem	32.8
Too many family problems	27.5
Already have too much to do during the day	25.5
Any of the above five reasons	75.7
<b><u>Client-reported preferred activities</u></b>	
Given the following choices, percentage who would prefer to: <sup>b</sup>	
Stay home to take care of client's family	10.9
Go to school to learn a job skill	32.5
Go to school to study basic reading and math	3.4
Get a part-time job	8.3
Get a full-time job <sup>c</sup>	30.7
<b><u>Client-reported expectations regarding employment</u></b>	
If someone offered client a job that could support client's family a little better than welfare, percentage who would likely or very likely take the job if:	
Client didn't like the work	57.3
Client had to work at night once in a while	65.2
The job was in a fast-food restaurant like McDonald's	33.3
It took more than an hour to get there	28.4
If someone offered client a full-time job with no medical benefits, minimum amount per hour at which the client would take the job (\$):	
Median	8.00
Mode	8.00
Mean	8.96
If someone offered client a full-time job with full medical benefits, minimum amount per hour at which the client would take the job (\$):	
Median	7.00
Mode	6.00
Mean	7.27
Clients' estimation of average value of employer-provided medical benefits per hour (\$)	1.70

(continued)

**Appendix Table A.6 (continued)**

Characteristic	Report Sample
Percentage who agreed or agreed a lot that:	
It will probably take them more than a year to get a full-time job and get off welfare	58.6
They would take a full-time job today, even if the job paid less than welfare	25.7
If they got a job, they could find someone they trusted to take care of their children	79.3
A year from now they expect to be working	82.4
A year from now they expect to be receiving welfare	26.6
<b><u>Client-reported employment-related activities</u></b>	
Time spent looking for a job during the past 3 months (%):	
Not at all	39.5
Some/a little	25.8
A moderate amount	17.2
A great deal	11.7
Percentage who reported that they planned to be in school or training program in the next few months	41.2
<b><u>Client-reported attitudes toward welfare</u></b>	
Percentage who agreed or agreed a lot with the following statements:	
I feel that people look down on me for being on welfare	67.8
I am ashamed to admit to people that I am on welfare	60.6
Right now, being on welfare provides for my family better than I could by working	60.7
I think it is better for my family that I stay on welfare than work at a job	17.9
<b><u>Client-reported social support network</u></b>	
Percentage who agreed or agreed a lot with the following statements:	
Among my family, friends, and neighbors, I am one of the few people who are on welfare	38.2
When I have trouble or need help, I have someone to talk to	80.8
<b><u>Client-reported sense of efficacy</u></b>	
Percentage who agreed or agreed a lot with the following statements:	
I have little control over the things that happen to me	20.3
I often feel angry that people like me never have a chance to succeed	42.2
Sometimes I feel that I'm being pushed around in life	46.5
There is little I can do to change many of the important things in my life	27.6
All of the above	6.8
None of the above	30.1
Sample size	5,310

(continued)

### Appendix Table A.6 (continued)

SOURCE: MDRC calculations using data from the Private Opinion Survey (POS).

NOTES: The sample includes members randomly assigned from July 1994 through June 1995 in the six research districts.

A total of 159 sample members who chose not to fill out a POS are not included in the table.

In most item groupings, individuals could agree or agree a lot with more than one statement. Therefore, distributions may add up to more than 100 percent.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in calculating sums and differences.

<sup>a</sup>Part-time employment is defined as a minimum of 10 hours per week.

<sup>b</sup>Distributions do not add up to 100 percent because some individuals did not indicate a consistent preference. Multiple responses were not possible for this item.

<sup>c</sup>Full-time employment is defined as 40 hours or more per week.





**Appendix B**

**Supplemental Tables for the Section Entitled  
“Implementation for Single-Parent Families”**

### **A Note on How to Interpret the Three-Group Tables**

As discussed in the report, the WRP evaluation used a three-group design to enable a direct estimate of the unique contributions of two different program components: (1) the package of incentives and changes in eligibility rules and (2) the addition of the work requirement. Several tables in the appendices present the impacts using this three-group format. Like the tables shown in the report, the first columns show average outcomes for each research group. In the case of the three-group tables, however, all three groups are shown — the WRP group, the WRP Incentives Only group, and the ANFC group.

Since many tables in the appendices are presented in this way, it is important to understand how to interpret them. To facilitate this understanding, a model table has been included on the following pages. All three-group tables follow this format. In the model table, columns 1 to 3 show the average outcomes for each research group. Columns 4 to 6 show the estimated impacts as described in the beginning of the report. Column 4 shows the impacts of the full WRP program, repeating the impacts presented in the report. Column 5 shows the impacts of the incentives alone, and column 6 shows the effects of adding the work requirement to the incentives.

For example, the first column of the model table shows that in Quarter 13 (the shaded line), 58.1 percent of WRP group members were employed. The second column shows that 50.6 percent of Incentives Only group members were employed. The third column shows that 48.1 percent of ANFC group members were employed. Column 4 shows the impact of the full WRP program — the same way impacts are presented in the report. In this case, WRP increased employment by 10 percentage points, and the stars next to column 4 indicate that this difference is statistically significant. Column 5 shows that the Incentives Only group was 2.6 percentage points more likely to work than the ANFC group, a difference that is not statistically significant. This represents the effect of the incentives alone. Finally, column 6 shows that the added impact of the time limit was 7.5 percentage points (58.1 minus 50.6). Thus, it can be argued that the work requirement was the key contributing factor to these impacts.

## Vermont's Welfare Restructuring Project

### Model Three-Group Table

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
Ever employed (%)						
Quarter 1	35.9	34.0	31.5	4.4 ***	2.5	1.9
Quarter 2	38.9	36.1	35.6	3.3 **	0.6	2.8 *
Quarter 3	40.6	38.8	36.9	3.7 **	1.9	1.7
Quarter 4	42.5	41.7	39.9	2.6 *	1.8	0.8
Quarter 5	44.3	41.6	41.1	3.2 **	0.5	2.7 *
Quarter 6	45.5	42.8	41.7	3.8 **	1.1	2.7 *
Quarter 7	46.7	42.2	43.6	3.1 *	-1.4	4.5 ***
Quarter 8	48.4	44.7	44.7	3.7 **	0.0	3.6 **
Quarter 9	49.9	45.0	46.5	3.4 **	-1.6	4.9 ***
Quarter 10	53.8	47.6	47.3	6.4 ***	0.3	6.1 ***
Quarter 11	57.1	50.1	48.3	8.7 ***	1.8	6.9 ***
Quarter 12	57.3	49.4	49.5	7.8 ***	-0.1	7.9 ***
Quarter 13	58.1	50.6	48.1	10.0 ***	2.6	7.5 ***
Quarter 14	57.2	51.8	48.5	8.8 ***	3.3	5.5 ***
Quarter 15	58.0	50.8	50.1	7.9 ***	0.7	7.2 ***
Quarter 16	58.4	51.6	51.4	7.0 ***	0.2	6.8 ***
Quarter 17	58.7	51.7	50.8	7.9 ***	0.8	7.0 ***
Quarter 18	57.7	51.9	50.6	7.1 ***	1.3	5.8 ***
Quarter 19	58.0	52.1	52.3	5.7 ***	-0.2	5.9 ***
Quarter 20	57.9	51.1	52.2	5.7 ***	-1.2	6.9 ***
Quarter 21	57.3	51.7	51.8	5.5 ***	-0.1	5.6 ***
Quarter 22	56.4	51.0	50.7	5.8 ***	0.3	5.5 ***
Quarter 23	55.7	51.3	51.7	4.0 **	-0.5	4.4 **
Quarter 24	55.0	52.2	52.2	2.8 *	0.0	2.8 *

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Appendix Table B.1

Participation in Employment-Related Activities Within a Six-Year Follow-Up Period  
for Single-Parent Sample Members

Outcome (%)	<u>Average Outcome Levels</u>			<u>WRP vs. ANFC</u> Impacts of Financial Incentives and Eligibility Rules Combined with Work Requirement	<u>WRP Incentives</u> <u>Only vs. ANFC</u>	<u>WRP vs. WRP</u> <u>Incentives Only</u>
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b><u>Years 1-2</u></b>						
Ever participated	38.4	36.0	34.4	4.1 **	1.7	2.4
Ever participated in:						
Job search	17.0	14.7	14.2	2.8 **	0.4	2.3 *
Education and training	30.2	28.7	26.2	4.0 ***	2.5	1.5
Basic education	9.3	8.2	7.8	1.5 *	0.4	1.1
College	17.3	17.1	15.4	1.9	1.7	0.2
Vocational training	9.1	7.0	7.6	1.5	-0.6	2.1 **
Work experience	6.7	4.5	5.5	1.2	-1.0	2.2 ***
Job readiness	11.1	9.5	8.7	2.4 **	0.8	1.6
Career counseling	1.5	1.8	1.1	0.4	0.7	-0.3
<b><u>Years 3-4</u></b>						
Ever participated	33.5	21.9	20.0	13.6 ***	1.9	11.7 ***
Ever participated in:						
Job search	24.6	10.5	7.9	16.7 ***	2.6	14.1 ***
Education and training	17.6	15.2	14.9	2.7 **	0.2	2.5 *
Basic education	5.7	3.9	4.6	1.1	-0.7	1.8 **
College	8.6	9.1	8.5	0.1	0.6	-0.6
Vocational training	5.5	4.1	4.3	1.2	-0.3	1.5 *
Work experience	2.7	2.3	3.2	-0.5	-0.9	0.4
Job readiness	9.4	4.7	5.3	4.1 ***	-0.6	4.7 ***
Career counseling	0.1	0.0	0.1	0.0	-0.1	0.1

(continued)

**Appendix Table B.1 (continued)**

Outcome (%)	<u>Average Outcome Levels</u>			<u>WRP vs. ANFC</u> Impacts of Financial Incentives and Eligibility Rules Combined with Work Requirement	<u>WRP Incentives</u> <u>Only vs. ANFC</u>	<u>WRP vs. WRP</u> <u>Incentives Only</u>
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b><u>Years 5-6</u></b>						
Ever participated	19.8	14.1	13.9	5.9 ***	0.2	5.7 ***
Ever participated in:						
Job search	13.1	7.8	7.1	6.0 ***	0.7	5.3 ***
Education and training	7.7	8.4	8.1	-0.4	0.3	-0.7
Basic education	2.9	2.7	3.1	-0.3	-0.4	0.1
College	3.6	4.8	4.2	-0.6	0.6	-1.2 *
Vocational training	2.0	2.0	1.4	0.6	0.6	0.0
Work experience	1.4	0.6	1.1	0.2	-0.5	0.7 *
Job readiness	4.5	4.2	4.0	0.5	0.3	0.3
Career counseling	0.0	0.0	0.1	-0.1 *	-0.1	0.0
<b><u>Years 1-6</u></b>						
Ever participated	55.2	44.7	43.8	11.4 ***	0.8	10.6 ***
Ever participated in:						
Job search	39.1	24.6	23.7	15.4 ***	0.9	14.5 ***
Education and training	38.5	35.4	33.2	5.3 ***	2.2	3.1 *
Basic education	13.8	12.0	11.4	2.4 **	0.7	1.7
College	20.7	21.0	18.7	1.9	2.2	-0.3
Vocational training	13.5	10.8	10.9	2.6 **	-0.1	2.7 **
Work experience	9.0	6.4	8.4	0.7	-2.0 *	2.6 ***
Job readiness	20.0	15.1	14.8	5.3 ***	0.3	4.9 ***
Career counseling	1.5	1.8	1.1	0.4	0.7	-0.3
Sample size	3,271	1,088	1,110			

SOURCE: MDRC calculations using Reach Up automated participation data.

NOTE: A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

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Appendix Table B.2

Participation in Employment-Related Activities Within a Six-Year Follow-Up Period  
for Single-Parent Sample Members, by District

Outcome (%)	<u>Average Outcome Levels</u>			<u>WRP vs. ANFC</u> Impacts of Financial Incentives and Eligibility Rules Combined with Work Requirement	<u>WRP Incentives</u> <u>Only vs. ANFC</u>	<u>WRP vs. WRP</u> <u>Incentives Only</u>
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b><u>Barre</u></b>						
Ever participated	55.0	48.7	38.5	16.5 ***	10.2 *	6.3
Ever participated in:						
Job search	39.5	31.8	22.0	17.5 ***	9.8 *	7.7 *
Education and training	20.9	13.6	13.3	7.6 **	0.3	7.2 **
Work experience	11.7	10.7	8.6	3.1	2.0	1.1
Job readiness	18.9	15.7	13.4	5.5	2.3	3.2
Career counseling	2.3	0.3	0.7	1.6	-0.4	2.0 *
Sample size	481	165	174			
<b><u>Burlington</u></b>						
Ever participated	54.9	41.5	44.3	10.6 ***	-2.8	13.3 ***
Ever participated in:						
Job search	39.2	24.5	23.0	16.2 ***	1.6	14.7 ***
Education and training	21.7	17.6	20.0	1.7	-2.4	4.1 *
Work experience	12.5	7.4	12.6	-0.1	-5.1 **	5.1 ***
Job readiness	17.6	14.6	12.3	5.3 **	2.3	3.0
Career counseling	0.3	0.0	0.3	0.0	-0.3	0.3
Sample size	1098	350	355			

(continued)

**Appendix Table B.2 (continued)**

Outcome (%)	<u>Average Outcome Levels</u>			<u>WRP vs. ANFC</u>	<u>WRP Incentives</u>	<u>WRP vs. WRP</u>
	<u>WRP</u>	<u>WRP</u>	<u>ANFC</u>	<u>Impacts of</u>	<u>Only vs. ANFC</u>	<u>Incentives Only</u>
	<u>Group</u>	<u>Incentives</u>	<u>Group</u>	<u>Financial Incentives</u>	<u>Impacts of</u>	<u>Added Impacts</u>
		<u>Only Group</u>		<u>and Eligibility Rules</u>	<u>Financial Incentives</u>	<u>of Work</u>
				<u>Combined with</u>	<u>and Eligibility Rules</u>	<u>Requirement</u>
				<u>Work Requirement</u>		
<b><u>Newport</u></b>						
Ever participated	62.4	50.9	49.2	13.2 **	1.7	11.5 **
Ever participated in:						
Job search	47.9	25.7	26.0	21.9 ***	-0.4	22.2 ***
Education and training	31.8	28.1	23.5	8.3	4.6	3.7
Work experience	8.5	10.2	10.1	-1.6	0.1	-1.7
Job readiness	26.0	17.7	16.3	9.7 **	1.4	8.3 *
Career counseling	0.3	0.9	0.1	0.1	0.8	-0.6
Sample size	293	114	102			
<b><u>Rutland</u></b>						
Ever participated	54.5	40.9	42.3	12.3 ***	-1.3	13.6 ***
Ever participated in:						
Job search	38.2	21.1	22.5	15.8 ***	-1.4	17.1 ***
Education and training	23.0	19.5	19.3	3.7	0.3	3.5
Work experience	3.2	1.2	2.0	1.2	-0.8	2.0
Job readiness	20.3	13.4	15.5	4.8	-2.1	6.8 **
Career counseling	2.1	3.8	1.6	0.5	2.2	-1.7
Sample size	625	198	211			

(continued)

**Appendix Table B.2 (continued)**

Outcome (%)	<u>Average Outcome Levels</u>			<u>WRP vs. ANFC</u> Impacts of Financial Incentives and Eligibility Rules Combined with Work Requirement	<u>WRP Incentives</u> <u>Only vs. ANFC</u>	<u>WRP vs. WRP</u> <u>Incentives Only</u>
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b><u>Springfield</u></b>						
Ever participated	53.4	48.0	47.3	6.2	0.7	5.5
Ever participated in:						
Job search	31.5	22.8	22.9	8.6 *	-0.1	8.7 *
Education and training	28.3	30.3	21.5	6.8	8.8	-2.0
Work experience	3.5	3.0	1.2	2.3	1.8	0.4
Job readiness	18.8	17.4	13.2	5.6	4.2	1.4
Career counseling	5.7	9.5	5.1	0.7	4.5	-3.8
Sample size	349	117	115			
<b><u>St. Albans</u></b>						
Ever participated	54.2	45.1	45.0	9.1 **	0.1	9.1 *
Ever participated in:						
Job search	39.3	23.3	27.7	11.6 ***	-4.4	16.1 ***
Education and training	23.1	22.6	19.8	3.3	2.8	0.5
Work experience	11.0	6.6	8.4	2.5	-1.8	4.4
Job readiness	23.0	17.3	21.8	1.2	-4.6	5.7
Career counseling	0.0	0.0	0.0	0.0	0.0	0.0
Sample size	425	144	153			

SOURCE: MDRC calculations using Reach Up automated participation data.

NOTE: A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.



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Appendix Table B.3

Self-Reported Participation in Employment-Related Activities Within a 42-Month Follow-Up Period for Single-Parent Survey Respondents

Outcome (%)	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules Combined with Work Requirement	WRP Incentives	WRP vs. WRP
	WRP Group	WRP Incentives Only Group	ANFC Group		Only vs. ANFC Impacts of Financial Incentives and Eligibility Rules	Incentives Only Added Impacts of Work Requirement
Ever participated in any activity	56.8	54.1	54.1	2.6	0.0	2.6
Ever participated in:						
Job club	20.0	18.3	12.3	7.7 ***	6.0 **	1.7
Job search	21.9	14.5	15.6	6.3 **	-1.1	7.5 ***
Basic education	8.0	7.2	8.2	-0.2	-1.0	0.8
College	25.5	28.7	27.0	-1.5	1.7	-3.2
Work experience	2.7	2.4	3.0	-0.3	-0.6	0.3
On-the-job training	6.4	2.6	5.0	1.4	-2.4	3.9 ***
Vocational training	10.2	5.8	11.0	-0.8	-5.2 ***	4.4 **
Other	6.8	6.7	5.2	1.5	1.4	0.1
Sample size	421	414	421			

SOURCE: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This table includes participation in all types of employment-related activities, including those not associated with Reach Up.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.



**Appendix C**

**Survey Response Analysis and Other Technical Issues**

## Appendix C

# Survey Response Analysis and Other Technical Issues

This appendix discusses the following matters related to the data sources used in this report: (1) the survey response analysis; (2) the similarity of employment information from the unemployment insurance (UI) records and from the survey; (3) the sources of income from the survey for people with no income in the administrative records (that is, who were not in the UI earnings records, the ANFC records, or the Food Stamp records for the calendar quarter in which they were interviewed); (4) how MDRC estimated the Earned Income Credit (EIC); and (5) the rates of earnings reporting, by research group.

## Survey Response Analysis

This section examines the generalizability of results from the survey. To study the effects of WRP, people were assigned at random to three research groups: the WRP group, the WRP Incentives Only group, and the ANFC group. Random assignment ensured that the groups were similar at that point and that any differences that emerged among the groups would be a result of WRP's policies. While random assignment worked for the entire WRP group and the entire ANFC group, some of the results in this report are based on a group of people who responded to the survey. Even if the background characteristics of WRP and ANFC group members were the same, it is possible that survey respondents — in both groups — differed from the remainder of the report sample. It is also important to check whether the impacts on outcomes measured by the administrative records are the same in the survey samples as the report samples. Thus, the survey response analysis considers the following issues: (1) the similarity of respondents across research groups; (2) the similarity of sample members who responded to the survey and the remainder of the report sample; and (3) administrative records impacts among survey subsamples. Separate analyses are performed for the single-parent sample and the two-parent (unemployed parent [UP]) sample.

### Similarity of Single-Parent Survey Respondents Across Research Groups

It is possible that members of the WRP group who responded to the survey differed at baseline from members of the ANFC group who responded to the survey. If that were true, then differences that existed between the groups after baseline (that is, the results shown in this report) could partly reflect those baseline differences. Table C.1 shows various baseline characteristics of the survey respondents in the WRP group (first column) and of those in the ANFC group (second column).

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Appendix Table C.1

Baseline Characteristics of Single-Parent Survey Respondents,  
by Research Group

Characteristics	WRP Group	ANFC Group
<b><u>Demographic characteristics (%)</u></b>		
Applicant/recipient		
Applicant	37.8	39.7
Recipient	62.2	60.3
Geographic area		
Burlington	33.3	30.4
Barre	15.9	15.9
Newport	9.0	8.1
Rutland	19.0	20.7
Springfield	10.0	9.7
St Albans	12.8	15.2
Gender/sex		
Male	4.5	5.9
Female	95.5	94.1
Age at random assignment		
Under 20	5.0	7.1
20-24	22.1	20.0
25-34	48.2	45.1
35-44	20.4	24.0
45 or older	4.3	3.8
<b><u>Labor force status (%)</u></b>		
Ever employed before Quarter 1	31.8	35.2
Ever employed before Quarter 2	31.1	34.7
Ever employed before Quarter 3	28.3	32.5
Ever employed before Quarter 4	28.3	30.4
Working at random assignment	20.4	19.7
<b><u>Educational status (%)</u></b>		
Highest degree: HS diploma	46.2	46.9
Highest degree: GED	15.3	17.5
Highest degree: Technical diploma	10.3	10.1
Highest degree: College	2.6	4.1

(continued)

**Appendix Table C.1 (continued)**

Characteristics	WRP Group	ANFC Group
<b><u>Public assistance status</u></b>		
Ever received cash assistance payments before Quarters 1-4 (%)		
Ever received cash assistance before Quarter 1	67.9	70.6
Ever received cash assistance before Quarter 2	72.0	71.7
Ever received cash assistance before Quarter 3	71.0	70.3
Ever received cash assistance before Quarter 4	69.8	69.1
Ever received Food Stamps, before Quarters 1-4 (%)		
Ever received Food Stamps before Quarter 1	73.4	76.3
Ever received Food Stamps before Quarter 2	73.9	74.6
Ever received Food Stamps before Quarter 3	73.2	72.7
Ever received Food Stamps before Quarter 4	71.7	72.2
Earnings, before Quarters 1-4 (\$)		
Earnings before Quarter 1	572	608
Earnings before Quarter 2	523	575
Earnings before Quarter 3	475	560
Earnings before Quarter 4	506	540
Received cash assistance, before Quarters 1-4 (\$)		
Amount of cash assistance received before Quarter 1	1,092	1,099
Amount of cash assistance received before Quarter 2	1,116	1,124
Amount of cash assistance received before Quarter 3	1,116	1,095
Amount of cash assistance received before Quarter 4	1,045	1,035
Food Stamps received, before Quarters 1-4 (\$)		
Amount of Food Stamps received before Quarter 1	375	381
Amount of Food Stamps received before Quarter 2	372	366
Amount of Food Stamps received before Quarter 3	377	368
Amount of Food Stamps received before Quarter 4	359	352
<b>Sample size</b>	<b>421</b>	<b>421</b>

SOURCES: MDRC calculations using data from the 42-Month Client Survey, Background Information Forms (BIF), Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: The sample includes single parents in the survey respondent sample.

A regression was run to determine whether research group membership could be predicted by background characteristics. The model was not significant ( $p = .9262$ ).

Two-tailed t-tests were applied to all estimated differences in means. Chi-square tests were applied to differences in categories. There were no statistical significant differences at the 1 percent, 5 percent, or 10 percent levels.

The two groups of single-parent survey respondents were similar in every way shown in the table. They had similar welfare histories: About 40 percent of both groups were applying for welfare when they were randomly assigned, and 60 percent were already receiving welfare at that time. About 95 percent of both groups are female. They were dispersed in a similar way around the state, with about 30 percent of both groups coming from Burlington, 20 percent from Rutland, and so on. Likewise, they had similar work histories and similar education levels. The results in Table C.1 are encouraging, therefore, and suggest that comparisons across the research groups will indicate the effects of WRP's policies rather than preexisting differences across survey respondents in the research groups.

To enable a more rigorous analysis of whether there are differences across research groups in the survey sample, a regression was performed that tried to predict research group status on the basis of these background characteristics. This regression found that, taken as a whole, the background characteristics presented in Table C.1 were unsuccessful in determining the research status of sample members.

### **Similarity of Single-Parent Survey Respondents and Nonrespondents**

Even when experimental comparisons using survey data are legitimate — as Table C.1 implies they are — they might provide results for an unusual sample that does not represent the full group of people who entered the study. When the survey firm was trying to find people to whom they could administer the survey, for example, it might have been more easy to locate people who were still on welfare, since welfare records could have provided an accurate current address. If that had happened, then the results in this report would reflect a group of people who were more likely to be on welfare than the group of people who were originally randomly assigned.

Table C.2 examines this possibility by showing baseline characteristics of single-parent families who responded to the 42-Month Client Survey and those in the single-parent analysis sample who did not respond to the survey. In some ways, the two groups are fairly similar. Just over 30 percent of both groups came from Burlington, for example, and the average age at random assignment was nearly the same between the two groups. Likewise, the work history of the two groups was similar: For example, about one-third of each group worked in the quarter before random assignment; about 30 percent worked in the fourth quarter before random assignment; and about 20 percent were working at random assignment. This suggests that the survey results that relate to employment and types of jobs may be fairly representative of the larger sample.

In some ways, however, survey respondents differed from the remainder of the report sample at random assignment. As mentioned above, people who were more likely to

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Appendix Table C.2

Differences in Baseline Characteristics of Single-Parent Families,  
by Survey Response Status

Characteristics	Survey Respondents	Remainder of Report Sample	Difference
<b><u>Demographic characteristics (%)</u></b>			
Applicant/recipient			
Applicant	39.5	44.8	***
Recipient	60.5	55.2	
Geographic area			
Burlington	32.1	33.2	
Barre	15.6	14.8	
Newport	9.2	9.4	
Rutland	19.0	18.9	
Springfield	10.0	10.8	
St Albans	14.2	12.9	
Gender/sex			
Male	5.3	7.1	**
Female	94.7	92.9	
Age at random assignment			
Under 20	5.6	5.9	
20-24	21.4	22.1	
25-34	45.1	43.1	
35-44	23.6	24.3	
45 or older	4.4	4.7	
<b><u>Labor force status (%)</u></b>			
Ever employed before Quarter 1	33.8	33.2	
Ever employed before Quarter 2	32.9	32.3	
Ever employed before Quarter 3	30.7	31.8	
Ever employed before Quarter 4	29.9	31.2	
Working at random assignment	20.4	19.9	
<b><u>Educational status (%)</u></b>			
Highest Degree: HS Diploma	47.3	42.7	***
Highest Degree: GED	16.5	17.4	
Highest Degree: Technical Diploma	9.7	8.6	
Highest Degree: College	3.7	3.3	

(continued)



**Appendix Table C.2 (continued)**

Characteristics	Survey Respondents	Remainder of Report Sample	Difference
<b><u>Public assistance status</u></b>			
Ever received cash assistance payments before Quarters 1-4 (%)			
Ever received cash assistance before Quarter 1	68.2	64.6	**
Ever received cash assistance before Quarter 2	71.3	65.8	***
Ever received cash assistance before Quarter 3	69.8	63.9	***
Ever received cash assistance before Quarter 4	68.4	62.5	***
Ever received Food Stamps, before Quarters 1-4 (%)			
Ever received Food Stamps before Quarter 1	74.5	72.7	
Ever received Food Stamps before Quarter 2	74.0	71.6	*
Ever received Food Stamps before Quarter 3	72.1	68.8	**
Ever received Food Stamps before Quarter 4	71.3	67.4	***
Earnings, before Quarters 1-4 (\$)			
Earnings before Quarter 1	618	600	
Earnings before Quarter 2	577	583	
Earnings before Quarter 3	554	618	
Earnings before Quarter 4	569	606	
Received cash assistance, before Quarters 1-4 (\$)			
Amount of cash assistance received before Quarter 1	1,073	1,008	**
Amount of cash assistance received before Quarter 2	1,096	1,003	***
Amount of cash assistance received before Quarter 3	1,082	986	***
Amount of cash assistance received before Quarter 4	1,023	931	***
Food Stamps received, before Quarters 1-4 (\$)			
Amount of Food Stamps received before Quarter 1	377	374	
Amount of Food Stamps received before Quarter 2	372	366	
Amount of Food Stamps received before Quarter 3	372	352	**
Amount of Food Stamps received before Quarter 4	357	327	***
<b>Sample size</b>	<b>1,256</b>	<b>4,213</b>	

SOURCES: MDRC calculations using data from the 42-Month Client Survey, Background Information Forms (BIF), Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: The sample includes single parents in the fielded survey sample.

A regression was run to determine whether there were any systematic differences between survey respondents and nonrespondents. The F statistic of 2.20 ( $p = 0.0001$ ) indicated that there were some systematic differences in the background characteristics of survey respondents and nonrespondents.

Two-tailed t-tests were applied to all estimated differences in means. Chi-square tests were applied to differences in categories. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

still be on welfare in Month 42 may have been more likely to have responded to the survey. Table C.2 shows that survey respondents were more likely to be receiving welfare at random assignment and that they received more in benefit payments. At the same time, survey respondents were more likely to be female, and they were nearly 5 percentage points more likely to have graduated from high school.

Although these differences require that results in this report be interpreted with some slight caution, results for survey respondents are likely to be safely generalizable to the full sample, since no differences are enormous and since the two groups are similar in most respects. Furthermore, impacts from the survey sample on outcomes from the administrative records are similar in pattern (albeit different in magnitude) to impacts from the report sample, which are discussed below. A multivariate regression model was run to determine which characteristics were most important in predicting survey response. This analysis found that, taken as a whole, the set of background characteristics shown in Table C.2 was able to predict response status (that is, there is some response bias). Not surprisingly, the most important predictors were related to prior receipt of cash assistance and Food Stamps.

### **Response Analysis Among Two-Parent (UP) Families**

Further analysis (not shown) found that two-parent WRP group members who responded to the survey were very similar to their ANFC counterparts. Table C.3 (like Table C.2) shows the differences in baseline characteristics for respondents versus the remainder of the report sample — this time, for the two-parent unemployed (UP) families. Again, it is important to identify any large differences between the two groups at the baseline stage to understand whether the survey sample is representative of the full sample and to identify whether any large differences in baseline characteristics could make the results less generalizable. Fortunately — as in the single-parent comparison — Table C.3 again shows only moderate differences in baseline characteristics between respondents and the remainder of the report sample. The differences are similar to those presented earlier for single-parent families.

As among single-parent respondents and nonrespondents, Table C.3 shows similarities between the two-parent groups in terms of research district, age at random assignment, and previous employment. However, unlike the single-parent comparison, the two-parent groups were more similar in terms of their applicant/recipient status. As among single parents, respondents in the two-parent families were more likely than nonrespondents to have received welfare before random assignment. Respondents also had higher Food Stamp receipt rates and payments. Although the differences in baseline characteristics are not large in general, they again require that the results in the report be interpreted with some caution.

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Appendix Table C.3

Differences in Baseline Characteristics of Two-Parent Unemployed Families,  
by Survey Response Status

Characteristics	Survey Respondents	Remainder of Report Sample	Difference
<b><u>Demographic characteristics (%)</u></b>			
Applicant/recipient			
Applicant	64.1	67.8	
Recipient	35.9	32.2	
Geographic area			
Burlington	22.4	26.7	
Barre	14.6	14.8	
Newport	14.4	11.4	
Rutland	20.6	20.5	
Springfield	9.1	8.3	
St Albans	18.8	18.3	
Gender/sex			
Male	24.7	31.0	***
Female	75.3	69.0	
Age at random assignment			
Under 20	5.4	5.6	
20-24	23.5	25.2	
25-34	47.1	44.3	
35-44	19.6	20.9	
45 or older	4.2	4.0	
<b><u>Labor force status (%)</u></b>			
Ever employed before Quarter 1	69.5	65.9	
Ever employed before Quarter 2	65.9	63.0	
Ever employed before Quarter 3	64.8	63.7	
Ever employed before Quarter 4	66.1	62.7	
Working at random assignment	20.8	21.9	
<b><u>Educational status (%)</u></b>			
Highest Degree: HS Diploma	46.6	41.1	**
Highest Degree: GED	13.5	15.2	
Highest Degree: Technical Diploma	8.0	8.2	
Highest Degree: College	2.3	2.3	

(continued)

**Appendix Table C.3 (continued)**

Characteristics	Survey Respondents	Remainder of Analysis Sample	Difference
<b><u>Public assistance status</u></b>			
Ever received cash assistance payments before Quarters 1-4 (%)			
Ever received cash assistance before Quarter 1	46.8	45.9	
Ever received cash assistance before Quarter 2	50.2	48.8	
Ever received cash assistance before Quarter 3	52.0	46.9	**
Ever received cash assistance before Quarter 4	50.8	44.0	***
Ever received Food Stamps, before Quarters 1-4 (%)			
Ever received Food Stamps before Quarter 1	66.7	63.6	
Ever received Food Stamps before Quarter 2	64.6	64.9	
Ever received Food Stamps before Quarter 3	65.8	61.8	
Ever received Food Stamps before Quarter 4	65.4	59.2	**
Earnings, before Quarters 1-4 (\$)			
Earnings before Quarter 1	2,393	2,296	
Earnings before Quarter 2	2,232	2,223	
Earnings before Quarter 3	2,127	2,322	
Earnings before Quarter 4	2,135	2,113	
Received cash assistance, before Quarters 1-4 (\$)			
Amount of cash assistance received before Quarter 1	748	734	
Amount of cash assistance received before Quarter 2	773	759	
Amount of cash assistance received before Quarter 3	798	736	
Amount of cash assistance received before Quarter 4	756	693	
Food Stamps received, before Quarters 1-4 (\$)			
Amount of Food Stamps received before Quarter 1	428	390	*
Amount of Food Stamps received before Quarter 2	419	400	
Amount of Food Stamps received before Quarter 3	427	389	*
Amount of Food Stamps received before Quarter 4	405	358	**
Sample size	616	1,036	

SOURCES: MDRC calculations using data from the 42-Month Client Survey, Background Information Forms (BIF), Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: The sample includes single parents in the fielded survey sample.

A regression was run to determine whether there were any systematic differences between survey respondents and the remainder of the analysis sample. The F statistic of 1.74 (p = 0.0031) indicated that there were some systematic differences in the background characteristics of survey respondents and nonrespondents.

Two-tailed t-tests were applied to all estimated differences in means. Chi-square tests were applied to differences in categories. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

A regression analysis was performed that attempted to predict response status based on these characteristics. This regression was significant. Therefore, caution should be exercised when generalizing findings from the survey sample to the full report sample.

### **Administrative Records Impacts for Survey Respondents**

Table C.4 presents six-year impact findings for the single-parent respondents to the 42-Month Client Survey, and Table C.5 presents similar findings for respondents in the two-parent UP families. These tables draw on the administrative records data used in the main report and show impacts on employment, cash assistance and Food Stamp receipt, cash assistance and Food Stamp payments, and earnings. A comparison with the findings for the report sample (presented in Table 6) shows that the impacts in Years 1 and 2 were similar for both single-parent samples: WRP slightly increased employment and didn't affect the other sources of income. This similarity is expected, based on the minor differences in baseline characteristics of respondents versus the remainder of the report sample. Reflecting the response bias, however, welfare and Food Stamp payment levels were higher in both research groups of the survey respondent sample.

However, in Years 3 through 6, some differences between the survey sample and the report sample are evident. In both samples, there was a moderate impact on employment and cash assistance payment in Years 3 and 4. However, the report sample shows a statistically significant \$713 impact on earnings, while the survey sample experienced much more moderate increases that are not statistically significant. Largely because of this, WRP had no impact on income among the survey sample, while a \$442 impact was measured in the full report sample. Inasmuch as the 42-Month Client Survey was administered during this same time period, these results are especially noteworthy.

The same patterns continued in the final two years of the follow-up period. Table C.4 shows that WRP did not have a significant impact on employment or earnings during Years 5 and 6 (though there were increases in both years). The report sample experienced significant increases during this period. In both samples, decreases in cash assistance payments were still significant. Because of these differences, some caution should be exercised when generalizing results from the survey to the report sample. However, the general pattern of impacts for single parents is largely the same in the survey sample as in the full sample.

Table C.5 shows the impacts on administrative records measures of employment, earnings, and public assistance receipt and payments among two-parent (UP) respondents to the 42-Month Client Survey. It shows that, among the survey sample, WRP did not increase welfare receipt or payments. This differs from the report sample results, which show that WRP increased welfare receipt during the first four years. However, in the final two years of the follow-up period, the results were similar across the two samples. While the results in Table C.5 differ

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**Appendix Table C.4**

**Six-Year Impacts of WRP for Single-Parent Families  
Who Responded to the Survey**

<b>Outcome</b>	<b>WRP Group</b>	<b>ANFC Group</b>	<b>Difference (Impact)</b>	<b>Percentage Change (%)</b>
<b><u>Years 1-2</u></b>				
Average quarterly employment (%)	44.9	40.7	4.2 *	10.2
Average quarterly percentage receiving cash assistance (%)	69.9	70.8	-0.9	-1.3
Average quarterly percentage receiving Food Stamps (%)	77.7	78.9	-1.2	-1.5
Average annual earnings (\$)	3,723	3,479	244	7.0
Average annual cash assistance payments (\$)	3,953	4,095	-143	-3.5
Average annual Food Stamp payments (\$)	1,687	1,729	-42	-2.4
Average annual tax-adjusted income <sup>a</sup> (\$)	9,945	9,837	108	1.1
<b><u>Years 3-4</u></b>				
Average quarterly employment (%)	61.1	53.9	7.2 ***	13.4
Average quarterly percentage receiving cash assistance (%)	42.6	44.4	-1.8	-4.1
Average quarterly percentage receiving Food Stamps (%)	56.3	58.5	-2.2	-3.7
Average annual earnings (\$)	6,460	6,155	305	5.0
Average annual cash assistance payments (\$)	2,150	2,537	-387 **	-15.2
Average annual Food Stamp payments (\$)	1,186	1,265	-79	-6.2
Average annual tax-adjusted income <sup>a</sup> (\$)	10,637	10,625	11	0.1
<b><u>Years 5-6</u></b>				
Average quarterly employment (%)	62.3	58.7	3.6	6.2
Average quarterly percentage receiving cash assistance (%)	23.5	29.7	-6.3 **	-21.1
Average quarterly percentage receiving Food Stamps (%)	38.7	41.1	-2.4	-5.8
Average annual earnings (\$)	8,903	8,345	558	6.7
Average annual cash assistance payments (\$)	1,128	1,722	-594 ***	-34.5
Average annual Food Stamp payments (\$)	805	858	-53	-6.2
Average annual tax-adjusted income <sup>a</sup> (\$)	11,184	11,340	-156	-1.4
<b>Sample size</b>	<b>421</b>	<b>421</b>		

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as:

\*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

<sup>a</sup>This measure includes income from earnings, cash assistance, and Food Stamps; federal, state, and payroll taxes; and the federal and state Earned Income Credits.

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### Appendix Table C.5

#### Six-Year Impacts of WRP for Two-Parent Unemployed Families Who Responded to the Survey

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Years 1-2</u></b>				
Average quarterly employment (%)	77.3	73.2	4.1	5.6
Average quarterly percentage receiving cash assistance (%)	48.2	48.0	0.2	0.4
Average quarterly percentage receiving Food Stamps (%)	65.2	69.5	-4.4	-6.3
Average annual earnings (\$)	12,338	11,228	1,110	9.9
Average annual cash assistance payments (\$)	2,582	2,830	-248	-8.7
Average annual Food Stamp payments (\$)	860	1,052	-192	-18.2
Average annual tax-adjusted income <sup>a</sup> (\$)	16,757	16,411	346	2.1
<b><u>Years 3-4</u></b>				
Average quarterly employment (%)	78.7	76.1	2.7	3.5
Average quarterly percentage receiving cash assistance (%)	31.0	29.7	1.3	4.5
Average quarterly percentage receiving Food Stamps (%)	47.7	51.3	-3.6	-6.9
Average annual earnings (\$)	16,662	15,741	921	5.9
Average annual cash assistance payments (\$)	1,484	1,546	-62	-4.0
Average annual Food Stamp payments (\$)	860	1,052	-192	-18.2
Average annual tax-adjusted income <sup>a</sup> (\$)	18,239	17,874	365	2.0
<b><u>Years 5-6</u></b>				
Average quarterly employment (%)	77.4	76.1	1.3	1.8
Average quarterly percentage receiving cash assistance (%)	22.2	20.8	1.4	6.8
Average quarterly percentage receiving Food Stamps (%)	36.3	39.0	-2.6	-6.8
Average annual earnings (\$)	19,349	19,186	162	0.8
Average annual cash assistance payments (\$)	1,164	1,210	-47	-3.9
Average annual Food Stamp payments (\$)	860	1,052	-192	-18.2
Average annual tax-adjusted income <sup>a</sup> (\$)	19,321	19,384	-63	-0.3
Sample size	218	198		

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

<sup>a</sup>This measure includes income from earnings, cash assistance, and Food Stamps; federal, state, and payroll taxes; and the federal and state Earned Income Credits.

somewhat from those in Table 16 (the related table in the report), it should be kept in mind that the sample sizes used in Table C.5 are rather small. At any rate, the differences again suggest caution in generalizing these results to the full report sample of two-parent UP families.

## **Comparing Employment from the UI Records and the Survey**

Results in the body of the report show that WRP's impacts on employment as measured with survey responses are about the same as the impacts measured with UI records but that employment levels are higher using the survey data. Table C.6 presents further information to explain these comparisons.

The upper panel of Table C.6 shows the extent to which the survey and the UI records agree regarding a person's employment. The third row of the table shows a very positive result: For 76.5 percent of the WRP groups (the WRP group and the WRP Incentives Only group combined), the two sources of information agree, as they do for 80.0 percent of the ANFC group. That is, both the survey and the UI records indicate that these individuals were working, or both sources indicate that these persons were not working. The fourth row of the table indicates that both the survey and the administrative records show that most of these individuals were working.

The first two rows of the upper panel show the ways in which the two sources of information disagree. For more than 10 percent of both research groups (row 1), the survey indicates that the person was employed, but the UI records do not. If the survey is accurate, this implies that the person was working in a job not covered by the UI system — perhaps because it was a job in the informal sector or a job outside Vermont and New Hampshire, the two states for which UI records were collected. Less than 9 percent of both research groups (row 2) were employed according to UI records, but they were not employed according to their own survey responses. This discrepancy is less likely to reflect the types of jobs that people had than to point to some of the drawbacks of surveys: (1) some people may have forgotten about jobs that they held; (2) some people may have decided not to tell the interviewer about jobs that they held; and (3) the survey results reflect employment in one month, while the UI records show employment for one quarter — and the person may have been employed in the quarter but not in the month measured by the survey.

The lower panel of Table C.6 provides some additional insight into the group of people who said that they were working but who did not appear to be working according to the UI records. This panel compares the characteristics of these individuals with the characteristics of workers in the full survey (that is, including those who also appeared to be working in the UI records). As discussed above, one potential reason that someone who was working does not appear in the UI records is that the job was not in Vermont or New Hampshire. Indeed, while



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Appendix Table C.6

Comparison of Employment Reported on the Survey and on UI Records

	WRP Group	ANFC Group
<b>Comparison of employment statuses across data sources for comparable relative quarter<sup>a</sup></b>		
Working on survey, not on UI records (%)	14.7	11.6
Working on UI, not on survey (%)	8.8	8.3
Same employment status on both UI and Survey (%)	76.5	80.0
Measured as working on both data sources (%)	50.8	43.9
Measured as not employed on both data sources (%)	25.7	36.1
	Working on Survey, Not on Records	Full Survey Sample
Job was located in Vermont (%)	75.7	92.1
Hours worked	33	34
Earnings (\$)	277	254
Employer-provided medical benefits (%)	22.5	28.3

SOURCES: MDRC calculations using data from 42-Month Client Survey and Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTE: <sup>a</sup>Comparisons are approximations, because survey data are collected monthly while UI data are compiled quarterly. Some of the mismatch can be attributed to this factor. Also, the UI system does not cover many informal jobs and out-of-state jobs.

more than 90 percent of all workers in the survey were employed in Vermont, only about 75 percent of workers who do not show up in the UI records were working in Vermont. Jobs that provide medical benefits are also more likely to be covered by the UI system. The last row of the table shows that 28.3 percent of workers in the full survey sample were provided with medical benefits by their employer, while only 22.5 percent of those with a records discrepancy were — perhaps implying that their jobs were indeed less likely to be covered by the UI system. In other ways, however, the jobs appear similar: Most jobs were full time (on average, both groups worked nearly 40 hours per week), and average weekly earnings were similar for the two groups.

## Income Sources for People with No Income from Administrative Records

In the 1999 report about WRP that used administrative records, about 25 percent of each research group had no earnings reported to the UI system and no cash assistance reported in the ANFC records in Quarter 14 — about the time when the survey was administered.<sup>1</sup> In other words, the administrative records indicate that these individuals had no income. If these people really had no means of support, then this result is extremely concerning. More likely, however, is that many of these people were working in a job not covered by the UI system or were living with other adults who were providing support for them and their families.

Table C.7 describes the potential income sources for people for whom the administrative records show no income in the quarter in which the survey was administered. Among this group, nearly two-thirds lived with another adult who had income, and more than half were cur-

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#### Appendix Table C.7

#### Income Sources for Those Who Had No Measured Income According to the Administrative Records

	\$0 in Administrative Records (N=151) (%)	Full Sample (%)
Lives with another adult	74.2	54.5
Lives with another adult who has income	64.9	49.5
Received cash assistance in other state	4.6	1.2
Received cash assistance or Food Stamps	15.9	52.9
Currently working	55.0	59.0
Lives with another adult, received cash assistance or Food Stamps, or currently working	94.7	98.2

SOURCES: MDRC calculations using data from 42-Month Client Survey and Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

<sup>1</sup>Hendra and Michalopoulos, 1999.

rently working (apparently in jobs not covered by the UI system). Overall, 95 percent reported that they were living with another adult, or were working, or were receiving welfare or Food Stamps. In other words, the survey indicates that almost all these people had some source of income or support.

## **Calculations of Tax-Adjusted Income**

This section describes how MDRC derived the tax-adjusted income figures shown in the main report (for example, in Table 6). The same general methodology was used in the benefit-cost analysis. This discussion also describes some limitations of the approach that was used.

### **The General Approach**

The analysis began by calculating each sample member's annual pretax earnings based on Vermont's and New Hampshire's unemployment insurance (UI) records. It was assumed that all sample members paid federal payroll taxes (amounting to 7.65 percent of annual earnings) and federal income taxes. The income tax calculations — based on 2000 tax rules — used the number of children reported by each sample member at baseline, and it was assumed that all sample members claimed the standard deduction.<sup>2</sup>

The analysis assumed that some sample members who were eligible for the Earned Income Credit (EIC) did not actually claim it. This assumption is based on national studies that suggest that the take-up rate for the EIC is less than 100 percent. The EIC take-up assumptions in this analysis are based on two questions in the 42-Month Client Survey that asked respondents whether they had received or would receive a tax refund and whether the EIC had been claimed for the 1997 tax year. MDRC examined the responses to these questions separately, by respondents' earnings in 1997 (according to UI records), which fell into the brackets shown in Table C.8. As the table shows, rates of reported tax filing were substantially lower for those with very low earnings in 1997. (There are several reasons why respondents who had no UI earnings might have filed a tax return; for example, they might have had earnings not reported to the UI system or out-of-state earnings, or their spouse might have had earnings.)

Based on annual UI earnings and the number of children at baseline, each sample member received an annual EIC estimate, which then was multiplied by the EIC take-up rate for the individual's level of earnings in that year. Essentially, the analysis assumed that everyone

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<sup>2</sup>U.S. Social Security Administration, Web site; and CCH, 1999.

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Appendix Table C.8

Self-Reported Income Tax Filing, by Earnings Bracket

Annual Earnings in 1997 (\$)	Reported Receiving Federal Tax Refund or Claiming EIC (%)
\$0	30.5
\$1-\$5,000	70.2
\$5,001-\$15,000	91.6
\$15,001 or more	86.2

who reported receiving a tax refund had claimed the EIC. (People who file a tax return and appear to be eligible for the EIC but do not claim it will receive a letter from the Internal Revenue Service informing them of the credit and enclosing the necessary forms.)<sup>3</sup>

**Limitations of the Analysis**

In the absence of actual tax data, it is impossible to derive a completely accurate estimate of sample members' tax-adjusted income. Limitations of the analysis described above include:

- The calculation does not consider the income of other people in the sample members' households. About 20 percent of sample members were married and living with their spouse when the 42-Month Client Survey was administered, and over half lived with at least one other adult. However, data on the earnings of other household members were available only for the month before the survey interview.
- The assumption about the EIC take-up rate may not be entirely accurate. For example, some sample members who received a tax refund may not have claimed the EIC even though they were eligible for it. In the absence of additional data, the analysis assumed that everyone who reported receiving a tax refund had claimed the credit.

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<sup>3</sup>The analysis assumed that some sample members had paid state and federal income taxes even though they reported, on the survey, that they had not received a tax refund for 1997. It is important to note, however, that most of the people in that category had earnings that were too low to result in any tax liability.

- Some sample members probably had earnings that were taxable but were not reported in the UI records. For example, they may have worked outside Vermont or New Hampshire or for the federal government.
- For simplicity, 2000 tax rules were used throughout the analysis, even though the follow-up period ran from 1995 through 2001.
- The analysis used the number of children reported by each sample member at the point of random assignment. Some people gave birth to additional children after random assignment, but such information is available only for people who responded to the survey.

Despite these limitations, the analysis provides a reasonable estimate of tax-adjusted income. More important, the factors described above should have affected both research groups equally, meaning that the impact estimates should not be affected.

### **Effects of Tax Adjustment on Income**

The above calculations yielded the results shown in Table C.9 for the WRP group. For example, in Years 1 and 2, tax-adjusted income was about 16 percent higher than pretax earnings; by Years 5 and 6, however, the EIC added only 4.7 percent to earnings. For this latter period, some readers might wonder why tax-adjusted income was only slightly higher than pretax income. After all, in 2000, the federal EIC was worth up to 40 percent of annual earnings for a family with two children — a maximum of \$3,816.<sup>4</sup> One might think that a credit this large would have boosted income further.

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##### **Appendix Table C.9**

#### **Pretax and Tax-Adjusted Annual Earnings for the WRP Group**

	Pretax Annual Earnings (\$)	Tax-Adjusted Annual Earnings (\$)	Difference Between After-Tax Earnings and Gross Earnings (\$)
Years 1-2	3,660	4,230	570
Years 3-4	6,306	6,936	630
Years 5-6	8,050	8,427	377

<sup>4</sup>U.S. House of Representatives, Committee on Ways and Means, 2000.

To understand these results, it is important to consider the basic structure of the federal EIC, which is illustrated in Table C.10. For a family with one child in 2000, the EIC was worth 34 percent of annual earnings up to \$6,800. For families with earnings between \$6,800 and \$12,460 (the beginning of the phase-out range), the credit was worth \$2,312. Thus, in this “flat” range, the EIC was worth from 34 percent to 19 percent of earnings. The credit then phased out between \$12,460 and \$27,400. For example, for a family with earnings of \$17,000, the credit was worth about \$1,587. The same basic structure applied to families with two or more children, although the amounts were larger.

In addition to the federal EIC, Vermont offers a state EIC that is 32 percent of the federal EIC.<sup>5</sup> In order to be eligible for the state credit, families with one child cannot have earnings above \$27,400. For families with more than one child, earnings must not exceed \$31,150. This additional state EIC is included in total tax-adjusted annual earnings shown in Table C.9.

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**Appendix Table C.10**

**Structure of the Federal Earned Income Credit (2000)**

Family Size	Credit Percentage	Maximum Benefit	Phase-Out Rate	Phase-Out Range
Families with one child	34% of first \$6,800	\$2,312	15.98%	\$12,460 to \$27,400
Families with two or more children	40% of first \$9,540	\$3,816	21.06%	\$12,460 to \$31,150

SOURCE: CCH, 1999.

There are several reasons why the tax calculation did not add much income for sample members (particularly at the end of the follow-up period):

- Nearly 40 percent of sample members had only one child at the point of random assignment. As shown in Table C.10, the EIC was considerably smaller for families with one child than for those with two or more children. For families with one child, the EIC was worth up to 34 percent of annual earnings, with a maximum of \$2,312.

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<sup>5</sup>Vermont Department of Taxes, Web site.

- As noted earlier, the analysis assumed that some sample members who were eligible for the EIC had not claimed it. Overall, it was assumed that approximately 84 percent of those with earnings in 1997 had claimed the EIC.
- The earnings figures in Table C.9 are averages and include many people who did not work — and who thus gained nothing from the EIC — in each year.
- Among those who worked, the levels of earnings in this study are moderately high, compared with the levels found in previous studies of similar populations. Thus, almost half of sample members had earnings above the EIC phase-in range. As shown in Table C.11, in Year 6 of the follow-up period, among sample members who had one child, 13 percent had earnings in the flat range (\$6,800 to \$12,460); 26 percent had earnings in the phase-out range (\$12,460 to \$27,400); and nearly 5 percent earned too much to be eligible for the EIC.

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**Appendix Table C.11**

**Proportion of WRP Group Members with Year 6 Earnings in the EIC Phase-In Range, Flat Range, and Phase-Out Range**

Level of Earnings	Sample Members with One Child (%)	Sample Members with Two or More Children (%)
Phase-in range	57.2	63.1
Flat range	12.6	7.8
Phase-out range	25.7	26.6
Ineligible range	4.5	2.6

## **An Analysis of Earnings Reporting**

An analysis was conducted to determine whether WRP encouraged more accurate reporting of earnings to the Vermont Department of Social Welfare (DSW).<sup>6</sup> Because WRP group members were subject to a work requirement and were given a clear message that they could keep more of their welfare grants if they went to work (as compared with prior ANFC rules), it might be expected that WRP group members had stronger incentives to report earnings to

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<sup>6</sup>DSW was the agency that administered WRP; it was renamed the Department of Prevention, Assistance, Transition, and Health Access (PATH) in mid-2000.

DSW. MDRC had access to data both from UI earnings records and from earnings reported to the welfare department. The analysis included single-parent sample members who were on welfare for all three months in a given quarter and who were employed in that same quarter according to UI records. Sample members who met these two criteria should have reported at least some earnings to the welfare department. For these sample members, MDRC computed the average reported earnings and the percentage reporting earnings to DSW. If all sample members reported all their earnings, the analysis would find that 100 percent of UI earnings were reported to DSW. To account for possible reporting delays, the analysis examined whether sample members reported earnings in either the same quarter or the following quarter.

The results of this analysis are presented in Table C.12. The analysis examined selected quarters of the follow-up period before, during, and after the onset of the work requirement. (MDRC did not receive complete data on reported income until Quarter 9.) Table C.12 shows that WRP group members were more likely to report earnings than ANFC group members. For example, nearly 81 percent of WRP group members who were on welfare in each month of Quarter 10 and who were working according to the UI records reported earnings to DSW in Quarter 10 or Quarter 11. The corresponding percentage for the ANFC group was about 20 percentage points lower.

Comparable differences were found in all the quarters shown in Table C.12, both before and after the onset of the work requirement. Table C.12 shows that the Incentives Only group fell roughly between the ANFC group and the WRP group in their propensity to report earnings. Like members of the WRP group, Incentives Only group members were repeatedly reminded that they could keep more of their welfare grant under WRP's rules. However, the fact that Incentives Only group members were less likely to report than WRP group members suggests that the work requirement — combined with the message about retaining more of their welfare grant — was most effective.

These differences in reported earnings may have affected the magnitude of the impacts on cash assistance payments and, thus, on income. Given the complexity of welfare dynamics and the limitations of the available data, it is not possible to estimate these effects reliably; however, analysis using the available data suggests that the effects are probably small.



Vermont's Welfare Restructuring Project

Appendix Table C.12

Rates of Earnings Reporting to DSW Among Those Working in a  
UI-Covered Job and on Welfare All Three Months of a Quarter for Select Quarters

	WRP Group	WRP Incentives Only Group	ANFC Group
<b><u>Had UI earnings in Quarter 9, and on welfare all 3 months (%)</u></b>			
<i>Percentage of UI earnings reported to DSW in Quarter 9</i>	62.2	56.1	34.5
<i>Percentage reporting earnings to DSW in Quarter 9</i>	66.9	64.1	44.4
<i>Percentage reporting earnings to DSW in Quarter 9 or 10</i>	78.7	70.9	54.7
Sample size	474	117	117
<b><u>Had UI earnings in Quarter 10, and on welfare all 3 months (%)</u></b>			
<i>Percentage of UI earnings reported to DSW in Quarter 10</i>	57.9	57.5	32.1
<i>Percentage reporting earnings to DSW in Quarter 10</i>	68.7	61.5	51.9
<i>Percentage reporting earnings to DSW in Quarter 10 or 11</i>	80.9	67.9	60.4
Sample size	492	109	106
<b><u>Had UI earnings in Quarter 11, and on welfare all 3 months (%)</u></b>			
<i>Percentage of UI earnings reported to DSW in Quarter 11</i>	70.2	53.3	31.5
<i>Percentage reporting earnings to DSW in Quarter 11</i>	78.1	61.5	49.0
<i>Percentage reporting earnings to DSW in Quarter 11 or 12</i>	84.6	69.7	60.0
Sample size	512	122	100
<b><u>Had UI earnings in Quarter 14, and on welfare all 3 months (%)</u></b>			
<i>Percentage of UI earnings reported to DSW in Quarter 14</i>	68.7	42.9	50.7
<i>Percentage reporting earnings to DSW in Quarter 14</i>	75.8	53.1	59.2
<i>Percentage reporting earnings to DSW in Quarter 14 or 15</i>	83.0	62.2	75.0
Sample size	418	98	76
<b><u>Had UI earnings in Quarter 20, and on welfare all 3 months (%)</u></b>			
<i>Percentage of UI earnings reported to DSW in Quarter 20</i>	60.0	43.5	31.5
<i>Percentage reporting earnings to DSW in Quarter 20</i>	70.4	63.6	56.7
<i>Percentage reporting earnings to DSW in Quarter 20 or 21</i>	78.1	71.2	67.2
Sample size	247	66	67

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records and Vermont ANFC records.

NOTES: Italics indicate that this table does not present experimental comparisons.

Dollar averages include zero values for sample members who were not employed or did not report employment.

Rounding may cause slight discrepancies in calculating sums and differences.



**Appendix D**

**Supplemental Tables for the Section Entitled  
“Effects on Employment, Public Assistance,  
and Income for Single-Parent Families”**

Vermont's Welfare Restructuring Project

Appendix Table D.1

Six-Year Impacts of WRP and WRP Incentives Only for Single-Parent Families (Statewide)

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Entire follow-up period</b>						
Quarterly employment (%)	51.6	46.8	46.4	5.2 ***	0.4	4.8 ***
Quarterly cash assistance receipt (%)	41.4	44.5	43.6	-2.2 ***	0.9	-3.1 ***
Quarterly Food Stamp receipt (%)	53.5	55.4	54.4	-0.9	1.0	-1.9 **
Quarterly earnings (\$)	992	905	901	90 ***	4	86 ***
Quarterly cash assistance payments (\$)	365	412	413	-48 ***	-1	-47 ***
Quarterly Food Stamp payments (\$)	193	201	198	-5	3	-8 **
Quarterly combined income from earnings, cash assistance, and Food Stamps (\$)	1,550	1,518	1,512	38	6	31
<b>Last 3 months of follow-up period</b>						
Quarterly employment (%)	52.9	49.9	48.9	3.9 ***	0.9	3.0 **
Quarterly cash assistance receipt (%)	20.1	23.8	24.6	-4.5 ***	-0.7	-3.8 ***
Quarterly Food Stamp receipt (%)	33.6	35.9	34.3	-0.7	1.6	-2.3 *
Quarterly earnings (\$)	2,028	1,878	1,835	192 ***	43	150 **
Quarterly cash assistance payments (\$)	248	337	358	-110 ***	-22	-88 ***
Quarterly Food Stamp payments (\$)	175	188	184	-9	4	-13
Quarterly combined income from earnings, cash assistance, and Food Stamps (\$)	2,373	2,362	2,299	74	62	12
Employed and receiving cash assistance	9.3	8.0	7.3	2.0 **	0.7	1.3
Not employed and receiving cash assistance	10.8	15.8	17.3	-6.5 ***	-1.5	-5.0 ***
Employed and not receiving cash assistance	44.7	41.3	41.0	3.6 ***	0.3	3.3 **
Not employed and not receiving cash assistance	35.3	34.9	34.4	0.9	0.5	0.4
Sample size	5,125	1,702	1,721			

(continued)

### Appendix Table D.1 (continued)

SOURCES: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: The sample includes members randomly assigned from July 1, 1994, through June 30, 1995, in all 12 of Vermont's welfare districts.

Quarter 1 refers to the calendar quarter following the quarter in which the case was randomly assigned. Thus, the period designated as "Entire follow-up period" includes the 42-month period starting in Quarter 1. The quarter of random assignment was omitted from the summary measures because sample members may have had some earnings, cash assistance payments, or Food Stamp payments in that quarter, prior to their date of random assignment.

Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps.

Statewide data includes data from the six DSW research district offices included in the WRP evaluation (Barre, Burlington, Newport, Rutland, Springfield, and St. Albans) as well as the other six DSW offices (Bennington, Brattleboro, Hartford, Middlebury, Morrisville, and St. Johnsbury).

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

Vermont's Welfare Restructuring Project

Appendix Table D.2

Impacts of WRP and WRP Incentives Only on Cash Assistance and Food Stamp Receipt for Single-Parent Families, by Quarter (Research Districts)

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Percentage receiving cash assistance (%)</b>						
Quarter 1	89.1	89.6	86.9	2.2 **	2.6 **	-0.5
Quarter 2	79.7	81.2	79.8	-0.2	1.4	-1.5
Quarter 3	71.8	73.2	71.8	0.0	1.4	-1.4
Quarter 4	67.3	68.7	66.5	0.8	2.2	-1.3
Quarter 5	62.3	63.0	62.9	-0.6	0.1	-0.8
Quarter 6	59.0	61.3	59.5	-0.5	1.8	-2.2
Quarter 7	54.8	57.9	54.7	0.1	3.2	-3.1 *
Quarter 8	52.1	55.7	52.7	-0.6	3.0	-3.6 **
Quarter 9	48.5	51.8	49.1	-0.6	2.7	-3.3 *
Quarter 10	46.1	49.3	45.1	1.0	4.2 **	-3.2 *
Quarter 11	42.2	45.3	42.8	-0.5	2.5	-3.1 *
Quarter 12	40.5	43.6	41.8	-1.3	1.8	-3.0 *
Quarter 13	37.7	40.1	39.7	-1.9	0.4	-2.3
Quarter 14	35.3	37.7	37.5	-2.2	0.2	-2.4
Quarter 15	33.4	35.3	35.0	-1.7	0.3	-2.0
Quarter 16	30.2	33.8	33.5	-3.4 **	0.3	-3.6 **
Quarter 17	28.5	32.6	31.9	-3.4 **	0.7	-4.1 ***
Quarter 18	26.8	31.6	30.2	-3.4 **	1.3	-4.8 ***
Quarter 19	25.3	30.2	29.0	-3.8 **	1.2	-4.9 ***
Quarter 20	23.5	28.9	28.4	-4.9 ***	0.5	-5.4 ***
Quarter 21	22.0	26.0	27.4	-5.4 ***	-1.4	-4.0 ***
Quarter 22	20.7	25.3	25.2	-4.5 ***	0.1	-4.6 ***
Quarter 23	19.0	24.6	23.8	-4.8 ***	0.8	-5.6 ***
Quarter 24	18.4	24.2	23.3	-4.9 ***	1.0	-5.9 ***

(continued)

Appendix Table D.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Cash assistance payments (\$)</b>						
Quarter 1	1,286	1,297	1,292	-5.9	5.1	-11.0
Quarter 2	1,142	1,177	1,175	-32.1	2.0	-34.1
Quarter 3	1,042	1,063	1,054	-12.1	8.3	-20.4
Quarter 4	960	982	977	-17.4	4.4	-21.8
Quarter 5	882	906	920	-37.7	-14.3	-23.3
Quarter 6	820	868	858	-37.7	10.1	-47.9 *
Quarter 7	758	809	784	-26.0	25.4	-51.4 **
Quarter 8	711	761	744	-33.9	16.5	-50.4 **
Quarter 9	663	698	700	-37.0	-2.4	-34.6
Quarter 10	606	682	659	-53.0 **	22.9	-75.8 ***
Quarter 11	535	626	630	-94.4 ***	-4.0	-90.5 ***
Quarter 12	496	588	599	-102.3 ***	-10.3	-92.0 ***
Quarter 13	462	562	564	-101.5 ***	-1.3	-100.3 ***
Quarter 14	433	521	542	-108.8 ***	-20.4	-88.4 ***
Quarter 15	409	493	496	-87.1 ***	-2.6	-84.4 ***
Quarter 16	369	465	478	-109.4 ***	-13.3	-96.1 ***
Quarter 17	347	459	447	-100.2 ***	12.0	-112.1 ***
Quarter 18	325	441	432	-107.2 ***	8.2	-115.4 ***
Quarter 19	307	424	416	-109.1 ***	8.3	-117.4 ***
Quarter 20	289	411	420	-131.4 ***	-9.6	-121.8 ***
Quarter 21	275	372	400	-124.2 ***	-27.5	-96.7 ***
Quarter 22	257	362	374	-116.5 ***	-11.6	-104.9 ***
Quarter 23	248	351	351	-102.8 ***	-0.2	-102.6 ***
Quarter 24	235	349	341	-106.4 ***	7.1	-113.5 ***

(continued)

Appendix Table D.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Percentage receiving Food Stamps (%)</b>						
Quarter 1	92.2	92.1	91.0	1.2	1.0	0.1
Quarter 2	86.3	86.8	86.3	0.0	0.5	-0.5
Quarter 3	80.2	80.6	80.7	-0.4	-0.1	-0.4
Quarter 4	75.6	77.0	76.8	-1.2	0.2	-1.4
Quarter 5	71.5	74.0	72.1	-0.6	2.0	-2.6 *
Quarter 6	69.1	72.3	69.1	0.0	3.2 *	-3.2 **
Quarter 7	65.8	68.9	66.0	-0.2	2.9	-3.1 **
Quarter 8	63.4	67.2	65.1	-1.7	2.2	-3.8 **
Quarter 9	59.5	63.7	63.1	-3.6 **	0.6	-4.2 ***
Quarter 10	57.7	61.3	57.9	-0.2	3.4 *	-3.6 **
Quarter 11	55.6	57.9	55.7	-0.1	2.2	-2.3
Quarter 12	54.1	56.3	53.3	0.7	3.0	-2.3
Quarter 13	51.1	53.4	51.3	-0.2	2.2	-2.3
Quarter 14	48.4	51.0	50.2	-1.8	0.8	-2.7
Quarter 15	46.0	48.2	47.7	-1.7	0.5	-2.2
Quarter 16	43.8	45.6	47.0	-3.2 *	-1.5	-1.8
Quarter 17	42.6	44.2	44.8	-2.2	-0.6	-1.6
Quarter 18	40.9	43.4	42.4	-1.5	1.0	-2.5
Quarter 19	38.8	41.1	40.1	-1.3	1.0	-2.3
Quarter 20	37.2	38.7	37.7	-0.5	1.0	-1.5
Quarter 21	35.8	37.3	35.6	0.2	1.7	-1.5
Quarter 22	34.6	38.1	34.9	-0.3	3.2	-3.4 **
Quarter 23	32.6	35.8	34.6	-2.0	1.2	-3.2 **
Quarter 24	31.8	35.6	34.0	-2.2	1.6	-3.8 **

(continued)



Appendix Table D.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Food Stamp payments (\$)</b>						
Quarter 1	492	495	494	-2.0	0.1	-2.1
Quarter 2	452	456	459	-7.4	-3.3	-4.1
Quarter 3	435	439	435	-0.5	3.8	-4.3
Quarter 4	408	412	412	-4.5	0.4	-4.9
Quarter 5	398	410	400	-1.2	10.9	-12.1
Quarter 6	386	398	386	-0.5	11.8	-12.3
Quarter 7	372	386	371	1.0	14.4	-13.4
Quarter 8	356	368	360	-3.8	7.9	-11.7
Quarter 9	337	354	347	-10.5	6.5	-17.0
Quarter 10	318	337	315	3.1	22.6 *	-19.6 *
Quarter 11	298	317	301	-2.8	16.0	-18.8 *
Quarter 12	284	298	292	-7.9	6.6	-14.5
Quarter 13	271	287	275	-3.3	12.5	-15.8
Quarter 14	261	275	266	-5.8	8.8	-14.6
Quarter 15	249	262	258	-9.0	4.9	-13.9
Quarter 16	239	247	254	-15.5	-7.5	-8.0
Quarter 17	232	249	253	-21.3 *	-4.7	-16.6
Quarter 18	219	238	234	-14.3	3.9	-18.2
Quarter 19	210	223	216	-6.7	6.2	-12.8
Quarter 20	197	207	200	-3.4	6.8	-10.2
Quarter 21	191	202	197	-6.2	4.6	-10.9
Quarter 22	184	201	186	-2.6	14.7	-17.3
Quarter 23	173	191	184	-11.6	6.7	-18.3 *
Quarter 24	168	187	181	-13.8	5.9	-19.7 *

(continued)

Appendix Table D.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Ever employed (%)</b>						
Quarter 1	35.9	34.0	31.5	4.4 ***	2.5	1.9
Quarter 2	38.9	36.1	35.6	3.3 **	0.6	2.8 *
Quarter 3	40.6	38.8	36.9	3.7 **	1.9	1.7
Quarter 4	42.5	41.7	39.9	2.6 *	1.8	0.8
Quarter 5	44.3	41.6	41.1	3.2 **	0.5	2.7 *
Quarter 6	45.5	42.8	41.7	3.8 **	1.1	2.7 *
Quarter 7	46.7	42.2	43.6	3.1 *	-1.4	4.5 ***
Quarter 8	48.4	44.7	44.7	3.7 **	0.0	3.6 **
Quarter 9	49.9	45.0	46.5	3.4 **	-1.6	4.9 ***
Quarter 10	53.8	47.6	47.3	6.4 ***	0.3	6.1 ***
Quarter 11	57.1	50.1	48.3	8.7 ***	1.8	6.9 ***
Quarter 12	57.3	49.4	49.5	7.8 ***	-0.1	7.9 ***
Quarter 13	58.1	50.6	48.1	10.0 ***	2.6	7.5 ***
Quarter 14	57.2	51.8	48.5	8.8 ***	3.3	5.5 ***
Quarter 15	58.0	50.8	50.1	7.9 ***	0.7	7.2 ***
Quarter 16	58.4	51.6	51.4	7.0 ***	0.2	6.8 ***
Quarter 17	58.7	51.7	50.8	7.9 ***	0.8	7.0 ***
Quarter 18	57.7	51.9	50.6	7.1 ***	1.3	5.8 ***
Quarter 19	58.0	52.1	52.3	5.7 ***	-0.2	5.9 ***
Quarter 20	57.9	51.1	52.2	5.7 ***	-1.2	6.9 ***
Quarter 21	57.3	51.7	51.8	5.5 ***	-0.1	5.6 ***
Quarter 22	56.4	51.0	50.7	5.8 ***	0.3	5.5 ***
Quarter 23	55.7	51.3	51.7	4.0 **	-0.5	4.4 **
Quarter 24	55.0	52.2	52.2	2.8 *	0.0	2.8 *

(continued)

Appendix Table D.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Quarterly earnings (\$)</b>						
Quarter 1	588	538	540	48.5	-2.3	50.7
Quarter 2	718	700	694	23.8	5.7	18.1
Quarter 3	814	758	785	28.8	-27.1	55.8
Quarter 4	896	853	854	41.2	-2.0	43.2
Quarter 5	1,006	910	923	82.5	-13.4	95.9 *
Quarter 6	1,028	964	987	40.9	-23.5	64.4
Quarter 7	1,100	1,025	1,076	23.4	-50.8	74.3
Quarter 8	1,171	1,081	1,105	65.6	-24.3	89.9
Quarter 9	1,257	1,166	1,147	110.8 *	19.8	91.0
Quarter 10	1,437	1,250	1,248	189.3 ***	1.8	187.5 ***
Quarter 11	1,519	1,428	1,294	225.2 ***	134.6	90.6
Quarter 12	1,588	1,377	1,389	199.4 ***	-11.5	211.0 ***
Quarter 13	1,630	1,438	1,429	200.8 ***	9.1	191.7 ***
Quarter 14	1,669	1,565	1,502	166.9 **	62.5	104.4
Quarter 15	1,745	1,630	1,544	201.1 ***	86.1	115.0
Quarter 16	1,767	1,693	1,634	133.4 *	59.0	74.4
Quarter 17	1,913	1,656	1,634	279.2 ***	22.2	257.0 ***
Quarter 18	1,893	1,692	1,723	170.5 **	-31.2	201.7 **
Quarter 19	1,950	1,766	1,757	193.4 **	9.6	183.8 **
Quarter 20	2,042	1,804	1,909	133.3	-105.0	238.3 **
Quarter 21	2,059	1,837	1,894	165.1 *	-57.1	222.1 **
Quarter 22	2,042	1,889	1,890	151.9 *	-1.5	153.4 *
Quarter 23	2,082	1,923	1,998	84.2	-74.7	158.8 *
Quarter 24	2,116	1,955	2,025	90.9	-70.4	161.3 *

(continued)

Appendix Table D.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Total combined income (\$)</b>						
Quarter 1	2,367	2,329	2,326	40.6	3.0	37.6
Quarter 2	2,312	2,332	2,328	-15.6	4.5	-20.1
Quarter 3	2,290	2,259	2,274	16.1	-15.0	31.1
Quarter 4	2,263	2,247	2,244	19.3	2.8	16.5
Quarter 5	2,286	2,226	2,243	43.6	-16.9	60.5
Quarter 6	2,234	2,230	2,231	2.7	-1.5	4.2
Quarter 7	2,230	2,220	2,231	-1.6	-11.0	9.5
Quarter 8	2,237	2,210	2,209	28.0	0.1	27.8
Quarter 9	2,257	2,218	2,194	63.3	23.9	39.4
Quarter 10	2,361	2,269	2,222	139.4 **	47.4	92.1
Quarter 11	2,352	2,371	2,224	128.0 **	146.7 *	-18.7
Quarter 12	2,368	2,263	2,279	89.2	-15.3	104.5
Quarter 13	2,363	2,288	2,267	96.0	20.4	75.6
Quarter 14	2,363	2,361	2,310	52.4	51.0	1.4
Quarter 15	2,403	2,386	2,298	105.0	88.4	16.6
Quarter 16	2,374	2,404	2,366	8.5	38.2	-29.7
Quarter 17	2,493	2,364	2,335	157.7 *	29.4	128.3
Quarter 18	2,438	2,370	2,389	49.0	-19.1	68.1
Quarter 19	2,467	2,413	2,389	77.6	24.1	53.5
Quarter 20	2,528	2,422	2,530	-1.6	-107.8	106.3
Quarter 21	2,526	2,411	2,491	34.6	-79.9	114.6
Quarter 22	2,483	2,452	2,450	32.9	1.6	31.3
Quarter 23	2,503	2,465	2,533	-30.2	-68.1	37.9
Quarter 24	2,519	2,491	2,548	-29.3	-57.3	28.0
Sample size	3,267	1,087	1,109			

SOURCES: MDRC calculations using data from Vermont ANFC and Food Stamp records.

NOTES: The sample includes members randomly assigned from July 1, 1994, through June 1, 1995, in the six research districts.

Quarter 1 refers to the calendar quarter following the quarter in which the case was randomly assigned.

Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

## Vermont's Welfare Restructuring Project

### Appendix Table D.3

#### Six-Year Impacts on the Distribution of Earnings for Single-Parent Families

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
Last quarter of Year 1 (%)				
\$0	57.5	60.1	-2.6 *	-4.4
\$1-\$1,200	15.0	13.9	1.1	8.0
\$1,201-\$3,000	16.5	15.0	1.6	10.4
\$3,001 or more	11.0	11.0	-0.1	-0.6
Last quarter of Year 2 (%)				
\$0	51.6	55.3	-3.7 **	-6.6
\$1-\$1,200	15.2	11.9	3.3 ***	27.9
\$1,201-\$3,000	17.2	17.6	-0.5	-2.6
\$3,001 or more	16.0	15.2	0.8	5.2
Last quarter of Year 3 (%)				
\$0	42.7	50.5	-7.8 ***	-15.4
\$1-\$1,200	14.2	12.4	1.8	14.5
\$1,201-\$3,000	20.2	17.3	2.8 **	16.2
\$3,001 or more	22.9	19.8	3.2 **	16.0
Last quarter of Year 4 (%)				
\$0	41.6	48.6	-7.0 ***	-14.4
\$1-\$1,200	12.5	10.4	2.0 *	19.4
\$1,201-\$3,000	18.2	14.5	3.8 ***	26.2
\$3,001 or more	27.7	26.5	1.2	4.5
Last quarter of Year 5 (%)				
\$0	42.1	47.8	-5.7 ***	-11.9
\$1-\$1,200	10.3	9.4	0.9	9.1
\$1,201-\$3,000	15.4	12.9	2.6 **	19.9
\$3,001 or more	32.2	30.0	2.3	7.5
Last quarter of Year 6 (%)				
\$0	45.0	47.8	-2.8 *	-5.9
\$1-\$1,200	8.3	8.9	-0.7	-7.5
\$1,201-\$3,000	13.8	12.0	1.8	15.0
\$3,001 or more	32.9	31.2	1.7	5.4
Sample size	3,271	1,110		

SOURCES: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

## Vermont's Welfare Restructuring Program

### Appendix Table D.4

#### Impacts on Combining Work and Welfare

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Last quarter of Year 1 (%)</u></b>				
Employed and receiving cash assistance	22.1	18.1	4.0 ***	22.2
Not employed and receiving cash assistance	45.2	48.4	-3.2 **	-6.6
Employed and not receiving cash assistance	20.4	21.8	-1.4	-6.5
Not employed and not receiving cash assistance	12.3	11.7	0.6	5.1
<b><u>Last quarter of Year 2 (%)</u></b>				
Employed and receiving cash assistance	19.1	15.5	3.6 ***	23.0
Not employed and receiving cash assistance	33.0	37.2	-4.2 ***	-11.3
Employed and not receiving cash assistance	29.3	29.2	0.1	0.3
Not employed and not receiving cash assistance	18.7	18.1	0.5	2.9
<b><u>Last quarter of Year 3 (%)</u></b>				
Employed and receiving cash assistance	20.8	13.1	7.7 ***	58.5
Not employed and receiving cash assistance	19.7	28.7	-8.9 ***	-31.2
Employed and not receiving cash assistance	36.5	36.4	0.1	0.3
Not employed and not receiving cash assistance	23.0	21.8	1.2	5.3
<b><u>Last quarter of Year 4 (%)</u></b>				
Employed and receiving cash assistance	14.9	10.5	4.4 ***	41.8
Not employed and receiving cash assistance	15.3	23.0	-7.8 ***	-33.7
Employed and not receiving cash assistance	43.5	40.9	2.6	6.4
Not employed and not receiving cash assistance	26.4	25.6	0.8	2.9
<b><u>Last quarter of Year 5 (%)</u></b>				
Employed and receiving cash assistance	11.6	8.7	2.9 ***	33.0
Not employed and receiving cash assistance	11.9	19.7	-7.8 ***	-39.6
Employed and not receiving cash assistance	46.3	43.5	2.8 *	6.4
Not employed and not receiving cash assistance	30.2	28.1	2.1	7.5
<b><u>Last quarter of Year 6 (%)</u></b>				
Employed and receiving cash assistance	8.0	7.3	0.7	9.4
Not employed and receiving cash assistance	10.3	15.9	-5.6 ***	-35.1
Employed and not receiving cash assistance	47.0	44.8	2.1	4.7
Not employed and not receiving cash assistance	34.7	31.9	2.8 *	8.8
<b>Sample size</b>	<b>3,271</b>	<b>1,110</b>		

SOURCE: MDRC calculations using Vermont and New Hampshire unemployment insurance (UI) earnings records and cash assistance records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance. Estimates were adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to differences between the research groups. Statistical significance levels are indicated as: \*\*\*=1 percent, \*\*=5 percent, and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

**Vermont's Welfare Restructuring Project**

**Appendix Table D.5**

**Six-Year Impacts on the Distribution of Income for Single-Parent Families**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
Last quarter of Year 1 (%)				
\$0	8.9	8.5	0.4	4.7
\$1-\$2,000	28.5	31.7	-3.2 **	-10.1
\$2,001-\$4,000	54.5	52.4	2.1	3.9
\$4,001 or more	8.1	7.4	0.7	10.2
Last quarter of Year 2 (%)				
\$0	13.9	13.9	0.0	-0.1
\$1-\$2,000	27.9	29.5	-1.6	-5.6
\$2,001-\$4,000	47.5	47.0	0.4	1.0
\$4,001 or more	10.8	9.6	1.2	12.6
Last quarter of Year 3 (%)				
\$0	18.1	16.5	1.6	9.4
\$1-\$2,000	24.3	27.1	-2.8 *	-10.4
\$2,001-\$4,000	41.2	43.9	-2.7	-6.2
\$4,001 or more	16.5	12.6	3.9 ***	31.2
Last quarter of Year 4 (%)				
\$0	20.8	20.1	0.7	3.6
\$1-\$2,000	23.7	24.1	-0.4	-1.6
\$2,001-\$4,000	35.5	37.8	-2.3	-6.0
\$4,001 or more	20.0	18.0	1.9	10.7
Last quarter of Year 5 (%)				
\$0	24.1	23.4	0.7	2.8
\$1-\$2,000	21.4	20.9	0.5	2.3
\$2,001-\$4,000	30.0	32.3	-2.3	-7.0
\$4,001 or more	24.5	23.3	1.1	4.8
Last quarter of Year 6 (%)				
\$0	28.3	25.9	2.4	9.2
\$1-\$2,000	19.9	20.3	-0.3	-1.6
\$2,001-\$4,000	24.9	29.1	-4.2 ***	-14.5
\$4,001 or more	26.8	24.7	2.2	8.7
Sample size	3,271	1,110		

SOURCES: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

Vermont's Welfare Restructuring Project

Appendix Table D.6

Supplementary Table: Survey Income

Outcome	<u>Average Outcome Levels</u>			<u>WRP vs. ANFC</u>	<u>WRP Incentives</u>	<u>WRP vs. WRP</u>
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Only vs. ANFC Impacts of Financial Incentives and Eligibility Rules	Incentives Only Added Impacts of Work Requirement
Average income for respondent in prior month (\$)	961	1,004	959	1	44	-43
Average income for others in the household in prior month (\$)	544	659	545	-1	114 *	-115 *
Average total household income in prior month (\$)	1,504	1,662	1,504	0	158 **	-158 **
Distribution of total household income (%)						
\$0	1.2	0.4	0.2	1.0 *	0.2	0.8
\$1-499	5.3	4.6	4.5	0.8	0.1	0.7
\$500-\$999	25.1	23.4	33.1	-8.0 **	-9.7 ***	1.6
\$1,000-\$1,499	27.8	25.4	26.8	1.0	-1.4	2.4
\$1,500-\$1,999	14.3	19.4	10.8	3.6	8.6 ***	-5.0 *
\$2,000 or more	26.3	26.8	24.6	1.7	2.2	-0.5
Average household earnings (\$)	1,102	1,186	1,006	96	180 **	-84
Average household cash assistance payments (\$)	125	171	201	-76 ***	-30 *	-45 ***
Average household Food Stamp payments (\$)	98	104	109	-11	-5	-6
Average household child support received (\$)	83	90	77	6	13	-7
Average household disability received (\$)	68	87	84	-16	3	-18
Average amount of other household income (\$)	28	25	28	1	-3	3
Households with at least 50% of measured income from earnings (%)	66	61	57	10 ***	4	6

(continued)



**Appendix Table D.6 (continued)**

Outcome	<u>Average Outcome Levels</u>			<u>WRP vs. ANFC</u>	<u>WRP Incentives Only vs. ANFC</u>	<u>WRP vs. WRP Incentives Only</u>
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
Respondent reporting earnings (%)	65.5	53.7	54.9	10.6 ***	-1.2	11.8 ***
Others in the household with earnings (%)	38.2	41.1	36.4	1.8	4.7	-2.9
Respondent receiving cash assistance (%)	33.8	36.1	38.4	-4.7	-2.4	-2.3
Others in the household receiving cash assistance (%)	2.3	4.3	2.9	-0.7	1.4	-2.0
Respondent receiving Food Stamps (%)	49.7	49.7	53.4	-3.7	-3.7	0.0
Others in the household receiving Food Stamps (%)	1.8	2.8	2.2	-0.3	0.6	-0.9
Respondent receiving child support (%)	34.5	39.1	38.2	-3.7	0.9	-4.6
Others in the household receiving child support (%)	1.5	1.1	1.5	0.0	-0.4	0.4
Respondent receiving disability (%)	8.6	11.2	7.9	0.7	3.2	-2.6
Others in the household receiving disability (%)	5.7	6.2	8.3	-2.7	-2.2	-0.5
Respondent receiving other income (%)	4.5	5.3	4.3	0.2	1.0	-0.8
Others in the household receiving other income (%)	2.8	1.9	2.6	0.2	-0.7	0.9
<b>Sample size</b>	<b>421</b>	<b>414</b>	<b>421</b>			

SOURCES: MDRC calculations using data from the 42-Month Client Survey.

NOTES: A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent. Rounding may cause slight discrepancies in calculating differences.

Vermont's Welfare Restructuring Project

Appendix Table D.7

Supplementary Table: Job Characteristics

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives	WRP vs. WRP
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Only vs. ANFC	Incentives Only
Ever employed since random assignment (%)	86.8	79.6	81.5	5.2 **	-2.0	7.2 ***
Weekly work hours (%)						
Not employed since random assignment	13.2	20.4	18.5	-5.2 **	2.0	-7.2 ***
Less than 20	10.2	9.9	8.0	2.2	1.9	0.3
20-29	14.2	14.2	14.1	0.1	0.1	0.0
30-39	25.1	17.2	17.8	7.3 ***	-0.6	7.9 ***
40 or more	35.7	35.5	38.9	-3.1	-3.3	0.2
Missing information on hours worked	1.5	2.7	2.7	-1.2	0.0	-1.2
Hourly wage (%)						
Not employed since random assignment	13.2	20.4	18.5	-5.2 **	2.0	-7.2 ***
Less than \$6	22.0	19.6	22.9	-1.0	-3.4	2.4
\$6-\$7.49	24.0	22.2	23.5	0.5	-1.3	1.8
\$7.50 or more	34.7	28.8	28.5	6.2 **	0.3	5.9 *
Missing information on hourly wage	6.1	9.0	6.6	-0.4	2.5	-2.9
Weekly earnings (%)						
Not employed since random assignment	13.2	20.4	18.5	-5.2 **	2.0	-7.2 ***
Less than \$100	9.7	11.4	9.3	0.5	2.1	-1.6
\$100-\$199	20.0	17.3	19.7	0.3	-2.4	2.7
\$200-\$299	26.2	19.8	23.8	2.4	-4.0	6.4 **
\$300 or more	25.5	25.0	23.5	2.0	1.4	0.6
Missing information on weekly earnings	5.3	6.2	5.3	0.0	0.9	-0.9
Typical work schedule (%)						
Not employed since random assignment	13.2	20.4	18.5	-5.2 **	2.0	-7.2 ***
Regular daytime shift	53.9	46.2	52.4	1.5	-6.2 *	7.7 **
Regular evening/night shift	12.3	12.0	10.3	2.0	1.7	0.3

(continued)

Appendix Table D.7 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives	WRP vs. WRP
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Only vs. ANFC	Incentives Only
Split or rotating schedule	7.5	6.8	7.7	-0.3	-1.0	0.7
Irregular schedule	11.0	13.1	9.2	1.7	3.8 *	-2.1
Other or missing	2.1	1.5	1.9	0.3	-0.4	0.7
Employer-provided health insurance (%)						
Not employed since random assignment	13.2	20.4	18.5	-5.2 **	2.0	-7.2 ***
Employed, job offers health insurance	31.0	26.9	26.9	4.1	0.0	4.2
Enrolled in employer's health plan	14.5	13.6	15.6	-1.1	-2.0	0.9
Not enrolled in employer's health plan	16.5	13.0	10.9	5.6 **	2.2	3.5
Employed, job does not offer health insurance	55.3	52.0	53.9	1.3	-1.9	3.2
Missing response	0.5	0.7	0.7	-0.2	-0.1	-0.2
Paid sick leave (%)						
Not employed since random assignment	13.2	20.4	18.5	-5.2 **	2.0	-7.2 ***
Employed, job provides sick leave	26.7	24.6	22.0	4.7	2.6	2.1
Employed, job does not provide sick leave	59.1	54.4	58.6	0.5	-4.2	4.7
Missing response	1.0	0.5	0.9	0.1	-0.4	0.5
Paid vacation or holidays (%)						
Not employed since random assignment	13.2	20.4	18.5	-5.2 **	2.0	-7.2 ***
Employed, job provides paid vacation or holidays	38.3	34.9	34.7	3.5	0.2	3.3
Employed, job does not provide paid vacation or holidays	47.5	44.1	46.1	1.5	-2.0	3.4
Missing response	1.0	0.5	0.7	0.3	-0.2	0.5
Training classes or tuition reimbursement (%)						
Not employed since random assignment	13.2	20.4	18.5	-5.2 **	2.0	-7.2 ***
Employed, job provides training classes or tuition reimbursement	19.5	17.5	16.3	3.2	1.3	2.0
Employed, job does not provide training classes or tuition reimbursement	64.6	58.8	62.9	1.7	-4.0	5.7 *
Missing response	2.7	3.2	2.4	0.3	0.8	-0.5
Sample size	421	414	421			

(continued)

**Appendix Table D.7 (continued)**

SOURCES: MDRC calculations using data from the 42-Month Client Survey.

NOTES: Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

**Vermont's Welfare Restructuring Project**

**Appendix Table D.8**

**Impacts on Job Retention**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
Worked in Years 1-2 (%)	71.3	65.9	5.4 ***	8.2
Worked in Years 1-2 and: (%)				
Worked 12 or more quarters of Years 3-6	39.3	33.1	6.2 ***	18.8
Worked fewer than 12 quarters of Years 3-6	32.0	32.8	-0.8	-2.5
First employed in Year 3 and: (%)	11.2	9.5	1.6	17.2
Worked 9 or more quarters of Years 4-6	5.9	4.4	1.5 *	33.6
Worked fewer than 9 quarters of Years 4-6	5.3	5.1	0.2	3.3
Employed all four quarters of: (%)				
Year 1	22.1	19.5	2.6 **	13.2
Year 2	30.4	27.6	2.8 *	10.1
Year 3	37.5	33.5	4.0 **	12.0
Year 4	43.1	37.7	5.4 ***	14.2
Year 5	43.9	38.4	5.5 ***	14.3
Year 6	43.6	39.8	3.9 **	9.7
First quarter of employment in: (%)				
Year 1	57.2	52.4	4.8 ***	9.2
Year 2	14.1	13.5	0.6	4.5
Year 3	11.2	9.5	1.6	17.2
Year 4	3.8	4.1	-0.2	-5.9
Year 5	1.8	4.5	-2.7 ***	-59.4
Year 6	1.6	2.8	-1.2 **	-43.8
Never worked	10.3	13.2	-2.9 ***	-22.2
Sample size	3,271	1,110		

SOURCES: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records

NOTE: A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

## Vermont's Welfare Restructuring Project

### Appendix Table D.9

#### Impacts, by Each of the Three Work Barriers<sup>a</sup>

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Continuously on welfare in two years before random assignment</u></b>				
Average quarterly employment (%)	49.7	44.2	5.4 ***	12.3
Average quarterly percentage receiving cash assistance (%)	51.7	55.3	-3.5 **	-6.4
Average annual earnings (\$)	5,465	5,146	319	6.2
Average annual cash assistance payments (\$)	2,875	3,291	-415 ***	-12.6
Combined income (\$)	9,765	9,895	-130	-1.3
Sample size	1,338	471		
<b><u>No work in prior four quarters</u></b>				
Average quarterly employment (%)	41.7	35.3	6.4 ***	18.2
Average quarterly percentage receiving cash assistance (%)	48.3	52.4	-4.1 ***	-7.8
Average annual earnings (\$)	4,537	4,093	443 *	10.8
Average annual cash assistance payments (\$)	2,695	3,166	-472 ***	-14.9
Combined income (\$)	8,568	8,655	-87	-1.0
Sample size	1,694	573		
<b><u>No high school diploma or GED</u></b>				
Average quarterly employment (%)	43.9	36.8	7.1 ***	19.2
Average quarterly percentage receiving cash assistance (%)	49.7	53.6	-3.9 **	-7.3
Average annual earnings (\$)	4,250	3,565	685 **	19.2
Average annual cash assistance payments (\$)	2,795	3,234	-439 ***	-13.6
Combined income (\$)	8,445	8,232	213	2.6
Sample size	886	308		

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Baseline Information Form data, Private Opinion Survey data, Vermont ANFC Records, and Vermont Food Stamp Records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

<sup>a</sup>This table examines each of the components of the levels-of-disadvantage subgroups. Sample members having all three of these barriers were classified as most disadvantaged. Those with none were classified as least disadvantaged. The remaining sample members who had nonmissing values on these three indicators were classified as moderately disadvantaged.

**Vermont's Welfare Restructuring Project**

**Appendix Table D.10**

**Impacts, by Status as Welfare Applicant or Recipient**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Applicant</u></b>				
Average quarterly employment (%)	54.9	50.5	4.4 ***	8.6
Average quarterly percentage receiving cash assistance (%)	33.6	33.9	-0.3	-0.9
Average annual earnings (\$)	6,766	6,170	597 *	9.7
Average annual cash assistance payments (\$)	1,702	1,884	-182 **	-9.7
Average annual food stamps payments (\$)	945	936	9	1.0
Combined income (\$)	9,414	8,990	424	4.7
Sample size	1,431	473		
<b><u>Recipient</u></b>				
Average quarterly employment (%)	49.8	43.7	6.2 ***	14.1
Average quarterly percentage receiving cash assistance (%)	50.6	53.2	-2.6 *	-4.9
Average annual earnings (\$)	5,409	5,029	380	7.5
Average annual cash assistance payments (\$)	2,787	3,150	-364 ***	-11.5
Average annual food stamps payments (\$)	1,381	1,420	-39	-2.7
Combined income (\$)	9,576	9,599	-23	-0.2
Sample size	1,840	637		

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Baseline Information Form data, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

**Vermont's Welfare Restructuring Project**

**Appendix Table D.11**

**Impacts, by Age of Youngest Child**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Youngest child younger than 3</u></b>				
Average quarterly employment (%)	51.3	44.7	6.6 ***	14.8
Average quarterly percentage receiving cash assistance (%)	47.6	50.3	-2.7	-5.4
Average annual earnings (\$)	5,402	4,544	859 ***	18.9
Average annual cash assistance payments (\$)	2,668	3,037	-369 ***	-12.2
Combined income (\$)	9,475	8,951	525 *	5.9
Sample size	1,037	347		
<b><u>Youngest child aged 3-5</u></b>				
Average quarterly employment (%)	52.5	44.8	7.7 ***	17.1
Average quarterly percentage receiving cash assistance (%)	45.7	46.4	-0.6	-1.4
Average annual earnings (\$)	6,153	5,542	610	11.0
Average annual cash assistance payments (\$)	2,515	2,817	-302 **	-10.7
Combined income (\$)	9,948	9,680	269	2.8
Sample size	726	268		
<b><u>Youngest child aged 6-12</u></b>				
Average quarterly employment (%)	53.4	50.7	2.7	5.3
Average quarterly percentage receiving cash assistance (%)	42.1	43.6	-1.4	-3.3
Average annual earnings (\$)	6,519	6,566	-47	-0.7
Average annual cash assistance payments (\$)	2,172	2,425	-252 **	-10.4
Combined income (\$)	9,781	10,158	-377	-3.7
Sample size	972	310		
<b><u>Youngest child 13-20</u></b>				
Average quarterly employment (%)	49.7	47.6	2.1	4.3
Average quarterly percentage receiving cash assistance (%)	27.8	27.3	0.4	1.6
Average annual earnings (\$)	6,376	5,905	471	8.0
Average annual cash assistance payments (\$)	1,339	1,354	-15	-1.1
Combined income (\$)	8,449	7,988	461	5.8
Sample size	344	116		

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Baseline Information Form data, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as:

\*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.



**Vermont's Welfare Restructuring Project**

**Appendix Table D.12**

**Impacts, by Level of Education**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>No credential</u></b>				
Average quarterly employment (%)	43.9	36.8	7.1 ***	19.2
Average quarterly percentage receiving cash assistance (%)	49.7	53.6	-3.9 **	-7.3
Average annual earnings (\$)	4,250	3,565	685 **	19.2
Average annual cash assistance payments (\$)	2,795	3,234	-439 ***	-13.6
Combined income (\$)	8,445	8,232	213	2.6
Sample size	886	308		
<b><u>Highest credential: GED</u></b>				
Average quarterly employment (%)	51.7	46.3	5.3 *	11.5
Average quarterly percentage receiving cash assistance (%)	44.8	49.0	-4.2	-8.6
Average annual earnings (\$)	5,771	5,247	523	10.0
Average annual cash assistance payments (\$)	2,440	2,846	-406 **	-14.3
Combined income (\$)	9,443	9,371	72	0.8
Sample size	586	163		
<b><u>Highest credential: high school diploma</u></b>				
Average quarterly employment (%)	55.2	50.4	4.8 ***	9.5
Average quarterly percentage receiving cash assistance (%)	40.5	40.5	0.0	-0.1
Average annual earnings (\$)	6,478	6,208	270	4.4
Average annual cash assistance payments (\$)	2,110	2,287	-178 *	-7.8
Combined income (\$)	9,708	9,602	105	1.1
Sample size	1,403	492		
<b><u>Highest degree: associate's, technical, or bachelor's</u></b>				
Average quarterly employment (%)	59.3	54.9	4.4	8.1
Average quarterly percentage receiving cash assistance (%)	35.7	35.6	0.1	0.2
Average annual earnings (\$)	8,560	7,655	904	11.8
Average annual cash assistance payments (\$)	1,790	2,024	-234	-11.6
Combined income (\$)	11,251	10,678	573	5.4
Sample size	384	142		

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Baseline Information Form data, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

**Vermont's Welfare Restructuring Project**

**Appendix Table D.13**

**Impacts, by Age of Respondent**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Respondent under age 24 at random assignment</u></b>				
Average quarterly employment (%)	51.3	44.5	6.8 ***	15.3
Average quarterly percentage receiving cash assistance (%)	46.9	52.8	-5.9 ***	-11.1
Average annual earnings (\$)	5,376	4,541	835 ***	18.4
Average annual cash assistance payments (\$)	2,546	3,055	-509 ***	-16.7
Combined income (\$)	9,173	8,934	239	2.7
Sample size	908	311		
<b><u>Respondent aged 25-34 at random assignment</u></b>				
Average quarterly employment (%)	54.5	49.2	5.3 ***	10.8
Average quarterly percentage receiving cash assistance (%)	43.6	44.3	-0.7	-1.6
Average annual earnings (\$)	6,375	6,029	346	5.7
Average annual cash assistance payments (\$)	2,383	2,655	-273 ***	-10.3
Combined income (\$)	10,015	9,929	86	0.9
Sample size	1,426	494		
<b><u>Respondent aged 35 or older at random assignment</u></b>				
Average quarterly employment (%)	49.0	44.3	4.7 **	10.6
Average quarterly percentage receiving cash assistance (%)	38.7	38.4	0.3	0.8
Average annual earnings (\$)	6,087	5,641	446	7.9
Average annual cash assistance payments (\$)	1,969	2,103	-135	-6.4
Combined income (\$)	9,074	8,787	287	3.3
Sample size	937	305		

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Baseline Information Form data, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

**Vermont's Welfare Restructuring Project**

**Appendix Table D.14**

**Impacts, by Respondent's Marital Status**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Never married</u></b>				
Average quarterly employment (%)	52.4	44.7	7.7 ***	17.2
Average quarterly percentage receiving cash assistance (%)	46.6	52.2	-5.6 ***	-10.7
Average annual earnings (\$)	5,696	4,742	954 ***	20.1
Average annual cash assistance payments (\$)	2,486	2,969	-483 ***	-16.3
Combined income (\$)	9,420	9,009	411	4.6
Sample size	1,280	462		
<b><u>Separated or divorced</u></b>				
Average quarterly employment (%)	51.9	49	2.7	5.6
Average quarterly percentage receiving cash assistance (%)	41.3	40.9	0.4	0.9
Average annual earnings (\$)	6,270	6,490	-220	-3.4
Average annual cash assistance payments (\$)	2,210	2,391	-181 *	-7.6
Combined income (\$)	9,616	10,026	-410	-4.1
Sample size	1,405	465		

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Baseline Information form data, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

Vermont's Welfare Restructuring Project

Appendix Table D.15

Impacts, by Miscellaneous Baseline Characteristics

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>On AFDC as a child</u></b>				
Average quarterly employment (%)	50.9	43.3	7.6 ***	17.6
Average quarterly percentage receiving cash assistance (%)	51.1	54.0	-2.9	-5.3
Average annual earnings (\$)	5,321	4,961	360	7.3
Average annual cash assistance payments (\$)	2,841	3,338	-497 ***	-14.9
Combined income (\$)	9,570	9,760	-190	-1.9
Sample size	718	245		
<b><u>Has 3 or more children</u></b>				
Average quarterly employment (%)	47.0	38.9	8.0 **	20.6
Average quarterly percentage receiving cash assistance (%)	47.5	42.3	5.2	12.4
Average annual earnings (\$)	5,330	4,400	930	21.1
Average annual cash assistance payments (\$)	2,949	2,893	56	1.9
Combined income (\$)	9,904	8,746	1,158 *	13.2
Sample size	315	92		
<b><u>Enrolled in any employment-related activities in prior year</u></b>				
Average quarterly employment (%)	55.1	50.6	4.4 **	8.7
Average quarterly percentage receiving cash assistance (%)	44.7	46.1	-1.5	-3.2
Average annual earnings (\$)	6,619	6,211	408	6.6
Average annual cash assistance payments (\$)	2,419	2,680	-261 **	-9.7
Combined income (\$)	10,268	10,142	126	1.2
Sample size	1,214	416		
<b><u>Ever worked full time 6 months or more</u></b>				
Average quarterly employment (%)	55.2	49.8	5.4 ***	10.9
Average quarterly percentage receiving cash assistance (%)	40.0	40.9	-0.9	-2.3
Average annual earnings (\$)	6,780	6,261	519 *	8.3
Average annual cash assistance payments (\$)	2,097	2,329	-232 ***	-10.0
Combined income (\$)	9,983	9,707	276	2.8
Sample size	2,012	663		

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Baseline Information Form data, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as:

\*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

Vermont's Welfare Restructuring Project

Appendix Table D.16

Impacts for Subgroups Defined by Responses to the Private Opinion Survey  
of Baseline Attitudes and Opinions<sup>a</sup>

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Of those who responded cannot work part time because they "had no way to get there every day"</u></b>				
Average quarterly employment (%)	44.0	35.5	8.6 ***	24.2
Average quarterly percentage receiving cash assistance (%)	51.6	53.2	-1.6	-3.0
Average annual earnings (\$)	4,290	3,763	528 *	14.0
Average annual cash assistance payments (\$)	2,883	3,222	-339 ***	-10.5
Combined income (\$)	8,590	8,418	173	2.0
Sample size	1,030	361		
<b><u>Of those who responded cannot work part time because they "cannot arrange for child care"</u></b>				
Average quarterly employment (%)	47.5	39.3	8.3 ***	21.0
Average quarterly percentage receiving cash assistance (%)	49.2	51.4	-2.3	-4.4
Average annual earnings (\$)	4,900	4,538	362	8.0
Average annual cash assistance payments (\$)	2,751	3,129	-378 ***	-12.1
Combined income (\$)	9,056	9,063	-7	-0.1
Sample size	1,029	364		
<b><u>Of those who responded "there is little that can be done to change many of the important things in my life"</u></b>				
Average quarterly employment (%)	47.5	40.7	6.9 ***	16.9
Average quarterly percentage receiving cash assistance (%)	48.8	50.8	-2.1	-4.1
Average annual earnings (\$)	4,936	4,749	188	4.0
Average annual cash assistance payments (\$)	2,643	2,922	-280 **	-9.6
Combined income (\$)	8,907	8,977	-70	-0.8
Sample size	827	288		
<b><u>Of those who responded "when I have trouble or need help, I have someone to talk to"</u></b>				
Average quarterly employment (%)	53.8	47.6	6.1 ***	12.9
Average quarterly percentage receiving cash assistance (%)	42.4	44.7	-2.4 **	-5.3
Average annual earnings (\$)	6,260	5,734	526 **	9.2
Average annual cash assistance payments (\$)	2,251	2,583	-332 ***	-12.9
Combined income (\$)	9,674	9,513	161	1.7
Sample size	2,376	842		

(continued)

**Appendix Table D.16 (continued)**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Of those who responded "it is better for my family that I stay on welfare than work at a job"</u></b>				
Average quarterly employment (%)	40.2	33.4	6.8 ***	20.3
Average quarterly percentage receiving cash assistance (%)	50.3	54.2	-3.9	-7.2
Average annual earnings (\$)	4,079	3,692	388	10.5
Average annual cash assistance payments (\$)	2,843	3,366	-523 ***	-15.6
Combined income (\$)	8,310	8,478	-168	-2.0
Sample size	531	188		
<b><u>Of those who responded they were "ashamed to admit to people that I am on welfare"</u></b>				
Average quarterly employment (%)	53.6	50.7	2.9 ***	5.8
Average quarterly percentage receiving cash assistance (%)	41.5	42.6	-1.1	-2.5
Average annual earnings (\$)	6,400	6,253	148	2.4
Average annual cash assistance payments (\$)	2,235	2,439	-204 ***	-8.4
Combined income (\$)	9,796	9,847	-51	-0.5
Sample size	1,877	601		

SOURCE: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Private Opinion Survey data, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences

<sup>a</sup>This table is a subgroup analysis grouped by responses to the Private Opinion Survey. The Private Opinion Survey was a short questionnaire administered at baseline to most sample members. The survey was designed to collect information about attitudes and opinions.

**Vermont's Welfare Restructuring Project**

**Appendix Table D.17**

**Impacts, by Random Assignment Cohort**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Randomly assigned 7/94-9/94</u></b>				
Average quarterly employment (%)	51.9	43.3	8.6 ***	19.9
Average quarterly percentage receiving cash assistance (%)	42.6	45.0	-2.4	-5.3
Average annual earnings (\$)	5,970	5,108	863 **	16.9
Average annual cash assistance payments (\$)	2,292	2,614	-322 ***	-12.3
Combined income (\$)	9,416	8,936	480	5.4
Sample Size	925	323		
<b><u>Randomly assigned 10/94-12/94</u></b>				
Average quarterly employment (%)	50.7	49.1	1.6	3.3
Average quarterly percentage receiving cash assistance (%)	45.1	44.3	0.8	1.8
Average annual earnings (\$)	5,762	5,751	12	0.2
Average annual cash assistance payments (\$)	2,417	2,521	-104	-4.1
Combined income (\$)	9,418	9,460	-42	-0.4
Sample Size	801	269		
<b><u>Randomly assigned 1/95-3/95</u></b>				
Average quarterly employment (%)	52.9	47.2	5.7 ***	12.1
Average quarterly percentage receiving cash assistance (%)	41.7	44.3	-2.7	-6.0
Average annual earnings (\$)	6,112	5,670	442	7.8
Average annual cash assistance payments (\$)	2,234	2,598	-364 ***	-14.0
Combined income (\$)	9,495	9,439	57	0.6
Sample Size	875	311		
<b><u>Randomly assigned 4/95-6/95</u></b>				
Average quarterly employment (%)	52.9	47.2	5.7 **	12.1
Average quarterly percentage receiving cash assistance (%)	43.3	46.4	-3.1	-6.7
Average annual earnings (\$)	6,204	5,449	755	13.8
Average annual cash assistance payments (\$)	2,307	2,698	-391 **	-14.5
Combined income (\$)	9,735	9,433	301	3.2
Sample Size	670	207		

SOURCES: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Baseline Information Form data, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as:

\*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

Vermont's Welfare Restructuring Project

Appendix Table D.18

Impacts, by Research District, Arrayed from Most to Least Rural

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Morrisville (County 100% rural)</u></b>				
Average quarterly employment (%)	52.7	53.0	-0.3	-0.6
Average quarterly percentage receiving cash assistance (%)	37.7	39.5	-1.8	-4.7
Average annual earnings (\$)	6,033	5,805	228	3.9
Average annual cash assistance payments (\$)	1,870	2,176	-306	-14.1
Combined income (\$)	9,040	9,170	-130	-1.4
Sample size	236	77		
<b><u>Springfield (County 87.6% rural)</u></b>				
Average quarterly employment (%)	52.9	48.4	4.5	9.4
Average quarterly percentage receiving cash assistance (%)	38.4	43.2	-4.7	-11.0
Average annual earnings (\$)	5,733	5,663	69	1.2
Average annual cash assistance payments (\$)	2,017	2,517	-500 **	-19.9
Combined income (\$)	8,826	9,349	-523	-5.6
Sample size	349	115		
<b><u>Hartford (County 87.6% rural)</u></b>				
Average quarterly employment (%)	50.6	49.5	1.1	2.2
Average quarterly percentage receiving cash assistance (%)	39.4	37.7	1.8	4.7
Average annual earnings (\$)	5,764	5,778	-14	-0.2
Average annual cash assistance payments (\$)	2,023	2,109	-87	-4.1
Combined income (\$)	8,901	8,974	-73	-0.8
Sample size	391	126		
<b><u>St. Albans (County 82% rural)</u></b>				
Average quarterly employment (%)	55.5	46.2	9.3 ***	20.2
Average quarterly percentage receiving cash assistance (%)	41.3	44.9	-3.6	-8.0
Average annual earnings (\$)	6,805	5,469	1,336 **	24.4
Average annual cash assistance payments (\$)	2,127	2,546	-419 **	-16.5
Combined income (\$)	10,120	9,198	922 *	10.0
Sample size	425	153		
<b><u>Newport (County 82% rural)</u></b>				
Average quarterly employment (%)	48.0	45.9	2.1	4.7
Average quarterly percentage receiving cash assistance (%)	44.9	42.8	2.1	5.0
Average annual earnings (\$)	5,147	5,341	-194	-3.6
Average annual cash assistance payments (\$)	2,338	2,423	-85	-3.5
Combined income (\$)	8,932	9,093	-161	-1.8
Sample size	293	102		

(continued)



**Appendix Table D.18 (continued)**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>St. Johnsbury (County 77% rural)</u></b>				
Average quarterly employment (%)	50.2	42.8	7.4 **	17.4
Average quarterly percentage receiving cash assistance (%)	38.9	42.1	-3.2	-7.6
Average annual earnings (\$)	5,335	5,235	100	1.9
Average annual cash assistance payments (\$)	1,978	2,342	-365 *	-15.6
Combined income (\$)	8,474	8,812	-339	-3.8
Sample size	311	105		
<b><u>Middlebury (County 74% rural)</u></b>				
Average quarterly employment (%)	54.8	51.0	3.8	7.4
Average quarterly percentage receiving cash assistance (%)	33.2	44.4	-11.2 ***	-25.2
Average annual earnings (\$)	6,406	5,905	500	8.5
Average annual cash assistance payments (\$)	1,622	2,420	-797 ***	-33.0
Combined income (\$)	8,975	9,505	-529	-5.6
Sample size	252	81		
<b><u>Bennington (County 73% rural)</u></b>				
Average quarterly employment (%)	49.7	41.8	7.9 **	18.8
Average quarterly percentage receiving cash assistance (%)	44.0	39.5	4.4	11.2
Average annual earnings (\$)	5,755	4,875	880	18.1
Average annual cash assistance payments (\$)	2,385	2,135	250	11.7
Combined income (\$)	9,392	8,061	1,331 **	16.5
Sample size	330	110		
<b><u>Rutland (County 71% rural)</u></b>				
Average quarterly employment (%)	51.9	44.1	7.7 ***	17.5
Average quarterly percentage receiving cash assistance (%)	44.5	46.3	-1.8	-4.0
Average annual earnings (\$)	5,698	5,142	556	10.8
Average annual cash assistance payments (\$)	2,388	2,643	-254 *	-9.6
Combined income (\$)	9,284	9,016	268	3.0
Sample size	625	211		
<b><u>Barre (County 68% rural)</u></b>				
Average quarterly employment (%)	50.3	46.8	3.5	7.5
Average quarterly percentage receiving cash assistance (%)	44.2	43.1	1.1	2.7
Average annual earnings (\$)	5,517	5,383	134	2.5
Average annual cash assistance payments (\$)	2,307	2,456	-149	-6.1
Combined income (\$)	8,996	9,000	-4	0.0
Sample size	481	174		

(continued)

**Appendix Table D.18 (continued)**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Brattleboro (County 64% rural)</u></b>				
Average quarterly employment (%)	48.9	41.7	7.3 **	17.4
Average quarterly percentage receiving cash assistance (%)	35.7	42.2	-6.5 **	-15.3
Average annual earnings (\$)	5,825	4,427	1,398 **	31.6
Average annual cash assistance payments (\$)	1,873	2,250	-376 *	-16.7
Combined income (\$)	8,711	7,779	932 *	12.0
Sample size	334	112		
<b><u>Burlington (County 34% rural)</u></b>				
Average quarterly employment (%)	52.3	47.9	4.4 **	9.1
Average quarterly percentage receiving cash assistance (%)	43.8	46.1	-2.3	-5.0
Average annual earnings (\$)	6,392	5,768	623	10.8
Average annual cash assistance payments (\$)	2,436	2,764	-328 ***	-11.9
Combined income (\$)	9,983	9,752	231	2.4
Sample size	1,098	355		

SOURCES: Center for Rural Studies, 1990 census (percentage rural); MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Baseline Information Form data, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: Counties do not exactly overlap with welfare districts. Therefore the percentage rural in the county that the welfare district is in might not accurately represent the percentage rural in the welfare district. The following counties were used as proxies for welfare districts: Lamoille County (Morrisville), Windsor County (Springfield/Hartford), Franklin County (St. Albans), Orleans County (Newport), Caledonia County (St. Johnsbury), Addison County (Middlebury), Bennington County (Bennington), Rutland County (Rutland), Washington County (Barre), Windham County (Brattleboro), Chittenden County (Burlington).

Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

**Appendix E**

**Supplemental Tables for the Section Entitled  
“Effects on Family and Child Outcomes  
for Single-Parent Families”**

Vermont's Welfare Restructuring Project

Appendix Table E.1

Impacts on Family Expenditures and Savings for Single-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Expenditures</b>						
Average spent on housing in prior month (\$) <sup>a</sup>	542	582	555	-12.1	27.2	-39.4
Average work-related transportation costs (\$) <sup>b</sup>	37	27	37	-0.6	-10.7 **	10.2 **
Average child care costs (\$) <sup>c</sup>	49	41	40	9.1	1.0	8.1
Average expenditures on clothing (\$)	139	131	131	8.4	-0.5	8.9
Total amount spent on groceries and eating out (\$) <sup>d</sup>	378	387	388	-9.8	-1.1	-8.7
Expenditures as proportion of income	75.2	73.3	74.5	0.7	-1.3	1.9
<b>Savings and assets <sup>e</sup></b>						
No savings (%)	67.5	65.5	67.2	0.2	-1.8	2.0
\$1-\$499 (%)	17.9	17.6	20.0	-2.1	-2.4	0.3
\$500 or more (%)	12.1	14.4	9.4	2.7	5.0 **	-2.3
Average savings (\$)	313	294	283	30.2	11.0	19.2
Owens a car, van, or truck (%)	73.1	74.2	70.3	2.8	3.9	-1.1
Had debts exceeding \$100 (%)	68.0	70.4	68.1	-0.1	2.3	-2.4
Sample size	421	414	421			

(continued)

### Appendix Table E.1 (continued)

SOURCES: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

Dollar averages include zero values for respondents who had no savings or expenditures on the specified items.

<sup>a</sup>Includes expenditures on gas, heat, and electricity.

<sup>b</sup>Assumes no work-related transportation costs for respondents not currently employed.

<sup>c</sup>Only asked of those who have a child age 13 or younger (N = 986). Assumes no child care costs for those with no children in child care. The survey did not distinguish child care that was work related from other child care.

<sup>d</sup>Includes any food assistance that the respondent might have received.

<sup>e</sup>This question asked about savings at the time of the survey, not during the month prior.

Vermont's Welfare Restructuring Project

Appendix Table E.2

Impacts on Housing Situation, Neighborhood, and Food Insecurity for Single-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b><u>Housing status (%)</u></b>						
Owns home	17.5	21.9	20.4	-3.0	1.4	-4.4
Rents home or apartment	69.2	65.7	68.6	0.6	-2.9	3.4
Lives rent-free with family or friends	5.4	5.9	4.0	1.4	1.9	-0.6
Other	8.0	6.5	7.0	1.0	-0.5	1.5
<b><u>Number of moves</u></b>						
0	37.6	29.4	33.9	3.7	-4.5	8.1 **
1	29.6	28.2	28.0	1.6	0.2	1.5
2 or 3	22.6	29.2	28.3	-5.7 *	0.9	-6.6 **
More than 3	10.2	13.2	9.8	0.5	3.4	-3.0
Neighborhood is excellent or good (%)	69.2	68.8	68.5	0.7	0.2	0.4
<b><u>Food security in last 12 months (%)</u></b>						
Did not have enough to eat <sup>a</sup>	21.8	20.2	23.0	-1.1	-2.8	1.7
The food bought did not last <sup>a</sup>	51.2	47.6	49.8	1.4	-2.2	3.6
Could not eat balanced meals <sup>a</sup>	31.3	30.1	31.0	0.3	-0.9	1.2
Anyone cut size of or skip meals	17.0	18.4	18.7	-1.7	-0.3	-1.4
Anyone did not eat for a whole day	5.6	7.5	6.6	-1.0	1.0	-2.0
Experienced food insecurity	27.8	26.5	29.0	-1.3	-2.5	1.2
Experienced food insecurity with hunger	9.7	10.3	10.3	-0.6	0.0	-0.6
<b><u>Health coverage (%)</u></b>						
Respondent						
Respondent covered by Medicaid or similar coverage	64.9	66.3	68.0	-3.1	-1.7	-1.4
Respondent covered by other health insurance	18.1	18.6	16.8	1.3	1.9	-0.5
Respondent covered by any health insurance	79.3	81.5	81.6	-2.4	-0.1	-2.2

(continued)

Appendix Table E.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Children</b>						
Some or all covered by Medicaid or similar coverage	71.0	71.2	76.8	-5.8 *	-5.6 *	-0.2
Some or all covered by other health insurance	16.7	21.2	15.4	1.3	5.8 **	-4.5 *
All children covered by some type of insurance	79.5	82.9	84.3	-4.8 *	-1.4	-3.3
<b>Employment status and health coverage (%)</b>						
Employed with health coverage	54.0	45.3	47.0	6.9 **	-1.8	8.7 **
Employed without health coverage	11.6	8.5	7.9	3.7 *	0.6	3.1
Not employed with health coverage	27.6	39.7	38.8	-11.3 ***	0.8	-12.1 ***
Not employed with no health coverage	6.9	6.6	6.2	0.7	0.3	0.4
Not enrolled in employer's health insurance <sup>b</sup>	16.5	13.0	10.9	5.6 **	2.2	3.5
<b>Welfare status and health coverage (%)</b>						
Not on welfare and receiving Medicaid or similar coverage	40.0	36.3	40.7	-0.6	-4.3	3.7
Not on welfare and not receiving Medicaid or similar coverage	24.4	24.6	19.1	5.3 *	5.5 *	-0.3
On welfare and receiving Medicaid or similar coverage	34.4	37.0	38.3	-3.9	-1.3	-2.5
On welfare not receiving Medicaid or similar coverage	1.2	2.1	1.9	-0.7	0.1	-0.9
Sample size	421	414	421			

SOURCES: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

The percentages covered by Medicaid and other insurance do not sum to the percentage covered by any insurance because some respondents indicated that they were covered by more than one type of insurance.

<sup>a</sup>Respondent or someone else sometimes or often experienced this outcome.

<sup>b</sup>The question regarding enrollment in employer's health coverage was asked of respondents who were employed and their employer offered health coverage.

Vermont's Welfare Restructuring Project

Appendix Table E.3

Impacts on Educational Attainment and Difficulties of Employment for Single-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Education (%)</b>						
Has a high school diploma or GED	83.3	82.0	82.3	1.0	-0.3	1.4
Has a college degree	16.0	16.6	15.9	0.1	0.7	-0.6
Has a trade school certificate	14.2	8.6	8.5	5.7 ***	0.2	5.5 ***
Ever earned college credits	24.1	30.0	27.1	-3.0	2.9	-5.9 *
<b>Difficulties of employment (%)</b>						
Did not take or quit job due to transportation problems	23.6	20.2	23.6	0.0	-3.4	3.4
Did not take or quit job due to child care problems	26.7	33.0	31.3	-4.6	1.7	-6.3 *
Family has so many problems makes work difficult	18.6	22.6	19.6	-0.9	3.0	-4.0
Has a health or emotional problem that makes work difficult	23.5	26.1	20.3	3.2	5.9 **	-2.7
Sample size	421	414	421			

SOURCES: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.



Vermont's Welfare Restructuring Project

Appendix Table E.4

Impacts on Household Composition, Marital Status, and Childbearing for Single-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC Impacts of Financial Incentives and Eligibility Rules	WRP vs. WRP Incentives Only Added Impacts of Work Requirement
	WRP Group	WRP Incentives Only Group	ANFC Group			
<b><u>Household composition</u></b>						
Lives with no other adult (%)	45.0	44.0	47.4	-2.4	-3.4	1.1
Lives with spouse or partner (%)	34.9	38.0	34.1	0.7	3.9	-3.2
Lives with relative (%)	16.4	15.7	15.9	0.5	-0.2	0.7
Lives with other (%)	8.5	9.2	8.3	0.2	0.8	-0.6
Number of adults in household	1.7	1.7	1.8	0.0	0.0	0.0
Number of children in household	1.7	1.7	1.7	0.0	0.0	0.0
Total number in household	3.4	3.4	3.4	0.0	0.0	0.0
<b><u>Marital status (%)</u></b>						
Married and living with spouse	19.8	22.2	16.9	2.9	5.3 *	-2.4
Separated	7.8	6.8	8.0	-0.2	-1.2	1.0
Divorced	39.7	38.5	39.4	0.3	-0.9	1.2
Widowed	1.6	0.4	0.9	0.6	-0.6	1.2 **
Never married	30.9	32.0	34.6	-3.7 *	-2.6	-1.1
<b><u>Childbearing (%)</u></b>						
Gave birth since random assignment	22.7	25.7	23.1	-0.3	2.6	-3.0
Currently pregnant	2.5	4.5	2.6	0.0	2.0	-2.0
Sample size	421	414	421			

SOURCES: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

Vermont's Welfare Restructuring Project

Appendix Table E.5

Impacts on Parental Involvement for Single-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group			
<b>Parental involvement (%)</b>						
Both parents in household	20.2	17.8	16.4	3.8 *	1.4	2.4
Children covered by child support order <sup>a</sup>	49.0	54.6	50.9	-1.9	3.7	-5.6 **
Received any child support in prior year						
Formal	33.1	40.1	36.1	-3.0	4.0	-7.0 ***
Informal	6.7	5.3	8.2	-1.6	-3.0 **	1.4
Visits with noncustodial parent during the past 12 months <sup>b</sup>						
At least once per month	26.6	28.9	31.3	-4.7 **	-2.4	-2.3
Less than once per month	48.6	48.8	47.8	0.8	1.0	-0.2
Never	25.9	27.9	30.2	-4.3 *	-2.3	-2.0
Sample size	754	708	728			

SOURCES: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

This analysis was conducted at the child level and includes children age 18 or younger.

Standard errors were adjusted to account for shared variance between siblings.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

<sup>a</sup>Questions regarding child support and visitation were asked for children under age 18 with one parent residing outside of the household.

<sup>b</sup>This question refers to visits during the 12 months prior to the survey.

Vermont's Welfare Restructuring Project

Appendix Table E.6

Impacts on Child Care for Single-Parent Families<sup>a</sup>

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Children aged 0-4 at the time of survey</b>						
Using any child care (%) <sup>b</sup>	63.3	53.0	55.6	7.6	-2.6	10.3 *
Child in the following arrangements: (%) <sup>c</sup>						
Any formal care	31.8	23.9	26.6	5.1	-2.8	7.9 *
Head Start program	4.5	5.0	7.7	-3.3	-2.8	-0.5
Preschool, nursery school, or daycare	24.2	20.4	22.0	2.3	-1.6	3.8
Before- or after-school daycare	4.6	1.4	0.1	4.6 ***	1.3	3.2 **
Summer camp program	0.0	0.0	0.0	0.0	0.0	0.0
After-school activities	0.0	0.0	0.0	0.0	0.0	0.0
Any informal care	44.4	36.7	40.2	4.2	-3.4	7.7
Family daycare home	12.2	11.3	15.1	-2.9	-3.8	0.9
Baby-sitter not related to child	12.7	13.6	8.9	3.8	4.8	-1.0
Child's other parent	8.9	4.3	8.2	0.7	-3.9	4.6 *
Relative, other than child's parent	23.4	15.5	22.9	0.4	-7.4 *	7.8 *
Child takes care of self alone	1.2	0.9	0.3	0.9	0.7	0.3
<i>Report satisfied or very satisfied with all aspects of care (%)<sup>d</sup></i>	83.1	82.3	84.9	-1.8	-2.5	0.8
Percentage receiving child care subsidy (%)	21.1	19.2	22.1	-1.0	-2.9	1.9
Informed that state would pay for child care while working (%) <sup>e</sup>	77.0	74.0	73.6	3.5	0.4	3.0
Sample size	164	168	173			

(continued)

Appendix Table E.6 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Children aged 5-9 at the time of survey (%)</b>						
Using any child care (%) <sup>b</sup>	56.8	44.9	48.6	8.3 *	-3.7	12.0 ***
Child in the following arrangements: (%) <sup>c</sup>						
Any formal care	25.3	12.5	13.9	11.4 ***	-1.4	12.8 ***
Head Start program	0.9	0.4	0.6	0.3	-0.2	0.5
Preschool, nursery school, or daycare	14.2	6.5	8.3	5.9 **	-1.8	7.7 ***
Before- or after-school daycare	12.2	2.2	4.0	8.2 ***	-1.8	10.0
Summer camp program	1.2	2.2	1.7	-0.6	0.5	-1.1
After-school activities	2.6	1.7	1.1	1.4	0.6	0.8
Any informal care	42.4	39.0	40.5	1.9	-1.5	3.4
Family daycare home	8.2	9.7	11.7	-3.4	-2.0	-1.4
Baby-sitter not related to child	12.8	13.4	13.2	-0.4	0.2	-0.6
Child's other parent	7.4	5.3	4.9	2.6	0.4	2.2
Relative, other than child's parent	24.4	17.9	21.9	2.4	-4.0	6.4 *
Child takes care of self alone	3.9	2.6	3.6	0.3	-1.0	1.3
Participates in clubs or organizations (%)	31.9	27.1	24.7	7.2 *	2.3	4.9
<i>Report satisfied or very satisfied with all aspects of care (%)<sup>d</sup></i>	83.1	82.3	84.9	-1.8	-2.5	0.8
Percentage receiving child care subsidy (%)	24.9	12.2	16.7	8.2 **	-4.5	12.7 ***
Informed that state would pay for child care while working (%) <sup>e</sup>	77.0	74.0	73.6	3.5	0.4	3.0
Sample size	268	249	247			

(continued)

Appendix Table E.6 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Children aged 10-13 at the time of survey (%)</b>						
Using any child care (%) <sup>b</sup>	39.3	33.4	37.2	2.1	-3.7	5.8
Child in the following arrangements: (%) <sup>c</sup>						
Any formal care	11.4	8.5	11.0	0.4	-2.4	2.8
Head Start program	0.0	0.0	0.0	0.0	0.0	0.0
Preschool, nursery school, or daycare	2.0	1.1	3.1	-1.2	-2.0	0.8
Before- or after-school daycare	2.2	1.4	3.3	-1.1	-1.9	0.8
Summer camp program	2.6	2.7	2.3	0.3	0.5	-0.2
After-school activities	4.2	4.2	3.0	1.2	1.2	0.0
Any informal care	31.4	27.8	31.8	-0.4	-4.0	3.6
Family daycare home	2.3	3.7	4.3	-2.0	-0.6	-1.4
Baby-sitter not related to child	8.0	9.0	8.4	-0.4	0.7	-1.0
Child's other parent	5.6	6.3	7.9	-2.3	-1.6	-0.7
Relative, other than child's parent	18.1	15.9	22.2	-4.2	-6.3	2.1
Child takes care of self alone	25.0	24.4	24.4	0.6	0.0	0.6
Participates in clubs or organizations (%)	40.8	38.4	30.9	9.9 *	7.5	2.4
<i>Report satisfied or very satisfied with all aspects of care (%)<sup>d</sup></i>	83.1	82.3	84.9	-1.8	-2.5	0.8
Percentage receiving child care subsidy (%)	9.5	5.7	7.9	1.5	-2.2	3.7
Informed that state would pay for child care while working (%) <sup>e</sup>	77.0	74.0	73.6	3.5	0.4	3.0
Sample size	171	144	158			

(continued)

### Appendix Table E.6 (continued)

SOURCES: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

This analysis was conducted at the child level except where otherwise noted.

Standard errors were adjusted to account for shared variance between siblings.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

*Italics indicate that the results do not present experimental comparisons.*

*Rounding may cause slight discrepancies in calculating differences.*

<sup>a</sup>Child care information was collected for children aged 13 or younger.

<sup>b</sup>Child care does not include a child caring for him- or herself.

<sup>c</sup>Respondents were asked to identify any child care that they used once a week, in the past month. A child may have been in more than one child care arrangement. Therefore, the sum of the percentages in each arrangement exceeds the percentage using any child care arrangement.

<sup>d</sup>This analysis was conducted at the family level. Respondents were asked about the main child care arrangement for the youngest child. Only those respondents with a child in an formal or informal arrangement were asked; therefore, this outcome is nonexperimental.

<sup>e</sup>This analysis was conducted at the family level.

Vermont's Welfare Restructuring Project

Appendix Table E.7

Impacts on School Progress and Other Child Outcomes for Single-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Children aged 5-9 at the time of survey (%)</b>						
Days absent from school in prior month						
None	47.4	43.9	45.6	1.7	-1.7	3.5
1-2 days	20.0	27.2	22.4	-2.4	4.8	-7.2 *
3 or more days	9.9	5.8	7.6	2.2	-1.8	4.0 *
Behavior or academic problems						
Received special education for any physical or emotional problem	19.4	24.5	22.7	-3.3	1.8	-5.1
Student suspended or expelled	2.3	3.0	3.5	-1.2	-0.5	-0.7
Parent contacted by school for behavior problems	19.5	20.9	25.1	-5.6	-4.2	-1.4
Repeated a grade since random assignment	10.1	5.8	8.5	1.7	-2.7	4.4 *
Doing below average in school	10.0	5.7	6.8	3.2	-1.1	4.3 *
Sample size	269	250	247			
<b>Children aged 10-13 at the time of survey (%)</b>						
Days absent from school in prior month						
None	48.7	41.6	41.6	7.1	0.0	7.1
1-2 days	24.6	23.8	22.3	2.3	1.5	0.8
3 or more days	1.4	9.6	8.8	-7.4 ***	0.8	-8.2 ***
Behavior or academic problems						
Received special education for any physical or emotional problem	30.1	34.2	35.5	-5.4	-1.3	-4.1
Student suspended or expelled	7.7	17.1	12.7	-5.0	4.3	-9.4 ***
Parent contacted by school for behavior problems	25.2	29.9	31.8	-6.6	-1.9	-4.7
Repeated a grade since random assignment	12.7	9.7	9.6	3.1	0.1	3.0
Doing below average in school	15.2	16.9	17.7	-2.5	-0.7	-1.8
Sample size	171	146	159			

(continued)

**Appendix Table E.7 (continued)**

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Children aged 14-18 at the time of survey (%)</b>						
Days absent from school in prior month						
None	35.4	27.7	43.9	-8.4	-16.2 ***	7.8
1-2 days	27.3	30.2	23.5	3.8	6.6	-2.8
3 or more days	12.4	19.7	11.0	1.3	8.7 *	-7.3
Behavior or academic problems						
Received special education for any physical or emotional problem	25.9	30.4	25.6	0.4	4.8	-4.5
Any trouble with police <sup>a</sup>	26.8	27.3	17.3	9.5 **	10.1 *	-0.6
Ever dropped out of school	7.4	7.9	12.5	-5.0	-4.6	-0.5
Student suspended or expelled	32.2	30.4	33.0	-0.8	-2.6	1.8
Parent contacted by school for behavior problems	37.2	30.9	36.6	0.6	-5.7	6.3
Repeated a grade since random assignment	11.6	12.0	13.1	-1.6	-1.2	-0.4
Doing below average in school	21.7	19.1	23.3	-1.6	-4.2	2.6
Sample size	151	144	149			

SOURCES: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

This analysis was conducted at the child level and includes children age 18 or younger.

Standard errors were adjusted to account for shared variance between siblings.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

<sup>a</sup>Police-involvement information was collected only for children aged 13 and older at the time of the 42-month survey. Results for 13-year-olds are not reported here because of sample size limitations. If 13-year-olds were included in the age 14 to 18 group, the impact is no longer statistically significant.



**Appendix F**

**Supplemental Materials for the Section Entitled  
“Costs and Benefits for Single-Parent Families”**

The report presents the key findings of the WRP benefit-cost analysis. This appendix discusses the analytical approach, methods, and data sources used in calculating those benefits and costs. Some additional tables are presented, including: (1) the benefits and costs of providing the incentives-only portion of WRP; and (2) the benefits and costs of the program for two-parent families.

The WRP program achieved financial gains and incurred financial losses in numerous ways. This analysis attempts to account for as many of the direct and indirect financial costs and benefits as possible. It focuses on the benefits and costs incurred as a result of the program's enhanced financial incentives, work requirement, and increased transitional assistance.

## Analytical Approach

The analytical approach used in this benefit-cost analysis is similar to the approach used in previous MDRC evaluations.<sup>1</sup> The general approach is to place dollar values on WRP's effects and its use of resources wherever possible, either by directly measuring them or by estimating them. This benefit-cost analysis incorporates positive and negative financial estimates even when they do not reach the level of statistical significance, because they nonetheless represent the best estimates available.

## Estimating Program Costs

The first step in this analysis was to estimate the cost of providing WRP's services, over and above the cost that would have been incurred in the absence of the program — that is, to estimate the average *net cost per WRP group member*. The net cost is the difference between the *gross cost per WRP group member* and the *gross cost per ANFC group member*, where the gross costs reflect the cost of all services that sample members used in the WRP program and of the education and training services that they used outside the program, when they were no longer receiving welfare benefits. In other words, the cost for the ANFC group is the benchmark used to determine the additional costs incurred as a result of the WRP program.

Costs per sample member are the product of unit costs and behavioral variables. The *unit cost* of an activity is an estimate of the average cost of serving one person in a specified

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<sup>1</sup>Many of the techniques were originally developed for the benefit-cost analysis conducted as part of MDRC's Demonstration of State Work/Welfare Initiatives (see Long and Knox, 1985). This report's description of the analytical approach was adapted from previous MDRC reports (Riccio, Friedlander, and Freedman, 1994; Kemple, Fellerath, and Friedlander, 1995; Miller et al., 2000; and Bloom et al., 2000). Minor distinctions were introduced in this analysis to accommodate the data that were available and the unique features of WRP.

activity for a specified unit of time (one month or one hour, for example). In general, unit costs are calculated by dividing expenditures for an activity (or service) during a steady-state period by the total number of *participant-months* in that activity during the same period. The number of participant-months is obtained by counting the number of participants in an activity in each month of the steady-state period and summing across the months. The estimated unit costs for WRP program services are presented in Table F.1. The costs of operating the WRP program include costs associated with delivering transfer and support service payments, Reach Up services, and employment and training services.

Transfer program costs include the cost of administering cash assistance, Food Stamps, and Medicaid benefits — determining eligibility, calculating and issuing benefits (where applicable), and imposing any sanctions for program noncompliance. Unit costs were calculated for fiscal years 1995-1996 and 1997-1998 (steady-state periods), using expenditure data and state caseload data for these programs.

The cost of operating Reach Up was estimated using data from the automated participation tracking system maintained by DSW and program expenditure data. Reach Up services include case management and operation of job search activities.<sup>2</sup> Other employment and training activities were operated by providers outside the welfare department. Average unit costs for these components were calculated using data from the major providers of these activities. For college, these included costs for the Community College of Vermont; for basic education, these costs were estimated using data published by the Vermont Board of Education for the major providers of basic education; for job training, these included the Cold Hollow Career Center, Essex Technical Center, and Step Up.

Finally, costs for community service employment (CSE) include the amounts paid to WRP group members participating in this component of the program. The cost for CSE jobs does not include the administrative costs associated with processing the paychecks sent to participants. In addition, the analysis of CSE jobs may not take into account the full value of output of the work performed by employees in these positions. Under normal circumstances, the value of output is considered to be equivalent to compensation. However, CSE workers were paid the minimum wage. Therefore, the value of their output would be greater if non-CSE workers in the same position were paid more than the minimum wage. However, because the number of WRP group members who participated in CSE was very small, these costs were expected to be minimal.

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<sup>2</sup>Case management for two-parent families and operation of the job search component were provided by the Vermont Department of Employment and Training (DET), under contract to DSW, and are included here.

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**Appendix Table F.1**

**Estimated Unit Costs for Program Services (in 2000 Dollars)**

	Average per Hour of Participation (\$)	Average per Month of Participation (\$)
<b><u>DSW costs</u></b>		
Eligibility-related services		
Cash assistance	N/A	59.14
Food Stamps	N/A	24.90
Case management for Reach Up activities <sup>a</sup>		
Job search <sup>b</sup>	3.52	N/A
Basic education <sup>c</sup>	3.80	N/A
College <sup>d</sup>	4.13	N/A
Vocational training <sup>e</sup>	3.04	N/A
Work experience	N/A	168.72
Employment and training operations		
Job search <sup>b</sup>	3.28	193.49
Work experience <sup>f</sup>	N/A	157.42
<b><u>Outside agency costs</u></b>		
Employment and training operations		
Basic education <sup>c</sup>	32.34	N/A
College <sup>d</sup>	12.25	N/A
Vocational training <sup>e</sup>	8.50	N/A

SOURCES: Expenditure reports from Vermont DSW, office of Vermont Health Access, and other outside providers (see below).

NOTES: Costs in this table are based on expenditures for fiscal year 1997-1998 in all activities, except eligibility-related expenditures, which are an average of FY 1996 and FY 1998. All estimates are adjusted for inflation.

Values were discounted at a rate of 5 percent annually and adjusted for inflation using GNP quarterly inflation rates for the follow-up period.

N/A = not applicable.

<sup>a</sup>Hourly unit costs were used in calculating all case management and program operation costs with the exception of job search operating costs while sample member was not receiving public assistance, where monthly costs were used.

<sup>b</sup>Vermont Department of Employment and Training operated job search under contract with DSW.

<sup>c</sup>Cost estimates for basic education were calculated using data from the Vermont Adult Basic Education 2000 Annual Report, which includes the main providers of ABE for this sample.

<sup>d</sup>Cost estimates for higher education were calculated using data from the Community College of Vermont.

<sup>e</sup>Cost estimates for this component were calculated using an average cost for Essex Technical Center, Cold Hollow Career Center, and Step-Up.

<sup>f</sup>The operating costs for work experience do not include the administrative cost of processing the paychecks for the community service jobs provided to program group members.

Once the unit cost of an activity was determined, it was multiplied by the average number of months that sample members spent in the activity — called the *behavioral variable* — to determine the average cost incurred per WRP group member or ANFC group member during the follow-up period. Data from the Reach Up participation tracking system were used to measure participation in education and training activities while sample members were receiving welfare. Estimates of participation while sample members were not receiving welfare were based on data from the 42-Month Client Survey. The behavioral variables used in this analysis cover the six-year period following each sample member’s entry into the study.

The costs presented in the report include the costs of program services as well as the costs of employment-related services that sample members used outside the programs when they were not receiving welfare. The off-welfare costs are important because they represent an additional investment of resources that could have differentially affected WRP and ANFC group members’ future earnings and welfare receipt (effects that are accounted for in the benefit-cost analysis).

All sample members — not just those who participated in program services — were included in calculating the net costs, because the program may have affected some recipients’ behavior: Some people may have chosen to avoid the program mandate by finding a job on their own or by leaving the welfare rolls. In addition, sample members who did not participate in WRP program services may have taken part in education and training services on their own, and these costs need to be taken into account as well.

Later in the analysis, to assess whether the WRP program was cost-effective from the perspective of the government’s budget, the six-year net cost was compared with the value of any budgetary savings during the same period (for example, from lower welfare or Food Stamp payments) and of any tax revenue increases associated with the additional earnings of program group members.

## **Comparing the Program’s Benefits and Costs**

The benefit-cost analysis includes key financial effects discussed in the report (such as effects on earnings, cash assistance payments, and Food Stamp payments) and expands the scope to consider such effects as fringe benefits from employment, taxes, compensation from unemployment insurance (UI), and Medicaid coverage. All these effects were considered, along with the estimated net cost of the WRP program, to ascertain the net gains and losses to program group members and to the government budget.

WRP’s effects on earnings, public assistance payments, child care subsidies, support service payments, and UI benefits were measured directly using data collected from administrative records kept by the State of Vermont.

WRP's effects on fringe benefits, federal and state taxes, and federal and state Earned Income Credits (EICs) could not be measured directly but were estimated using published data along with survey and administrative records data.

WRP's effects on medical assistance were estimated for the main health insurance programs offered in Vermont to uninsured or underinsured individuals. All sample members who were receiving cash assistance were also receiving Medicaid. Transitional Medicaid was provided to WRP group members for up to three years after leaving welfare and to ANFC group members for up to one year after leaving welfare. Dr. Dynasaur provides health care coverage to pregnant women and children under age 18 in families with income up to 300 percent of the federal poverty level. The Vermont Health Access Plan (VHAP) provides health care coverage through managed care to parents/caretaker relatives with incomes up to 185 percent of the poverty level who otherwise would be uninsured. Eligibility for these programs was estimated using administrative data on cash assistance receipt and earnings. To account for the fact that not all eligible individuals receive these services, take-up rates were calculated using responses to the questions on the 42-Month Client Survey regarding receipt of health care assistance.

Table F.2 shows detailed costs of transfer payments, medical assistance, and associated administration costs.

## Accounting Methods

The benefit-cost estimates presented in this report are expressed in terms of *net present values* per program group member. The “net” in *net present value* means that, like the impacts, the amounts represent differences between estimates for program group members and for control group members. The estimates are in “present value” terms because the accounting method of “discounting” is used to express the dollar value today of program effects that occur in the future.<sup>3</sup> All benefit-cost amounts in this report are expressed in 2000 dollars, eliminating the effects of inflation on the values.

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<sup>3</sup>Simply comparing the nominal dollar value of program costs with benefits over multiple years would be problematic, because a dollar's value is greater in the present than in the future: A dollar available today can be invested and may produce income over time, making it worth more than a dollar available in the future. In order to make a fair comparison between benefits and costs over multiple years, it is essential to determine their value at a common point in time — for example, the present. This determination was accomplished by *discounting*, a method for reducing the value of benefits and costs accrued in later years relative to benefits and costs accrued in early years. In the WRP analysis, the end of each sample member's first year following random assignment was used as the comparison point for the investment period. Gains that were accrued after that point were discounted to reflect their value at the end of Year 1. In calculating these discounted values, it was assumed that a dollar invested at the end of Year 1 would earn a real rate of return of 5 percent annually.

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### Appendix Table F.2

#### Detailed Impacts on Transfer Payments, Medical Assistance, and Support Service Payments per WRP Group Member, for Six Years (in 2000 Dollars)

Outcome	WRP Group (\$)	ANFC Group (\$)	Difference (Impact)
<b><u>Transfer payments</u></b>			
Cash assistance	13,886	15,390	-1,503 ***
Food Stamps	6,966	7,091	-125
CSE jobs <sup>a</sup>	77	0	77 ***
Total transfer payments	20,929	22,480	-1,552 ***
<b><u>Medical assistance</u></b>			
Medicaid	5,368	5,678	-310
Transitional Medicaid	5,117	2,237	2,880 ***
Dr. Dynasaur	1,696	3,611	-1,915 ***
Vermont Health Assistance Program	939	2,315	-1,375 ***
Total medical assistance	13,120	13,840	-720 ***
<b><u>Administrative costs of transfer payments</u></b>			
Cash assistance administration	1,499	1,581	-81 **
Food Stamp administration	794	813	-19
Medical assistance administration <sup>b</sup>	3,312	3,424	-112 ***
Total administrative costs	5,605	5,817	-212 ***

SOURCES: MDRC calculations from DSW expenditure reports, administrative records, Office of Vermont Health Access expenditure reports, and published information about Medicaid eligibility and expenditures.

NOTES: Estimates reflect discounting and adjustment for inflation.

Values were discounted at a rate of 5 percent annually and adjusted for inflation using GNP quarterly inflation rates for the follow-up period.

<sup>a</sup>This estimate only reflects the wages for CSE jobs. It does not include the administrative costs of processing the paychecks.

<sup>b</sup>Administrative costs for Medicaid were used for all medical assistance programs.

The benefit-cost estimates cover a six-year time period starting with the month following random assignment (Month 1). Benefit-cost estimates were also calculated for a five-year period (shown in Table F.3) for comparison with other programs evaluated by MDRC.

## Analytical Perspectives

An important aspect of benefit-cost analysis of government programs is determining who bears any costs or benefits from the program. An effect of a program can sometimes be a gain from one perspective and a loss from another. For example, a decrease in public assistance is viewed as a financial loss from the perspective of the program group but is seen as a gain from the perspective of the government's budget. This trade-off makes it important to consider the perspectives of all the directly affected groups when assessing each main program effect. The analysis presented here includes the net benefits and costs of WRP from the perspective of each of the following groups: program participants, the government budget, and society as a whole.

The *participant's* perspective identifies net gains or losses for members of the program group — how they fared as a result of the program. The WRP group experienced financial gains from increased earnings, supports for work subsidies, and EICs. On the other hand, there were financial losses for this group in terms of decreased public assistance, Medicaid, and higher income taxes (in large part from Social Security taxes). Since the benefits from earnings and other supports exceeded the value of decreased public assistance and Medicaid and higher income taxes, the program produced a modest net financial gain from the standpoint of participants. However, it is important to note that this calculation does not take into account nonfinancial gains or losses that may have value for participants, such as increased time spent out of the home.

The *government budget* perspective identifies the combined gains and losses incurred by the federal and state governments that fund such programs. Gains to the government budget occurred through reduced public assistance payments, reduced Medicaid-related assistance, and increased income and sales taxes. This analysis does not attempt to separate federal- and state-level costs and does not account for transfers from the federal government to the state (such as the TANF block grants).

The perspective of *society as a whole* combines the perspectives of two groups: participants and those outside the program (taxpayers who fund the federal and state government budgets). For a given component, a net gain to society occurred only when a gain to one group was not at the expense of another group. For example, a gain from earnings and fringe benefits benefited participants but was neither a benefit nor a cost for the government budget; thus the net result was a gain for society. A net loss to society occurs when a loss from one perspective is not a gain from another. For example, the operating cost of WRP represents a cost to the government budget, but this cost has no direct financial effect on participants; thus it is considered a



cost to society. Program effects that constitute a net gain from one perspective but a net loss from another are considered transfers that have no financial consequences from the societal perspective. For example, EICs represent a gain for participants who receive them but are a cost to the government budget.

When adopting the societal perspective, it is assumed that the value placed on a dollar lost is equivalent for each of the groups. This assumption may not be valid. Typically, participants in programs such as WRP have much lower incomes, on average, than the average taxpayer. Thus, it is likely that a dollar is worth more to a member of the program group than it is to the average taxpayer who funds the government budget. Nonetheless, this analysis treats each dollar the same, no matter to whom in society it accrues.

## **Limitations of the Analysis**

This analysis accounts for the major financial effects of WRP, but limitations remain. First, although the estimates reflect the best data available, they should be considered only approximations. Estimates were based on a variety of data sources, and — depending on the sources available — some estimates of costs may be less reliable.

In addition, not all the effects of WRP are measurable in dollars. This analysis does not account for nonfinancial effects, such as family and child well-being, but readers should take them into account when assessing the overall value of the program. There were very few consistent effects on family and child outcomes evaluated in this report.

Further, there may be effects of WRP that were not measured in any way or that the researchers are unaware of. For example, it is possible that other workers were displaced as a result of the increased employment of WRP group members; such displaced workers may have become unemployed or may have accepted lower-paying jobs. Similarly, there may be indirect, long-term nonfinancial benefits brought on by increased work experience and financial stability.

## **Additional Benefit-Cost Analyses**

The remaining tables in this appendix present additional analyses not described in the report.

Table F.3 presents five-year costs and benefits of WRP, by accounting perspective, for comparison with benefits and costs of other welfare-to-work programs evaluated by MDRC. The results for the five-year time horizon tell the same overall story as for six years.

The benefits and costs presented thus far have focused on the full WRP program, including the costs and benefits associated with a combination of enhanced financial incentives

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Appendix Table F.3

Five-Year Estimated Net Gains and Losses per WRP Group Member for Single-Parent Families, by Accounting Perspective (in 2000 Dollars)

Component of Analysis	Accounting Perspective (\$)		
	Participants	Government Budget	Society
<b>Financial effects</b>			
Cash assistance, Food Stamps, and administration <sup>a</sup>	-1,254	1,323	-69
CSE jobs <sup>b</sup>	67	-67	0
Earnings and fringe benefits <sup>c</sup>	2,442	0	2,442
Income and sales tax <sup>d</sup>	-190	341	0
Tax credits	517	-517	0
Employment and training	0	-544	-544
Case management	0	-351	-351
Medical assistance and administration <sup>e</sup>	-528	602	74
Support services	444	-444	0
<b>Net gain or loss (net present value)</b>	<b>1,498</b>	<b>342</b>	<b>1,552</b>

SOURCES: MDRC calculations from Vermont and New Hampshire unemployment insurance earnings records, Vermont cash assistant records, Vermont Food Stamp records, Vermont Reach Up program participation records, DSW expenditures for fiscal years 1996 and 1998, Medicaid and related program expenditures from Office of Vermont Health Access, Vermont Medicaid-related administrative expenditures and eligibility statistics from the Health Care Financing Administration Web site, the 42-Month Client Survey, and published information on employee fringe benefits, tax rates, and tax credits.

NOTES: Estimates reflect discounting and inflation adjustment.

Values were discounted at a rate of 5 percent annually and adjusted for inflation using GNP quarterly inflation rates for the follow-up period.

<sup>a</sup>Cash assistance, Food Stamps, and administration includes cash assistance and Food Stamp payments and DSW administration costs.

<sup>b</sup>This estimate only reflects the wages for CSE jobs. It does not include the administrative costs of processing the paychecks.

<sup>c</sup>This summary measure includes unemployment insurance payments.

<sup>d</sup>The government budget perspective includes employer-paid Social Security and Medicare taxes.

<sup>e</sup>Medical assistance and administration includes payments and administration costs for Medicaid, transitional Medicaid, Dr. Dynasaur, and Vermont Health Assistance Program.

and the work requirement. Table F.4 focuses on the costs and benefits of the financial incentives alone and on the net financial effect of the work requirement. The table shows that, without the work requirement associated with the full WRP program, the net present values from all perspectives are essentially zero. The first three columns of the table show that the enhanced financial incentives produced a gain to program group members of a little more than \$100 over the six-year period, while the government budget lost about \$300 over the same time horizon.

The last three columns of Table F.4 show the net financial effect of the work requirement, over and above the financial incentives alone. From the perspective of the government budget, the financial gain to the budget from the work requirement (and resulting increased employment/decreased public assistance) was about \$1,300 for the six-year period. A similar financial gain of \$1,300 (\$200 per year) was realized by program group members.

Table F.5 shows the benefits and costs of WRP, by accounting perspective, for two-parent families with an unemployed parent. WRP produced a net financial gain of about \$2,700 from the perspective of two-parent families in the program group and a small financial loss of \$840 over six years from the perspective of the government budget.

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Appendix Table F.4

Six-Year Estimated Net Gains and Losses per WRP Group Member  
for Single-Parent Families, by Accounting Perspective (in 2000 Dollars)

Components	Benefits/Costs of Financial Incentives Alone (\$)			Benefits/Costs of Adding Work Requirement (\$)		
	Government			Government		
	Participants	Budget	Society	Participants	Budget	Society
<b>Financial effects</b>						
Cash assistance, Food Stamps, and administration <sup>a</sup>	212	-285	-72	-1,841	2,013	-135
CSE jobs <sup>b</sup>	-4	4	0	80	-80	0
Earnings and fringe benefits <sup>c</sup>	-259	0	-259	3,059	0	3,059
Income and sales tax <sup>d</sup>	15	-31	0	-242	436	0
Tax credits	-151	151	0	752	-752	0
Employment and training	0	267	267	0	-734	-734
Case management	0	23	23	0	-361	-361
Medical assistance and administration <sup>e</sup>	225	-351	-125	-946	1,183	238
Support services	96	-96	0	421	-421	0
Net gain or loss (net present value)	134	-319	-167	1,283	1,284	2,066

SOURCES: MDRC calculations from Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, Vermont Food Stamp records, Vermont Reach Up program participation records, DSW expenditures for fiscal years 1996 and 1998, Medicaid and related program expenditures from Office of Vermont Health Access, Vermont Medicaid-related administrative expenditures and eligibility statistics from the Health Care Financing Administration Web site, the 42-Month Client Survey, and published information on employee fringe benefits, tax rates, and tax credits.

NOTES: Estimates reflect discounting and inflation adjustment.

Values were discounted at a rate of 5 percent annually and adjusted for inflation using GNP quarterly inflation rates for the follow-up period.

<sup>a</sup>Cash assistance, Food Stamps, and administration includes cash assistance and Food Stamp payments and DSW administration costs.

<sup>b</sup>This estimate only reflects the wages for CSE jobs. It does not include the administrative costs of processing the paychecks.

<sup>c</sup>This summary measure includes unemployment insurance payments.

<sup>d</sup>The government budget perspective includes employer-paid Social Security and Medicare taxes.

<sup>e</sup>Medical assistance and administration includes payments and administration costs for Medicaid, transitional Medicaid, Dr. Dynasaur, and Vermont Health Assistance Program.

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Appendix Table F.5

Six-Year Estimated Net Gains and Losses per WRP Group Member for Two-Parent Unemployed Families, by Accounting Perspective (in 2000 Dollars)

Component of Analysis	Accounting Perspective (\$)		
	Participants	Government Budget	Society
<b>Financial effects</b>			
Cash assistance, Food Stamps, and administration <sup>a</sup>	372	-476	104
CSE jobs <sup>b</sup>	147	-147	0
Earnings and fringe benefits <sup>c</sup>	1,409	0	1,409
Income and sales tax <sup>d</sup>	-94	200	0
Tax credits	42	-42	0
Employment and training <sup>e</sup>	0	-1,025	-1,025
Case management	0	-258	-258
Medical assistance and administration <sup>f</sup>	632	1,145	1,777
Support services	240	-240	0
<b>Net gain or loss (net present value)</b>	<b>2,747</b>	<b>-842</b>	<b>2,007</b>

SOURCES: MDRC calculations from Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, Vermont Food Stamp records, Vermont Reach Up program participation records, DSW expenditures for fiscal years 1996 and 1998, Medicaid and related program expenditures from Office of Vermont Health Access, Vermont Medicaid-related administrative expenditures and eligibility statistics from the Health Care Financing Administration Web site, the 42-Month Client Survey, and published information on employee fringe benefits, tax rates, and tax credits.

NOTES: Estimates reflect discounting and inflation adjustment.

Values were discounted at a rate of 5 percent annually and adjusted for inflation using GNP quarterly inflation rates for the follow-up period.

<sup>a</sup>Cash assistance, Food Stamps, and administration includes cash assistance and Food Stamp payments and DSW administration costs.

<sup>b</sup>This estimate only reflects the wages for CSE jobs. It does not include the administrative costs of processing the paychecks.

<sup>c</sup>This summary measure includes unemployment insurance payments.

<sup>d</sup>The government budget perspective includes employer paid social security and Medicare taxes.

<sup>e</sup>Employment and training costs while sample member was not receiving cash assistance were not estimated for two-parent families. There were no significant differences in participation in employment and training activities while sample members were not receiving public assistance. Therefore, estimating the costs associated with participation in these activities would not have changed the results shown in this table.

<sup>f</sup>Medical assistance and administration includes payments and administration costs for Medicaid, transitional Medicaid, Dr. Dynasaur, and Vermont Health Assistance Program.



**Appendix G**

**Supplemental Tables for the Section Entitled  
“Effects on Employment, Public Assistance,  
and Income for Two-Parent Families”**

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Appendix Table G.1

Six-Year Impacts of WRP and WRP Incentives Only for Two-Parent Families with an Incapacitated Parent (Statewide)

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives	WRP vs. WRP
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Only vs. ANFC	Incentives Only
<b>Years 1-2</b>						
Ever employed, either parent (%)	46.0	44.6	43.1	2.9	1.5	1.4
Ever received cash assistance (%)	64.4	64.9	62.9	1.5	2.0	-0.5
Ever received Food Stamps (%)	76.4	71.2	76.2	0.2	-4.9 *	5.1 **
Quarterly earnings, both parents (\$)	693	674	642	51	32	19
Quarterly cash assistance payments (\$)	464	498	457	7	41	-34
Quarterly Food Stamp payments (\$)	217	210	240	-22 **	-30 **	8
Quarterly combined income from earnings, cash assistance, and Food Stamps (\$)	2,749	2,762	2,678	71	85	-14
<b>Years 3-4</b>						
Ever employed, either parent (%)	56.4	50.6	51.3	5.1 *	-0.7	5.9 *
Ever received cash assistance (%)	38.5	44.0	43.6	-5.1	0.4	-5.5
Ever received Food Stamps (%)	57.3	59.1	56.3	1.0	2.8	-1.8
Quarterly earnings, both parents (\$)	1,056	992	955	100	37	63
Quarterly cash assistance payments (\$)	251	319	324	-74 ***	-5	-68 **
Quarterly Food Stamp payments (\$)	146	160	173	-27 **	-12	-15
Quarterly combined income from earnings, cash assistance, and Food Stamps (\$)	2,904	2,944	2,904	0	40	-40

(continued)



**Appendix Table G.1 (continued)**

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Years 5-6</b>						
Ever employed, either parent (%)	58.1	56.1	54.4	3.8	1.8	2.0
Ever received cash assistance (%)	25.3	33.7	29.1	-3.8	4.7	-8.4 ***
Ever received Food Stamps (%)	42.2	47.2	41.0	1.2	6.2	-5.0
Quarterly earnings, both parents (\$)	1,308	1,245	1,288	20	-43	63
Quarterly cash assistance payments (\$)	168	239	225	-57 **	13	-71 ***
Quarterly Food Stamp payments (\$)	105	119	117	-12	2	-14
Quarterly combined income from earnings, cash assistance, and Food Stamps (\$)	3,161	3,204	3,260	-98	-56	-43
Sample size	588	173	210			

SOURCES: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: The sample includes members randomly assigned from July 1, 1994, through June 30, 1995, in all 12 of Vermont's welfare districts.

Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps.

For families who received cash assistance, the state data system designated one parent as the principal earner. For families who did not receive cash assistance, the present analysis assumed the male to be the principal earner, though that may not have been the situation in all such families.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

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Appendix Table G.2

Impacts of WRP and WRP Incentives Only on Cash Assistance and Food Stamp Receipt for Two-Parent Unemployed Families, by Quarter (Research Districts)

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Percentage receiving cash assistance (%)</b>						
Quarter 1	70.7	69.0	64.6	6.1 **	4.4	1.7
Quarter 2	60.7	58.9	54.1	6.6 **	4.7	1.9
Quarter 3	54.3	51.6	45.3	9.0 ***	6.4 *	2.6
Quarter 4	50.7	48.1	44.4	6.3 **	3.7	2.6
Quarter 5	46.3	47.2	40.3	6.0 **	6.9 *	-0.9
Quarter 6	42.9	42.4	37.1	5.8 **	5.4	0.5
Quarter 7	40.5	42.3	36.8	3.8	5.6	-1.8
Quarter 8	38.0	40.2	33.7	4.3	6.5 *	-2.2
Quarter 9	37.4	39.2	32.7	4.7 *	6.5 *	-1.8
Quarter 10	36.4	38.8	28.9	7.5 ***	9.9 ***	-2.4
Quarter 11	34.5	38.5	25.6	8.9 ***	12.9 ***	-4.0
Quarter 12	32.5	36.8	24.9	7.6 ***	11.9 ***	-4.3
Quarter 13	31.5	36.9	25.2	6.3 **	11.7 ***	-5.4 *
Quarter 14	29.8	35.2	27.8	2.0	7.4 **	-5.4 *
Quarter 15	26.9	31.9	27.2	-0.3	4.6	-5.0 *
Quarter 16	26.6	32.4	25.7	1.0	6.7 **	-5.8 **
Quarter 17	23.6	31.8	23.0	0.6	8.8 ***	-8.3 ***
Quarter 18	23.4	32.6	23.1	0.3	9.5 ***	-9.2 ***
Quarter 19	23.2	29.1	21.7	1.5	7.4 **	-5.9 **
Quarter 20	22.7	26.4	21.2	1.6	5.2 *	-3.6
Quarter 21	22.4	24.5	17.6	4.9 *	6.9 **	-2.1
Quarter 22	20.4	19.8	18.2	2.2	1.6	0.6
Quarter 23	18.0	17.8	18.4	-0.4	-0.7	0.3
Quarter 24	17.4	15.7	18.2	-0.9	-2.5	1.7

(continued)

Appendix Table G.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Cash assistance payments (\$)</b>						
Quarter 1	976	966	909	66.6	57.2	9.3
Quarter 2	850	829	813	36.7	15.5	21.2
Quarter 3	770	730	709	61.5	20.9	40.6
Quarter 4	700	685	635	65.4	50.6	14.7
Quarter 5	617	687	593	25.0	94.9	-69.9
Quarter 6	578	634	522	55.5	111.3 *	-55.8
Quarter 7	528	591	482	46.3	109.0 **	-62.7
Quarter 8	492	568	446	45.7	122.5 **	-76.8 *
Quarter 9	457	580	415	42.0	165.2 ***	-123.2 ***
Quarter 10	462	530	366	95.7 **	163.7 ***	-67.9
Quarter 11	424	514	342	82.2 *	172.5 ***	-90.4 **
Quarter 12	391	511	298	93.1 **	213.3 ***	-120.2 ***
Quarter 13	406	519	329	77.0 *	189.9 ***	-112.9 ***
Quarter 14	369	488	363	5.9	125.2 **	-119.3 ***
Quarter 15	335	468	373	-37.9	94.5 *	-132.5 ***
Quarter 16	340	464	356	-16.3	107.5 **	-123.8 ***
Quarter 17	331	456	346	-14.4	110.3 **	-124.7 ***
Quarter 18	310	462	333	-22.7	129.2 **	-151.9 ***
Quarter 19	302	414	325	-22.8	89.4 *	-112.2 ***
Quarter 20	304	378	286	18.2	92.1 *	-73.8 *
Quarter 21	286	362	265	21.3	96.6 **	-75.3 *
Quarter 22	263	313	273	-10.2	40.1	-50.4
Quarter 23	233	268	273	-40.3	-5.0	-35.3
Quarter 24	223	233	257	-33.7	-24.2	-9.5

(continued)

Appendix Table G.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Percentage receiving Food Stamps (%)</b>						
Quarter 1	84.6	83.7	82.2	2.5	1.5	1.0
Quarter 2	76.8	75.2	74.8	2.0	0.4	1.6
Quarter 3	71.9	70.0	71.5	0.4	-1.5	1.9
Quarter 4	69.3	66.1	68.0	1.4	-1.8	3.2
Quarter 5	63.2	63.2	64.1	-0.9	-1.0	0.1
Quarter 6	60.5	63.1	64.3	-3.8	-1.2	-2.6
Quarter 7	57.5	58.7	59.7	-2.2	-1.0	-1.3
Quarter 8	55.8	58.3	57.7	-1.9	0.6	-2.5
Quarter 9	54.8	58.4	56.0	-1.3	2.4	-3.7
Quarter 10	53.3	57.9	55.2	-1.8	2.7	-4.6
Quarter 11	51.8	55.7	50.8	1.0	4.9	-3.9
Quarter 12	50.5	52.7	51.4	-1.0	1.3	-2.2
Quarter 13	48.7	52.6	45.4	3.3	7.2 **	-3.9
Quarter 14	46.7	50.7	45.9	0.7	4.8	-4.1
Quarter 15	44.0	49.6	47.4	-3.3	2.2	-5.6 *
Quarter 16	42.8	45.5	43.5	-0.8	1.9	-2.7
Quarter 17	41.6	46.1	40.6	1.0	5.5	-4.5
Quarter 18	39.1	46.4	38.2	0.9	8.3 **	-7.3 **
Quarter 19	37.4	41.8	39.3	-1.9	2.5	-4.4
Quarter 20	36.5	39.6	37.5	-1.1	2.0	-3.1
Quarter 21	35.6	37.2	37.0	-1.4	0.2	-1.6
Quarter 22	33.1	33.5	35.2	-2.1	-1.7	-0.4
Quarter 23	31.4	32.1	34.7	-3.3	-2.5	-0.7
Quarter 24	31.3	28.5	35.2	-3.9	-6.8 **	2.9

(continued)

Appendix Table G.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Food Stamp payments (\$)</b>						
Quarter 1	562	567	553	9.6	14.8	-5.3
Quarter 2	484	500	491	-6.0	9.3	-15.3
Quarter 3	466	471	467	-1.3	3.3	-4.6
Quarter 4	450	432	463	-12.2	-30.9	18.7
Quarter 5	411	440	432	-20.3	8.2	-28.6
Quarter 6	406	437	422	-16.2	14.9	-31.1
Quarter 7	377	403	395	-18.1	8.1	-26.2
Quarter 8	369	390	390	-21.9	-0.4	-21.5
Quarter 9	356	426	385	-29.8	40.2	-70.0 ***
Quarter 10	340	414	361	-21.1	53.2 *	-74.2 ***
Quarter 11	327	384	340	-13.0	44.0	-57.1 **
Quarter 12	318	367	332	-13.8	35.1	-48.9 **
Quarter 13	314	373	301	12.3	71.7 **	-59.3 **
Quarter 14	305	363	302	2.4	61.0 **	-58.6 **
Quarter 15	284	341	306	-22.0	35.0	-57.0 **
Quarter 16	284	326	295	-10.8	31.4	-42.2 *
Quarter 17	270	327	271	-1.1	55.3 **	-56.5 **
Quarter 18	260	323	258	1.5	65.1 **	-63.6 ***
Quarter 19	238	286	259	-20.8	26.8	-47.6 **
Quarter 20	236	278	247	-10.6	31.2	-41.8 *
Quarter 21	223	252	245	-22.0	6.3	-28.3
Quarter 22	208	227	234	-25.2	-6.5	-18.7
Quarter 23	197	216	228	-31.2	-12.5	-18.7
Quarter 24	199	196	221	-22.2	-25.4	3.3

(continued)

Appendix Table G.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Ever employed (%)</b>						
Quarter 1	69.3	70.1	69.9	-0.6	0.2	-0.8
Quarter 2	71.8	72.4	69.8	2.0	2.6	-0.6
Quarter 3	71.1	74.0	73.7	-2.6	0.3	-2.8
Quarter 4	72.9	72.1	72.7	0.1	-0.7	0.8
Quarter 5	73.4	70.9	72.3	1.2	-1.4	2.5
Quarter 6	73.0	70.9	72.4	0.6	-1.4	2.1
Quarter 7	74.3	71.9	76.0	-1.8	-4.1	2.3
Quarter 8	73.8	70.1	75.8	-2.1	-5.7 *	3.7
Quarter 9	75.2	72.8	75.3	-0.1	-2.5	2.4
Quarter 10	74.6	73.0	76.2	-1.6	-3.2	1.6
Quarter 11	76.1	73.3	74.0	2.0	-0.7	2.8
Quarter 12	76.4	73.1	74.0	2.4	-0.9	3.3
Quarter 13	75.0	72.1	74.1	0.8	-2.1	2.9
Quarter 14	75.3	73.3	72.8	2.5	0.5	2.0
Quarter 15	78.1	71.7	75.9	2.2	-4.3	6.4 **
Quarter 16	75.4	73.6	75.5	-0.1	-1.9	1.8
Quarter 17	75.8	71.9	74.9	0.9	-3.0	3.9
Quarter 18	75.3	73.0	75.3	0.0	-2.3	2.3
Quarter 19	75.5	71.9	76.6	-1.1	-4.7	3.6
Quarter 20	75.6	71.7	75.6	0.0	-4.0	3.9
Quarter 21	75.2	70.9	72.2	2.9	-1.3	4.2
Quarter 22	73.5	72.3	71.6	2.0	0.8	1.2
Quarter 23	74.6	74.6	71.2	3.4	3.4	0.0
Quarter 24	73.4	74.9	69.9	3.6	5.1	-1.5

(continued)

**Appendix Table G.2 (continued)**

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Quarterly earnings (\$)</b>						
Quarter 1	2,335	2,197	2,355	-19.8	-157.8	138.0
Quarter 2	2,542	2,696	2,479	62.9	217.2	-154.3
Quarter 3	2,777	2,989	2,617	160.6	372.8 *	-212.2
Quarter 4	2,844	2,916	2,819	24.3	96.3	-72.0
Quarter 5	3,071	2,951	2,996	74.8	-45.3	120.1
Quarter 6	3,119	3,162	2,990	128.9	171.5	-42.6
Quarter 7	3,270	3,370	3,144	125.9	225.5	-99.6
Quarter 8	3,366	3,305	3,301	65.4	4.2	61.2
Quarter 9	3,403	3,301	3,407	-4.2	-106.2	102.0
Quarter 10	3,462	3,327	3,570	-108.0	-242.9	134.9
Quarter 11	3,656	3,535	3,908	-252.6	-373.0	120.4
Quarter 12	3,881	3,632	3,671	210.7	-39.1	249.8
Quarter 13	3,750	3,657	3,769	-19.7	-112.8	93.1
Quarter 14	3,975	3,937	3,812	162.6	124.4	38.2
Quarter 15	4,211	3,904	3,976	235.4	-72.1	307.6
Quarter 16	4,251	4,210	4,194	57.0	16.6	40.3
Quarter 17	4,275	4,173	4,541	-266.1	-367.8	101.8
Quarter 18	4,406	4,481	4,391	15.7	90.6	-75.0
Quarter 19	4,535	4,586	4,580	-45.0	5.8	-50.8
Quarter 20	4,607	4,635	4,514	92.5	121.4	-28.9
Quarter 21	4,593	4,559	4,442	151.0	117.7	33.3
Quarter 22	4,603	4,757	4,555	47.4	201.1	-153.8
Quarter 23	4,698	4,880	4,643	55.1	237.0	-181.9
Quarter 24	4,791	4,820	4,608	183.0	212.0	-29.0

(continued)

Appendix Table G.2 (continued)

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group		Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Quarterly earnings (\$)</b>						
Quarter 1	3,873	3,731	3,817	56.3	-85.7	142.1
Quarter 2	3,876	4,025	3,783	93.6	242.0	-148.5
Quarter 3	4,014	4,190	3,793	220.8	396.9 *	-176.1
Quarter 4	3,994	4,033	3,917	77.5	116.0	-38.6
Quarter 5	4,100	4,078	4,021	79.4	57.8	21.6
Quarter 6	4,103	4,233	3,935	168.2	297.7	-129.5
Quarter 7	4,175	4,364	4,021	154.1	342.6	-188.6
Quarter 8	4,226	4,263	4,137	89.1	126.3	-37.1
Quarter 9	4,215	4,306	4,207	8.0	99.2	-91.2
Quarter 10	4,263	4,271	4,297	-33.3	-26.0	-7.3
Quarter 11	4,407	4,434	4,590	-183.5	-156.4	-27.0
Quarter 12	4,590	4,510	4,300	290.0	209.4	80.7
Quarter 13	4,469	4,548	4,400	69.6	148.8	-79.2
Quarter 14	4,648	4,788	4,477	170.9	310.6	-139.7
Quarter 15	4,830	4,712	4,654	175.4	57.3	118.1
Quarter 16	4,874	5,000	4,845	29.8	155.5	-125.7
Quarter 17	4,876	4,955	5,158	-281.6	-202.2	-79.4
Quarter 18	4,976	5,267	4,982	-5.5	284.9	-290.4
Quarter 19	5,075	5,286	5,164	-88.7	122.0	-210.7
Quarter 20	5,147	5,291	5,047	100.1	244.6	-144.5
Quarter 21	5,103	5,173	4,952	150.4	220.6	-70.2
Quarter 22	5,074	5,297	5,063	11.9	234.7	-222.8
Quarter 23	5,128	5,364	5,145	-16.4	219.5	-235.9
Quarter 24	5,214	5,249	5,086	127.2	162.4	-35.2
Sample size	992	330	330			

SOURCES: MDRC calculations using data from Vermont ANFC and Food Stamp records.

NOTES: The sample includes members randomly assigned from July 1, 1994, through June 1, 1995, in the six research districts.

Quarter 1 refers to the calendar quarter following the quarter in which the case was randomly assigned.

Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.



## Vermont's Welfare Restructuring Project

### Appendix Table G.3

#### Six-Year Impacts on the Distribution of Earnings for Two-Parent Families

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
Last quarter of Year 1 (%)				
\$0	27.1	27.3	-0.1	-0.5
\$1-\$1,200	13.6	11.1	2.5	22.7
\$1,201-\$3,000	16.4	20.5	-4.1 *	-20.2
\$3,001 or more	42.9	41.2	1.8	4.3
Last quarter of Year 2 (%)				
\$0	26.2	24.2	2.1	8.5
\$1-\$1,200	8.8	12.0	-3.1 *	-26.3
\$1,201-\$3,000	17.2	14.4	2.8	19.7
\$3,001 or more	47.7	49.5	-1.7	-3.5
Last quarter of Year 3 (%)				
\$0	23.6	26.0	-2.4	-9.3
\$1-\$1,200	8.1	8.7	-0.5	-5.9
\$1,201-\$3,000	13.0	12.5	0.5	4.0
\$3,001 or more	55.2	52.8	2.4	4.6
Last quarter of Year 4 (%)				
\$0	24.6	24.5	0.1	0.4
\$1-\$1,200	6.2	8.3	-2.1	-24.9
\$1,201-\$3,000	12.9	11.2	1.7	15.4
\$3,001 or more	56.3	56.0	0.3	0.4
Last quarter of Year 5 (%)				
\$0	24.4	24.4	0.0	0.1
\$1-\$1,200	7.2	7.7	-0.4	-5.5
\$1,201-\$3,000	9.9	9.4	0.5	5.2
\$3,001 or more	58.4	58.5	-0.1	-0.2
Last quarter of Year 6 (%)				
\$0	26.6	30.2	-3.6	-11.9
\$1-\$1,200	6.1	4.3	1.8	41.9
\$1,201-\$3,000	9.3	9.3	0.0	0.3
\$3,001 or more	58.0	56.3	1.8	3.1
Sample size	992	330		

SOURCES: MDRC calculations using data from Vermont ANFC and Food Stamp records.

NOTES: The sample includes members randomly assigned from July 1, 1994, through June 1, 1995, in the six research districts.

Quarter 1 refers to the calendar quarter following the quarter in which the case was randomly assigned.

Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

## Vermont's Welfare Restructuring Project

### Appendix Table G.4

#### Six-Year Impacts of WRP for Two-Parent Families with an Unemployed Parent (Statewide)

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Years 1-2</u></b>				
Ever employed, either parent (%)	73.0	72.6	0.4	0.6
Ever received cash assistance (%)	47.9	42.6	5.3 ***	12.4
Ever received Food Stamps (%)	66.7	66.0	0.7	1.1
Quarterly earnings, both parents (\$)	1,476	1,452	24	1.7
Quarterly cash assistance payments (\$)	316	302	15	4.8
Quarterly Food Stamp payments (\$)	215	222	-7	-3.0
Quarterly combined income from earnings, cash assistance, and Food Stamps (\$)	4,016	3,952	65	1.6
<b><u>Years 3-4</u></b>				
Ever employed, either parent (%)	75.4	73.1	2.4	3.2
Ever received cash assistance (%)	29.0	25.2	3.8 **	15.1
Ever received Food Stamps (%)	46.6	46.7	-0.1	-0.2
Quarterly earnings, both parents (\$)	1,926	1,887	39	2.1
Quarterly cash assistance payments (\$)	179	166	13	8.0
Quarterly Food Stamp payments (\$)	149	154	-5	-3.5
Quarterly combined income from earnings, cash assistance, and Food Stamps (\$)	4,508	4,414	94	2.1
<b><u>Years 5-6</u></b>				
Ever employed, either parent (%)	73.8	71.4	2.4	3.4
Ever received cash assistance (%)	19.7	18.4	1.3	7.1
Ever received Food Stamps (%)	34.3	35.1	-0.8	-2.3
Quarterly earnings, both parents (\$)	2,225	2,165	60	2.8
Quarterly cash assistance payments (\$)	130	136	-6	-4.1
Quarterly Food Stamp payments (\$)	110	113	-3	-2.8
Quarterly combined income from earnings, cash assistance, and Food Stamps (\$)	4,929	4,827	102	2.1
Sample size	1,581	521		

SOURCES: MDRC calculations using data from Vermont and New Hampshire unemployment insurance earnings records, Vermont ANFC records, and Vermont Food Stamp records.

NOTES: The sample includes members randomly assigned from July 1, 1994, through June 30, 1995, in all 12 of Vermont's welfare districts.

Dollar averages include zero values for sample members who were not employed or were not receiving cash assistance or Food Stamps.

For families who received cash assistance, the state data system designated one parent as the principal earner. For families who did not receive cash assistance, the present analysis assumed the male to be the principal earner, though that may not have been the situation in all such families.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating sums and differences.

**Vermont's Welfare Restructuring Project**

**Appendix Table G.5**

**Impacts on Job Characteristics and Income  
for Two-Parent Families, at Time of 42-Month Survey**

Outcome	WRP Group	ANFC Group	Difference (Impact)	Percentage Change (%)
<b><u>Weekly work hours (%)</u></b>				
Currently employed	59.5	58.1	1.3	2.3
Less than 20 hours per week	6.3	6.6	-0.3	-5.1
20-29 hours per week	6.3	6.0	0.3	5.7
30-39 hours per week	12.6	8.1	4.5	55.3
40 or more hours per week	33.7	36.3	-2.5	-7.0
Missing information on work hours	0.5	1.1	-0.6	-54.9
<b><u>Hourly wage (%)</u></b>				
Currently employed	59.5	58.1	1.3	2.3
Less than \$6.00	12.5	10.8	1.7	15.4
\$6.00-\$7.49	13.7	12.5	1.2	9.9
\$7.50-\$8.99	11.7	10.3	1.4	13.4
\$9.00 or more	15.7	17.3	-1.6	-9.1
Missing information on hourly wage	5.8	7.2	-1.4	-19.0
<b><u>Household income sources (\$)</u></b>				
Average total monthly household income	1,657	1,637	19.4	1.2
Average total monthly individual income	904	999	-94.8	-9.5
Average total monthly income for others in the household	753	639	114.2	17.9
Sample size	218	198		

SOURCE: MDRC calculations using data from the 42-Month Client Survey.

NOTES: Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.



**Appendix H**

**Supplemental Tables for the Section Entitled  
“Effects on Family and Child Outcomes  
for Two-Parent Families”**

Vermont's Welfare Restructuring Project

Appendix Table H.1

Impacts on Household Composition, Marital Status, and Childbearing for Two-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Household composition</b>						
Lives with no other adult (%)	16.4	17.6	15.7	0.7	2.0	-1.3
Lives with spouse or partner (%)	76.3	73.9	76.7	-0.4	-2.9	2.4
Lives with relative (%)	15.4	10.5	16.0	-0.6	-5.5	4.9
Lives with other (%)	4.5	5.4	7.8	-3.3	-2.3	-1.0
Number of adults	2.1	2.1	2.2	-0.1	-0.1	0.0
Number of children	2.0	2.0	2.1	-0.1	-0.2 **	0.0
Total number in household	4.1	4.1	4.4	-0.2 *	-0.2 *	0.0
<b>Marital status (%)</b>						
Married and living with spouse	67.3	62.0	66.9	0.4	-4.9	5.3
Separated	10.5	11.0	8.1	2.4	2.8	-0.4
Divorced	10.9	13.2	13.1	-2.2	0.1	-2.3
Widowed	0.6	0.2	0.7	-0.1	-0.5	0.3
Never married	10.8	13.6	11.2	-0.5	2.4	-2.9
<b>Childbearing (%)</b>						
Gave birth since random assignment	28.3	34.1	31.1	-2.8	3.0	-5.8
Currently pregnant	2.0	3.1	3.4	-1.4	-0.3	-1.1
Sample size	218	200	198			

H-2

SOURCE: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

Vermont's Welfare Restructuring Project

Appendix Table H.2

Impacts on Housing Situation, Neighborhood, and Food Insecurity for Two-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC Impacts of Financial Incentives and Eligibility Rules	WRP vs. WRP Incentives Only Added Impacts of Work Requirement
	WRP Group	WRP Incentives Only Group	ANFC Group			
<b><u>Housing status (%)</u></b>						
Owns home	33.0	28.6	31.8	1.2	-3.2	4.4
Rents home or apartment	59.3	62.2	52.7	6.6	9.5 *	-2.9
Lives rent-free with family or friends	1.9	3.5	6.0	-4.1 **	-2.6	-1.6
Other	5.8	5.7	9.5	-3.7	-3.8	0.1
<b><u>Number of moves</u></b>						
0	45.0	40.3	33.6	11.4 **	6.7	4.7
1	24.0	25.8	21.8	2.2	4.1	-1.9
2 or 3	19.4	24.9	31.8	-12.4 ***	-6.8	-5.6
More than 3	11.7	8.9	12.9	-1.2	-4.0	2.8
Neighborhood is excellent or good (%)	78.4	72.4	75.5	2.9	-3.1	6.0
<b><u>Food security in last 12 months (%)</u></b>						
Did not have enough to eat <sup>a</sup>	15.2	16.1	25.8	-10.5 ***	-9.7 **	-0.9
The food bought didn't last <sup>a</sup>	47.8	48.3	56.6	-8.8 *	-8.3	-0.5
Couldn't eat balanced meals <sup>a</sup>	30.7	25.5	31.8	-1.1	-6.3	5.2
Anyone cut size of or skip meals	12.6	11.4	17.7	-5.1	-6.3 *	1.3
Anyone did not eat for a whole day	1.7	5.3	6.5	-4.8 **	-1.1	-3.7 *
Experienced food insecurity	29.2	28.4	30.6	-1.4	-2.2	0.8
Experienced food insecurity with hunger	3.8	4.7	8.2	-4.4 *	-3.5	-0.9

(continued)

**Appendix Table H.2 (continued)**

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Health coverage (%)</b>						
Respondent						
Respondent covered by Medicaid or similar coverage	58.7	60.1	57.5	1.2	2.6	-1.4
Respondent covered by other health insurance	26.8	24.1	24.0	2.8	0.1	2.7
Respondent covered by any health insurance	81.7	82.1	80.6	1.1	1.5	-0.5
Children						
Some or all covered by Medicaid or similar coverage	70.4	70.5	72.4	-2.0	-1.9	-0.1
Some or all covered by other health insurance	18.9	19.1	16.9	2.0	2.2	-0.2
All children covered by some type of insurance	84.3	85.0	85.4	-1.1	-0.4	-0.7
Sample size	218	200	198			

SOURCE: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

The percentages covered by Medicaid and other insurance do not sum to the percentage covered by any insurance because some respondents indicated that they were covered by more than one type of insurance.

<sup>a</sup>Respondent or someone else sometimes or often experienced this outcome.



Vermont's Welfare Restructuring Project

Appendix Table H.3

Impacts on Family Expenditures and Savings for Two-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Expenditures</b>						
Average spent on housing in prior month (\$) <sup>a</sup>	622	618	616	6.9	2.3	4.6
Average work-related transportation costs (\$) <sup>b</sup>	35	31	34	0.9	-2.7	3.6
Average child care costs (\$) <sup>c</sup>	33	45	55	-22.2 **	-9.5	-12.6
Average expenditures on clothing (\$)	151	139	123	27.4 *	16.3	11.1
Total amount spent on groceries and eating out (\$) <sup>d</sup>	468	411	486	-17.4	-74.5 **	57.1 *
Expenditures as proportion of income (%)	75.9	74.9	75.8	0.1	-0.9	1.1
<b>Savings and assets <sup>e</sup></b>						
No savings (%)	67.4	63.2	74.6	-7.2	-11.4 **	4.2
\$1-\$499 (%)	19.3	18.6	12.5	6.8 *	6.1	0.6
\$500 or more (%)	10.5	17.1	11.1	-0.6	6.0 *	-6.6 **
Average savings (\$)	484	300	414	69.8	-114.6	184.5
Owns a car, van, or truck (%)	85.2	84.1	85.9	-0.6	-1.8	1.2
Had debts exceeding \$100 (%)	70.8	69.3	70.3	0.5	-1.0	1.5
Sample size	218	200	198			

(continued)

### Appendix Table H.3 (continued)

SOURCE: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

Dollar averages include zero values for respondents who had no savings or expenditures on the specified items.

<sup>a</sup>Includes expenditures on gas, heat, and electricity.

<sup>b</sup>Assumes no work-related transportation costs for respondents not currently employed.

<sup>c</sup>Only asked of those who have a child age 13 or younger (N = 986). Assumes no child care costs for those with no children in child care. The survey did not distinguish child care that was work-related from other child care.

<sup>d</sup>Includes any food assistance that the respondent might have received.

<sup>e</sup>This question asked about savings at the time of the survey, not during the month prior.

Vermont's Welfare Restructuring Project

Appendix Table H.4

Impacts on Difficulties of Employment for Two-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	WRP Incentives Only vs. ANFC Impacts of Financial Incentives and Eligibility Rules	WRP vs. WRP Incentives Only Added Impacts of Work Requirement
	WRP Group	WRP Incentives Only Group	ANFC Group			
<b>Education (%)</b>						
Has high school diploma or GED	74.6	74.3	77.6	-3.1	-3.3	0.2
Has college degree	8.5	10.1	11.2	-2.7	-1.2	-1.5
Has trade school certificate	10.6	10.8	10.8	-0.3	0.0	-0.2
Ever earned college credits	16.5	14.4	17.9	-1.4	-3.4	2.1
<b>Difficulties of employment (%)</b>						
Did not take or quit job due to transportation problems	17.1	25.2	15.4	1.7	9.8 **	-8.1 **
Did not take or quit job due to child care problems	22.7	23.6	27.3	-4.6	-3.6	-1.0
Family has so many problems makes work difficult	19.9	15.3	14.4	5.4	0.9	4.5
Has a health or emotional problem that makes work difficult	25.8	20.9	16.4	9.4 **	4.5	4.9
Sample size	218	200	198			

SOURCE: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

Vermont's Welfare Restructuring Project

Appendix Table H.5

Impacts on Child Care for Two-Parent Families<sup>a</sup>

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>All children</b>						
Using any child care <sup>b</sup> (%)	42.3	46.8	45.7	-3.4	1.1	-4.5
Child in the following arrangements <sup>c</sup> (%)						
Any formal care	12.4	15.5	17.4	-5.0 *	-1.8	-3.2
Head Start program	1.1	2.4	3.1	-2.0 *	-0.7	-1.4 *
Preschool, nursery school, or daycare	7.1	9.9	12.0	-4.9 **	-2.1	-2.8
Before- or after-school daycare	1.5	2.9	3.6	-2.2 **	-0.7	-1.4
Summer camp program	1.6	2.5	0.6	1.0	1.9 **	-0.9
After-school activities	1.9	1.0	1.1	0.8	-0.1	0.9
Any informal care	37.8	39.7	36.7	1.0	2.9	-1.9
Family daycare home	6.0	6.8	6.1	-0.1	0.8	-0.9
Baby-sitter not related to child	9.4	12.9	9.2	0.2	3.7 *	-3.6
Child's other parent	15.0	15.2	12.3	2.7	2.8	-0.2
Relative other than child's parent	21.4	16.3	16.4	5.1 *	-0.1	5.2 *
Child takes care of self alone	6.3	4.2	7.0	-0.6	-2.7 *	2.1
Report satisfied or very satisfied with all aspects of care <sup>d</sup> (%)	87.9	84.9	83.9	4.0	1.0	3.0
Percentage receiving child care subsidy (%)	6.0	6.3	7.8	-1.8	-1.5	-0.3
Informed that state would pay for child care while working <sup>e</sup> (%)	62.1	69.6	65.3	-3.2	4.3	-7.5
Sample size	381	387	367			

(continued)

### Appendix Table H.5 (continued)

SOURCE: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

Standard errors were adjusted to account for shared variance between siblings.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Italics indicate that the results do not present experimental comparisons.

Rounding may cause slight discrepancies in calculating differences.

<sup>a</sup>Child care information was collected for children aged 13 or younger.

<sup>b</sup>Child care does not include a child caring for him- or herself.

<sup>c</sup>Respondents were asked to identify any child care that they used once a week, in the past month. A child may have been in more than one child care arrangement. Therefore, the sum of the percentages in each arrangement exceeds the percentage using any child care arrangement.

<sup>d</sup>This analysis was conducted at the family level. Respondents were asked about the main child care arrangement for the youngest child. Only those respondents with a child in an formal or informal arrangement were asked; therefore, this outcome is nonexperimental.

<sup>e</sup>This analysis was conducted at the family level.

Vermont's Welfare Restructuring Project

Appendix Table H.6

Impacts on School Progress and Other Child Outcomes for Two-Parent Families

Outcome	Average Outcome Levels			WRP vs. ANFC	WRP Incentives Only vs. ANFC	WRP vs. WRP Incentives Only
	WRP Group	WRP Incentives Only Group	ANFC Group	Impacts of Financial Incentives and Eligibility Rules, Combined with Work Requirement	Impacts of Financial Incentives and Eligibility Rules	Added Impacts of Work Requirement
<b>Children aged 5-18 at the time of survey (%)</b>						
Days absent from school in prior month						
None	44.1	43.1	50.6	-6.5	-7.5 *	1.0
1-2 days	18.3	20.8	19.1	-0.8	1.7	-2.5
3 or more days	7.3	16.1	10.1	-2.9	6.0 **	-8.9 ***
Behavior or academic problems						
Received special education for any physical or emotional problem	25.9	27.6	23.3	2.6	4.3	-1.7
Any trouble with police <sup>a</sup>	10.6	14.5	8.0	2.6	6.6	-3.9
Ever dropped out of school <sup>b</sup>	2.9	3.5	4.6	-1.7	-1.1	-0.6
Student suspended or expelled	11.2	8.7	9.3	2.0	-0.6	2.6
Parent contacted by school for behavior problems	28.7	22.4	22.3	6.4 *	0.1	6.3 *
Repeated a grade since random assignment	11.7	10.4	10.7	1.0	-0.3	1.3
Doing below average in school	11.4	9.9	7.9	3.5	2.1	1.5
Sample size	332	307	290			

SOURCE: MDRC calculations using data from the 42-Month Client Survey.

NOTES: This sample includes members who responded to the 42-Month Client Survey and were randomly assigned between October 1994 and June 1995 in the six research districts.

This analysis was conducted at the child level and includes children age 18 or younger.

Standard errors were adjusted to account for shared variance between siblings.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

A two-tailed t-test was applied to all estimated impacts. Statistical significance levels are indicated as: \*\*\*=1 percent; \*\*=5 percent; and \*=10 percent.

Rounding may cause slight discrepancies in calculating differences.

<sup>a</sup>Police-involvement information was collected only for children aged 13 and older at the time of the 42-month survey.

<sup>b</sup>Information about dropping out was collected only for children aged 10 and older at the time of the 42-month survey.

