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How Child Care Assistance in Welfare and Employment Programs Can Support the Employment of Low-Income Families

Lisa A. Gennetian
Danielle A. Crosby
Aletha C. Huston
Edward D. Lowe

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The authors welcome comments and discussion.

The Next Generation Project

This paper is part of the Next Generation's working paper series. The Next Generation is a project that examines the effects of welfare, antipoverty, and employment policies on children and families. Drawing on rich data from recent welfare reform evaluations, the project aims to inform the work of policymakers, practitioners, and researchers by identifying policy-relevant lessons that cut across evaluations.

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Project director
Virginia Knox, Senior Research Associate, MDRC, 16 East 34th St., New York, NY 10016
Email: virginia_knox@mdrc.org; phone: (212) 532-3200

Project website
www.mdrc.org/NextGeneration

For further information on this paper, address correspondence to:
Lisa Gennetian (212) 532-3200; Email: lisa_gennetian@mdrc.org

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Abstract

Policymakers have long recognized child care as a key ingredient in low-income parents' employability. This paper shows that changes and expansions in child care policies that were implemented as part of a number of pilot welfare and employment programs affected important aspects of families' child care decisions. Though almost all of these pilot welfare and employment programs increased employment and led to concomitant increases in the use of child care, especially paid child care, it was only the welfare and employment programs that also expanded accessibility or affordability of child care that consistently increased the use of child care subsidies and decreased reports of employment-related child care problems. Similar effects on subsidy use and employment-related child care problems did not occur in the welfare and employment programs that did not expand child care assistance.

Keywords: child care, welfare, social policy

Introduction

Employed parents (or those preparing for employment) with young children almost certainly need nonparental child care. This is particularly the case for low-income families, in which both parents may be working, or which may be headed by a single parent. For many low-income families, child care assistance policies can play a role in affecting the affordability, accessibility, and quality of care, that together can promote self-sufficiency by facilitating parents' employment. Alternatively, care that is unavailable, unaffordable, or of unacceptable quality presents a serious barrier to employment. The need for child care among low-income parents has intensified following the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, as substantial numbers of parents have met new work requirements. It is estimated that an additional 1 million preschool-age children are in nonparental child care as a result of welfare reform (Fuller and Kagan, 2000).

Policymakers have long recognized child care as a key ingredient in parents' employability, and have tried to make child care assistance available to eligible families to help meet their child care needs. Although the 1996 welfare legislation ended entitlement to subsidized care for recipients of AFDC, funding for low-income child care has increased greatly in recent years with federal and state spending nearly doubling in the last two decades (Layzer and Collins, 2000). In the year 2000, the Child Care and Development Fund totaled $4.8 billion (including state contributions), and states redirected an additional $3.5 billion of TANF funds to child care (Schumacher, Greenberg, and Lombardi, 2001). Reauthorization of the CCDF in 2002 involve debates about whether current levels of funding are adequate and questions about how subsidies are being used, by whom they are being used, and what effects child care assistance policies are having on parents' employment efforts, as well as on family and child well-being. How can child care policies best complement welfare and employment policies to help families work their way (and, stay) out of poverty?

In this paper, we investigate the effect of a set of child care policies that are integrated within pilot welfare and employment programs that took place from the late 1980s to the early 1990s on families' use of paid and unpaid care, their use of subsidies, and their experience with employment-related child care problems. The features of the child care policies identified in these welfare and employment programs include: (a) programmatic support of formal care, including on-site free care, expanded subsidies that paid the market cost of care after a small co-payment by the parent, and caseworker encouragement to use formal care; (b) case management/support services for child care, including resource and referral services, information about available subsidies and help in negotiating bureaucratic procedures; (c) efficient reimbursement, that is, direct and prompt reimbursement to providers, eliminating the need for parents to pay for care and wait for reimbursement, (d) restriction of subsidy to regulated care (center or home-based); and, (e) seamless subsidy systems for transitions on and off welfare, including extended

time limits for ending child care assistance after individuals left welfare. These child care policies can reduce the need to change funding streams and reapply for eligibility, which in turn reduce parent confusion and allow more stable child care experiences for children.

The analysis proceeds in two stages. First, how do welfare and employment programs affect child care decisions? We calculated the effects of each program, comparing child care use in the program group with the control group using regression-adjusted techniques. Second, do effects on child care differ when welfare and employment programs add policies that increase access and affordability of care? We then examined program effects on child care by various classifications of the programs according to their key policy features, including child care policies. The effects of these programs on child care are evaluated against the backdrop of existing subsidy systems through the AFDC system and block grants for low-income families available during the time period of these programs.

This work contributes to the growing body of literature on the effects of federal, state, and local child care policies by offering a uniquely clean test of policy possible with the use of experimental data, and by highlighting the important potential effects of child care assistance policies in supporting parental employment within these welfare and employment programs.

Overview and Conceptual Motivation

Child care assistance policies generally aim to encourage employment by reducing the cost of care through providing subsidies. Indeed, for many families, child care expenses can negate the financial benefits of employment. Low-income single-parent families are almost as likely to pay for care as non-poor single-parent families and when they do, they pay a substantially higher percentage of their income. Single-parent families at or below 200% of the poverty level paid an average of 19% of their earnings, compared to the 6% spent by more advantaged families (Giannerelli & Barsimantor, 2000). Thus, for low-income families, the cost of child care may be a significant factor in employment decisions.

Because they make non-parental care more affordable, child care subsidies play an essential role in allowing parents to go to work and to use care they might not otherwise be able to afford.1 In particular, subsidies may allow working parents to place their children in center care, which is typically more expensive than home-based arrangements. Center care is less likely than home-based care to fail because of caregiver illness or other problems (Hofferth, forthcoming), and has been shown to contribute to longer periods of employment for parents (Rangarajan, 1998; Wood and Paulsell, 1999).

Although child care support is an important component of welfare-to-work interventions, many eligible parents do not receive child care assistance. In the late 1990s, most parents who had left the welfare system and were working did not receive child care subsidies (Schumacher & Greenberg, 1999). Some argue that the low take-up rates indicate that low-income families do not need subsidies because they prefer and have access to free relative care, and they question the cost-effectiveness of offering such assistance (e.g., Besharov & Samari, in press). Ethnographic interviews indicate that some families indeed prefer care by relatives or friends, especially for very young children. However, free relative care is not available or convenient for many parents (Lowe and Weisner, In Press). Moreover, ethnographic work suggests that many working low-income parents like center care for its stability and predictability, and for the cognitive stimulation it can offer their children (Lowe and Weisner, 2001).

Low take-up may result from several policy features. First, subsidies are not adequate. Many subsidy programs reimburse providers at less than the market rate (HHS Office of Inspector General, 1998; Layzer & Collins, 2000); hence many providers are unwilling or reluctant to accept subsidized children (Phillips, 1995). This problem may be especially important in areas where availability of care is low, or cost is high. As child care assistance is not an entitlement, not all eligible parents receive assistance. Although funds appear to be sufficient in some parts of the United States, others have long waiting lists for assistance. Estimates based on 1998 state administrative data suggest that only 15 percent of children eligible for federally-allocated child care funds received them (U.S. Department of Health and Human Services, 1999). The National Study of Child Care for Low-Income Families indicates that 15-20% of eligible children were served in the 17 states surveyed, and that 12 of the 17 states had waiting lists (Layzer & Collins, 2000).

Second, in some instances for the period to time in which the data for this study was collected, parents in the welfare system pay for care and are subsequently reimbursed as part of their welfare grant; low-income parents probably find it difficult to pay for care under such a system. (A similar issue exists for parents using the income tax child care credit.) Third, there are often administrative barriers to acquiring and maintaining eligibility for assistance. Parents in ethnographic interviews describe having to spend many hours traveling to several offices to obtain the necessary forms and approvals. If they need to take time from work, taking children with them, often on long bus rides, these barriers may discourage parents from pursuing eligibility (Lowe and Weisner, In Press). In many localities, parents must be recertified for eligibility every few months, even if their income and employment situations are unchanged. Problems also arise when parents move on and off welfare, because the funding streams providing subsidies change, resulting in confusion and instability of care (Phillips, 1995). Integrated systems reduce these problems (Ross & Kerachsky, 1995).

Fourth, many eligibility requirements do not fit the realities of low-wage work, which often has variable hours and irregular schedules. A requirement that employment be continuous, but that income remain below a cut-off may mean that eligibility for child care assistance is sporadic. Parents and children then face disruption of their child care arrangements which contributes to instability and turmoil in family routines. Fifth, parents often lack knowledge that they are eligible for assistance, or they do not have good information about the child care options available to them. Resource and referral agencies are often separated physically and administratively from agencies providing other services. Welfare leaver studies suggest that many families are not receiving subsidies because of a lack of awareness their availability (Schumacher and Greenberg, 1999). And, finally, subsidy eligibility is also based on the age of the children in the family, and, even though teens can benefit from structured high quality out of school care, it is often the case that children over the age of 13 are no longer eligible.

The pilot welfare and employment programs examined in this paper are predicted to achieve their common goal of increasing employment, and, largely as result of these employment increases, may increase families need and use of child care. The child care policies or practices within these programs may additionally play some role in influencing child care, i.e. these policies may make more types of care accessible (available and affordable) for working poor families, producing direct effects on the types of care families use, their use of child care subsidies and any problems they may face in securing or maintaining child care. Child care outcomes may also be influenced by changes in income produced by these programs that may allow parents to buy more or higher quality care; by changes in the hours of employment or the scheduling of employment produced by these programs that may determine the appropriateness of certain types of care that are covered by child care subsidies; or by changes in welfare receipt that may increase or decrease ties to the public assistance system and thus access to welfare or income-eligible child care assistance. The analyses in this paper do not attempt to make the direct links between these latter aspects of economic behavior and child care decisions, but rather attempt to identify the potential direct effect of child care policies (as tested in these welfare and employment programs) on child care decisions.

Data And Empirical Methods

The Studies and the Data. Using data from 9 experimental evaluation studies that include tests of 21 different welfare and employment programs, our study can cleanly assess the effects of represented welfare, employment and child care policies on child care and subsidy use. Appendix Table 1 summarizes these studies, including their purpose, dates of implementation, research strategy and key policy strategies.[2] As can be seen from this table, all of these studies share the common goal of moving welfare and low-income families into work. Some

also share the goal of reducing poverty or increasing self-sufficiency. The strategies to reach this goal, however, vary substantially from providing generous earnings supplements (e.g. New Hope and the Canadian Self-Sufficiency Project), to mandatory case management and "work first" and human capital services (e.g. the Minnesota Family Investment Program and programs tested in the National Evaluation of Welfare to Work Strategies), to imposing a time limit on the receipt of welfare benefits (Florida's Family Transition Program and the Connecticut Jobs-First Program). These studies translate into 21 different welfare and employment programs. MFIP and VT's WRP study tested two programs: full MFIP and full WRP each included a mandatory requirement to participate in employment related services and financial incentives; and, MFIP Incentives and WRP Incentives included all of the features of the full programs except mandatory employment services. Finally, NEWWS tested a variety of mandatory employment services in 11 sites. In each of three sites (Atlanta, Grand Rapids and Riverside) two programs were tested: a "labor force attachment" model or a job-search-first program that required participants to look for work immediately and a "human capital development" model or education-first program that initially placed participants in education and training programs.

All of these studies collected three different types of data: demographic and socio-economic characteristics at study entry from baseline information forms, longitudinal information on employment and welfare receipt from unemployment insurance records and public assistance records and information about the characteristics of employment, child care, and other household and personal circumstances (sometimes including child well-being) from follow-up surveys. Most importantly, the measures collected across these studies are roughly comparable, making a cross-study analysis such as a synthesis of program effects, uniquely possible.

Nearly all of the studies took place during the early to late 1990s, a time period that included vast changes in welfare policy (i.e. the passage of PWORWA), expansions in the Earned Income Tax Credit, expansions in child care funding (i.e. establishment of the Child Care Development Fund), and stable economic growth with low unemployment rates. The treatment difference is preserved because both program and control group members were similarly exposed to changes in welfare and other policies and local or national economic trends. Though it is possible that these changing contexts may have affected how successful these programs were, or the magnitude of effects on employment and other outcomes (i.e. these changing contexts may interact with a program's "effectiveness").

Samples. This paper describes the child care outcomes for all families with children younger than age 9 at baseline (approximately ages 2 to 13 years at time of follow-up interview). The samples for these studies were, for the most part, drawn from the local welfare populations. The exceptions to this are New Hope, which offered its benefits and services to all families or individuals who satisfied income eligibility requirements, and New Chance, which was aimed to assist very young mothers on welfare. The target samples for these studies also varied

according to age of youngest child exemptions and other exemptions based on pregnancy, disabilities, welfare or work history, marital status and educational level. Nearly all of the respondents to the follow-up surveys that collected the child care information were mothers, whose average age was roughly 30 (with the exception of New Chance where the average age was 19). The majority of these survey respondents were never married at study entry, had a high school degree or GED and had been on welfare for 2 or more years prior to study entry. The racial/ethnic mix varies substantially by study with the majority of survey respondents in New Chance, New Hope, Atlanta-NEWWS, Detroit-NEWWS, and FTP being African-American and the majority of survey respondents in Grand Rapids-NEWWS, Riverside-NEWWS, Oklahoma City-NEWWS, Portland-NEWWS, MFIP, and VT being white, non-Hispanic. LA Jobs-First GAIN included a substantial number of Hispanic and African-American participants, and the Columbus-NEWWS sample consisted of approximately equal numbers of White and African-American participants[3]

Measures. In most cases, the use of any child care was measured during an 18- to 24-month follow-up period. The MFIP and VT WRP studies had slightly longer follow-up periods, ranging from 36 to 42 months. Child care refers to any nonparental (often nonmaternal) form of care that occurs on a regular basis (e.g., once a week for 10 hours or more during a specified time period) during the most recent spell of employment. This definition of child care is the only comparable measure of child care that was collected in the survey data across the studies examined in this paper. The ensuing analyses will only capture the use of regular child care arrangements while a respondent was employed, the primary reason by which most welfare and low-income families use child care. In result, the use of child care for other reasons (including the use of care while participating in training or education programs) though low in these studies in the selected cases in which we could measure it, will not be captured. Paid care refers to any care that presents an expense to the family.[4] Child care cost represents out-of-pocket expenditures on child care during the time in which a respondent was employed or in the month prior to interview.[5] Out-of-pocket child care cost is measured based on survey response, and thus, assumes that the respondent is aware of the child care payment schemes, including any reimbursements that are made indirectly through her welfare grant. Subsidy use refers to any use of a child care subsidy from a public source (e.g., program or welfare office) during the follow-up period (rather than at a certain point in time) as reported by mothers during a survey interview (with the exception of one study, FTP). Child care problems are defined as reports of any child care-related barrier to seeking or maintaining employment (e.g., could not take or keep a job because child care was un available or unaffordable).

Estimating Program Effects. The random assignment method used in these studies provides the strongest possible basis for assessing whether or not program or policy effects on child care were solely due to the program or policy tested. Upon entering each of the studies, an individual or family was randomly assigned to a program group that was eligible for the benefits

and subject to the requirements of the new welfare or anti-poverty program, or a control group, that had access to the usual benefits and requirements available to low-income or welfare families in that locality. For some of these studies, families were recruited and in most of these studies welfare recipients were randomly assigned to either the experimental or control group when they came in to the welfare office to apply for welfare, their annual redetermination, or recertification of eligibility. Because individuals were assigned at random, any differences in outcomes during the follow-up between individuals in the program and control groups – the "impact"- can be attributed to the policy they faced.

The first step in our empirical analysis was to construct comparable child care outcomes, as discussed above, across these studies and then to estimate program impacts, via regression-adjusted techniques, on these outcomes.[6] Child age is an important predictor of child care, and families' child care decisions may be driven by the age of the youngest child in the household in particular. Subsidies and support may help parents locate a setting that will take infants; but, the quality of infant care often does not meet parents' expectations for infant care. For example, emerging evidence from ethnographic data originally described in Lowe and Weisner (In Press) suggests that parents of infants are uncomfortable leaving their babies in the care of others, particularly if they feel the baby will not be adequately nurtured (e.g., held, played with, well-fed, diapered regularly, etc.). Moreover, there are often fewer infant care settings and less information about infant care settings available to parents. Child care is in better supply for preschool-aged children, and parents are more comfortable about placing 3 to 5-year-olds in group care. This age group requires many hours of care if parents are to be employed because they are not yet in school, so child care assistance may be important to assist with the high cost of care for this age group. Ethnographic data suggests that parents of school-age children are able to find stable arrangements more easily than are parents with very young children. As parents of school-age children prefer settings that are safe, structured, and educational (at the very least, safe and rule governed), they tend to be more satisfied with the settings they locate. Also, these settings are also more abundant and easier to find out about (e.g., after school programs, YMCA). Although the total cost of care is less during the months when children are in school, child care is still essential for school-age children, and assistance with its cost appears to be of continuing importance to parents.

For these reasons and others, program impacts were estimated not only for the full sample of welfare and low-income families, but also for three mutually exclusive subgroups of families: those whose youngest child was aged 3 or less at study entry, those whose youngest child was aged 3 to 5 at study entry and those whose youngest child was age 6 or older at study entry. Since information about the child care outcomes examined in this paper is not tied to a specific child in the family, these subgroups serve as a best proxy for child care decisions that may vary according to the age-distribution of children in the family. This type of subgroup

analyses has some limitations. In particular, these subgroups will not capture child care decisions made for a child that was born after study entry.

Understanding the Effects of Key Policy Components Within Programs. Although individual experimental studies have considerable strength in drawing causal conclusions (relative to non-experimental work) about a particular intervention, one drawback of these experimental studies is that the interventions being tested often bundle a number of policies, making them difficult to replicate, especially across different sites, and making it difficult to attribute any one specific effect of a program to a specific policy component. However, by drawing from a variety of welfare and anti-poverty programs that had similar objectives, and in many cases, that had broadly similar economic effects on families, inferences about which components of policy can influence child care outcomes is possible. Most of these welfare and employment programs implemented earnings supplements that "make-work-pay", mandatory employment services, time limited benefits or some combinations of these to encourage employment and reduce welfare receipt. These policy approaches differentiate effects on employment and income and on the outcomes of young children, and thus, may also differentiate effects on child care use (e.g., see Bloom and Michalopoulos [2001] for effects on economic outcomes; and, Morris et al. [2001] for effects on child outcomes).

In addition to the employment-focused policy components, the treatments in these studies also included a range of economic and administrative means of assisting families in meeting their child care needs. Program group members in some of the studies received "expanded assistance for child care" - supports concerning child care over and above what was available to control group members. These supports include expanded financial values of the child care subsidy, direct payments to providers, on-site child care, and on-site resource and referral agents at welfare offices. Also, in addition to "official" child care policies, caseworkers for program group members sometimes had a different level of access to resources (or, more resources) to assist in child care placement of their clients or were encouraged to promote certain types of care (e.g. formal or home-based) over others compared to caseworkers of control group members.

We closely reviewed the treatments tested in each of the programs to evaluate the ways in which program child care policies differed from the policies available to the control group families (see last column of Appendix 1 for a brief overview). Based on reviews of study reports, field notes, and discussions with project directors and state staff, we found that five studies testing a total of seven programs (New Hope, New Chance, MFIP, FTP, and VT) provided some kind of child care assistance that differed from that available to control group families. This policy component of "expanded assistance for child care", is a broad characterization of the following five sub-components:

1. Programmatic promotion of formal care. For example, the New Chance program encouraged the use of formal care directly by providing free center care for participants. The New Hope program reimbursed the full cost of care after a co-payment based on participant earnings and number of children.

2. Case management/support services for child care. For example, the FTP program provided child care resource and referral agents at the site of the welfare office.

3. Efficient reimbursement of child care. For example, in the MFIP program child care payments were made directly to child care providers (versus reimbursed indirectly two months later via the welfare grant).

4. Restriction of subsidy to regulated care. For example, the child care subsidies in the New Hope program could only be used for licensed care.

5. Seamless subsidy system for transitions on and off welfare. For example, the FTP and VT WRP program extended the time limit for use of transitional child care benefits.

It is important to note that while there was substantial variation in the absolute level of support available to both control and program group members across the studies, this analysis is focused solely on program-control group *differences* in child care policy and practice. The remaining 14 programs did not include any treatment difference in child care assistance.[7] That is, they offered the same level of child care assistance via subsidies, referral services, and other services available in the locality to all low-income parents irrespective of the research group status.

The first column of Table 1 identifies the programs that had a treatment difference in child care assistance. These programs are in order of the relative level and extent of the difference in child care assistance between the program group and the control group across the programs that had any treatment difference in child care assistance. For example, the child care assistance offered as part of the New Hope program was one of the most generous (relative to what was offered to the control group a well as relative to what was offered to program group families in the other studies) particularly in the financial value of the child care subsidy. The child care assistance offered as part of MFIP was relatively less generous in that it did not increase the financial value of the child care subsidy but it did change the payment method of the subsidy. The latter columns of Table 1 identify other policy components of these same programs that were used to differentiate effects on adult economic outcomes (such as earnings) and child outcomes. A review of this table suggests that the child care policy imbedded in these welfare and employment programs can identify these programs from other programs with a variety of other key policy components. For example, programs that generally had larger differences in

child care assistance between program and control group members (e.g. New Hope or MFIP), as well as programs that did not offer expanded child care assistance (e.g., SSP or the NEWWS studies) both included earnings supplements and mandatory employment services. It is this type of identification that is exploited in order to understand or separate the effects of the child care policies imbedded in these programs from the other key policy components.

As a final step in our analyses, we calculated the average effect of programs on child care outcomes for those programs that tested a child care policy component and then, separately, for those programs that did not have a treatment difference in child care assistance. Individual program effects and standard errors were weighted by sample size for programs in these two categories. We then tested whether or not the difference between the average effect for programs with a treatment difference in child care assistance and the average effect for programs without a treatment difference in child care assistance was statistically significant.8

Descriptive Results and Empirical Findings

Patterns among control group families. To understand the context in which these programs operated and the natural variation across sites, we examined levels of paid care, subsidy use, cost, and reports of job-related child care problems in all of the studies for families in the control group (for detail, see relevant columns in Appendix Tables 2 to 5). Table 2 presents rates of paid care, subsidy use, and child care costs for those families in the control groups who reported using any care during the follow-up period. In 19 of the 21 studies use of paid care while employed among all families was at or above 20 percent (as shown in Appendix Table 2, ranging from 15% in Riverside-HCD to 63% in New Hope). Table 2 shows that 32 to approximately 84 percent of the families in the control group that used child care, used paid care, with 68 percent using paid care on average across studies. Thus, many, but certainly not all, families in these studies use a paid child care arrangement as compared to an arrangement that did not have a structured payment structure. Unfortunately, the data do not link the child care to a specific child in the family so that we can not determine what types of care were paid and unpaid, but prior analyses of many of these same studies indicate that most families use informal or home-based arrangements (Crosby, Gennetian, & Huston, 2001; Gennetian, Crosby, & Huston, 2001), which is often assumed to be free care. The high usage rates of paid care reported here suggest that many families are likely to be paying for home-based informal care arrangements.

Reported use of child care subsidies among all families varies substantially (as shown in Appendix Table 3, ranging from 1 percent in Riverside HCD-NEWWS to 30 percent in SSP), but is generally quite low. On average, families report paying $20 to $70 out-of-pocket per month for child care (see Appendix Table 4). On the basis of parents' reports of child care prob-

lems, it is clear that child care issues present a major barrier to employment for many families. While only 8% of families reported such problems during the follow-up period in Riverside's HCD program, in most other studies reports of such problems were at or above 20% of families being nearly 40% in MFIP and Jobs-First GAIN (as shown in Appendix Table 5). Table 2 shows that as few as 4 percent (in Riverside) to as high as 41 percent (in VT WRP) of families in the control group who ever used child care also reported using a child care subsidy. (Note that use of subsidies among families who ever used care are very high in the Canadian SSP, at about 78 percent.) Average out-of-pocket monthly cost for child care varied from $51 (in FTP) to $257 (in CT Jobs-First) among those families in the control group who ever used child care. In addition, and importantly, this table highlights that substantial variation exists across the families in the use of child care subsidies, even among those families who used child care.

What are the effects on child care decisions when welfare and employment programs add policies that increase access and affordability of care? Nearly all of the programs examined in this paper significantly increased employment, though the extent and duration of the effects on employment varied (not shown, see endnote 2 for source reports). It is against this backdrop of program effects on employment that we discuss program effects on child care outcomes.

The main empirical findings are presented in Figures 1 to 4. Each bar in the figures represents the difference between families in the program and control group for each outcome (i.e., the program impact). Programs that expanded child care assistance, or that had a treatment difference in child care policy, are shown on the left (in the same order as presented in Table 1) and those programs that had no treatment difference in child care policy are presented on the right.

Figure 1 shows that most programs, i.e. 17 out of 21, increased the use of paid care. The impacts on the likelihood of paying for care do not differ for programs with and without expanded child care assistance or treatment differences in child care policy. These effects suggest that policies in these studies that generally increased employment, also increased the use of child care, especially paid care.

Figure 2 shows that most of the programs increased families' use of child care subsidies (i.e., 16 out of 19 studies with relevant data), a finding consistent with the fact that most programs increased families' use of paid care arrangements. However, effects on subsidy use were somewhat larger for the programs that offered expanded assistance for child care. For example, four of the six programs with expanded child care assistance increased subsidy use by 10 or more percentage points, or by 63 to over 90 percent (New Hope, MFIP, MFIP Incentives and FTP). Four of the 13 programs without expanded child care assistance had effects of a similar magnitude. Figure 3 presents the average impacts on subsidy use for programs with and without expanded child care assistance. A t-test indicates that for the full sample of families programs with expanded assistance had a significantly larger effect on increased subsidy use compared to

those programs without expanded assistance ($t = 2.80$, $p < .01$). The pattern of effects is similar when families are grouped by age of the youngest child in the family, although the difference between the two types of programs is only significant for families whose youngest child was less than age 3 at baseline ($t = 2.81$, $p < .01$)

Figure 4 presents impacts on out-of-pocket or total child care costs in one month. Programs offering expanded child care assistance generally had produced no increase in child care costs or reduced costs. In contrast, programs with no treatment difference in child care policy, or without expanded child care assistance, generally increased families' out-of-pocket child care expenses. Comparison of the average impacts for the two types of programs (Figure 5) reveals that programs with a treatment difference in child care policy had a significantly different effect on out of pocket child care costs compared to programs without a treatment difference in child care policy ($t = -1.89$, $p < .10$). This difference was most apparent for families whose youngest child was between the ages of 3 and 5 at baseline ($t = -1.64$, $p < .10$).

Figure 6 shows that programs that expanded child care assistance tended to reduce reports of child care problems that interfered with employment. Of the seven programs that included expanded assistance, four decreased reports of job-related child care problems (with two being statistically significant), and the remaining three produced negligible increases in reported job-related child care problems. By contrast, 10 of the 14 programs without expanded child care assistance show a pattern of increased reports of job-related child care problems; with three programs significantly increasing reports of employment-related child care problems by about 30 to nearly 50 percent. Again, this observed pattern of effects, averaged, across programs based on their treatment differences in child care policy, shows that these differences in patterns are statistically significant (Figure 7) ($t = -1.75$, $p < .10$). This difference was not significant for subgroups of families by age of youngest child.

Furthermore, the effects of these welfare and employment programs on use of child care subsidies, out of pocket cost of child care and employment-related child care problems do not show a systematic relationship to other key policy components of these programs including mandatory employment services, earnings supplements, or time limits.

Discussion

The analyses in this paper show that child care policies that expand access and affordability of child care within welfare and employment programs do not influence the amount of child care used, but they can lead to lower costs, more use of subsidies, and fewer child care barriers to employment. Almost all of the policies tested in these welfare and employment programs led to increases in employment and concomitant increases in use of child care, including

paid child care, regardless of whether or not they provided expanded child care assistance. Programs that expanded child care assistance decreased reported child care problems that interfered with parents' employment even though they were working quite a lot. Programs with such assistance also led parents to use more subsidies and to pay less out of their own pockets for child care, even though they were using more formal care, which is generally more expensive on average (see Crosby, Gennetian, & Huston, 2001). Our general findings apply to families with very young children and school-aged children as well as to families with preschool-aged children.

Many working low-income families in the studies included in this paper are using paid child care, though relatively few receive subsidies to pay for this care. Moreover, although programs with expanded child care assistance significantly reduced child care problems, the size of the impacts were relatively small (around 3% on average). One possible reason for the small effects on child care problems may be because many control group members also had access to child care assistance during a general time period of expansions in child care funding (i.e. during the 1990s), and, thus, the difference in child care resources available to families across research groups may not have been large enough to generate bigger effects on the incidence of child care problems. Alternatively, the small effects on child care problems may mean that even under a child care policy environment with expanded resources, many families still face serious issues in combining employment and the task of caring for their children that, to date, are not adequately addressed by the policies examined in this paper.

How should we interpret these findings? On the one hand, one might argue that low-income families apparently manage to be employed and to use and pay for child care with or without expanded child care assistance. That is, the subsidies and other forms of assistance available to the control group families were apparently as effective as the expanded assistance tested in some of these programs in facilitating employment and enabling parents to pay for some kind of child care.

There appear to be three major benefits from the expanded child care assistance tested in these programs that increased accessibility and affordability of child care. Parents receiving expanded child care assistance more often used child care subsidies and paid less out of their own pockets for child care. The net result appears to be that such assistance enhanced parents' own financial resources by reducing the amount that they would otherwise have paid for care. Evaluations of several of these programs have shown that programs providing earnings supplements in the form of wage supplements or earned income disregards led to improved family income; programs in which parents merely exchanged welfare for work did not improve income (Bloom & Michalopolous, 2001). Programs with earnings supplements had positive impacts on children's achievement and social behavior; those without earning supplements did not have such positive effects (Morris et al., 2001). The findings from our analysis suggest another way in which some programs may have provided supplements to overall family financial resources

when parents were employed—by providing enhanced assistance for child care that reduced the cost to the parent.

Parents in programs with child care policies that expanded assistance also reported fewer child care problems such as not being able to work full-time or part-time because of child care problems; and having to miss work, reduce hours, or quit a job because of child care failures. Although this reduction in child care barriers to employment is not mirrored in the overall program impacts on employment, a more fine-grained analysis of fulltime work and stability of employment might be sensitive to possible effects. That is, parents with fewer child care barriers may work more hours and maintain better job stability than those faced with many child care problems.

There are a number of important caveats to consider. First, the child care policy dimension called "expanded child care assistance" that we identified across these welfare and employment programs is not identical across the programs and does not exist in isolation: it is one of many policies bundled in these pilot programs. It is technically not possible to determine which, if any, of the types of child care policy is "most" important. For example, some of the most pronounced effects that occurred on child care were generated by the New Hope program, which included most of the components of expanded child care assistance. It seems likely that the components reducing the cost of care (beyond the amounts available to control group members) as well as those that increased parents' knowledge and access to both subsidies and sources of child care could all contribute to the observed impacts.

Second, although the expanded child care assistance policies identified in these programs had an impact on parents' choices about child care, they do not address all of the child care needs and problems experienced by low-income parents. These policies do not address directly the problems of improving quality or expanding availability of care, especially for care that may not be currently meeting demand (e.g., off-shift care and care for children with special needs). Ethnographic interviews of low-income parents in Milwaukee, Wisconsin, indicate that even expanded child care assistance did not meet the needs of families whose work schedules and other routines were chaotic and uncertain, particularly because of the rather strict eligibility requirements that the parent work consistently to maintain eligibility for subsidies (Lowe and Weisner, In Press). Parents report that it was difficult for them to plan from one week to the next what to expect in terms of the work schedules and childcare needs as well as the financial resources to make their co-payment. A few parents rejected the idea of "strangers" caring for their children, electing not to work rather than to accept such care. Among those who were willing to use outside care, some were reluctant to use available paid care during evening hours because they did not trust the providers. Some of these concerns might be addressed by additional child care policies; others may not be subject to policy solutions.

Expanded child care assistance policies may be particularly important in the post-TANF era. The 1996 PRWORA, in which the Child Care and Development Fund was created, specified that states must use at least 70% of mandatory and matching funds on families who are receiving TANF assistance, transitioning out of TANF, or at-risk of receiving TANF. In states that have insufficient funds for all eligible children, non-welfare working parents may not receive subsidies or may lose their child care subsidies when the number of TANF-eligible parents increases even though they continue to have incomes in the eligible range. Given the greatly reduced numbers of parents receiving public assistance, policy makers need to consider carefully how to assure that child care assistance is available to low-income working parents who eschew welfare as well as to those who are attempting to leave it. In general, because fewer parents are in the welfare system, forms of outreach and referral directed to people with low incomes, regardless of their welfare status are likely to be important. Assistance with child care is one means of supporting employment, enhancing children's experiences, and reducing poverty among working poor parents.

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Endnotes

[1]See Blau (2000), Chaplin et al (1999) and Council of Economic Advisers (1997) for a review of the economic literature examining the relation between the cost of child care and employment outcomes. These reviews suggest that increasing the cost of child care by 10 percent would reduce the proportion of all families (low and high income) using paid care by about 5.5 to 11 percent, and that reducing the cost of child care by 10 percent would increase the number of working mothers by about 1.5 to 3.5 percent. The relation of child care assistance to the use of paid care has been examined in Blau and Hagy (1998), Hotz and Kilburn (1994) and Ribar (1995).

[2]For more detail about these studies see: Bos, Huston, Granger, Duncan, Brock and McLoyd, 1999 (for New Hope); Quint, Bos, and Polit, 1997 (for New Chance); Miller, Knox, Gennetian, Dodoo, Hunter, and Redcross, 2000, (for MFIP); Bloom, Kemple, Morris, Scrivener, Verma, and Hendra, 2000 (for FTP); Freedman, Fiedlander, Hamilton, Rock, Mitchell, Nudelman, Schweder, and Storto, 2000 and McGroder, Zaslow, Moore, and LeMenestrel, 2000 (for NEWWS); Bloom, Melton, Michalopoulos, Scrivener, and Walter, 1998 (for CT Jobs-First); Freedman, Knab, Gennetian and Navarro, 2000 (for LA Jobs-First GAIN); Bloom, Michalopoulos, Walter and Auspos, 1998 (for VT WRP); and, Michalopoulos, Card, Gennetian, Harknett, and Robins, 2000 (for SSP).

[3]Details about the target samples and baseline characteristics of the survey samples are available upon request from the authors.

[4]In New Hope, paid care was defined by whether the caregiver was paid rather than whether the family had any expense, thus it includes fully subsidized care.

[5]In the MFIP and CT studies, this variable represents total cost, i.e. it does not exclude money that the family is reimbursed via the subsidy system.

[7]All impacts were estimated using a regression based approach controlling for a number of pre-random assignment and baseline characteristics such as a parent being ever married, number of children, race/ethnicity, and prior welfare and work history.

[7]Note that "on paper" Connecticut's Jobs-First program did offer child care assistance to program group members until they reached 75% of median income in the state whereas control group members had access to transitional child care assistance for one year. In practice, however, there is not a measurable difference between these two groups in child care policy because control group members who reached the end of the transitional child care period moved directly into the child care certificate program that serves low-income working parents. For this reason, we consider CT Jobs-First to have no treatment differences in child care policy.

[8]See Bloom (2001) for a description of various methods of testing pooled or average effects across programs. The averaging technique is similar to, but not precisely the same as, meta-analytic kinds of techniques commonly used by psychologists and other disciplines (e.g., see Lipsy and Wilson, 1996).

Table 1: Key Policy Components that Differ Between Program and Control Group Families

Program	Expanded Support for Paid or Regulated Care	Mandatory Employment Services[a]	Earnings Supplements[b]	Time Limits[c]
Programs with expanded assistance for child care				
New Hope	X		X	
New Chance	X	X		
MFIP Full	X	X	X	
MFIP Incentives Only	X		X	
FTP	X		X	X
VT	X	X	X	
VT Incentives Only	X		X	
Programs with no treatment difference in child care policy				
Atlanta HCD-NEWWS		X		
Atlanta LFA-NEWWS		X		
Riverside HCD-NEWWS		X		
Riverside LFA-NEWWS		X		
Detroit-NEWWS		X		
Grand Rapids HCD-NEWWS		X		
Grand Rapids LFA-NEWWS		X		
Oklahoma City-NEWWS		X		
Portland-NEWWS		X		
Columbus Integrated-NEWWS		X		
Columbus Traditional-NEWWS		X		
CT Jobs-First		X	X	X
LA Jobs-First GAIN		X		
SSP			X	

NOTES: [a]Mandatory employment services are requirements to participate in work or work related activities such as education, training, or job search.

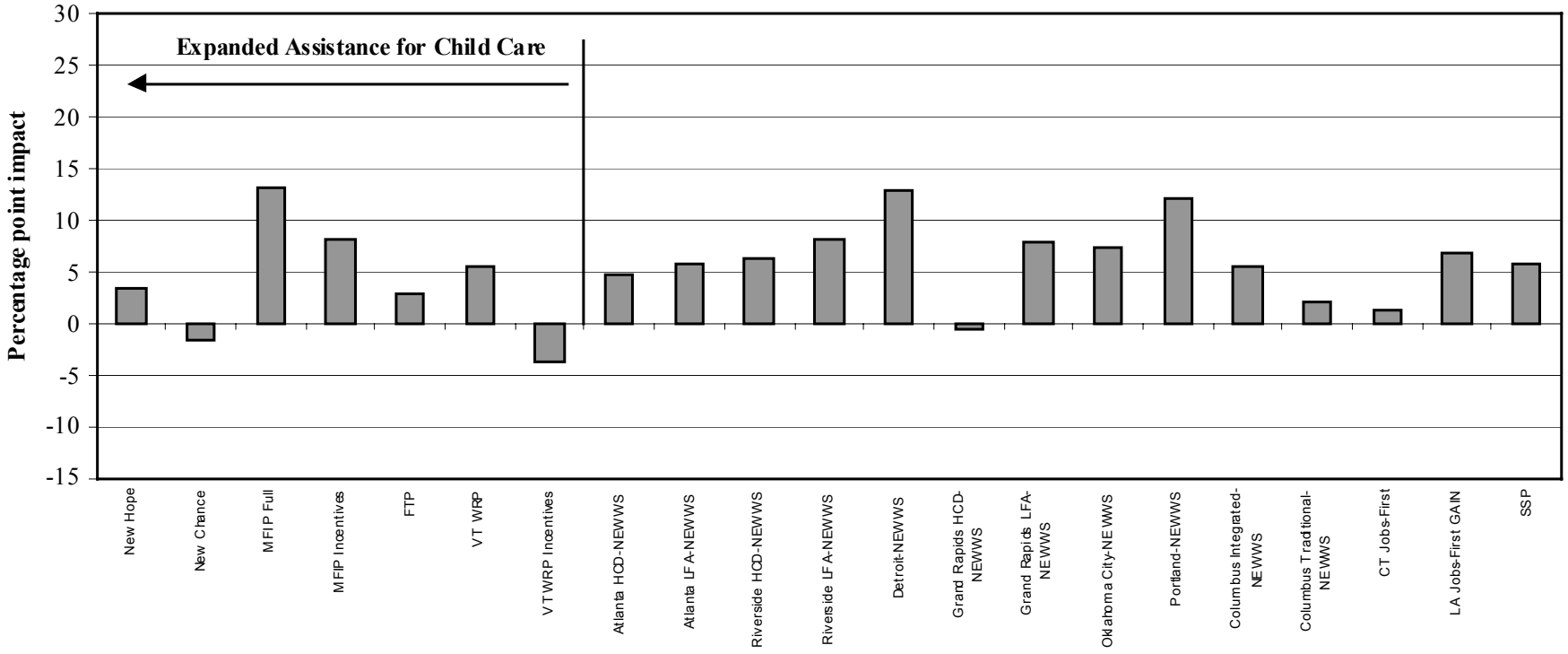
[b]Earnings supplements allow welfare recipients to receive more money for paid work, either by allowing them to keep more of their welfare benefits as their earned income increases or receiving an earnings supplement outside
of the welfare system.

[c]Time limits place a cap on the number of months a person can receive welfare.

Table 2: Subsidy Use and Child Care Costs Among Families Who Used Any Care During the Follow-up Period

	Control Group		
	Ever Used Paid Care	Ever Used a Subsidy (%)	Monthly out-of-pocket Child Care Cost
New Hope	73.6	34.2	$71
New Chance	31.6	n/a	$24
MFIP	69.8	31.0	$108
FTP	33.9	35.5	$51
VT WRP	76.8	41.4	$92
Atlanta-NEWWS	68.2	21.1	$82
Riverside HCD-NEWWS	64.4	4.4	$125
Riverside LFA-NEWWS	71.7	8.5	$139
Detroit-NEWWS	69.2	7.1	$169
Grand Rapids-NEWWS	74.9	6.7	$163
Oklahoma City-NEWWS	67.7	26.0	$84
Portland-NEWWS	76.3	39.1	$150
Columbus-NEWWS	64.1	17.2	$90
CT Jobs-First	72.1	23.0	$257
LA Jobs-First GAIN	74.3	15.3	$49
SSP	83.7	77.6	$86

Figure 1: Effects of Welfare and Work Policies on Use of Any Paid Care During the Follow-Up Period, for All Families and by Program Differences in Child Care Policy



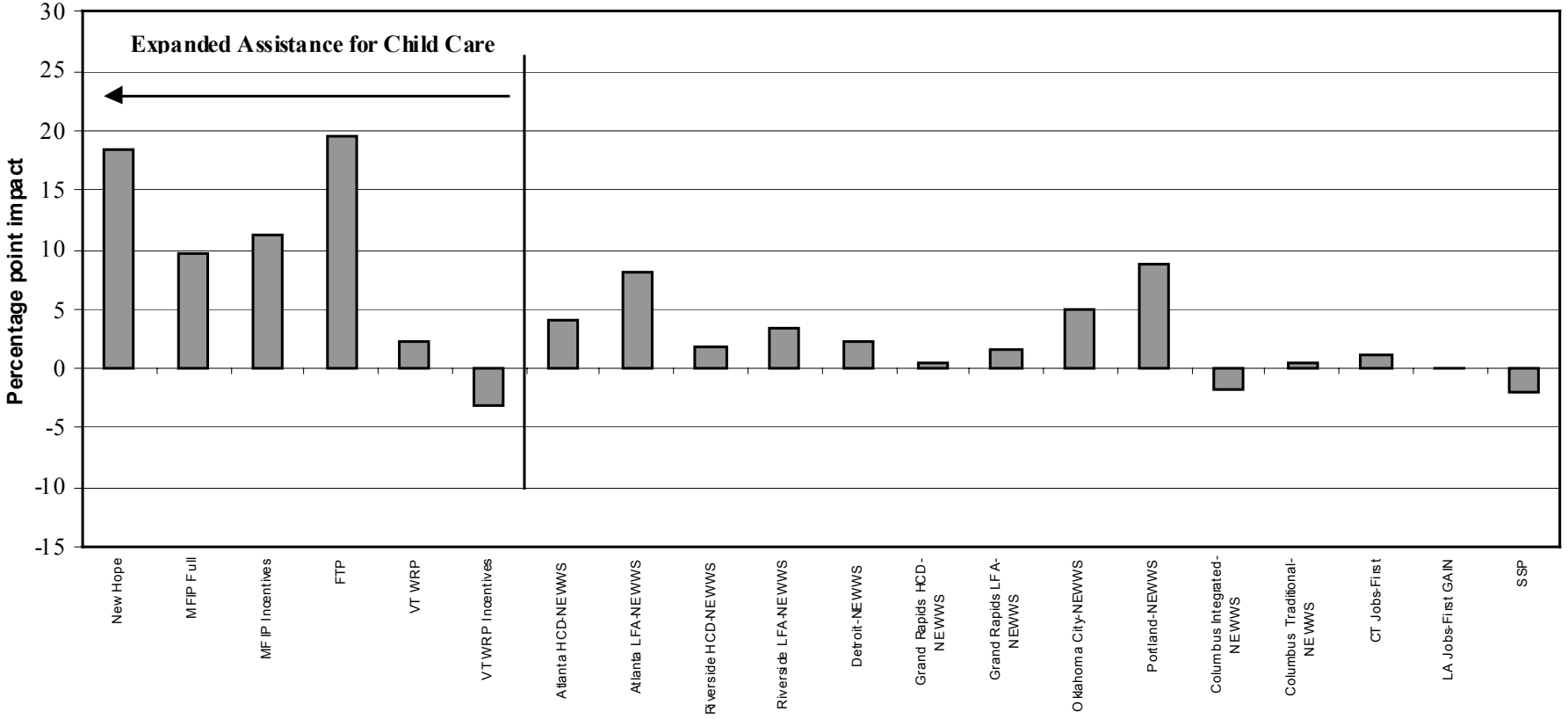
NOTES: Follow-up period is 18-24 months prior to time of interview.

Programs on the left side of the graph provided expanded child care assistance relative to the assistance available to control group members and are arranged according to their score on an aggregate policy index measuring treatment differences in child care policy. Program and control group members had the same access to and benefits of child care assistance.

The paid care variable measures whether the respondent used any care during the follow-up period that incurred some financial cost to the family.

Significance levels for impacts within each program are not indicated. For more detail on outcomes and impacts across program, see Appendix Table 2.

Figure 2: Effects of Welfare and Work Policies on Subsidy Use During the Follow-Up Period, for All Families and by Program Differences in Child Care Policy



NOTES: Follow-up period is 18-24 months prior to time of interview.

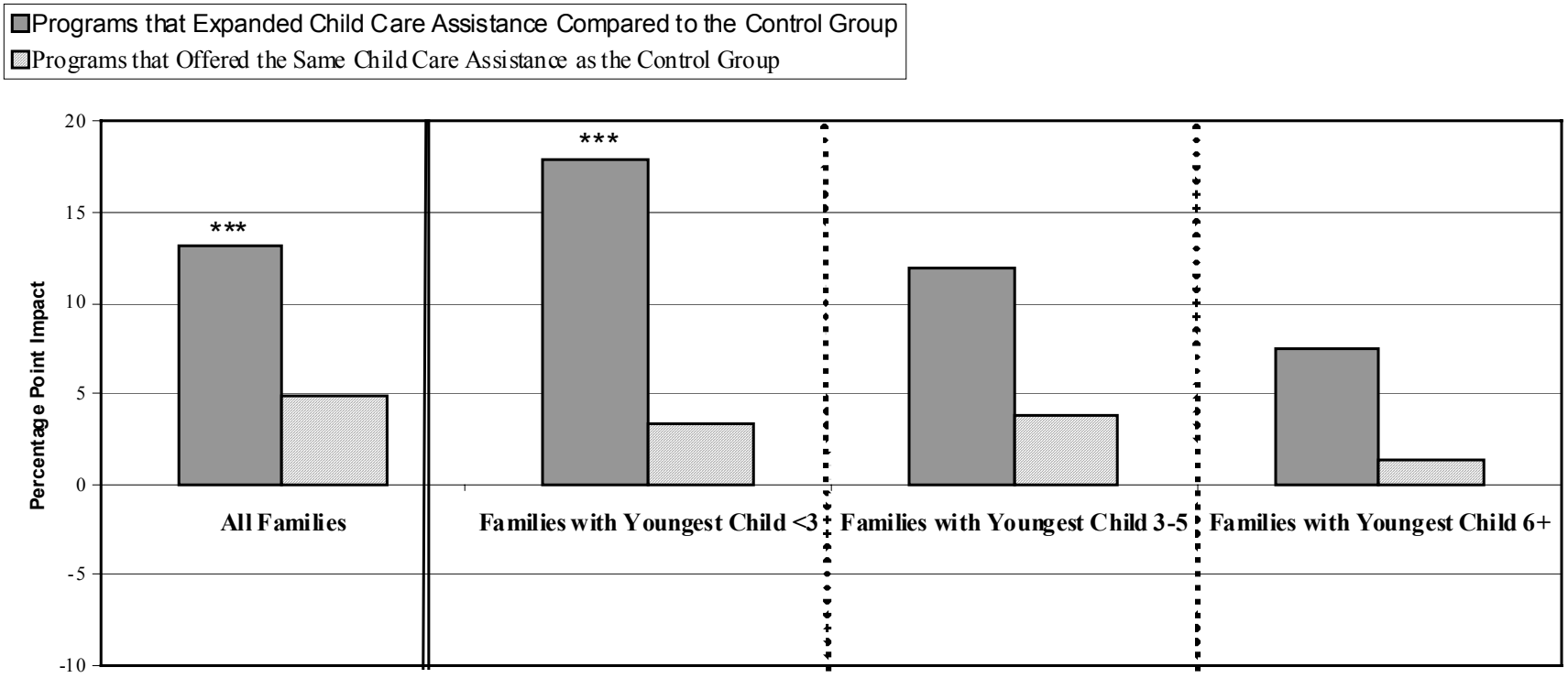
Programs on the left side of the graph provided expanded child care assistance relative to the assistance available to control group members and are arranged according to their score on an aggregate policy index measuring treatment differences in child care policy. Program and control group members had the same access to and benefits of child care assistance.

The subsidy use variable measures whether the respondent ever used any public subsidy during the follow-up period as reported on a survey.

Data on subsidy use was not available in the New Chance study.

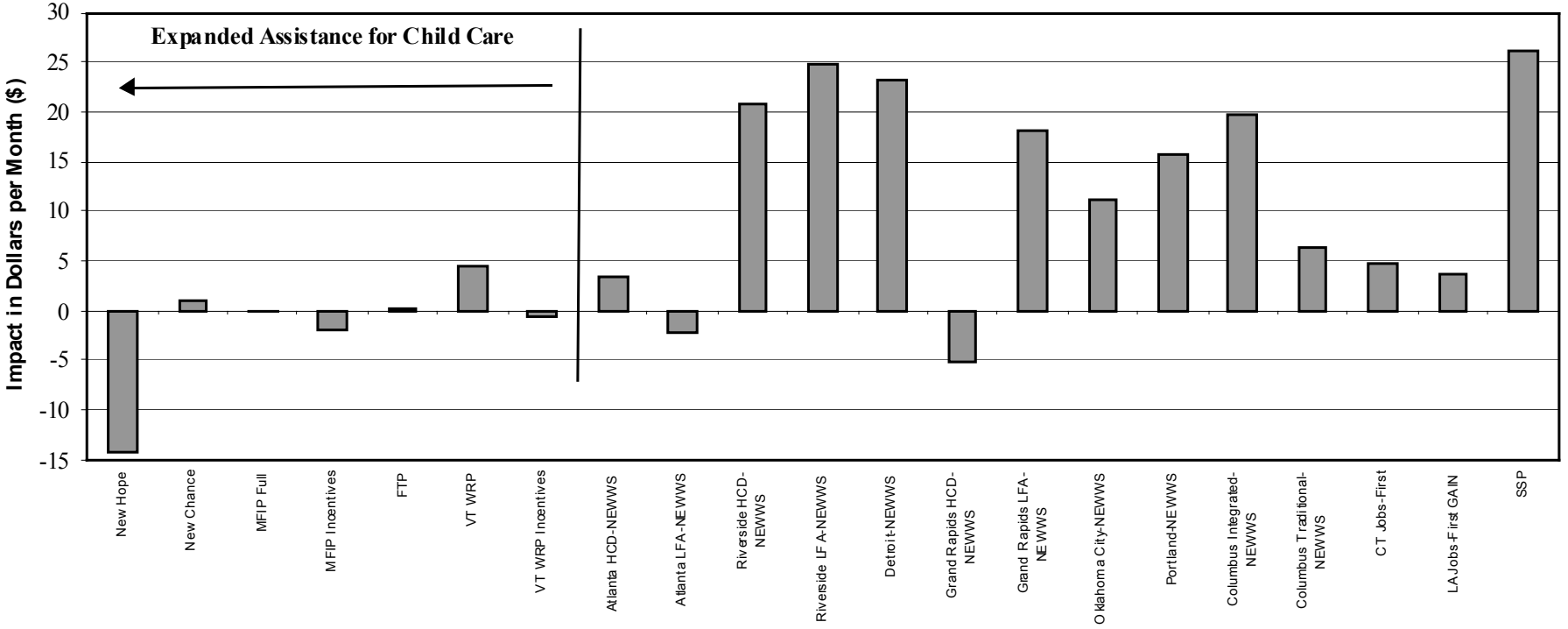
Significance levels for impacts within each program are not indicated. For more detail on outomces and impacts across programs, see Appendix Table 3.

Figure 3: Comparison of Average Impacts on Subsidy Use for Programs With and Without Program Differences in Child Care Policy



NOTES: Statistical significant difference between the bars within subgroups are indicated as follows: *** = p< .01, ** = p < .05, * = p< .10

Figure 4: Effects of Welfare and Work Policies on Child Care Costs in the Month Prior to Survey Interview, for All Families and by Program Differences in Child Care Policy



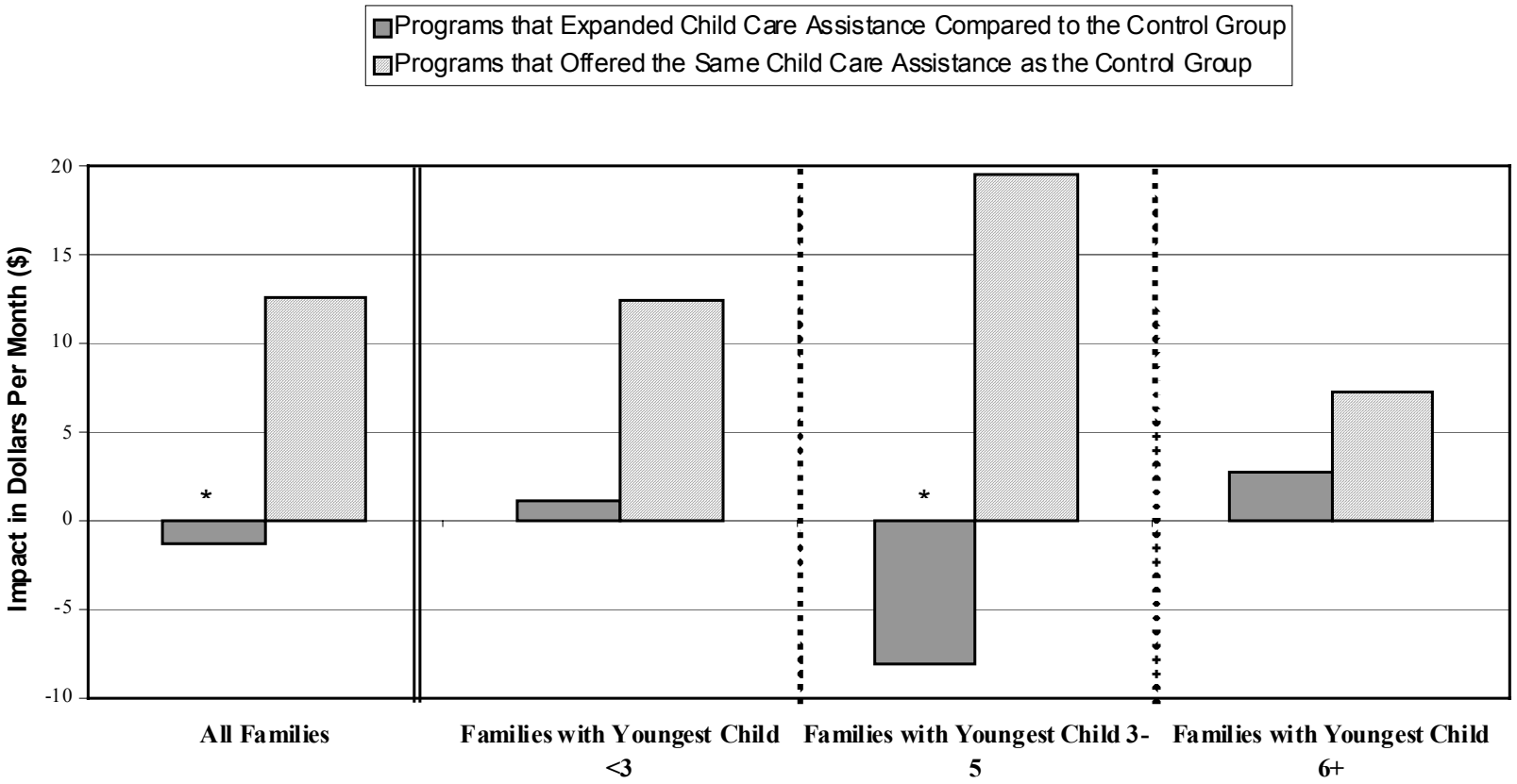
NOTES: Follow-up period is 18-24 months prior to time of interview.

Programs on the left side of the graph provided expanded child care assistance relative to the assistance available to control group members and are arranged according to their score on an aggregate policy index measuring treatment differences in child care policy. Program and control group members had the same access to and benefits of child care assistance.

For MFIP and CT Jobs-First, child care costs represent total cost in month prior to interview, including any money that would be reimbursed. For all other studies, costs reflect out-of-pocket costs to family in prior month.

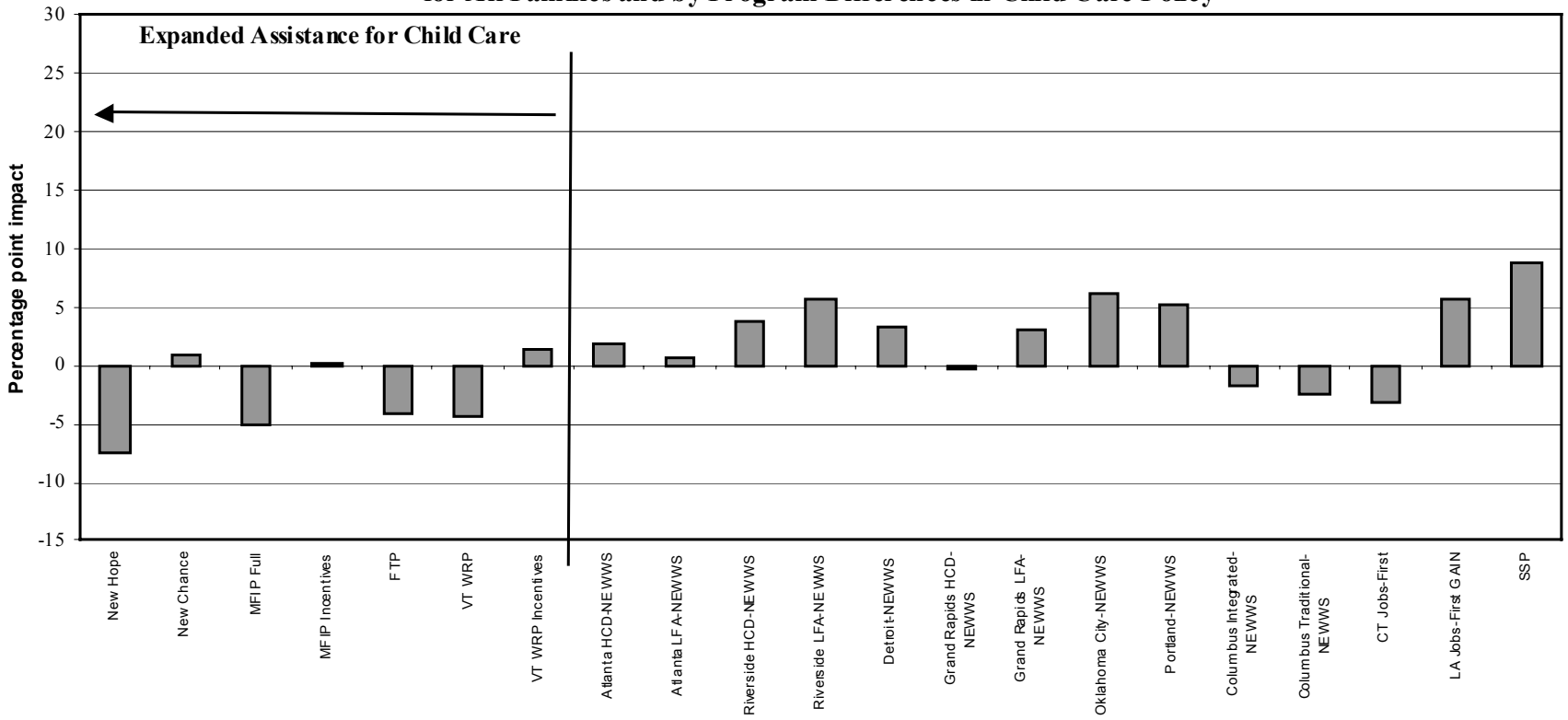
Significance levels for impacts within each program are not indicated. For more detail on outcomes and impacts, see Appendix Table 4.

Figure 5: Comparison of Average Impacts on Monthly Child Care Costs for Programs With and Without Program Differences in Child Care Policy



NOTES: Statistical significant difference between the bars within subgroups are indicated as follows: *** = p< .01, ** = p < .05, * = p< .10

Figure 6: Effects of Welfare and Work Policies on Employment-Related Child Care Problems, for All Families and by Program Differences in Child Care Policy



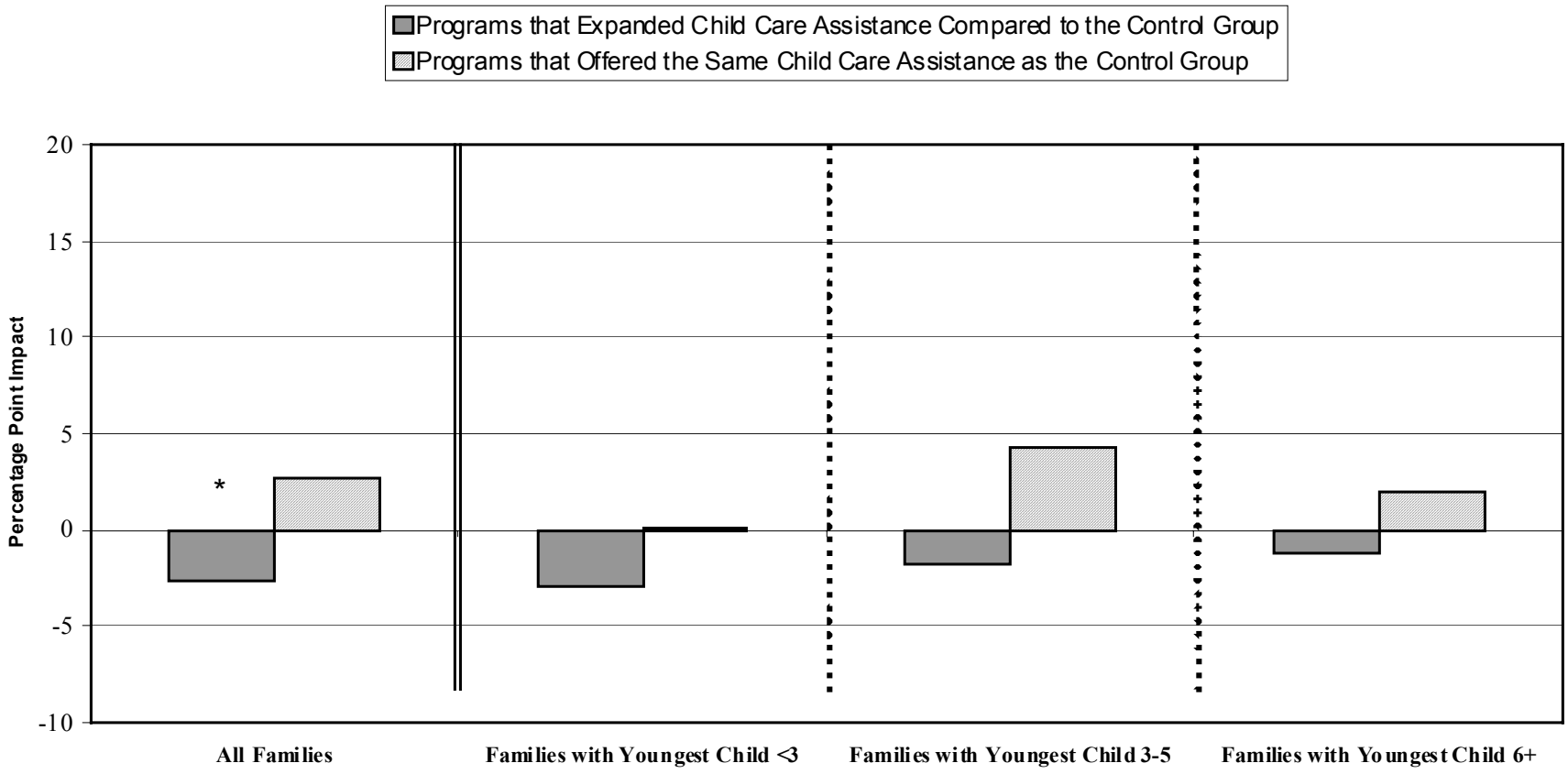
NOTES: Follow-up period is 18-24 months prior to time of interview.

Programs on the left side of the graph provided expanded child care assistance relative to the assistance available to control group members and are arranged according to their score on an aggregate policy index measuring treatment differences in child care policy. Program and control group members had the same access to and benefits of child care assistance.

Employment-related child care problems measure whether respondent ever had trouble during the follow-up period seeking, securing, or maintaining employment because of difficulties arranging child care.

Significance levels for impacts within each program are not indicated. For more detail on outcomes and impacts across programs, see Appendix Table 5.

Figure 7: Comparison of Average Impacts on Reports of Child Care Problems that Impede Employment for Programs With and Without Program Differences in Child Care Policy



NOTES: Statistical significant difference between the bars within subgroups are indicated as follows: *** = p< .01, ** = p < .05, * = p< .10

Appendix Table 1

Brief Summary of Projects

Evaluation/ Demonstration	Purpose	Dates of evaluation	General Research Strategies	Key Policy Strategies
Milwaukee's New Hope Project (New Hope)	To evaluate an anti-poverty program with financial incentives to work and a stated goal of reducing the social costs of welfare and poverty.	1994-2002	Random assignment evaluation of a program linking income support to full-time employment; technical assistance in project design and implementation. Targeted to and eligible for all households with incomes below 150 percent of poverty line with an adult willing to work 30 hours a week or more.	Participation Mandate Make-Work-Pay Strategies Child care and health care subsidies Child care subsidy promoted and marketed; and restricted to licensed care. Cost of care paid in full after copayment based on earnings and number of children. Caseworkers encouraged use of formal care because more reliable.
New Chance Demonstration (New Chance)	To develop and test a mix of educational, personal development, employment-related, and support services aimed at helping 16- to 22-year-old mothers on welfare become more self-sufficient, and encouraging the healthy development of their children.	1986-1997	Random assignment design; process, impact, and benefit-cost analyses of program serving teen parents on welfare. Explicitly two-generational in focus and design. Over 16 sites in the U.S.	Services Center care encouraged; and provided on site or nearby off-site.
Minnesota's Family Investment Program (MFIP Full & MFIP Incentives)	To evaluate separately the effects of changing financial incentives to work and mandatory case management services.	1993-2000	Random assignment evaluation of an anti-poverty program with large financial work incentives for cases and intensive case management. Includes 3 urban and 4 rural counties.	Participation Mandate Make-Work-Pay Strategies Services Child care reimbursed directly and consistently to child care provider

(continued)

Appendix Table 1 (continued)

Evaluation/ Demonstration	Purpose	Dates of evaluation	General Research Strategies	Key Policy Strategies
Florida's Family Transition Program (FTP)	To evaluate one of the first operational programs including time limits on AFDC receipt, financial work incentives, and enhanced employment, training, and social services.	1994-2000	Random assignment evaluation of a program that includes time limits, financial work incentives, and enhanced employment services. (In Escambia county, FL)	Time Limit Make-Work-Pay Strategies Services Resource and Referral agent located at welfare office; eligibility for transitional child care benefits extended.
National Evaluation of Welfare to Work Strategies (NEWWS)	To evaluate the differential effects of programs that emphasize work first and those that emphasize education/training, implemented under the federal JOBS program in a variety of sites across the country.	1989-2001 (control group embargo slightly varied by site)	Random assignment of 50,000 AFDC and AFDC-UP cases; innovative procedures to test effects of different JOBS approaches. Sites included in the present analyses include Riverside (CA), Atlanta (GA), and Grand Rapids (MI).	**National Evaluation of Welfare to Work Strategies (NEWWS)**
Connecticut Jobs-First Program (CT Jobs-First)	To evaluate a program that includes one of the nation's shortest time limits on welfare receipt (21 months) and a generous financial work incentive. Also one of the first programs to impose a time limit in major urban areas.	1996-2002	Random assignment evaluation of program that includes time limits and financial work incentives. Sites include New Haven and Manchester.	**Connecticut Jobs-First Program (CT Jobs-First)**
Canadian Self-Sufficiency Project (SSP)	To implement a program providing an earnings supplement to single parents (a small group of long-term recipients receive voluntary services as well) who have been on public assistance for at least the full preceding year, and who agree to leave welfare and maintain full-time employment, and to evaluate the program's take-up rate and effectiveness.	1992-2001	Largest random assignment study of increased work incentives; intensive technical assistance provided to administration systems. Includes two provinces: British Columbia and New Brunswick.	**Canadian Self-Sufficiency Project (SSP)**

(continued)

Appendix Table 1 (page three)

Evaluation/ Demonstration	Purpose	Dates of evaluation	General Research Strategies	Key Policy Strategies
Los Angeles Jobs-First Greater Avenues for Independence (LA Jobs-First GAIN	To evaluate the effect of a work-first program in the largest county welfare program in the nation. Emphasized job search assistance and imparted a strong pro-work message.	1995-1998	Random assignment of 21,000 AFDC and AFDC-UP cases in Los Angeles county.	Participation Mandate Services Work-First message
Vermont Welfare Restructuring Project (VT WRP & VT WRP Incentives Only)	To evaluate separately the effects of a time-triggered work requirement and changing financial incentives to work. First statewide welfare program initiated under waivers of federal welfare rules.	1994-2001	Random assignment evaluation representative of state's welfare caseload.	Time-triggered work requirement Make-Work-Pay Strategies Extended eligibility for transitional child care assistance

Appendix Table 2: Control Group Means and Program Impacts on the Use of Paid Care for the Full Sample and by Age of Youngest Child

	Full Sample			Youngest Child Less Than Age 3			Youngest Child Age 3-5			Youngest Child Age 6 or Older		
Program	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*
New Hope	63.0	3.3	611	74.4	5.8	295	75.2	-1.1	150	32.3	13.6	110
New Chance	26.9	-1.5	2019	26.4	-2.0	1861	36.8	-3.1	145	n/a	n/a	
MFIP Full	35.2	13.2 ***	865	49.5	12.1 **	333	38.5	14.8 **	216	15.3	10.1 *	238
MFIP Incentives	35.2	8.1 **	793	49.5	2.9	284	38.5	12.0 **	199	15.3	5.1	231
FTP	19.0	2.8	1729	27.4	3.3	786	19.0	3.9	449	5.5	1.7	494
VT WRP	27.2	5.5 *	842	40.4	8.6	217	35.9	12.0 *	209	10.1	2.0	365
VT WRP Incentives	27.2	-3.8	835	40.4	-2.6	205	35.9	-8.3	213	10.1	0.4	367
Atlanta HCD-NEWWS	19.8	4.6 ***	1890	n/a	n/a	n/a	31.9	5.3 *	1082	11.3	4.8 **	1117
Atlanta LFA-NEWWS	19.8	5.9 ***	2199	n/a	n/a	n/a	31.8	9.2 ***	949	11.3	3.7 *	941
Riverside HCD-NEWWS	15.1	6.3 ***	1350	n/a	n/a	n/a	19.1	10.2 ***	618	10.5	2.1	732
Riverside LFA-NEWWS	21.0	8.3 ***	2255	n/a	n/a	n/a	28.1	12.3 ***	1025	13.7	3.9 *	927
Detroit-NEWWS	23.0	13.0 ***	426	37.3	16.5 **	161	25.3	8.6	104	7.2	11.2 **	160
Grand Rapids HCD-NEWWS	33.0	-0.6	1158	51.6	-0.8	344	41.1	3.5	300	18.5	-4.8	514
Grand Rapids LFA-NEWWS	31.8	7.9 ***	1158	49.9	8.8	326	40.2	12.7 **	312	17.3	4.6	520
Oklahoma City-NEWWS	29.6	7.3 *	511	38.7	13.8 *	200	33.5	17.1 *	116	15.6	-0.4	182
Portland-NEWWS	29.4	12.2 ***	610	38.9	13.3 **	226	40.2	14.0 *	156	11.4	11.8 **	221
Columbus Integrated-NEWWS	23.2	5.6 *	728	n/a	n/a	n/a	36.3	6.2	318	12.1	4.7	393
Columbus Traditional-NEWWS	23.2	2.1	723	n/a	n/a	n/a	34.9	2.0	304	13.3	2.7	400
CT Jobs-First	20.9	1.2	738	23.9	2.3	327	25.3	2.4	132	15.7	-0.1	313
LA Jobs-First GAIN	25.9	6.9 **	746	n/a	n/a	n/a	31.5	5.3	338	16.7	6.5	312
SSP	42.0	5.7	1041	43.5	6.7	582	33.3	2.2	568	31.3	7.7	450

NOTES: The paid care variable measures whether the respondent used any care during the follow-up period that incurred some financial cost to the family.

'N/'A indicates that study had few or no families in this subgroup.

Statistical significance levels are indicated as: *=10 percent; **=5 percent; ***=1 percent (two-tailed test).

Appenidx Table 3: Control Group Means and Program Impacts on Use of Child Care Subsidies for the Full Sample and by Age of Youngest Child

	Full Sample			Youngest Child Less Than Age 3			Youngest Child Age 3-5			Youngest Child Age 6 or Older		
Program	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*
New Hope	29.3	18.4 ***	611	37.6	28.7 ***	295	34.3	14.1 *	150	8.30	10.71 *	110
MFIP Full	15.6	9.8 ***	865	24.3	13.2 ***	333	17.4	3.3	216	6.10	4.98	238
MFIP Incentives	15.6	11.1 ***	793	24.3	8.7	284	17.4	12.9 **	199	6.10	6.45	231
FTP	19.9	19.6 ***	3698	24.1	23.1 ***	1991	21.1	16.8 ***	1056	4.88	14.13 ***	651
VT WRP	14.7	2.3	842	27.3	-1.2	217	18.3	6.8	209	3.73	1.25	365
VT WRP Incentives	14.7	-3.1	835	27.3	-5.6	205	18.3	-8.2	213	3.73	2.19	367
Atlanta HCD-NEWWS	6.1	4.1 ***	1890	n/a	n/a	n/a	12.2	9.1 ***	1082	1.89	0.93	1117
Atlanta LFA-NEWWS	6.1	8.0 ***	2199	n/a	n/a	n/a	11.9	13.3 ***	949	1.80	4.50 ***	941
Riverside HCD-NEWWS	1.0	1.9 **	1350	n/a	n/a	n/a	1.8	2.6 *	618	0.20	1.02	732
Riverside LFA-NEWWS	2.5	3.4 ***	2255	n/a	n/a	n/a	4.0	5.0 ***	1025	0.91	1.91 **	927
Detroit-NEWWS	2.4	2.4	426	3.1	6.5	161	4.1	-0.5	104	0.82	-0.41	160
Grand Rapids HCD-NEWWS	3.0	0.5	1158	5.7	4.4	344	3.3	1.2	300	1.51	-0.01	514
Grand Rapids LFA-NEWWS	3.0	1.5	1158	5.6	4.3	326	3.7	1.7	312	1.59	1.04	520
Oklahoma City-NEWWS	11.4	5.0 *	511	20.0	5.5	200	12.0	7.0	116	2.71	4.12	182
Portland-NEWWS	15.1	8.7 ***	610	22.9	12.7 **	226	21.7	5.7	156	2.00	10.40 ***	221
Columbus Integrated-NEWWS	6.2	-1.7	728	n/a	n/a	n/a	12.4	-4.2	318	0.49	1.50	393
Columbus Traditional-NEWWS	5.7	0.4	723	n/a	n/a	n/a	11.5	1.4	304	0.76	1.38	400
CT Jobs-First	6.7	1.2	772	12.9	1.1	327	15.1	1.5	132	6.70	-0.02	313
LA Jobs-First GAIN	5.3	0.1	746	n/a	n/a	n/a	5.4	2.2	338	5.35	-1.05	312
SSP	30.5	-2.1	1041	33.3	1.8	582	24.5	-6.0 **	568	14.67	-1.44	450

NOTE: Use of any subsidy was defined as follows:

New Hope: While respondent was working during the follow up period, used child care that was paid for, either in whole or in part, by New Hope, Wisconsin's W-2 program or another agency. From 24-month survey data.

MFIP: During respondent's current or most recent job, used child care that was paid for, either in whole or in part, by non-family members, including the welfare department/MFIP, the county welfare department and other. From survey data.

FTP: During the follow up period, received a child care subsidy payment from a government agency. From Florida state child care payment records.

VT WRP: During the last month, used child care that was paid for, either in whole or in part, by the welfare office or the Department of Social Services. From 42-month survey data.

NEWWS programs: During respondent's current or most recent job, used child care that was paid for, either in whole or in part, by the welfare office or other government agency. From 2-year survey data.

CT Jobs-First: During respondent's current job, if out-of-pocket cost of care was zero, was child care paid for, either in whole or in part, by a welfare office or other government agency. From 18-month survey data.

LA Jobs-First GAIN:

SSP: While respondent was working during the follow up period, used child care that was paid for, either in whole or in part, by the government. From survey data.

Data on subsidy use was not available in the New Chance study.

'N/'A indicates that study had few or no families in this subgroup.

Statistical significance levels are indicated as: *=10 percent; **=5 percent; ***=1 percent (two-tailed test).

Appendix Table 4: Control Group Means and Program Impacts on Monthly out-of-pocket Child Care Costs for the Full Sample and by Age of Youngest Child

	Full Sample			Youngest Child Less Than			Youngest Child Age 3-5			Youngest Child Age 6 or Older		
Program	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*
New Hope	$61	-$14 *	611	$79	-$17	295	$68	-$16	150	$18	$0	110
New Chance	$20	$1	2019	$20	$0	1861	$30	$10	145	n/a	n/a	n/a
MFIP Full	$54	$0	865	$16	$0	333	$17	-$4	216	$3	$3	238
MFIP Incentives	$54	-$2	793	$16	$0	284	$17	-$9 **	199	$3	$3	231
FTP	$29	$0	1729	$41	$3	786	$28	-$1	449	$7	$3	494
VT WRP	$33	$5	842	$46	$16	217	$40	$17	209	$12	-$2	365
VT WRP Incentives	$33	-$1	835	$46	$11	205	$40	-$1	213	$12	-$2	367
Atlanta HCD-NEWWS	$24	$3	1890	n/a	n/a	n/a	$35	$0	1082	$16	$6	1117
Atlanta LFA-NEWWS	$24	-$2	2199	n/a	n/a	n/a	$36	-$2	949	$16	-$2	941
Riverside HCD-NEWWS	$29	$21 ***	1350	n/a	n/a	n/a	$38	$37	618	$19	$5	732
Riverside LFA-NEWWS	$41	$25 ***	2255	n/a	n/a	n/a	$55	$38	1025	$27	$9	927
Detroit-NEWWS	$56	$23 *	426	$10	$32	161	$64	$7	104	$15	$25	160
Grand Rapids HCD-NEWWS	$72	-$5	1158	$124	-$1	344	$85	-$2	300	$35	-$12	514
Grand Rapids LFA-NEWWS	$69	$18 **	1158	$119	$10	326	$83	$48	312	$32	$10	520
Oklahoma City-NEWWS	$37	$11	511	$44	$22	200	$50	$23	116	$18	-$1	182
Portland-NEWWS	$58	$16	610	$78	$9	226	$82	$24	156	$13	$30	221
Columbus Integrated-NEWWS	$33	$20 ***	728	n/a	n/a	n/a	$48	$33	318	$19	$5	393
Columbus Traditional-NEWWS	$33	$6	723	n/a	n/a	n/a	$45	$9	304	$21	$4	400
CT Jobs-First	$74	$5	738	$94	$3	309	$94	$26	132	$48	-$7	313
LA Jobs-First GAIN	$17	$4	746	n/a	n/a	n/a	$22	$0	338	$11	$1	312
SSP	$34	$26 ***	1041	$25	$6 **	582	$22	$27 ***	568	$11	$21 ***	450

NOTES: For MFIP and CT Jobs-First, child care costs represent total cost in month prior to interview, including any money that would be reimbursed. For all other studies, costs reflect out-of-pocket costs to family in prior month or most recent month of employment.

'N/'A indicates that study had few or no families in this subgroup.

Statistical significance levels are indicated as: *=10 percent; **=5 percent; ***=1 percent (two-tailed test).

Appendix Table 5: Control Group Means and Program Impacts on Reports of Employment-Related Child Care Problems for the Full Sample and by Age of Youngest Child

	Full Sample			Youngest Child Less Than			Youngest Child Age 3-5			Youngest Child Age 6 or Older		
Program	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*	Control Group	Impact	*Total sample size*
New Hope	33.6	-7.6 **	611	42.3	-15.5 ***	295	33.5	2.8	150	19.3	-0.5	110
New Chance	15.9	0.9	2019	15.9	0.0	1861	15.8	0.2	145	n/a	n/a	n/a
MFIP Full	38.1	-5.1	865	44.4	-1.2	333	44.0	-14.0 **	216	25.0	-5.5	238
MFIP Incentives	38.1	0.3	793	44.4	7.9	284	44.0	-7.1	199	25.0	-1.4	231
FTP	31.3	-4.2 ***	3698	38.7	-6.4 ***	1990	25.5	0.5	1056	16.3	-2.0 ***	494
VT WRP	24.8	-4.5	842	34.5	-7.9	217	32.7	-4.2	209	13.9	-3.2	365
VT WRP Incentives	24.8	1.3	835	34.5	-0.3	205	32.7	9.3	213	13.9	-0.3	367
Atlanta HCD-NEWWS	10.5	1.8	1890	n/a	n/a	n/a	14.7	2.4	1082	7.3	2.1	1117
Atlanta LFA-NEWWS	10.6	0.6	2199	n/a	n/a	n/a	14.9	1.1	949	7.6	0.2 ***	941
Riverside HCD-NEWWS	8.1	3.8 **	1350	n/a	n/a	n/a	9.1	6.9 **	618	6.6	1.1	732
Riverside LFA-NEWWS	11.8	5.7 ***	2255	n/a	n/a	n/a	15.3	8.7 ***	1025	8.1	2.5 **	927
Detroit-NEWWS	19.8	3.2	426	34.7	-1.1	161	15.7	6.7	104	7.1	6.1	160
Grand Rapids HCD-NEWWS	18.7	-0.2	1158	32.7	-1.3	344	19.4	3.0	300	9.3	-0.8	514
Grand Rapids LFA-NEWWS	18.1	3.1	1158	32.4	1.7	326	19.0	6.4	312	9.4	1.9	520
Oklahoma City-NEWWS	18.8	6.2 *	511	25.7	2.9	200	19.4	16.1 *	116	10.4	5.1	182
Portland-NEWWS	18.2	5.3	610	20.4	8.6	226	28.8	8.2	156	7.0	1.7 ***	221
Columbus Integrated-NEWWS	20.3	-1.9	728	n/a	n/a	n/a	24.5	0.0	318	16.1	-3.0	393
Columbus Traditional-NEWWS	20.2	-2.4	723	n/a	n/a	n/a	24.3	-4.8	304	16.6	-1.1	400
CT Jobs-First	34.7	-3.2	738	46.4	-7.3	327	40.3	-12.3	132	21.9	1.3	313
LA Jobs-First GAIN	40.8	5.6	746	n/a	n/a	n/a	48.3	6.7	338	27.4	6.8	312
SSP	22.9	8.7	1041	25.2	5.7 *	582	20.8	6.0	568	13.4	5.9	450

NOTES: Employment-related child care problems measure whether respondent ever had trouble during the follow-up period seeking, securing, or maintaining employment because of difficulties arranging child care.

'N/'A indicates that study had few or no families in this subgroup.

Statistical significance levels are indicated as: *=10 percent; **=5 percent; ***=1 percent (two-tailed test).