

Missouri TANF White Paper:
Many Barriers Hinder Economic Outcomes

A major study of current and former welfare recipients in Missouri found that many faced multiple barriers to economic attainment. Certain barriers reduced work effort and increased the probability of remaining on or returning to TANF. The study was based on interviews conducted in 2001 and 2002 with approximately 500 persons who left the TANF rolls 1997 and 360 who had been on TANF continuously since 1998.

Current and former TANF recipients faced many barriers that impeded their efforts to improve their economic outcomes.

A number of factors were strongly and negatively associated with successfully leaving TANF. They were also negatively associated with work effort, earnings, and poverty status.

Major Barriers.
Percent Experiencing Each Barrier

Major Barriers	Leaver	Cycler	Stayer
Only one adult at home	40	59	77
Not married	65	84	94
More than 3 children	9	13	21
No child support	70	80	94
Under age 25	4	20	19
Low cognitive functioning --bottom third of sample	31	32	48
Probable mental illness	11	16	22
Poor physical health --bottom quartile of US	43	44	55
No high school diploma	30	27	45
Low mastery --bottom third of sample	34	35	42
No drivers license	22	30	49

Technical Notes: “Leavers” left TANF in 1997Q4 and stayed off through 2000. “Cyclers” left TANF in 1997Q4 but returned at least once. “Stayers” remained on TANF from 1998Q1 through 2000.

A logistic regression model based on the above barriers distinguished leavers from stayers with 83% accuracy.

Linear regression models showed that these barriers were significant predictors of work status, earnings, and poverty index, as measured in 2001 or 2002.

While other barriers also were strongly and negatively associated with leaving TANF, employment, or earnings, they were less important than (or secondary to) the factors listed above:

- Infant at home
- Attended special education classes
- Had a learning disability
- Reported child care difficulties
- Reported other transportation difficulties

- African American

Technical notes: adding these factors in many cases did not significantly improve performance of regression models. However infant at home was a significant predictor for work status; while child care difficulties and living in St. Louis were significant for leaving TANF. Also, a composite of all of these factors did improve most models.

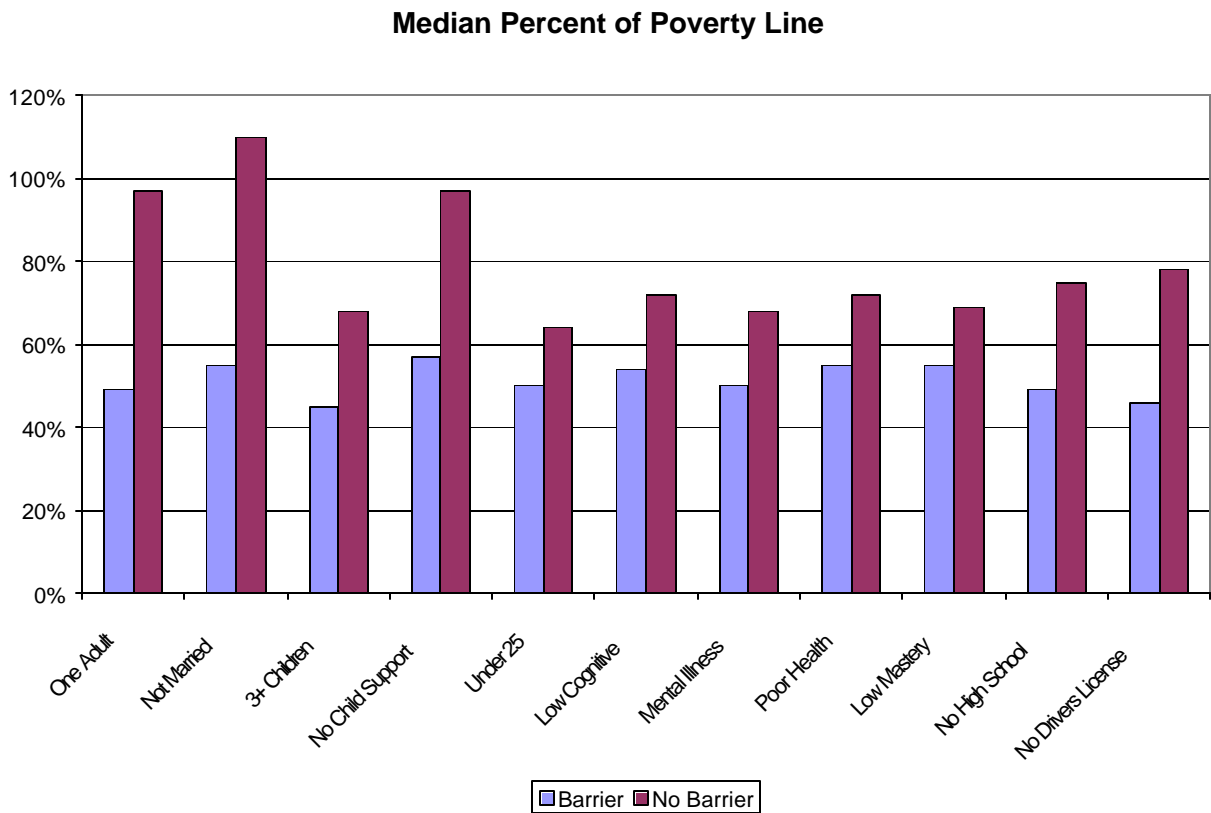
Perhaps surprisingly, some factors expected to pose a barrier were unrelated to economic outcomes.

These factors included:

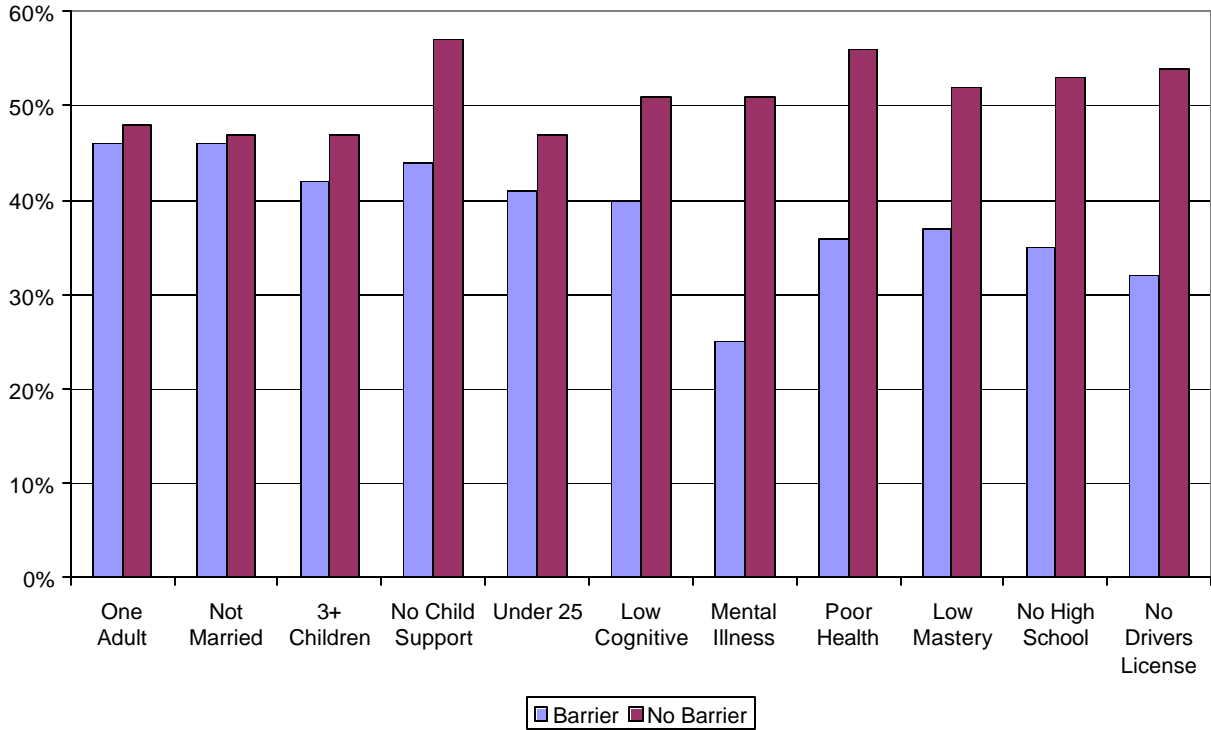
- Victim of domestic violence
- Unsophisticated work attitudes
- Reported alcohol abuse
- History of felonies or misdemeanors

A similar study for Michigan also found no effects from work attitudes and domestic violence, but did find effects from alcohol, drugs, and crime. Danziger SK, Corcoran M, Danziger S, Heflin C, Kalil A, Levine J, Rosen D, Seefeldt, K, Siefert, K, & Tolman, R., "Barriers to the employment of welfare recipients," in *Prosperity for all? The Economic Boom and African Americans*, ed. R Cherry, W Rodgers. New York: Russell Sage Foundation (in press).

Respondents with major barriers had higher poverty levels and were less likely to be working.



Percent Working at Interview



Technical note: does not represent full population. see survey description above.

TANF recipients with 3 or more major barriers rarely succeeded in exiting TANF

Conversely, recipients facing few major barriers were very likely to exit TANF, either temporarily or permanently.

Percent with Number of Barriers

Number of Barriers	Leaver	Cycler	Stayer
0	78	17	5
1	44	28	27
2	31	37	32
3	20	20	60
4	18	13	69
5	0	24	76
6	0	0	100
All Respondents	34	27	40

Technical note: barriers included: more than 3 children; only 1 adult; no drivers license; age under 25; high probability of mental illness; low physical health.

Policy Implications

- Since many current and former TANF recipients face multiple and significant barriers to exiting the caseload, work, and earnings, assessment of the major barriers is essential to good case planning.
- Overcoming major barriers and reducing the number of barriers is essential to TANF recipients' economic success.
- Case workers should identify resources to address those major barriers that can be overcome or ameliorated. Examples may include drivers licensing, treatment for physical and mental health, improving child support payments, and provision of birth control information.

The University of Kansas

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