

Raymond A. Kent School of Social Work/University of Louisville
Kentucky Welfare Reform Evaluation (Completed Project)

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BACKGROUND: In October 1996, the federal government changed the AFDC welfare program into a block grant; in Kentucky it is called the Kentucky Transitional Assistance Program (K-TAP). Welfare recipients now must participate in work programs or activities to remove barriers to employment, and they are subject to a 60-month time limit. To assess the impact of these changes, the Cabinet for Families & Children-CFC (now the Cabinet for Health & Family Services) contracted with the University of Louisville to evaluate its welfare reform initiative. Reports for this four year project are available at www.kwre.usi.louisville.edu.

METHODOLOGY:

The Welfare Reform Evaluation Project collected information from two main sources:

Administrative Database -- Data reported in this study came from 15 state information files and provided information on cases from October 1996 to September 2003. The primary files were the Kentucky Automated Management and Eligibility System (KAMES). Key information drawn from the file includes participation in cash assistance, food stamps, Medicaid and other programs. Another administrative file was Department of Employment Services quarterly earnings for Kentucky residents.

Panel Study -- This data looked at what has happened to client outcomes, both on and off K-TAP, over time: the longitudinal, survey analysis. It reported results from interviews with 1,122 clients in the summer 1998 to summer/fall 2001. The longitudinal analysis described what happened to family and child outcomes and how they changed over the years.

Cohort Group Analysis -- Both the administrative and panel study data compare family cohort groups. The cohort analysis divided cases into groups based on when they initially became active on K-TAP. This form of analysis was helpful to identify how the same clients used a program over time and compared how different client groups used the same program at different points in time. The first cohort was the AFDC Cohort, which consisted of 48,235 adult AFDC cases who were transferred into the new K-TAP program on October 1996. Cohort A was made up of 24,441 new adult cases who came on K-TAP from November 1996 to October 1997; Cohort B was composed of 12,252 new adult cases from November 1997 to October 1998. Each new 12-month (November-October) group became another cohort. The last cohort, Cohort F, is composed of all new adult cases that entered K-TAP from November 2001 to October 2002.

KEY FINDINGS:

- Since 1999 the annual number of new clients entering K-TAP is about 10,000.
- Seventy five percent of clients were off K-TAP within 24 months and two to one percent reached the 60 eligibility limit within five years.
- Average family household income increased each year after leaving K-TAP and the proportion of family income from government sources decreases each year.
- Medicaid, food stamps and child care were important sources of family support for most families who left welfare; they helped to take about a third of these families out of poverty.
- After leaving K-TAP more clients in urban areas report earnings for four quarters 39% (28% no quarterly earnings), rural areas 32% (36% no quarterly earnings) and Appalachia area 24% (50% no quarterly earnings).
- Clients that reached the 60-month time limit had higher levels of physical and emotional disability and reported less earnings than clients who left K-TAP before reaching the 60-month time limit.
- Clients who worked plus participated in training or education through Kentucky Works had better earnings than clients who just participated in training or education to meet their work requirement.

USEFULNESS TO CABINET: The evaluation data provided important longitudinal information about clients use of services and cash support as well as client outcomes. The longitudinal administrative data was organized in a manner that benchmarked how different cohort groups were doing over time (% on and off K-TAP) and how different, later cohort groups compared with earlier groups. The panel study data provided in-depth information directly from clients and former clients that was not available through any administrative records. It also showed what happened to different groups of clients over time.

