

VDSS Research Brief

How long do families stay on TANF?

Context: Families who receive Temporary Assistance for Needy Families (TANF) in Virginia are subject to time limits – a federal limit of 60 months and a state limit of 24 months. The 24-month time limit applies to families required to participate in the Virginia Initiative for Employment not Welfare (VIEW). All families are subject to the 60-month limit, except for families without an adult on the assistance unit.¹ No recent analysis of the TANF program has examined the length of participation for families required to participate in VIEW and for families exempt from VIEW participation in Virginia.

Given the state and federal time limit policies, time on TANF may vary for different types of cases: One Parent, Not Disabled; One Parent, Disabled; No Parent; and Two Parent. Families in the One Parent, Not Disabled category make up the majority of TANF cases (74%) (Figure 1). The number of cases in this category has fluctuated some since 2000, but the current level is close to the 2000 level (Figure 2 and Table 1). The number of families without a parent on the case (No Parent) has declined since 2000 – this is the only case type to show steady decreases over this time period (Figure 2 and Table 1).

Objective: This report describes the typical length of time families receive TANF benefits for parent and non-parent families and how much that time varies. It also provides information on how often these families cycle on and off assistance and how long it takes for them to return after their initial assistance episode.

Data Source: The source for the data was the monthly extracts of TANF files from ADAPT from January 2000 through January 2012.

Methods: Using TANF data starting in the year 2000, we identified groups of families who first received assistance in state fiscal years (SFY) 2010, 2008, and 2005. We followed those three cohorts of families over time to determine how long they received TANF from their start date through January 2012. We counted every month for a case as a month of TANF receipt, although a family may not have received a payment in every one of those months. We calculated time on TANF for each family as the sum of all months of receipt, for all spells combined. In other words, length of stay is the *total time* a family receives TANF benefits and not the length of each spell on TANF.

¹ See http://www.acf.hhs.gov/programs/opre/welfare_employ/sep_state/reports/time_limits/time_limits.pdf for more information about TANF time limits. In Virginia, individuals required to participate in VIEW can only receive 24 months of assistance; after 24 months of assistance, they are not eligible for two years and are subject to a total limit of 60 months (federal requirement). Families with a disabled parent are not subject to the 24 month limit but are subject to the 60 month federal limit; in rare cases they may be granted an extension due to hardship.

Case types were developed based in part on state policy for participation in VIEW. The case types were determined using the program codes, relationship codes and the age variable for each client in the monthly extracts. Case types included: Two Parent (TANF-UP); One Parent, Not Disabled; One Parent, Disabled; and No Parent. Appendix A explains how the case types were determined. For families with more than one case type, we used the majority case type from the first six months of TANF receipt.

We looked at three different cohorts to see if length of stay on TANF has changed over time, particularly due to the recent recession.

Caveats: The analysis followed families for 2 years (for the 2010 cohort), 5 years (for the 2008 cohort) and 7 years (for the 2005 cohort), but a family could return to TANF after January 2012, the last month of data.

Key Findings:

- **Most families receive TANF for a year or less.** For One Parent, Not Disabled families (three-fourths of all TANF cases), median total time on TANF² was about 12 months, for all three cohorts (Table 2).³ About one-quarter of families stay for approximately 2 years, and another quarter stay for less than 6 months. Families in the TANF-UP program spend the least amount of time on TANF (Table 2, and Figures 3, 4, and 5). Median time receiving benefits was less than one year (9 months) for these families, and 75 percent had left assistance after less than 2 years (21 months).
- **No Parent and One Parent, Disabled case types spend more time on TANF, although most spend less than 2 years (Table 2).** The median time receiving TANF was approximately a year and a half (19 months) for both case types. This result was consistent across cohorts. Only about one-quarter of these families receive TANF for four years or more.
- **For all case types, most families had only 1 spell of TANF receipt (Table 3). Most families do not cycle on and off welfare.** For those families who return after leaving TANF, they tend to have a long break between spells: half of them return after a 10 month break.

² The median indicates the middle number of the distribution of time on TANF. For One Parent, Not Disabled families half of the families spent 12 months or less on TANF and half spent more than 12 months.

³ Because the two earlier cohorts (2005 and 2008) had more months of observation than the 2010 cohort, we performed an additional analysis limiting the observed months to 32 months all three cohorts. For each case type, the 2010 cohort's median number of benefit months was slightly higher than the other cohorts. This result suggests that length of stay on TANF has increased slightly, possibly due to the recession.

Figure 1: TANF Case Types

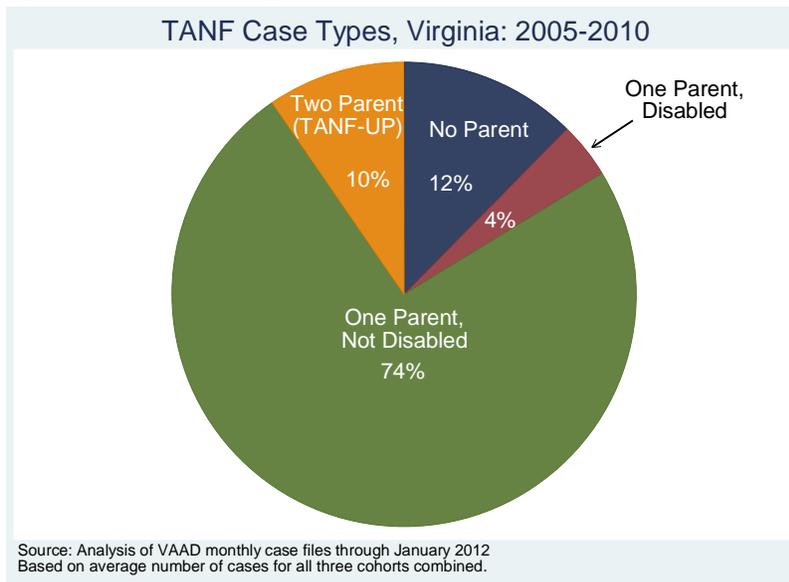


Figure 1 shows that most (74%) of TANF families fall into the One Parent, Not Disabled case type. These percentages reflect the categories of families starting to receive TANF and differ from the proportions in point-in-time monthly case counts.⁴

Figure 2 shows that the number of One Parent, Not Disabled families has fluctuated, partly in response to economic conditions.

Figure 2: Trends in TANF Receipt by Case Type

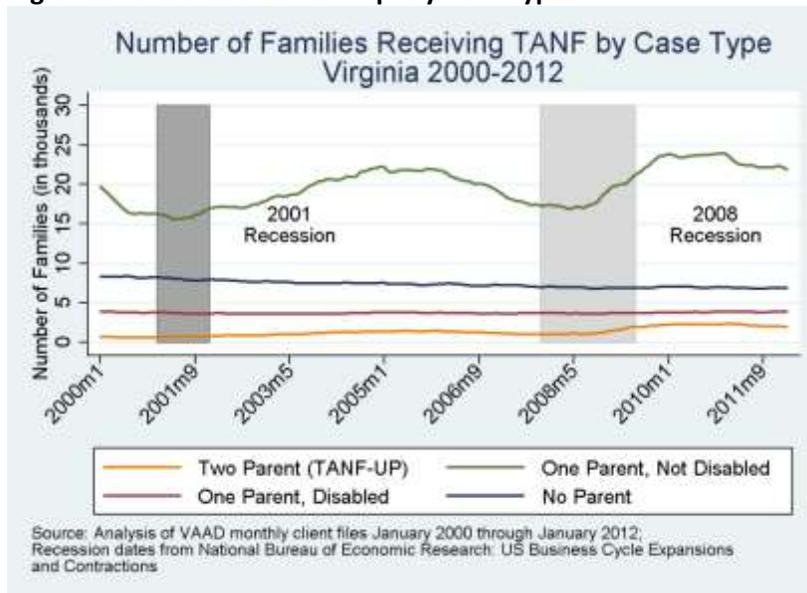


Table 1 shows the number of two parent families increased, and the number of no parent families decreased, between 2000 and 2012.

Table 1: Number of Families Receiving TANF, by Case Type

Case Type	Month and Year							
	2000m1	2001m9	2003m5	2005m1	2006m9	2008m5	2010m1	2011m9
Two Parent (TANF-UP)	673	709	1,039	1,369	1,264	1,062	2,281	2,039
One Parent, Not Disabled	19,768	16,132	18,699	22,191	20,131	17,118	23,913	22,163
One Parent, Disabled	3,902	3,620	3,602	3,769	3,626	3,679	3,779	3,814
No Parent	8,294	7,837	7,587	7,504	7,127	6,960	7,066	6,800
Total	32,637	28,298	30,927	34,833	32,148	28,819	37,039	34,816

⁴ Appendix A provides information on comparing counts of “No Parent” and “Child Only” cases with other caseload reports.

Table 2: Total Length of Stay on TANF by Case Type (Number of Months)

Case Type	Percentile		
	25 th	50 th	75 th
Two Parent (TANF-UP)	3	9	21
2010	3	9	18
2008	3	8	23
2005	4	10	23
One Parent, Not Disabled	5	12	26
2010	5	11	24
2008	4	11	26
2005	5	13	28
One Parent, Disabled	7	19	49
2010	7	19	N/A
2008	7	19	48
2005	7	19	51
No Parent	7	19	50
2010	7	19	N/A
2008	8	20	52
2005	7	19	49

Note: Case type was determined from majority of first six months of case records. See Appendix A for details.

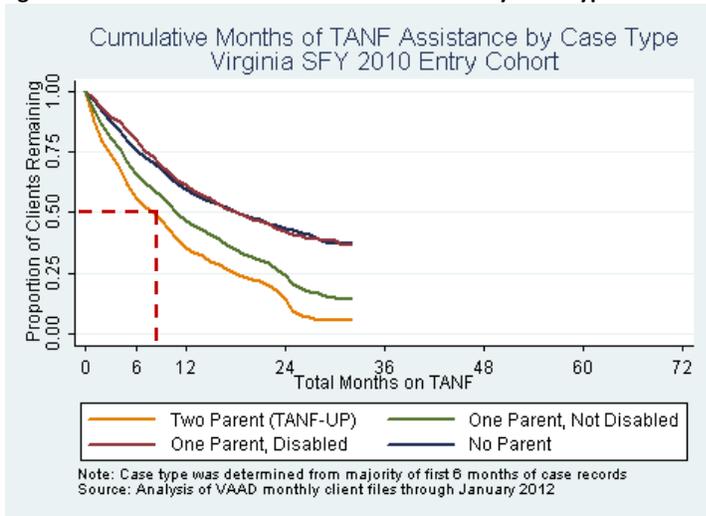
Source: Analysis of VAAD monthly client files through January 2012

Table 2 indicates that most families (One Parent, Not Disabled and Two Parent) receive TANF for about one year or less and this result is consistent across the three cohorts (2005, 2008, and 2010).

Percentiles show how much time on TANF varies for a given category. For example, the 25th percentile for Two Parent families is 3 months, which means that 25 percent of Two Parent families receive TANF for only 3 months or less.

The blue shaded column (50th percentile) shows the median time a family in a category receives TANF. For example, half of the families in the “One Parent, Not Disabled” category receive TANF for 12 months or less.

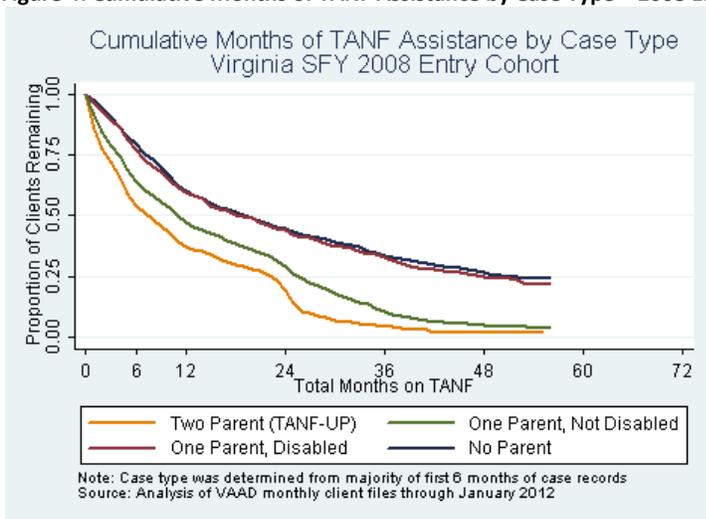
Figure 3: Cumulative Months of TANF Assistance by Case Type – 2010 Entry Cohort



These graphs show the proportion of clients remaining on TANF over time.

Lower lines indicate quicker exits. Two Parent (TANF-UP) families leave TANF more quickly than other case types – this result is consistent across the three cohort graphs.

Figure 4: Cumulative Months of TANF Assistance by Case Type – 2008 Entry Cohort



Median time to exit can be determined by a horizontal line at 0.50, as shown by the red dashed line in the top graph.

Figure 5: Cumulative Months of TANF Assistance by Case type – 2005 Entry Cohort

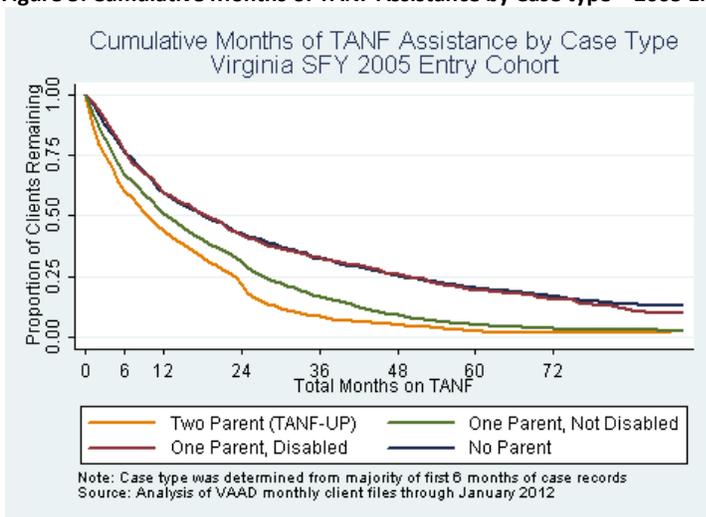


Table 3: Spell Detail by Case Type – 2008 Cohort

Case Type	Percentile			Number of Families	Percent
	25 th	50 th	75 th		
Total spells per family					
All Case Types	1	1	2	13,149	100%
Two Parent (TANF-UP)	1	1	2	1,040	8%
One Parent, Not Disabled	1	1	2	9,709	74%
One Parent, Disabled	1	1	1	529	4%
No Parent	1	1	1	1,871	14%
Length of first spell (months)					
All Case Types	3	7	17	13,149	100%
Two Parent (TANF-UP)	2	5	11	1,040	8%
One Parent, Not Disabled	3	6	14	9,709	74%
One Parent, Disabled	5	12	35	529	4%
No Parent	6	14	40	1,871	14%
Time from first to second spell (months)					
All Case Types	5	10	20	4,147	100%
Two Parent (TANF-UP)	6	12	23	293	7%
One Parent, Not Disabled	5	10	20	3,452	83%
One Parent, Disabled	5	8	17	118	3%
No Parent	5	10	17	284	7%

Note: Case type was determined from majority of first six months of case records. Analysis of spells for the 2005 and 2010 cohorts had similar results. A spell was defined as receipt of benefits with less than a 2 month break between months of receipt.

Source: Analysis of VAAD monthly client files through January 2012

Table 3 provides information on “spells” or periods of continuous benefit receipt. The blue shaded column (50th percentile) indicates the median for each statistic.

Most families in all case types had only one continuous spell of benefit receipt, and 25 percent of families had 2 or more spells.

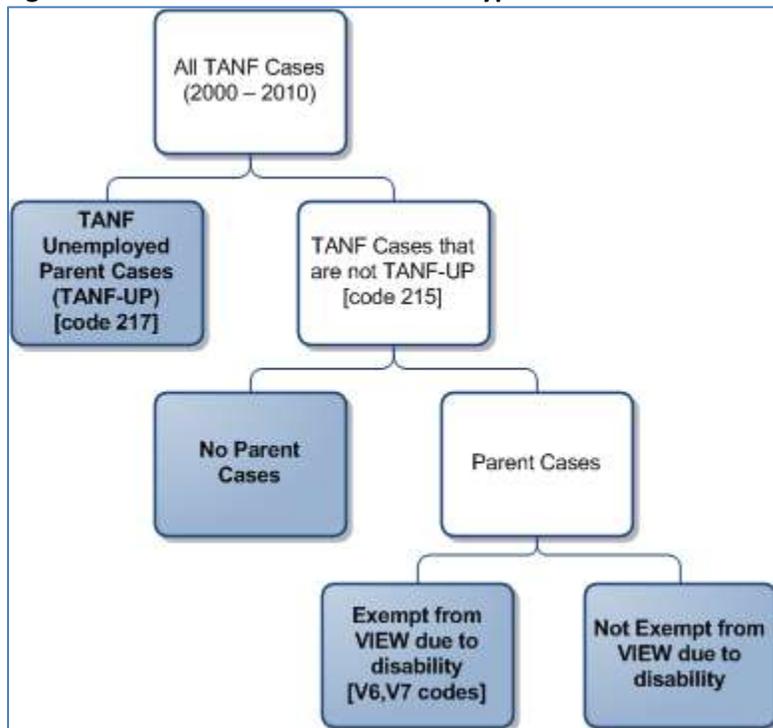
For all case types, half of the families had a first spell of 7 months or less. The length of the first spell was shortest for the Two Parent (TANF-UP) families (5 months) and longest for the “No Parent” families (14 months).

For those families who return to TANF after a break between spells, half of them return after a 10 month break.

Appendix A: Development of Case Types and Entry Cohorts

Development of Case Types – Case types were developed for this analysis based in part on state policy for participation in the VIEW program. Figure 6 shows sources for the final case types with the final case types outlined in blue. The case types were determined using combinations of program codes, relationship codes, status codes and the age variable for each client in the monthly extracts. TANF Unemployed Parent (TANF-UP) cases were determined as those cases with a program code of 217. The remaining cases (program code 215) were separated into those with a parent on the case and those without a parent on the case by examining relationship codes. If the case did not have a relationship code of “00” or “01” (parent or spouse), it was determined to be a “No Parent” case.⁵ If the case had at least one parent, we determined if the parent was exempt from VIEW due to disability by examining the status codes. Cases with a parent having a “V6” or “V7” status code were exempt from participating in VIEW.^{6,7} All other cases were considered not exempt from VIEW and were labeled as Not Disabled Parent cases. The case level monthly data were then combined to create a data file from 2000-2012.

Figure 6: Determination of TANF Case Types



⁵ Cases with a parent/spouse code and age 14 or younger were excluded from the analysis.

⁶ A “V6” code indicates “permanent incapacity” or disability and “V7” indicates “caring for disabled household member.”

⁷ We examined the number of cases where one parent was required to participate in VIEW (codes “VV”, “VR”, and “VA”) and another parent was disabled (codes “V6” and “V7”) for all three cohorts. The number of cases with both a participating and a disabled parent was approximately 3 percent of all disabled parent cases, and this result was consistent across all cohorts. Because the number of families with a participating and disabled parent was so small, we did not exclude them from the exempt from VIEW category.

The case type that occurred most often in the family's first six months of TANF receipt determined the family's case type for the length of stay and spell analysis. If a family had the same proportion of 2 case types, the earliest case type was used. If a family received TANF for fewer than six months, the case type was determined from the majority of the months.

Development of Cohorts – Cohorts were defined based on the first month of TANF receipt after examining TANF receipt history back to January 2000. For example, families in the 2008 cohort received TANF in at least one month during SFY 2008 and not any prior month back to January 2000.

Comparing Counts of No Parent and Child Only Cases – We examined the average monthly caseload for the “No Parent” and “One Parent, Disabled” case types for federal fiscal years 2000 to 2011. We compared the percentage of “No Parent” and “One Parent, Disabled” cases with the percentages from Table 5 of the Administration for Children and Families (ACF) Office of Family Assistance reports.⁸ The percentage of “No Parent” and “One Parent, Disabled” cases was slightly lower (about 3 percentage points) than the percentage of “No Adult Families” in the ACF report for the years with available data.

We also compared the average caseload to the VDSS Annual Statistical Report (ASR) Table “TANF Cases Without a Parent.” The ASR report estimates for cases without a parent were lower than the sum of “No Parent” and “One Parent, Disabled” cases. The ASR “Cases without a parent” estimate includes “No Parent” cases as well as cases where someone other than a parent is caring for a child. The ASR estimates use different status codes to determine the cases without a parent. Because of these differences the ASR estimates and percentages are not comparable to those in this report.

⁸ Table 5 “Temporary Assistance for Needy Families – Active Cases, Percent Distribution of TANF Families with No Adults by Number of Recipient Children” can be found at: <http://www.acf.hhs.gov/programs/ofa/character/>.