
***A Report Series of the
Work First New Jersey
Evaluation***

Work First New Jersey Evaluation

**Helping Working
Families After Welfare:
Access to New Jersey's
Support Services**

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EXECUTIVE SUMMARY

For the first five years, Work First New Jersey (WFNJ), New Jersey's Temporary Assistance for Needy Families (TANF) program, focused largely on enabling cash assistance recipients to find jobs and move off welfare. New Jersey has been successful in this endeavor; aided by a strong economy, many individuals have left welfare for employment. However, the WFNJ evaluation and other national studies demonstrate that success in encouraging clients to leave welfare for work does not ensure their steady participation in the labor force. Many people who leave welfare for employment do not achieve stability in their work, and they are not able to keep the initial jobs they find after leaving welfare. They may need continued assistance to support their families on their low incomes, as well as other services to help them succeed in the workplace or find new jobs in case of job loss. Although federal and state programs are available to help working parents who leave welfare become self-sufficient, many eligible families are not taking advantage of them. Policymakers in New Jersey have sought to determine why.

As part of its evaluation of WFNJ for the New Jersey Department of Human Services (NJ DHS), Mathematica Policy Research, Inc. (MPR) and its subcontractor, The Roper Group, conducted a study to learn more about families' access to, and participation in, programs designed to ease the transition from welfare to work.¹ In this report, we discuss programs supporting (1) families' basic needs, such as for food and health insurance; (2) parents' efforts to work, by providing child care, transportation, and income supplements; and (3) workers' efforts to keep their jobs and advance in their careers. We also discuss factors affecting clients' access to the programs and suggest options that may help increase access.

Most of the data for this report came from interviews of staff from welfare agencies, other agencies, and selected local organizations in nine counties conducted from August through October 2002. We also interviewed state administrators and staff. The interviews covered factors that might facilitate or hinder post-TANF families' access to programs designed to support them while they work. Other information sources were three group discussions with current and former TANF recipients to learn about their experiences with post-TANF programs, as well as data from other research studies and from state administrative records.

Overall, as of the time data were collected, we find that:

- ***Many post-TANF programs are available.*** New Jersey offers working post-TANF families several forms of additional support as they end their cash assistance. Some are long-standing programs. For example, New Jersey offers 24 months of transitional Medicaid and child care for families that become ineligible for TANF or Medicaid due to an increase in earnings. In

¹This is one of several studies of MPR's WFNJ evaluation. Other studies include a longitudinal study of TANF clients, a study of three New Jersey communities, and a study of early WFNJ implementation. Appendix A contains a list of evaluation reports.

addition, newer programs help smooth the transition to self-sufficiency. A state earned income tax credit (EITC) provides additional advantages to work. Other programs, such as the Career Advancement Voucher (CAV), the Supplemental Work Support (SWS) program, and the newly developed Individual Development Account (IDA) program, provide extra training and support.

- ***Participation in post-TANF programs is uneven.*** Working post-TANF families have a high participation rate in some programs, such as Medicaid. However, their participation rate in other programs, such as the CAV and SWS, is low.
- ***The reasons for nonparticipation are diverse.*** Some families decide that they do not need some or all of the benefits, and others might not know that benefits are available. Still others might decide that the requirements they must fulfill to participate outweigh the perceived benefits.
- ***Participation rates in support programs might increase if county welfare agencies (CWAs) adopt a broader mission.*** In most counties we visited, welfare agency administrators continue to focus on administering public assistance programs that help clients move into employment and off welfare before their time limits expire. They have not yet shifted their focus to the support programs that help former TANF recipients maintain economic self-sufficiency.

WHY STUDY ACCESS ISSUES IN POST-TANF SUPPORT PROGRAMS?

Many families have left welfare for employment since the passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). As of September 2002, the national welfare caseload had dropped 54 percent; New Jersey's caseload had dropped by 57 percent. Studies of welfare leavers have estimated that about three-quarters of families leaving welfare worked at some point during their first year off welfare, and that about 60 percent worked during the first quarter after exit (Acs and Loprest 2001). The WFNJ longitudinal study of TANF clients found that, about 53 months after entry onto TANF, 78 percent of the sample was no longer receiving TANF, and about two-thirds of the leavers were working (Wood et al. 2003a).

Although many former TANF parents have found jobs, many of them struggle to achieve financial independence. Many former TANF clients cycle in and out of several jobs over time (Acs and Loprest 2001; and Wood et al. 2003a). These parents may have low-wage jobs that do not provide health insurance and that offer little flexibility in work schedules. They may find that the costs of working (such as for child care and transportation) can quickly consume their wages, leaving little disposable income for basic needs. Indeed, studies of welfare leavers have found that between about one-fifth and one-third of TANF leavers return to welfare within one year after exit (Loprest 2002; Acs and Loprest 2001; and Dion and Pavetti 2000). In New Jersey, among those who exited in the first year after TANF receipt, 36 percent of clients had returned to TANF within 18 months of exiting (Wood et al. 2003b).

Despite signs that many working TANF leavers struggle financially, this group's use of support programs remains low. For example, WFNJ administrative data for 2002

indicate that, on average, 61 percent of families leaving TANF for employment received food stamps, and 33 percent received child care subsidies (Table 1).

Improved access could enhance some TANF leavers' chances of staying off cash assistance. Thus, policymakers and program administrators may want to understand why families do not participate so that they can change aspects of programs or program delivery to help these families access the services they need. However, although participation rates might increase as a result of these steps, increased participation should not be considered a goal in itself. Despite efforts to increase access, many families may still decide that they do not want to participate. Nonetheless, removing the barriers to participation might encourage families that need the most help to seek it during the transition from welfare to work and thus prevent their return to welfare.

WHAT POST-TANF SUPPORT PROGRAMS ARE AVAILABLE IN NEW JERSEY?

Most of the support programs available to New Jersey's low-income families who leave TANF target specific needs or specific populations. The programs differ in their history, visibility, and size. The federal government has created and retained authority over some programs, while state governments have developed other programs to meet the needs of their residents. In general, state programs are smaller and have shorter histories than do the large, long-standing federal programs, such as the Food Stamp Program (FSP) and Medicaid.

County	Percentage of Working TANF Leavers Receiving: ^a		
	Child Care	Food Stamps	Medicaid
Atlantic	41	55	93
Bergen	31	49	93
Camden	43	64	95
Cumberland	25	68	96
Essex	30	64	93
Hudson	31	66	96
Mercer	27	62	98
Monmouth	34	70	98
Passaic	29	64	97
All 21 Counties	33	61	95

Source: NJDHS administrative records; WFNJ performance measures calculated by Mathematica Policy Research, Inc. based on NJDHS administrative reports.

^a2002 annual averages are based on monthly data from January 2002 through November 2002.

For this report, we describe three types of support programs, based on their function. Although the distinctions among these categories are not clear-cut, they provide a useful framework for discussion. The three categories are (1) programs that support basic needs, (2) programs that encourage work, and (3) programs that promote job retention and advancement.

1. Programs That Provide Benefits to Help Families Meet Basic Human Needs

Some programs provide benefits that address families' basic needs. They do not provide benefits that directly or indirectly make it more feasible for individuals to work, however.

Food Stamp Program. The FSP is designed to supplement the food budgets of low-income households. The FSP is shaped largely by federal regulations. States may be able to modify the program to better meet their own goals, however, through options and waivers and by the way they administer the program. New Jersey has adopted several options and waivers that make it easier for households to receive food stamps. For example, certain New Jersey households now are required to report changes in income only when their income exceeds 130 percent of the federal poverty level (FPL).² In fall 2001, the state contracted with three community-based organizations (CBOs) to conduct outreach for the FSP. It also developed an informational video about the program to help clients understand the reporting requirements.

Medicaid. PRWORA delinked the Medicaid program and the new welfare cash benefit program, TANF. Under Aid to Families with Dependent Children (AFDC), the program that TANF replaced, families qualified automatically for Medicaid. Under PRWORA, Section 1931 of the Social Security Act was created establishing a new Medicaid eligibility category. Based on state AFDC eligibility standards in effect on July 16, 1996, Section 1931 required states to cover at least those families with incomes below the state's 1996 AFDC income limits, whether or not they receive cash assistance. New Jersey has focused considerable attention on the health care needs of low- and moderate-income children and families, expanding coverage and easing access for this population in significant ways (Bovbjerg and Ullman 2002). For example, through the NJ FamilyCare program, New Jersey provides coverage to children in families with incomes up to 350 percent of the FPL, the highest income eligibility standard in the country, and to adults with incomes up to 200 percent of the FPL.³ New Jersey also permits counties to accept applications for Medicaid programs by mail.

²Under this simplified reporting waiver, households with TANF or General Assistance recipients, able-bodied adults without dependents (ABAWDs), migrant or seasonal farmworkers, and elderly people are not covered.

³NJ FamilyCare is an expansion of New Jersey's State Children's Health Insurance Program (SCHIP). Through SCHIP, the federal government gave states the opportunity to provide medical coverage to other uninsured low-income children. As of June 15, 2002, adults could no longer apply for NJ FamilyCare coverage.

2. Programs That Can Reduce the Costs of Working and Increase the Financial Rewards

These programs encourage low-income wage-earners' work efforts in one of two ways. Some programs support work by helping low-income families pay for their work-related costs, such as child care and transportation. Other programs provide cash supplements to increase the rewards of work. They are available to New Jersey families from the federal and state EITCs and SWS benefits.

Child Care Subsidies. Since the implementation of welfare reform in 1997, New Jersey's child care subsidy program has been administered by 16 unified child care agencies (UCCAs), which are CBOs or units of government. Under contract to the state, the UCCAs also are responsible for providing resource and referral information to all families. TANF families qualify for a child care subsidy if they are working or participating in a work-related activity. Families that close their TANF cases because of earnings may be entitled to transitional child care, with a required co-payment, for up to 24 months, as long as they are employed. Former TANF clients exhausting their 24 months of transitional child care and other full-time employed workers whose family income does not exceed 200 percent of the FPL may qualify for the New Jersey Cares for Kids (NJCK) child care subsidy program for low-income families.

Transportation Supports. Several transportation support programs in New Jersey are available to help working TANF leavers with their commuting costs. If these workers are employed for at least 20 hours per week, they can receive a free bus pass for four months under the "Get a Job. Get a Ride!" and "Extended WorkPass" programs, and for three additional months at a discounted price (also under the Extended WorkPass program).⁴ In addition, several counties have used transportation block grant funds to extend public transportation routes, develop demand-response systems, and help post-TANF clients pay car-related expenses and purchase cars.

Supplemental Work Support Program. This state program was implemented in April 2001 to encourage employed TANF recipients to leave welfare. In return for voluntarily closing their case, the state provides families with a \$200 monthly stipend for up to 24 months, and these months do not count against the 60-month lifetime limit on TANF assistance. Those who voluntarily close their welfare case for SWS also are entitled to the full set of post-TANF supports. To receive the SWS stipend for all 24 months, clients must document their continued eligibility after 12 months.

Earned Income Tax Credits. EITCs were designed to reward work by giving low-income families a tax credit based on their earnings and number of children. The federal EITC credits are refundable, meaning that taxpayers with little or no tax liabilities receive their credit as a payment from the government.⁵ The size of the credit depends on the family's adjusted gross income (AGI); the maximum credit in 2002 was \$4,140. New Jersey introduced a refundable state EITC program in 2000 that covers families with qualifying children and whose AGI is less than \$20,000. However, to receive the state

⁴As of January 2003, working TANF leavers can receive a free bus pass for the full seven months of the Get a Job, Get a Ride! and Extended WorkPass programs.

⁵Although the federal credit is the Earned Income Credit (or EIC), we refer to it in this report as the EITC, the name often used to refer to this tax credit.

EITC, a family must claim its federal EITC credit, because the amount of the state credit is a percentage of the federal credit. In tax year 2003, the state credit was 20 percent of the federal EITC.⁶

3. Programs to Help Employed Workers Keep Their Jobs and Advance in Their Careers

The following programs offer job retention and advancement services to help former TANF recipients succeed in the workplace so that they can become long-term workers.

Career Advancement Vouchers. Since January 2001, New Jersey has been providing vouchers to cover the training costs of employed former TANF clients who want to improve their employment opportunities. The CAV, which provides training funds of up to \$4,000 directly to approved vendors, is available to former TANF recipients who have left welfare within the 12-month period preceding their application for a voucher and who have been employed for at least 4 consecutive months.^{7,8} According to county staff who administer the program, participants often use the vouchers for computer literacy or nursing training.

County Postemployment Programs. Five of the nine study counties have established postemployment programs that provide additional supports to clients transitioning from welfare to work. In several of these programs, case managers or job coaches help clients resolve problems at the worksite and at home. Several programs also provide additional financial support to help clients deal with emergencies or with ongoing work-related expenses.

WHY DO MORE ELIGIBLE FAMILIES NOT USE BENEFITS, AND WHAT MIGHT BE DONE TO INCREASE USE?

Eligible families may decide not to participate in support programs for a variety of reasons. In our discussions with staff from nine counties in 2002, we categorized reasons into four types: (1) state policy and procedural requirements, (2) local operations, (3) information flow, and (4) personal choice. To increase participation by eligible people, the state and the counties might consider addressing these factors.

For each category, we present ideas about actions the state and counties might consider taking to improving access. We observed some of these actions already occurring in some study counties. We learned about others in our research of other states' practices. Since the state's and counties' provision of these services is constantly changing, some of the options we suggest might already be implemented or have become

⁶The credit was phased in at 10 percent and increased each year. After tax year 2003, the credit remains 20 percent of the federal EITC.

⁷In April 2003, the state expanded eligibility to recipients who left welfare within a 24-month period preceding their CAV application.

⁸The state pays vendors, except community colleges, half the voucher at the beginning of the training and the rest after participants have completed their training. Community colleges receive the full voucher at the start of training.

more widespread. To the extent we can, we indicate where policies or practices have changed since our interviews.

1. State Policy and Procedural Requirements

Program policies and regulations are essential because they set the guidelines for achieving program goals. They also set standards for participation to ensure that resources go to the people a program is intended to serve. However, these policies and regulations can inadvertently discourage participation. Overly strict program eligibility requirements narrow the set of families eligible for services. Programs that have cumbersome application and redetermination processes may dissuade some eligible families from participating. Some eligible families might decide that the benefits of participating are not large enough or that they do not need the program's services or supports.

Changing program policies and procedures may make it easier for clients to access services. State and local agencies cannot initiate policy changes on every program. However, they can amend policies for the ones that they developed, and they can shape the federal programs in their jurisdictions through options and waivers allowed by the federal government, as well as through the way they administer the programs. The state and counties might consider the following strategies:⁹

- ***Expand program eligibility.*** Changing program eligibility requirements could lower hurdles clients must clear to participate. For example, the SWS program requires TANF recipients to work for at least an average of 20 hours per week to be eligible for the supplement. This requirement makes candidates ineligible if they work fewer hours, even if they earn just as much as some who work more than 20 hours. Similarly, requiring former TANF recipients to use the CAV within 12 months of exiting welfare may not be viable, given that working TANF leavers typically must learn to deal with pressing new responsibilities during that period. As a result, the state recently extended the period of eligibility to 24 months after leaving TANF.
- ***Simplify the application and redetermination processes.*** The state and counties also can make it easier for clients to enter and remain on post-TANF programs. Clients may find it easier to remain on food stamps if, as permitted in the federal law, counties require only one face-to-face meeting each year, as opposed to the current county policy of face-to-face meetings every six months. Similarly, counties that still require face-to-face interviews for Medicaid applications and redeterminations may wish to consider adopting the mail-in process that other counties are using. Counties also can avoid unnecessary and redundant requests for information to determine Medicaid eligibility by making full use of other sources of information, as allowed by federal Medicaid law.

⁹Appendix B lists the options presented in this report. The appendix also identifies some counties already implementing these options and provides county contact information.

- ***Change incentive structures.*** Changing incentive structures can improve access in several ways. First, it can encourage behaviors that can benefit clients. For example, an easy way to facilitate clients' access to many post-TANF services is to encourage them to inform their welfare worker that they have become employed. Many clients who leave TANF for work simply allow their TANF eligibility to lapse. Giving them a financial incentive for reporting employment-related changes that make them ineligible for TANF might change this behavior.¹⁰ In addition, providing access to programs that are popular with former clients, such as programs that provide loans toward the purchase of a car, might encourage more clients to report their earnings. Second, providing incentives to providers (for example, by increasing reimbursements for infant and toddler care) may increase the supply of needed services.
- ***Expand popular, effective programs.*** While utilization of several post-TANF programs, such as the SWS and CAV, has not met the state's expectations, the utilization rates of other programs, such as the car-related programs and the state's housing subsidy program, are high in some counties. The state might consider reassessing usage of the various programs and redirecting resources to those that clients seek out most.

2. Local Organization

The way that agencies administer programs and manage their staff could make it unnecessarily difficult for clients to access services, so that eligible people are dissuaded from seeking services. For example, the location of offices and co-location of programs can affect participation decisions. Families that have difficulty traveling to an agency's office because of its location or hours of operation may decide not to participate. Families also may be reluctant to seek services if office staff are inconsiderate. In addition, burdensome or confusing office procedures might dissuade families from participating.

- ***Improve customer service.*** The CWAs and their vendors have many options for improving clients' impressions of their agency. The agency can establish standards for how quickly staff must respond to clients. Both Camden and Essex counties have adopted this option with policies intended to reduce clients' wait time. Agencies also can designate a staff member to answer the telephone, rather than rely on an automated answering system. While most CWAs now extend office hours beyond their traditional business hours by at least one hour, further expanding or shifting of their office hours may ease pressures on employed parents. To make this possible, the state would need to work with the Office of Information and Technology to make the management information system (MIS) available after hours. CWAs also might follow Atlantic County's practice of offering a training program to raise staff's awareness of the need to treat clients like "customers."

¹⁰This type of incentive structure may require federal authorization or changes in the federal rules.

- ***Increase the number of convenient locations.*** Giving families more ways to access services may increase the number who use the services. Stationing CWA staff in locations other than the main welfare office is one possibility. At least two study counties take applications for programs at community locations, such as community centers and food banks. Making program applications available on county websites might encourage families to complete applications from home. In addition, more eligible people might take advantage of postemployment training if more counties used distance-learning technologies, and if the counties were to convince employers who hire former TANF recipients to provide training at job sites.
- ***Co-locate staff, when possible.*** When coordination between agencies is weak, one solution might be to place staff of different agencies in the same location. For example, co-locating UCCA staff at the welfare office might help to improve communications between the two agencies. In Hudson County, WFNJ case managers refer clients whose WFNJ activities have changed to on-site UCCA workers. If necessary, the CWA workers can expedite changes in clients' child care arrangements by walking the child care referral form down the hall to the UCCA worker (Rosenberg et al. 2000).
- ***Create a friendlier environment.*** Some counties have improved the appearance of their waiting rooms and interview areas. They have modified the layout of their offices to reduce the appearance of overcrowding, and, in some cases, have made interview areas quieter and more comfortable.
- ***Establish supportive organizational structures.*** The state and counties could establish inter- and intra-organizational structures to increase participation in post-TANF services. Making people accountable for services is a way of increasing the staff's focus on the services. For example, counties could designate units and staff to take responsibility for post-TANF programs, as Mercer County is doing. Likewise, regular meetings between organizations may facilitate the movement of clients between the organizations, as well as a more effective and efficient use of resources.

3. Information Flow

People will not use a service if they do not have any information about it or if they erroneously believe they are ineligible. Clients might not be learning about programs because of how information is communicated to them. The state has recognized the importance of informing clients about the array of post-TANF services. It mails an informational letter to clients two months after the clients have closed their TANF case and contracts with faith-based and community action agencies to conduct outreach. In addition to these activities, the state and counties might consider taking the following steps to disseminate information to clients:

- ***Train CWA staff.*** The state and the CWAs should make sure that welfare agency staff, especially those who have the most regular contact with TANF clients, are properly informed about the full array of post-TANF services. Properly informed staff may be better able to communicate about the full range of benefits that are available to post-TANF clients who are employed.

- ***Use entities and people who work with low-income families.*** Making sure that other organizations that work with former TANF clients (for example, CBOs, outreach vendors, WFNJ contractors, and other county agencies) have sufficient and accurate information about support services may increase the effectiveness of these organizations as communicators to people who need the services. Other entities and people also can help promote programs. For example, because child care providers have a stake in ensuring that families receive uninterrupted child care subsidies, UCCAs could work more closely with providers to encourage transitional child care clients to complete the paperwork necessary to receive NJCK. As another example, the state could promote the SWS program through meetings at which participants talk with potentially eligible clients about their experiences with the program.
- ***Use current technologies.*** The use of computer technologies may be another way to improve program access. State and county websites could be important sources of information for prospective applicants for government programs and for community agencies (or intermediaries) helping families access services (Richer 2003). Currently, the state and many counties provide information about programs in this way, but only Bergen County makes applications for programs available. As another example, the state and counties could make food stamp benefit calculators available to the public. Camden and Mercer counties are developing these calculators. If they are effective, other counties might consider using them, by providing them at the welfare office, installing them on their websites, or making them available to local CBOs.¹¹ Families that know the amount of food stamps they may be eligible to receive might become motivated to apply for the benefit.
- ***Prepare clear informational materials.*** In addition to the informational brochure it prepared, the state could develop simple brochures or posters that will quickly and clearly convey the programs' messages. For example, Bergen County welfare office staff believe that the large, simple signs advertising the SWS program, which were developed by the state, have attracted clients to the program.

4. Personal Choice

Some eligible families might choose to forgo benefits for personal reasons. They may decide that they do not need the services, believe a stigma is attached to participation, or feel that the costs of participating are too high. Although policymakers should respect the decision these families have made, they also might want to influence the families' choices, especially if participation in support programs could help more people achieve financial independence.

¹¹Mercer Street Friends and the Mercer County Board of Social Services jointly developed the Food Stamp Screening Tool (FSST). In June 2003, they donated the tool to NJDHS, which expanded and modified the tool, for use on the state website.

- **Revise the programs' marketing strategy.** As an example, marketing the FSP as a program that is separate from welfare might encourage additional eligible families to apply.¹² Similarly, some states, including New Jersey, successfully promote their Medicaid program as a program for children and working families (Pavetti et al. 2002).
- **Use off-site locations.** Locating a program, such as food stamps, somewhere other than in a welfare office might reduce the perception that the program is a welfare program. Similarly, the use of other application procedures, such as by Internet or mail, might encourage the participation of families that are embarrassed to visit welfare offices.

HOW CAN NEW JERSEY'S POST-TANF SERVICES BECOME MORE COMPREHENSIVE?

An effective, comprehensive post-TANF program provides clients with supports to meet the challenges they may encounter when they leave TANF. New Jersey has made great progress in this area, but its post-TANF programs are somewhat separate from each other. Thus, New Jersey's approach may not provide an easy path for clients who wish to learn about and access the various programs. These families might have to undertake a difficult search for a particular support program to meet their needs at a time when they also must learn how to adjust to the demands of their jobs. The combination of uneven levels of knowledge about post-TANF services and decisions to forego services might account for low participation rates in post-TANF support programs.

A comprehensive program that helps working TANF leavers in the transition from welfare to work might include three elements:

1. **Post-TANF Case Management.** One way to give clients the support they need is with case managers. Some clients may not need case management, so this service could target those identified as most in need of help to make the successful transition to work. However, identifying people who need case management services is difficult. Rangarajan (1998) provides some ideas on how to target services. For example, targeting could focus on people with particular characteristics, such as those in the lowest-paying jobs without fringe benefits, those with less than a high school diploma, or those with multiple barriers or risk characteristics. Alternatively, program administrators could target working TANF clients who had lost jobs within a few months of having been hired and former clients who return to the welfare office for services after having lost their jobs.
2. **Flexibility in Program Design.** Because the counties differ in geography, infrastructure, and resources, the needs of TANF clients are likely to differ across counties. Currently, the counties can develop postemployment

¹²The state initiated a food stamp media campaign in June 2003. Advertisements were placed on buses, shopping carts, and in newspapers with high African American and Hispanic readership. The campaign's slogan is, "Food Stamps Make New Jersey Strong. Every Day People Use Food Stamps Every Day."

programs using special initiative funds allocated by the state. These funds give counties some discretion in determining the appropriate target groups for services, the types of services needed, and the most appropriate organization to deliver services. However, these county postemployment programs are often small. Under this comprehensive postemployment program, counties could exercise more extensive use of this flexibility to create a larger scale program for more families.

3. *A Menu of Services.* The range of postemployment services could be considered a “menu” that covers all the services that support low-income families. While responsibility for the current post-TANF supports are often dispersed throughout the welfare agency, the postemployment program would provide an umbrella over the expanded menu of services. Program staff could then link clients to services to address any needs they may have to meet to sustain their lives off welfare.

Although there is no guarantee that a different kind of postemployment program will increase families’ access to post-TANF supports, or even that increased access will lead to increased use of these supports, a unified, comprehensive postemployment program may be both possible and advantageous. Giving counties more flexibility to design their postemployment programs may result in limited resources being used more efficiently and effectively. It might require redirecting the resources of discrete programs and the infusion of additional TANF resources to establish a new type of program that focuses resources where client need is most evident. We envision a program that provides important links between clients and existing supports, while tailoring services so that clients’ particular needs are met. A program offering individualized services that meet particular needs might do a better job of attracting clients than would separate programs providing services that clients might not want.

I

INTRODUCTION

For the first five years, Work First New Jersey (WFNJ), New Jersey's Temporary Assistance for Needy Families (TANF) program focused largely on enabling cash assistance recipients to find jobs and move off welfare. Evidence suggests that New Jersey has succeeded in this endeavor; with the aid of a strong economy, many individuals have left welfare for employment. However, the WFNJ evaluation and other national studies demonstrate that success in encouraging clients to leave welfare for work does not ensure their steady participation in the labor force. Many people who leave welfare for employment have not had stable work histories and are not able to keep the initial jobs they find after leaving welfare. They may need continued assistance to support their families on their low incomes and additional services to help them succeed in the workplace or find new jobs in case of job loss. In New Jersey, federal and state programs are available to help working parents who recently have left welfare care for their families and become self-sufficient. Several of these programs also provide support to other low-income families so that they can avoid the need for welfare benefits. Despite the availability of these programs, many eligible families are not taking advantage of them. Policymakers have sought to determine why such families do not participate.

As part of its evaluation of WFNJ for the New Jersey Department of Human Services (NJ DHS), Mathematica Policy Research, Inc. (MPR) and its subcontractor, The Roper Group, conducted a study to learn more about families' access to, and participation in, programs designed to ease their transition from welfare to work. (The text box on the following page provides more details on the five components of the WFNJ evaluation.) The post-TANF supports discussed in this report are those supporting (1) families' basic needs, such as for food and health insurance; (2) parents' efforts to work, by providing child care, transportation, and income supplements; and (3) workers' efforts to keep their jobs and advance in their careers. Throughout the report, we discuss factors affecting clients' access to these programs and suggest options that may help to increase access.

Overall, as of when data were collected in late 2002, we find that:

- ***Many post-TANF programs are available.*** In New Jersey, working post-TANF families can access a set of discrete programs designed to provide the workers and their families with additional support as they end their cash assistance. Some are long-standing programs. For example, New Jersey offers transitional Medicaid and child care for 24 months after an increase in earnings makes families ineligible for TANF or Medicaid. Newer programs

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- The *Client Study* is tracking a statewide sample of WFNJ families over a five-year period to establish what happens to them before and after they leave welfare. Focusing on clients who participated in WFNJ during its first 18 months of operation, this study is documenting the welfare receipt, employment levels, income, health, housing arrangements, and other indicators of WFNJ clients' general well-being and quality of life. It is identifying factors affecting individuals' success in moving from welfare to work and is documenting changes in these measures over time. The study uses three main types of data: (1) a series of five longitudinal surveys with a statewide sample of as many as 2,000 WFNJ clients, conducted at 12-month intervals; (2) information from state administrative data systems on a larger sample of 10,000 WFNJ clients, documenting such outcomes as their welfare receipt, employment levels, and earnings; and (3) three rounds of in-depth, in-person interviews with a subset of WFNJ clients, designed to gather more detailed, qualitative information about their lives. In addition, the study includes a survey of a more recent cohort of WFNJ clients, to examine how the characteristics and outcomes of clients have changed over time.
- The *Program Study* is exploring operational challenges and promising strategies for overcoming them, to help state and county staff identify and address key implementation issues. It is also helping the state develop performance indicators to guide program improvement efforts. The analysis draws on state administrative data and three rounds of site visits to a subset of the state's 21 counties. During these visits, site visitors interview a variety of county staff members, conduct case file reviews, and observe key program activities. Topics for rounds of data collection include (1) progress in WFNJ implementation, (2) working TANF leavers' access to post-TANF benefits, and (3) efforts to address TANF clients' employment barriers.
- The *Community Study* included case studies in three areas—Newark, Camden City, and Cumberland County—to understand local opportunities and challenges facing welfare reform. The case studies focused on the employment patterns and service needs of low-income parents, the jobs available in local labor markets, and the local institutional response to welfare reform. The analysis drew on a survey of low-income residents, an employer survey, and interviews with local service providers and other stakeholders.
- The *Child-Only Study* examined a statewide sample of New Jersey families receiving child-only TANF grants. Child-only TANF families are diverse and include those headed by nonparent caretakers (typically, grandparents), as well as those headed by parents who are ineligible for TANF because they are on Supplemental Security Income (SSI) or because of their immigration status. The study included a survey of more than 500 adult caretakers of children on these cases, supplemented by detailed qualitative interviews with a subsample of these cases and by an analysis of state administrative records data. The study focused on the characteristics and origins of these cases, as well as on the stability and economic security of these households.
- The *UI Study* analyzed how the unemployment insurance (UI) program functions as a safety net for TANF recipients who have exited welfare and found jobs. The study relied on administrative welfare records, UI earnings and claims data, and survey data for a subsample of WFNJ clients tracked by the Client Study who had left welfare and found jobs. The study calculated the proportion of these WFNJ clients who achieved monetary eligibility for UI benefits during the first few years after leaving welfare for work and how this proportion changed when eligibility rules were varied. The study also examined factors affecting nonmonetary eligibility, such as reasons for job separations. Finally, the study examined the actual use of UI benefits among these clients.

help smooth TANF clients' transition to self-sufficiency. A state earned income tax credit (EITC) reinforces the advantages of maintaining employment, and other programs, such as the Career Advancement Voucher (CAV) and the new Individual Development Account (IDA) program, are designed to provide extra training and support.

- ***The participation rate in post-TANF programs is uneven.*** Although a large percentage of working post-TANF families participate in some programs, such as Medicaid, their participation in others, such as the CAV and Supplemental Work Support (SWS) programs, is low.
- ***The reasons for nonparticipation are diverse.*** Our analysis of various support programs indicates there are several reasons why eligible families do not participate. Some families might decide that they do not need some or all of the benefits, and others might not know the benefits are available. Still others might decide that participation is not worth the effort to meet the requirements for participation.
- ***Participation rates in support programs might increase if county welfare agencies (CWAs) adopt a broader mission.*** In most counties we visited, welfare agency administrators continue to focus on managing and administering public assistance programs to help clients move off welfare and into employment before the clients' time limits expire. Their focus has not yet shifted to the support programs that help former TANF recipients maintain economic self-sufficiency.

Improved access to support programs could enhance some TANF leavers' chances of staying off cash assistance. Thus, the goal of this report is to identify the steps that the state and counties can take to ensure that post-TANF families have the necessary supports to make the successful transition from cash assistance to work. While participation rates might increase as a result of these steps, increased participation should not be considered a goal in itself. Despite efforts to increase access, many families may still decide that they do not want to participate. Nonetheless, removing the barriers to participation and refocusing some of the post-TANF support programs might encourage families that need the most help to seek it during their transition from welfare to work.

A. WIDESPREAD CONCERN ABOUT ELIGIBLE FAMILIES' NONPARTICIPATION IN SUPPORT SERVICES

The work first approach to welfare that accompanied the passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), in conjunction with a strong economy, moved many people off welfare to work. However, it also raised concerns among policymakers and advocates for the poor about the ability of working families to provide for themselves and for their families while earning low incomes. PRWORA also made TANF a time-limited program. As a result, states put more emphasis on programs to help former TANF recipients and other low-income workers so that they will not have to rely on welfare in the future. Services available to these families through federal and state programs include nutritional assistance through the Food Stamp Program (FSP), health insurance through the Medicaid program, child care subsidies, housing subsidies, and transportation services.

The new welfare rules and a strong economy led many TANF clients to obtain employment and subsequently to leave welfare. As of September 2002, the national welfare caseload had dropped 54 percent; in New Jersey, the caseload had dropped 57 percent.¹ Studies of welfare leavers have estimated that about three-quarters of families leaving welfare worked at some point during their first year off welfare and that about 60 percent worked during the first quarter after exit (Acs and Loprest 2001). In the WFNJ evaluation's longitudinal study of TANF clients, about 53 months after entry into TANF, 78 percent of the sample was no longer receiving cash assistance, and about two-thirds of the leavers were working (Wood et al. 2003a).

Although many former TANF parents are working, evidence also shows that many continue to struggle to maintain their jobs and to care for their families. Many former TANF clients are unable to sustain employment, so they cycle in and out of jobs (Acs and Loprest 2001; and Wood et al. 2003a). They tend to obtain low-paying jobs that offer no health insurance and little flexibility in work schedules. The costs of working (such as the costs of child care and transportation) can quickly consume these workers' wages, leaving little disposable income to provide for their families' basic needs (such as food, clothing, and shelter). Former clients, who may have had limited experience in the workforce, might face difficulties in their worksite that make it harder to balance work and family responsibilities. Indeed, studies of welfare leavers have found that between about one-fifth to one-third of TANF leavers return to welfare within one year after exit (Loprest 2002; Acs and Loprest 2001; and Dion and Pavetti 2000). In New Jersey, among those who exited in the first year after TANF receipt, 36 percent of clients had returned to TANF within 18 months of exiting (Wood et al. 2003b).

Benefits can help families overcome the difficulties they face during the first months and years off welfare. In addition to federal benefits programs, such as food stamps, Medicaid, and an EITC, a working post-TANF family in New Jersey may be eligible to receive an array of state-provided services, including a state EITC, CAVs, and child care subsidies and Medicaid extensions for as long as 24 months after TANF exit. The full set of benefits can add up to a substantial increase in the family's purchasing power. For example, in a given month, a New Jersey family of three with earnings that place it at the federal poverty level (FPL) (\$15,020) may be able to receive as much as \$366 in food stamp benefits (the maximum allotment), and receive federal and state income tax credits worth about \$405,² and pay reduced rates for child care.³ These benefits could increase the family's monthly income by as much as \$1,270.⁴ In addition, the families may obtain

¹Federal data are for the period from August 1996 through September 2002 (see Richer et al. [2002] for September data). New Jersey caseload data are for the period July 1997 through June 2002; the data are from state administrative records.

²In tax year 2001, the maximum federal earned income credit for a family of three raising two children was \$4,140. New Jersey's EITC was 17.5 percent of the federal credit in 2002.

³A family could save about \$500 in child care costs. This savings is estimated as follows: weekly reimbursement to a center for full-time care for a two-year-old child is \$131.00, which is equivalent to \$571 per month. A family of three with income at the FPL pays a monthly co-payment of \$71.

⁴These estimates use the maximum benefits allowed, so it is unlikely that a family would reap the full amount. Nevertheless, the estimates demonstrate the ability of supports to increase low-income families' incomes.

both free health insurance, through Medicaid, and subsidized commuting costs, through local transportation programs.

Despite the availability of these services, a review of state and local studies found former TANF clients participating, about 12 months after TANF exit, at an average rate of about 58 percent in Medicaid and 45 percent in the FSP (Dion and Pavetti 2000). Earnings data suggest that many nonparticipating families, given their low incomes, would be eligible for these programs. Results from seven welfare-to-work programs across 11 states showed that only 42 percent of welfare leavers, most of whom were eligible for food stamps, continued to receive them after leaving welfare (Miller et al. 2002).

Like eligible families nationwide, eligible families in New Jersey have low rates of use of support programs. For example, one study estimated New Jersey's 1999 food stamp participation rate at 56 percent, a decrease from 72 percent in 1995 (Schirm and Castner 2002). The WFNJ evaluation's study of a cohort of clients receiving TANF in 2000 estimated that about 55 percent of clients who left TANF and were eligible for food stamps were receiving food stamps. Just 47 percent of clients who had left TANF and were working and had a child under six were using a child care subsidy (Wood et al. 2003b). WFNJ administrative data for 2002 indicate that, on average, 61 percent of families leaving TANF for employment received food stamps, and 33 percent received child care subsidies.⁵

Policymakers and advocates for the poor have questioned why more families do not take advantage of benefits designed to help them sustain their employment and remain off welfare. Some frequently cited explanations for low levels of participation are (1) welfare agencies' failure to inform families about their eligibility, (2) the desire of post-TANF families to sever ties with the welfare agency because of bad experiences or stigma attached to participation in welfare programs, and (3) the willingness of families to forgo the benefit because of the ongoing burden of participating. If policymakers and program administrators can learn why families do not participate, they may be able to change aspects of programs or of program delivery to increase the participation of those who need the services.

B. STUDY DESIGN

This study explores the factors that prevent or dissuade eligible families from participating in the post-TANF services available in New Jersey. After consultation with NJDHS, MPR designed the current study to examine seven support services: food stamps, Medicaid, child care subsidy programs, transportation programs, the SWS program, the EITC, and the CAV. To a limited extent, we also explored issues related to the housing subsidy program and job retention programs.

This report presents a picture of what was happening in nine counties when data were collected in fall 2002. Since the state and counties are constantly adjusting policies and practices to better meet the needs of clients, some descriptions may not represent the current picture of state policies and county procedures. Where possible, we have noted where changes have occurred.

⁵Measures were calculated from NJDHS reports on WFNJ administrative data.

The study addresses the following questions:

- How do the state and counties distribute information about post-TANF supports to eligible families? How effective do these techniques appear to be?
- What factors affect families' access to these supports?
- How might the state and counties address factors that limit families' access to services?

The study questions focus on the set of post-TANF support programs offered to former welfare recipients in New Jersey who are working. However, because several of the programs extend eligibility to low-income workers who have not received cash assistance, we also explore the research questions in relation to those families' access to programs, where appropriate.

1. Study Counties

MPR and NJDHS selected nine counties for the study (Table I.1): Atlantic, Bergen, Camden, Cumberland, Essex, Hudson, Monmouth, Mercer, and Passaic. The nine counties were selected to achieve a mix of counties that:

County	TANF Caseload			Post-TANF Child Care	Post-TANF Food Stamps
	Number of All Cases ^a	Percentage of Caseload ^a	Percentage Change 7/97–12/02	2002 Annual Average ^b (Percentage)	2002 Annual Average ^b (Percentage)
Atlantic	1,412	3.6	–48.9	41	55
Bergen	804	2.1	–65.8	31	49
Camden	4,135	10.6	–61.4	43	64
Cumberland	1,244	3.2	–59.1	25	68
Essex	11,304	28.9	–54.1	30	64
Hudson	5,576	14.2	–61.6	31	66
Mercer	2,267	5.8	–45.7	27	62
Monmouth	1,517	3.9	–56.1	34	70
Passaic	3,018	7.7	–51.5	29	64
All 21 Counties	39,162	—	–57.5	33	61

Source: NJDHS administrative records; WFNJ performance measures calculated by Mathematica Policy Research, Inc. based on NJDHS administrative reports.

^aCaseload data are for December 2002.

^bData are based on monthly data from January 2002 through November 2002. Post-TANF use of child care and food stamps refers to use by all cases that closed for employment.

- Were implementing specific new or interesting strategies relating to the topic
- Have different participation rates in programs offering post-TANF benefits
- Have TANF caseload levels of different sizes

Eight of the counties had been studied previously during earlier rounds of the evaluation's Program and Community studies, so we began this study with substantial knowledge about them.

2. Data Collection Methods

We relied on three data sources: (1) interviews, (2) group discussions, and (3) quantitative and qualitative data collected for other research studies and from administrative records. Interviews with staff in state, county, and local agencies and private organizations involved in outreach for or implementation of these services and supports were our primary data source.⁶ Before conducting interviews with respondents in county agencies, we interviewed state administrators and staff to obtain background information about both the programs and the state's efforts to market them.

In each county, we conducted daylong visits to CWAs to interview administrators, supervisors, and line staff of the TANF, Medicaid, and Food Stamp programs. We also conducted follow-up interviews with staff, as necessary. After the visits, we conducted in-person or telephone interviews with staff from other agencies and organizations that have some role in marketing post-TANF programs or that may have insight into families' perceptions about these programs (see Table I.2). Research staff conducted visits and interviews from August 2002 through October 2002.

We also conducted three group discussions with TANF and post-TANF parents during summer 2002 to learn why parents use or do not use post-TANF benefits and services. The first group discussed the SWS program and parents' responses to the program. The two other groups discussed food stamps, CAVs, housing subsidies, the EITC, child care subsidies, and other programs.

Data from other research studies and administrative records also were used. Where appropriate, we have relied on quantitative data from New Jersey's TANF administrative records, WFNJ county performance measures, and relevant findings from the WFNJ evaluation's longitudinal study of TANF clients.⁷ We also used information collected during previous rounds of the WFNJ Program and Community studies and from studies on eligible families' participation in post-TANF programs that other researchers have conducted.

⁶Data collection and analyses for a second study on welfare clients' employment barriers and available strategies to address the barriers occurred concurrently in the same counties. For the most part, a different set of researchers collected information on each topic. However, when topics overlapped, researchers shared information across topics and conducted interviews jointly. An MPR report on clients' employment barriers is forthcoming.

⁷From the WFNJ longitudinal study of TANF clients, we rely mostly on two reports. One is on the experiences of an early cohort of clients about 53 months after their entry into TANF (Wood et al. 2003a). The second is a report comparing the experiences of this early cohort of clients to a later cohort of clients 18 months after their entry into TANF (Wood et al. 2003b).

TABLE I.2

TYPES OF COUNTY-LEVEL AGENCIES AND ORGANIZATIONS INTERVIEWED

CWA
 TANF units
 Medicaid units
 Food stamps units

County Employment and Training Agency

UCCAs

Child Care Providers

Outreach Vendors

Transportation Agencies

Advocacy Organizations

CWA = county welfare agency; UCCA = unified child care agency.

3. Analysis and Reporting Issues

Although we collected important data from our sources on issues that may affect eligible families' participation in support services, we did not have the resources to interview all staff or to observe either the operations of county welfare agency (CWA) units and staff or interactions between staff and clients. That additional information might have given us more insight into some of the issues affecting participation. In addition, we collected data from only 9 of New Jersey's 21 counties, so we might not be capturing all the challenges facing counties and all their interesting practices. Thus, our discussions with staff of agencies and organizations might not be fully representative of the experiences of other staff in the study or nonstudy counties. We believe, however, that our report provides a comprehensive analysis of the major issues affecting participation in many support programs in New Jersey.

Throughout this report, we provide suggestions for exploration. The effectiveness of these suggestions to improve families' access to services has not been proven. Some of the ideas come from strategies that some New Jersey counties already have initiated; others are taken from practices in other states. Attributing participation levels in post-TANF supports to county practices is often complicated by other factors, such as the quality of line staff, the support the counties receive from the state, and the relationship that the CWA has with other community organizations. In presenting the list of options, however, we hope to provide the state and counties with ideas for increasing access to, and use of, post-TANF services in New Jersey.

Moreover, we recognize that there are cost implications for the ideas we present. With New Jersey currently facing large budget deficits, options with major cost implications may not be tenable now. Thus, while we include some costlier options, many options we suggest in subsequent chapters involve changing operational practices of the state and counties. At the same time, we believe that prioritizing post-TANF

supports and access strategies may help strengthen the state's efforts to support former TANF clients in the workplace.

As noted above, this report reflects what was happening in the state and counties at the time of our site visits and interviews, most of which occurred in fall 2002. Because the provision of welfare service is constantly changing, we describe in the text or footnotes, to the extent possible, policy or procedural changes that have occurred since.

C. ORGANIZATION OF THE REPORT

Six chapters follow this introductory chapter. In Chapter II, we provide a framework for the discussion of access issues related to the various support programs. The chapter describes the different kinds of support programs and discusses why families might not enroll in them.

Chapters III through VI discuss the factors affecting New Jersey families' access to post-TANF services. Chapter III explores two important factors that can affect low-income families' access to the full set of support programs: (1) how counties provide the services, and (2) how clients become aware of them. It then suggests options for improving county practices and client awareness.⁸ The next three chapters explore access issues within three sets of support services: (1) basic needs supports (Chapter IV), (2) work supports that ease parents' work-related expenses (Chapter V), and (3) work supports that boost families' income (Chapter VI). In these three chapters, we present the issues affecting client access and discuss options for improving access to the support services.

Often, in our discussion of possible strategies in Chapters III through VI, we describe the practices of particular counties. Although other study and nonstudy counties may have implemented similar practices, we chose to highlight one or two counties for illustration. We do not mean to suggest that no other counties have adopted the strategy.

Finally, Chapter VII reports on New Jersey's job retention and advancement programs. The chapter also provides a framework for a state postemployment program that would focus on job retention and advancement and that would help link families with other support services.

⁸Appendix B lists the options presented in this report. The appendix also identifies some counties already implementing these options and provides county contact information.

II

AVAILABLE POST-TANF BENEFITS AND FACTORS AFFECTING THEIR USE

State and federal governments offer many support programs to ease TANF families' transition to work and to help them remain independent of welfare. These programs help former TANF clients who have difficulty managing in the workforce, and who struggle to provide for their families on their low wages, especially during the months immediately after their exit from TANF. The programs also can help prevent a return to cash assistance. For example, one study found that families that received support services during the first three months after leaving TANF were less likely to return to TANF than families that did not receive them (Loprest 2002). Some of these programs existed before the implementation of PRWORA; others were developed recently to help TANF clients achieve the independence that PRWORA aims to promote. To place our later discussion of issues affecting participation in New Jersey's post-TANF programs in context, in this chapter we (1) categorize the different types of support programs available to post-TANF and other low-income families (Section A), and (2) identify the factors that may affect eligible families' participation in these services (Section B).

A. SUPPORT PROGRAMS FOR POST-TANF RECIPIENTS

Support programs often target specific needs or populations. For example, some programs address families' health care needs or child care needs. These programs differ in their history, visibility, and size. The federal government has created and retained authority over some programs, while state governments also have developed programs to meet the needs of their residents. In general, state programs are smaller and have shorter histories than do large, long-standing federal programs, such as the FSP and Medicaid.

For this report, we have classified the support programs into three types, based on their function (Table II.1):

1. Programs that provide benefits to help families meet their basic human needs
2. Programs that soften the costs of working and increase the financial rewards of work
3. Programs designed to help employed workers keep their jobs and advance in their careers

Although the distinctions among these categories are not clear-cut, they provide a useful framework for discussing the types of support programs available. In the following section, we provide a general description of the different types of support programs; in the subsequent chapters, we provide additional information about the New Jersey support programs we studied.

TABLE II.1

SUPPORT PROGRAMS FOR POST-TANF FAMILIES

Type of Support Program	Support Programs
Basic Needs	Food stamps Medicaid SCHIP Section 8 vouchers Public housing Other housing vouchers/certificates
Work Support	Child care Transportation subsidy Shuttle service Vehicle repair expenses Earned income tax credits Child tax credit Wage subsidies
Job Retention, Job Advancement, and Reemployment	Training vouchers Employer-based training Job coaching Job search assistance Case management Training workshops

SCHIP = State Children's Health Insurance Program.

1. Programs That Support Basic Needs

Some support programs provide benefits that address families' basic needs. Unlike the other programs discussed in this report, these programs do not provide benefits that directly or indirectly make it possible for individuals to work. Furthermore, participation in these programs is not contingent on employment (although the FSP does have work requirements). Instead, the programs are designed to make it easier for low-income workers to manage without cash assistance.

Food. The FSP is the largest of the federal food assistance programs.¹ The FSP, enacted as a permanent program in 1964 and expanded nationally in 1974, supplements the food budgets of low-income households. Although the federal government sets FSP policy, including benefit levels, state and local government agencies administer the program. Eligible households include those consisting of able-bodied adults who have children living with them and whose (1) gross incomes do not exceed 130 percent of the FPL, (2) net incomes are no more than the FPL, and (3) assets do not exceed \$2,000. Participants in most states access their monthly benefits, which vary by

¹Others are the Special Supplemental Food Program for Women, Infants, and Children (WIC) for pregnant women and pre-school-age children and the free and reduced-price school lunch programs for school-age children.

household income and size, electronically through bankcards. Although PRWORA did not affect most food stamp households' eligibility for food stamps, it disqualified most resident aliens, mandated work activities for able-bodied adults without dependents, and provided coverage for only 3 months out of a 36-month period if these adults were not working 30 hours a week or participating in a work activity.²

Health. Since its enactment in 1965, Medicaid has been the primary medical assistance program for low-income individuals and families. Before PRWORA, families receiving assistance from the Aid to Families with Dependent Children (AFDC) program automatically qualified for Medicaid. The passage of PRWORA changed Medicaid and its relationship with AFDC/TANF in significant ways. First, PRWORA delinked Medicaid and AFDC/TANF. Instead, it established Section 1931 of the Social Security Act, a new eligibility category for low-income families with children based on rules and standards in effect under the states' AFDC plans as of July 16, 1996. Second, PRWORA extended Medicaid coverage for 6 to 12 months for families that lose their Section 1931 Medicaid eligibility because of earnings and extended coverage for 4 months for those that lose their coverage because of an increase in child support.³ Third, it covered children younger than age 6 and pregnant women whose family incomes are equal to or less than 133 percent of the FPL. Some states, including New Jersey, use state resources to expand medical assistance to some individuals and extend coverage to others not covered under the federal Medicaid program.

In 1997, with the passage of the State Children's Health Insurance Program (SCHIP), the federal government gave states the opportunity to provide medical coverage to other uninsured low-income children. SCHIP provides states with federal matching funds, up to an annual maximum, to expand their Medicaid program or to establish a separate program to cover uninsured children in families with incomes up to 200 percent of the FPL or higher. The federal government gave states that elected to establish a separate program broad discretion in designing their programs. In New Jersey, NJ FamilyCare provides coverage for children in families with incomes up to 350 percent of the FPL and for parents/caregivers with incomes up to 200 percent of the FPL.

Shelter. The primary methods for providing housing assistance to low-income families are through rent-subsidized public housing or through tenant-based vouchers and certificates for private market units (better known as Section 8). Both types of support can be accessed through local public housing agencies. New Jersey and other states also have used TANF money and other funding sources to develop housing certificate programs for specific populations, such as former TANF families.

²Some states, including New Jersey, provided food stamp coverage to some resident alien groups. The Food Stamp and Rural Investment Act of 2002 restored eligibility to several categories of legal immigrants.

³Before PRWORA, New Jersey, through a waiver, had provided Medicaid coverage for families for 24 months after leaving welfare because of earnings. The waiver permitted 12 additional months of coverage before Medicaid extension.

2. Programs That Encourage Work

Some programs are intended to encourage low-income wage-earners' work efforts. The programs do this in one of two ways. Some programs support work by helping low-income families pay for their work-related costs, such as child care and transportation. Without such assistance, some low-income families might not be able to remain in the workforce. Other programs support low-income workers through cash supplements that increase the rewards of work.

Child Care. The federal government provides states with funds to help low-income workers cover their child care costs. Since the passage of PRWORA, states receive these funds through a single block grant, which gives them substantial flexibility in designing child care programs. For example, states can choose the population that will receive assistance and have the option to assess a fee or co-payment in connection with child care assistance. New Jersey offers child care to TANF families, transitional child care for 24 months to families leaving TANF for work, and New Jersey Cares for Kids (NJCK) to other low-income working parents.

Transportation. State and local agencies use a mixture of funds to finance transportation programs for low-income families. States, including New Jersey, use TANF and other funds to provide former TANF recipients with free or subsidized bus passes. Federal Job Access Reverse Commute (JARC) and welfare-to-work funds can be used to support van, shuttle, minibus, and carpool services, as well as to subsidize the transportation expenses incurred by low-income families, including expenses for car purchases and repairs.⁴

Cash Supplements. Cash supplement programs support low-income workers' work efforts by increasing their incomes, usually through wage subsidies and tax credits. One such program is the EITC, which increases the value of work by giving low-income working families a tax credit based on their earnings and their family size. The federal tax credit first became available in 1975, when Congress enacted the program to offset the payroll tax and to increase the attractiveness of work for low-income families. Because the federal tax credit is refundable, low-income taxpayers with little or no tax liabilities receive their credit as a payment from the government. In addition, the 2001 tax bill amended the federal child tax credit to increase the credit and to make it refundable, thus increasing the refund that many low-income families could expect to receive. Recently, some states, including New Jersey, have implemented their own EITC programs.

Other types of programs also supplement working families' wages. For example, West Virginia used some of its Welfare-to-Work funds to subsidize the wages of hard-to-employ recipients who work at least 30 hours per week. New Jersey's SWS program provides a flat subsidy to TANF families that work at least 20 hours per week and agree to close their welfare case.

⁴Congress enacted JARC in 1998 to help low-income families get to jobs in the suburbs. Between 1998 and 2003, Congress authorized funding up to \$750 million to support JARC. The funds are distributed by the U.S. Department of Transportation as competitive grants to local agencies, nonprofit organizations, and transit authorities.

3. Programs That Support Job Retention and Advancement

TANF recipients who find jobs and leave cash assistance still may need help to keep their jobs, move ahead in their careers, or become reemployed if they lose a job. Programs are available to help these recipients succeed in the workplace so that they can become long-term workers. Job retention, career advancement, and reemployment services are three such programs.

Job Retention. Because job-related issues are likely to vary by the type of job and by each client's circumstances, client-oriented case management is the cornerstone of many programs designed to help clients navigate the workplace. Case managers work closely with their clients to help them overcome obstacles to continued employment. For example, in the Postemployment Services Demonstration (PESD), many case managers counseled clients on such issues as managing money and planning for child care and transportation emergencies (Rangarajan 1998). They also provided job assistance to clients who lost their jobs or wanted better ones, resolved issues relating to eligibility for benefit programs, referred clients to special services, and issued payments to cover temporary work-related expenses. As clients became more confident and more established in the workplace, the case managers gradually reduced the intensity and frequency of their contacts. Although there is no national or statewide program, several New Jersey counties provide job retention services to their former TANF recipients.

Career Advancement. Career advancement programs provide clients with additional education or training to improve their skills, and to increase their opportunities for job advancement. In some instances, employers operate the program at the worksite so that employees can advance within their place of employment. Other programs offer cash and noncash incentives to workers who reach certain employment duration benchmarks (Clymer et al. 2001). Other programs, such as New Jersey's CAV, provide vouchers that clients can use with any approved education or training provider.

Reemployment. Data suggest that former TANF recipients are likely to lose the first job they obtain after leaving welfare. Therefore, programs that help recipients obtain reemployment can be important. In some cases, reemployment services are offered to clients participating in job retention programs (Clymer et al. 2001). Clients also might access help in finding new jobs through the Workforce Investment Act (WIA) system.

B. WHY FAMILIES DO NOT USE BENEFITS

Understanding why eligible families do not enroll in one or more of these support programs is the critical first step in determining whether to increase participation and, if so, how. If families do not enroll because they are unaware of the services offered, then an obvious strategy to improve participation would be to increase the marketing of the services. Similarly, if families choose not to participate because of barriers inherent in the application process, then policymakers might consider removing those barriers. However, many eligible families do not participate because they do not believe they need the programs' services (Rangarajan and Wood 2000). Therefore, policymakers should not expect to reach participation levels of 100 percent. Nevertheless, by removing existing barriers to participation, policymakers may be able to help many struggling low-income families.

In this section, we describe the many reasons why eligible families may choose not to participate in support programs. We have organized our discussion of these reasons into four categories: (1) state policy and procedural requirements, (2) local operations, (3) information flow, and (4) personal choice. We recognize that some readers might disagree with our characterization of one or more access issues. However, we hope that the following discussion will increase the reader's understanding of the factors affecting families' participation decisions.

1. State Policy and Procedural Requirements

Program policies and regulations are essential because they set the guidelines for achieving program goals. They also set the standards for participation to ensure that resources go to those whom a program is intended to serve. When resources are tight, policymakers might also direct limited program resources to the most needy by restricting eligibility. These policies may make it difficult for some eligible families to participate. For example, people who work and those who have difficulty traveling may view the frequency of eligibility reviews as too onerous. Policies that require participants to provide documentation and verification, complete forms, respond to questions, or meet participation requirements, may deter some eligible families from participating. In a national survey, more than half the parents who initiated but did not complete the Medicaid application process cited the difficulty of obtaining the required documentation as a very important reason for not completing the application (Perry et al. 2000). Policies and regulations that conflict with those of other programs also may make it difficult for families to participate in all the programs.

State and local agencies cannot initiate policy changes on every support program. They can amend policies for programs they develop, but they cannot change policy for programs the federal government regulates. Even so, state and local agencies may be able to shape the federal programs in their jurisdictions through options and waivers allowed by the federal government, as well as through how they administer programs.

2. Local Operations

The way agencies administer programs and manage their staff could make it unnecessarily difficult for clients to access services. As a result, eligible clients may be dissuaded from seeking services because of what they must do to obtain them. For example, the location of offices and co-location of programs can affect participation decisions. The participation rate among families that have difficulty traveling to an agency's office may be lower than the rate for families that do not have that difficulty. Other families may refuse to visit offices in high-crime areas or that share facilities with programs that work with people who may present a security risk. Office location can even affect applicants. In a nonrepresentative study of Massachusetts's food stamp applicants and enrollees, three-fifths of the respondents indicated that office location affected their decision to participate (Kahan et al. 2002).

Some clients have not participated because of poor customer service (for example, inconsiderate staff and inconvenient office hours). One Medicaid study found that about 4 in 10 low-income families cited their concern about how they would be treated as an important factor in their decision not to enroll in Medicaid (Perry et al. 2000). One-quarter indicated that the inconvenience of the office hours was a very important factor.

3. Information Flow

People probably will not use a service if they do not have much information about it or if they erroneously believe they are ineligible. Evidence suggests that, although many people may have heard of the Medicaid and Food Stamp programs, their lack of understanding may explain why some eligible people do not apply for the programs' benefits. In two national studies, approximately 70 percent of eligible food stamp nonparticipants and nearly 60 percent of eligible Medicaid nonparticipants said they did not apply for the programs because they believed they were ineligible (Perry et al. 2000; and Ponza et al. 1999). In addition, nearly one-half the respondents in a Chicago study indicated that they did not know it was possible to receive Medicaid, food stamps, and child care subsidies after leaving TANF (McKean 2002).

4. Personal Choice

Some eligible families might choose to forgo benefits for personal reasons. They may decide that they do not need the services, believe a stigma is attached to participation, or believe the costs of participating are too high. In fact, some families eligible for a particular benefit believe that they do not need the extra support to provide for their families or to keep their jobs. In one study, for example, eight percent of the food stamp-eligible nonparticipants said they did not need the benefit (Ponza et al. 1999).

Many programs that help the needy may stigmatize those who use their services, thus contributing to people's reluctance to participate. Thirty-seven percent of the respondents in one national study of Medicaid nonparticipants indicated that they did not enroll in the program because they did not want their children to be viewed as Medicaid recipients (Perry et al. 2000). According to findings in a national study of FSP participation, 44 percent of eligible families believed stigma was associated with the receipt of food stamp benefits; nonparticipants were more likely than program participants to cite this belief (Ponza et al. 1999). However, feelings of stigma may deter fewer TANF leavers than other low-income families from receiving food stamps (Miller et al. 2002).

Families may have to expend their own resources to participate in many support programs. According to one study, the average out-of-pocket costs for food stamp participation were \$10.31 for application and \$5.84 for recertification (Ponza et al. 1999). Transportation to and from the office accounted for most of the costs. Time away from work is another cost of participating in support programs, especially for many low-income workers who do not receive paid vacations as a fringe benefit (McKean 2002). About 30 percent of people in Massachusetts who were screened over the telephone as eligible for food stamps said they did not apply because they lacked the time (Kahan et al. 2002). Families that weigh these costs against the expected benefit or support service may decide not to apply.

III

PROMOTING ACCESS BY IMPROVING OFFICE PRACTICES AND INCREASING CLIENT AWARENESS

Some post-TANF clients might not access services because of how the welfare office operates. Others may not know that services are available. Both of these factors are likely to affect many interactions between clients and their CWAs, as well as the degree to which clients use many of the support services described in Chapter II. Conversely, efforts to improve local operations and reach more eligible families may increase the use of services. Because other factors affecting clients' use of services, such as program policy and resource availability, are likely to differ for different programs, we discuss specific issues relating to individual programs' accessibility in subsequent chapters. In this chapter, we focus on the effect of the two broader factors, because they apply to every program.

A. ADDRESSING WELFARE OFFICE PRACTICES THAT IMPEDE ACCESS

Both how a welfare office operates and the behavior of its staff could affect TANF families' willingness to continue receiving services from the agency after they have become employed. Historically, welfare agencies did not emphasize services available to either clients who left welfare for work or other low-income workers. Instead, agency caseworkers focused on ensuring that recipients of cash benefits—the bulk of their caseload—were entitled to the benefits they were receiving and that the amount they did receive was correct. As a result, some office practices that have developed might not accommodate working families or the pressures they face.¹ For example, the welfare office's hours might conflict with parents' work hours. Furthermore, the attitudes of the office staff might reflect years of working with welfare clients and the perception that clients are unmotivated. These attitudes could lead parents trying to succeed in the workforce to sever their ties with the welfare office.

As the needs of families leaving welfare for work have received increased attention under the current time-limited welfare program, so have agency practices that affect these families' receipt of services. New Jersey has instituted some changes in welfare offices' practices to accommodate working parents. For example, the state has encouraged welfare offices to extend their office hours. Today, most county welfare offices are open for a few nonstandard hours to take applications for one or more programs.² For example, Camden County extends its Thursday office hours by one hour in the morning

¹Although these practices also might have a negative effect in a work first welfare program that requires families to work, we focus here on their effects on working families who have left welfare.

²CWAs in eight of the nine study counties have extended their office hours beyond the traditional 8:30 A.M. to 4:30 P.M. work hours at least one day per week.

and three hours in the evening.³ Some counties also provide customer service training to their welfare workers to improve their attitudes and working relationships with clients. Even so, a review of the practices in the nine counties in this study indicates that many welfare offices have not emphasized the delivery of services to working families.

Efforts have also been made to expedite the application process. Beginning in 1997, the state made the universal application process (UAP) available to counties. The UAP allows welfare staff to directly input required information for programs into the eligibility system. Thus, staff do not need to repeatedly collect the same information for different programs. As of our site visits, most counties were using the UAP but continued to complain about problems with the system. For example, workers said they lose all their work when the system crashes. In Passaic County, the Board of Social Services developed its own co-processing application system, called the Generic Unified Multiapplication Process (GUMP), which allows the agency to reduce time and redundancy when clients apply for more than one program. GUMP enables an agency worker to identify, during a single appointment, all the programs for which a client may be eligible. The worker uses a computer to process the application form and has the printer produce a copy, which the client is then able to sign. Bergen County also has developed its own management information system (MIS) to process applicants for multiple programs.

In particular, the three aspects of welfare offices that we discuss in this section may influence families to forego post-TANF services:

1. Agency practices that fail to accommodate the needs of working parents
2. Agency organizational structures that fail to emphasize post-TANF services
3. Poor image of welfare offices

In our discussion of options for improving the welfare office to increase working parents' access to support services, we highlight practices that several study counties have implemented or are implementing. Other study counties not cited may also be implementing these practices.

- ***Adjust Agency Practices to Accommodate Working Parents***

Many aspects of welfare agency operations are no longer appropriate in a welfare program that promotes work. Some of these traditional ways of doing business include holding regular in-person meetings at the welfare office to confirm eligibility, scheduling meetings during working hours, and forcing clients to endure long wait times to meet caseworkers. These practices reflect a welfare program that does not require cash assistance recipients to participate in work activities or to find work. Today, they work against employed parents who may find it difficult to take time away from their jobs, let alone spend long hours waiting for an appointment.

³The Camden CWA's regular office hours are from 8:30 A.M. to 4:30 P.M., and its extended Thursday office hours are from 7:30 A.M. to 7:30 P.M.

Further extend office hours. Many New Jersey CWAs have extended their office hours. However, some have added only a few additional hours, and others have not extended hours at all. For example, as of July 2002, the Essex CWA opens one hour early every day to take food stamp applications. It may extend this practice to the Medicaid program. Other offices are open late only one night per week and do not offer morning hours. To the extent possible, counties should be encouraged to further expand or shift their office hours to ease pressures on employed parents.⁴

Reduce the wait time for appointments. Some counties are trying to reduce the amount of time that clients must wait to see caseworkers. Camden County has a policy that requires a staff member to see a client within 30 minutes of the time the client enters the welfare office, if only to explain the reason for the delay. If a client is not seen within 30 minutes, then a supervisor is notified. Essex County established a goal of limiting the wait time to no longer than 45 minutes. Administrators and supervisors said they promote this goal with workers, focusing on new hires who, in general, are easier to motivate than long-term workers. In many counties, clients also must wait to see caseworkers even if they have come to the office only to drop off documentation. Mercer County now allows clients to drop off documents in its welfare office reception area.

Accept applications at community locations. Most CWAs operate at least one satellite office. However, sending staff to community locations, such as community centers and food banks, might attract eligible participants who find the locations more convenient or less threatening than the main welfare office. All counties out-station Medicaid staff in area hospitals. In some cases, outstationed workers are instructed to inform clients about other services and to accept applications for these services. Currently, some counties, including Bergen and Mercer, regularly send their workers to off-site locations to take applications, and conduct redeterminations for all programs.

Explore using the Internet for applications. As more application information is put on the Internet, low-income families and the community-based organizations (CBOs) that work on their behalf can use the Internet to begin the application process and, in some instances, to submit applications outside agencies' working hours or from their homes (Richer 2003). Currently, the state and many counties provide information about programs on their websites, although only Bergen County makes applications for programs available. Clients in Bergen County are able to download applications for the NJ FamilyCare Program and its Post-WFJ Wrap-Around Fund; however, clients must mail the applications to the county welfare office.⁵ Some states have extended the use of the Internet further. For example, the Commonwealth of Pennsylvania Application for Social Services allows applicants, providers, and community partners to use the Internet to screen for eligibility, and to download applications for health care coverage, food stamps, and TANF (Richer 2003).

⁴Two issues affect counties' ability to offer more extended office hours. First is the limited availability of the MIS beyond regular work hours. Second, the leases on some county welfare offices and union contracts may stipulate the hours of work.

⁵Bergen County's Post-WFJ Wrap-Around Fund helps working former TANF clients with emergency housing and car payments.

- ***Develop Units and Staff to Emphasize Post-TANF Services***

Welfare offices' organizational structures have failed to adapt to the new set of clients that the WFNJ program has created. In many cases, workers in ongoing TANF units deliver post-TANF services. Workers in these units are then responsible for their ongoing cases, former TANF clients' food stamp and Medicaid cases, CAVs, and the SWS program. These other responsibilities might limit their ability to focus on post-TANF services. In other county welfare offices, different units are responsible for different state-initiated programs, creating confusion among staff about who is responsible for which post-TANF service. Clients also may be confused about whom to contact about a particular service.

Establish units or staff dedicated to post-TANF services. Designating units or staff responsible for post-TANF programs would indicate that an agency considers these services a priority. Although income eligibility workers would continue to monitor the food stamp and Medicaid cases for post-TANF families, the designated workers or units would be responsible for the TANF leavers' smooth transition off welfare and their easy access to other supports. As an example, Mercer County has organized two special units in its management division to deal with post-TANF issues and to provide services to working families. Staff members in one unit, in addition to other responsibilities, ensure that the correct codes are entered into the MIS so that clients who are closing cases due to employment can receive supports, such as extended child care, transportation, and Medicaid benefits. The other unit is responsible for the CAV, housing, and transportation subsidy programs. Since this reorganization, the percentage of post-TANF families using supports has increased, suggesting that the focus on post-TANF supports has increased the use of these programs. In 2001, Mercer County's annual average participation rates in post-TANF food stamps and child care subsidy programs for families that left welfare for employment were 53 percent and 19 percent, respectively.⁶ Similar families participated at higher rates in 2002: 62 percent participated in food stamps, and 27 percent participated in child care subsidy programs.

Bergen and Essex counties also have designated one or more staff members to be responsible for helping post-TANF clients access support services. However, these staff typically have caseloads that include both ongoing TANF clients and post-TANF recipients. Administrators of counties that have not taken these steps acknowledge the benefit of dedicated post-TANF units or staff but contend that they lack resources to establish them.

- ***Improve the Image of the Welfare Office to Encourage Ongoing Use of Agency Services***

Given their previous, unpleasant experiences with the welfare office, many families may be eager to sever their ties after they leave welfare for work. Interviews with CWA workers and clients in New Jersey indicate that relationships between clients and CWA staff are often strained—clients generally do not like the way they are treated by welfare workers, and workers cite problems with clients. This situation creates an uncomfortable atmosphere at the welfare office (Rangarajan and Wood 2000; and Rosenberg et al.

⁶These data are from state administrative reports.

2000). Furthermore, the physical environment of many CWAs is uninviting. As families weigh the benefits of additional services against an ongoing relationship with the welfare office, they might choose to decline services. Developing off-site locations may be one way to influence this decision; improving families' experiences and perceptions of the welfare office and its staff is another way.

Provide customer service training for welfare staff. Several counties have begun to focus on the customer service training needs of their workers. For example, Atlantic County has implemented a training program to raise staff awareness about the importance of treating clients as if they were "customers." The CWA developed its own program and attempts to meet staff needs through customized training available on demand.

Improve the office environment. Creating a more pleasant setting in which to assist clients may persuade more families to continue to use the welfare office. Some counties have begun to improve the appearance of their waiting rooms and areas where clients are interviewed. Several counties have modified their welfare office layout to reduce the appearance and feeling of overcrowding. In some cases, they have made the areas in which clients are interviewed quieter and more comfortable.

B. IMPROVING AWARENESS AND UNDERSTANDING OF PROGRAMS

To decide whether to apply for the services available, families need to know about and understand them. To ensure that families are well informed about the benefits of working, welfare staff can promote post-TANF services while the families still are on welfare. However, although welfare staff and their vendors do discuss services with current clients, it appears that the clients do not always understand the message (Rosenberg et al. 2000). Welfare staff can also continue to inform families about their likely eligibility for benefits after the families have left TANF for work. However, since these families may have stopped receiving any services from the welfare office, outreach efforts may be difficult to implement successfully.

New Jersey initiated several efforts to inform former TANF families about available services. In early 2000, it began sending letters about post-TANF services and an accompanying brochure to cases that had been closed for two months. The state had developed the brochure, "Support for Working Families," to explain services available to families who left welfare for work and to other low-income working families. All TANF leavers receive the mailing, because some clients who do not report their employment might be eligible for services and because other nonworking families might be eligible for some services as well.⁷ The mailing informs workers that they can call a toll-free hotline manned by state workers to receive more information, and to be connected to county offices for particular services.

⁷Under the Post-TANF Referral Services Initiative, launched in 2000, "participants whose cases have closed for any reason (including sanction), not just earnings from employment, will be eligible for the Post-TANF Case Management Counseling Services (CMCS) and for transitional support services if they are working."

The state also contracts with 13 faith-based and community action agencies to reach out to former TANF families.⁸ Contractors are responsible for contacting all TANF cases that were closed for employment within the preceding three months, and that had not responded to the state's mailings. After contractors receive a list of case closings from the state, they send letters, the state's brochure, and, often, a brochure explaining their own program, to the closed cases. They follow up by telephoning families that do not respond to the letter, to explain the services. Finally, outreach workers visit the homes of families that do not respond to the letter, or that could not be reached by telephone. Contractors' staff often try to contact working families during the evening and on weekends either by telephone (often by using a company cell phone or a calling card for telephone calls made from their homes) or through home visits.

Despite these efforts, the low utilization rates of several post-TANF programs indicate that families still may be unaware of their eligibility for services. The following section explores two factors that may influence potential participants' knowledge about programs and presents some options for addressing them:

1. Welfare and other organization staff are not communicating information to clients effectively.
 2. Clients fail to report earnings.
- ***Improve the Ability of Welfare and Other Organizations to Communicate Information to Families***

Clients may obtain information about welfare and post-TANF programs from a variety of sources. They might hear about programs from their welfare caseworkers, local church or community organizations, or friends and families. Although it may be beneficial to have many ways to provide information to families, the information will be useful only if it is well communicated and accurate.

The welfare office is the most obvious source of information because welfare workers administer the programs and thus are the people most knowledgeable about them. However, welfare workers with large caseloads may not have enough time to regularly inform clients about post-TANF services (Rosenberg et al. 2000). In addition, in counties where clients have both an income maintenance worker and a case manager (or where different agencies perform these functions), income maintenance workers might not assume responsibility for informing clients about WFNJ activities and programs, including available post-TANF supports (Rosenberg et al. 2000). Because these workers usually meet more frequently with clients than do case managers, an important opportunity to inform clients about services is lost. Indeed, income maintenance staff in most of the nine study counties reported that they do not receive adequate training about post-TANF support services and, consequently, rarely talk with clients about the subject.

⁸This initiative is in its second year. Current contracts end at the end of the fiscal year, in September 2003. Each contractor covers a region in the state, so that all counties are served by one of the outreach contracts.

Local community organizations potentially are another important source of information for post-TANF workers. Because these organizations do not carry the burden of stigma that typically is associated with welfare agency interactions with clients, they may be effective promoters of post-TANF services. To be most helpful, community organizations, including the outreach contractors, should possess up-to-date information on services. However, several outreach vendors reported that they do not have enough information to effectively communicate with clients about all the post-TANF support services available. Indeed, welfare staff in several counties mentioned that the outreach vendors routinely refer families that are clearly ineligible for a particular support, or that already receive it. Except for one state-sponsored workshop, the outreach vendors do not receive any formal training about support programs. Consequently, the information they convey to clients consists primarily of the written material about benefits that they receive from the state.

Conduct training for CWA staff. Additional training for CWA and other county agency staff might help them better disseminate information. For example, training about different post-TANF supports would enable CWA workers to communicate better with clients about the full range of benefits available to employed post-TANF workers.⁹ This type of training might be particularly helpful to workers who are knowledgeable about only one program, such as Medicaid or food stamps. For example, a family that had been receiving only Medicaid benefits might be able to receive other information from its Medicaid worker, as well as a referral for additional needed services.

Disseminate information on post-TANF benefits to other relevant organizations. Providing accurate information about post-TANF supports to other organizations working with TANF and post-TANF clients (for example, CBOs, outreach vendors, WFNJ contractors, and other county agencies) would increase these organizations' ability to inform their clients about available services. Bergen County regularly sends informational flyers and brochures describing support services to CBOs. Organizations in other counties, however, may not be aware of the different government programs available to families. Several interviewed outreach vendors indicated that they would benefit from a state training program on post-TANF supports that (1) described the full range of available supports, (2) provided training about eligibility criteria and screening techniques, and (3) provided information about which CWA units were the appropriate ones for the different services.

Expand the use of state and county websites. In addition to providing applications online, state and county websites could be important sources of information for prospective applicants about government programs, as well as for community agencies (or intermediaries) helping families access these services (Richer 2003). Bergen County is the only one of the nine counties that provides detailed information on its website about its programs' eligibility requirements. The other counties' websites describe programs and provide telephone numbers that people may call to obtain additional information. The state's website offers general information about its programs; some information about eligibility for Medicaid, NJ FamilyCare, and TANF; and applications for NJ FamilyCare.

⁹In 2003, the state produced a video on post-TANF benefits to better inform county welfare workers, other organizations, and clients.

Develop information packets on post-TANF services. County welfare offices could do more to promote the services available to families when the families leave welfare. These services include those provided by the welfare agency and those provided by other organizations within the community. For example, for several years, Monmouth County has mailed a booklet to clients who have left welfare that lists support services available from organizations throughout the county.

- ***Encourage Clients to Report Their Earnings in Order to Attain Eligibility for Certain Services***

One barrier to receiving continued benefits and access to other post-TANF benefits may be the failure of clients to inform welfare workers that they are closing their TANF cases due to employment. The system will not approve families for continued benefits, such as transitional child care and Medicaid, unless a proper reason for case closure has been given. However, New Jersey does allow counties to subsequently change the explanation for the case closure for clients who initially fail to report their earnings when they close their cases. These families can then obtain available benefits, such as the rest of their 24 months of post-TANF child care. In addition to delaying the receipt of benefits, clients who do not formally close their cases due to employment lose the opportunity to have their caseworkers explain what benefits are available (Lurie 2001).

Indeed, many families do not report their earnings and simply fail to show up for their welfare redetermination. According to WFNJ administrative data for 2001, 31 percent of case closures were due to employment. However, according to the New Jersey Department of Labor's wage records, 52 percent of clients with TANF case closures had earnings during the first quarter after their case was closed.¹⁰ Similarly, state administrative reports on cases closed during the first quarter of 2002 show that 26 percent of the 9,077 closed cases were closed due to employment. Another 21 percent were closed because the client failed to keep the redetermination appointment or to provide verification information. Presumably, some of these clients were working when they left welfare.

Clients might have a couple of reasons for failing to report their earnings when they close their cases. Some clients might not see any benefit in providing this information to caseworkers. Other clients, who might have failed to report earnings while they were receiving TANF, might want to avoid having to repay their TANF benefits.

Encourage community organizations and contractors to stress the importance of reporting earnings. Outreach contractors, WFNJ vendors, and other CBO staff should be encouraged to inform families about the benefits of reporting their earnings. Vendors that provide work activities to WFNJ clients should be especially encouraged to let the county welfare office know when their clients become employed (Rosenberg et al. 2000).

Provide incentives to report earnings. Existing post-TANF supports do not appear to be a sufficient incentive for many clients to report their employment. Providing a bonus to TANF clients who find jobs might serve as such an incentive.¹¹ Providing other

¹⁰The data are from the performance measures developed by MPR for the WFNJ evaluation.

¹¹This type of incentive might require federal approval.

programs that are popular might encourage former clients to report their earnings to become eligible for these programs, thereby giving welfare staff an additional opportunity to connect the clients to additional supports. For example, administrators in Mercer County have found that the county's program to purchase cars for former recipients who are working has attracted strong interest. When former clients call about the program, welfare staff discuss other available supports.

Use wage records. The state and counties might consider using the New Jersey Department of Labor's wage record data or the New Hires Database, which was developed in accordance with PRWORA to help collect child support from noncustodial parents, to identify former TANF clients who are working. After these families have been identified, the state and counties can implement intensive outreach efforts, including home visits, to target them for services.

IV

ACCESS ISSUES AND STRATEGIES IN PROVIDING BASIC-NEEDS SUPPORTS

While receiving cash assistance, families often participate in other programs that also help them meet their basic needs. They are likely to receive help through the FSP to pay for food and through the Medicaid program to provide for their health care needs. Similarly, programs that provide rent-subsidized public housing or tenant-based vouchers can reduce their housing costs. Welfare recipients who leave TANF for work may remain eligible for these programs without having to return to cash assistance. Without these supports, former TANF parents who work in low-paying jobs with few benefits might not earn enough to meet the nutritional needs of their families, provide adequate health care for their families, or afford decent housing.

In this chapter, we explore why former TANF recipients might not continue to participate in the FSP (Section A) and the Medicaid Program (Section B). We also present options for improving their access to these programs. Finally, because many former TANF families need decent, affordable housing, we briefly examine access to NJDHS's housing subsidy program (Section C).

A. KEY ISSUES IN THE FOOD STAMP PROGRAM

Declines in FSP participation levels during the latter half of the 1990s have led to concerns that eligible nonparticipating households may have more food insecurity. Without the resources the FSP provides, these households might not be able to purchase enough food to prevent hunger. In New Jersey, participation levels fell from about 185,000 households in fiscal year 1998 to 147,000 households in fiscal year 2002.¹ Although part of the decline can be attributed to the strong economy of the 1990s, evidence points to other contributing factors, such as the effects of welfare reform and how the program is administered. To help states improve eligible families' access, the federal government allows states to use options and waivers to change how they administer their programs. This section briefly describes the FSP in New Jersey, then discusses other strategies that New Jersey and its counties may want to consider to increase access to the program.

1. The Food Stamp Program in New Jersey

The USDA's Food and Nutrition Service (FNS) delegates the administration of the FSP to the states. New Jersey has authorized the CWAs to administer the program. To apply for food stamps, households must complete an application and a face-to-face interview with CWA staff. In most counties, applicants apply for food stamps at the

¹Data are fiscal year monthly averages. Fiscal year data are from the U.S. Department of Agriculture (USDA) website (<http://www.fns.usda.gov/pd/fspmain.htm>).

CWA's main intake office or in a satellite office of the FSP. While a family is receiving TANF, the TANF welfare eligibility worker typically is responsible for the family's food stamp and Medicaid cases. After a family has left TANF for work, the welfare worker usually maintains these cases until the family has exhausted its transitional Medicaid. At that point, a non-public-assistance food stamp worker manages the case.

The FSP, including benefit levels, is shaped largely by the federal government. Despite this federal framework, however, the FSP can differ across states because of how different states administer the program, the different federal options and waivers they adopt, and other outreach efforts they undertake. New Jersey has adopted the following options and waivers that make it easier for households to receive food stamps:

- ***Easing Reporting Requirements.*** New Jersey requires certain households to report changes in income only if their income exceeds 130 percent of the FPL.² Previously, households were required to report changes in monthly income greater than \$25. This policy change substantially reduces the reporting burden on clients, especially those whose monthly income varies.
- ***Expanding Categorical Eligibility Coverage.*** Categorically eligible households are not subject to the FSP's income and asset tests. Under the Food Stamp Act of 2002, TANF and Supplemental Security Income households are categorically eligible for food stamps. In addition, New Jersey has extended categorical eligibility to households receiving benefits through the Early Employment Initiative program, post-TANF child care, Medicaid extension, Medicaid expansion, post-TANF case management services, post-TANF transportation services, SWS, CAVs, and the state EITC.³ By extending categorical eligibility to these groups, New Jersey extended food stamp coverage beyond the two-thirds of TANF leavers who remained financially eligible for food stamps (Rangarajan and Wood 2000).
- ***Replacing Food Stamp Vehicle Rules with TANF Vehicle Rules.*** New Jersey has opted to use the TANF vehicle rule, which has a higher exemption level than the food stamp vehicle rule (\$9,500 compared with \$4,650), thereby increasing the likelihood that a household would meet the asset test. Under this rule, a household leaving TANF could retain its food stamp coverage if the value of its vehicle were above the food stamp vehicle limit.

In addition to these regulatory changes, New Jersey has taken other actions to improve access. The state used a portion of the fine imposed by FNS for high error rates

²Under this simplified reporting waiver, households with TANF or General Assistance recipients, able-bodied adults without dependents (ABAWDs), migrant or seasonal farmworkers, and elderly people are not covered.

³Most of these programs are described in Chapter II. The Early Employment Initiative is New Jersey's formal diversion from the welfare program. (See Rosenberg et al. [2000] for more information on this program.)

from 1998 to 2000 to contract with three CBOs to conduct food stamp outreach.⁴ In addition to information dissemination, one CBO is training the staff of nongovernment organizations to help applicants complete and file their applications, while another is arranging with the county food stamp office to have a food stamp worker present to take applications during its outreach meetings. The state also commissioned an informational video on the FSP, which clients can watch while they are in the CWA waiting areas. Finally, the state has shortened its FSP application form.⁵ The state reduced the length of the form from 17 to 4 pages. As Hayes (2002) recommended, the shorter application form asks for basic information to initiate the application, with the rest of the information collected during the intake interview.

These strategies appear to have increased participation of clients who left TANF. The WFNJ client study estimated that about 70 percent of early TANF clients and later TANF clients who left TANF remained eligible for food stamps (Wood et al. 2003b). However, more of the later clients participated (55 versus 45 percent).

Participation levels are still low, however. In 1999, the participation rate in New Jersey was 56 percent, slightly less than the 57 percent participation rate in the nation as a whole (Schirm and Castner 2002).⁶ In 2002, TANF families who left welfare participated at an average rate of 38 percent, and families who reported leaving welfare for work participated at an average rate of 61 percent (Table IV.1). These findings raise questions about why families do not continue participating in the FSP after they leave TANF.

2. Options to Improve Access

Despite the state's efforts to increase the accessibility of food stamps, our examination suggests that several issues related to the delivery and perception of food stamps in New Jersey may impede access. These issues include:

1. Inaccurate information about the program's rules and regulations
2. Public attitudes about the program
3. Policies to freeze inactive Electronic Benefits Transfer (EBT) accounts
4. Difficulty and inconvenience in applying and maintaining eligibility for food stamps

⁴FNS can fine states with high food stamp error rates. However, it can also waive all or part of the fine if the state agrees to spend the waived fine on program improvements. New Jersey has reduced its error rates significantly. In 2001, the state received an award from FNS for having the greatest improvement among the Mid-Atlantic states.

⁵By June 2003, the state was issuing the shortened form to counties.

⁶New Jersey ranked 29th among the 50 states and the District of Columbia for its participation rate (Schirm and Castner 2002).

TABLE IV.1

PERCENTAGE OF FORMER TANF RECIPIENTS RECEIVING
FOOD STAMPS AFTER CASE CLOSURE
(2002 Annual Average)

County	Among Cases Closed Due to Employment	Among All Cases Closed
Atlantic	55	38
Bergen	49	31
Camden	64	42
Cumberland	68	51
Essex	64	35
Hudson	66	40
Mercer	62	45
Monmouth	70	48
Passaic	64	37
All 21 Counties	61	38

Source: NJDHS administrative reports.

After discussing each issue, we present options that may increase families' access to the FSP.

- ***Expanded Outreach and Marketing Might Improve the Accuracy of the Public's Information***

Consistent with a national study's findings (Ponza et al. 1999), many New Jersey CWA staff believe that the public, especially the elderly and working poor, have misconceptions about the FSP. According to many of these staff, some eligible households do not apply for food stamps because they believe that their income or ownership of a house or car makes them ineligible. Similarly, some households are thought to believe that two-parent families are ineligible for food stamps or that they are required to cooperate with child support enforcement. Although former food stamp recipients may be more knowledgeable than these groups about the FSP, there may still be gaps in their knowledge. For example, in New Jersey, nearly 3 out of 10 TANF leavers not receiving food stamps did not know that they could receive food stamps without TANF (Rangarajan and Wood 2000). Quint and Widom (2001) reported that the majority of TANF recipients thought that food stamps receipt was time limited.

Expand outreach to nonwelfare programs and organizations. Food stamp outreach efforts could include placing information and applications where people eligible for food stamps are likely to congregate or seek help.⁷ These areas may include unemployment insurance offices, one-stop centers, food pantries, local social services organizations, and Volunteer Income Tax Assistance (VITA) sites. Another possible way to reach families in need is through the schools. One food stamp outreach vendor has recruited local school districts to send an informational brochure about the FSP with its application for free and reduced-price lunches. The vendor also is working with school districts to have a box placed on the school lunch application form (similar to one that already exists for the Medicaid program) for parents to check if they want more information on food and nutrition programs.

Educate and work with staff from other programs. In general, people hear about food stamps from a variety of sources. For example, in New Jersey, nearly one-third of TANF leavers receiving food stamps reported hearing about the benefits from nonwelfare sources, such as staff of another agency or friends and relatives (Rangarajan and Wood 2000). Thus, in addition to disseminating printed materials, the state and the CWAs might interact more closely with organizations that work with families that are likely to be eligible for the FSP.⁸ Close working relationships with these organizations might ensure that the organizations both understand the program's rules and contact families that may be eligible for services. In Oklahoma, for example, the CBOs with which county welfare offices network are sources of referrals for county services and sources to which counties can refer clients for services that they themselves do not provide (U.S. Department of Agriculture 2000). New Jersey could explore other networking options. Since EITC recipients are categorically eligible for food stamps, the state might consider adding information on the program and its connection to EITC to the VITA volunteer training sessions. Some states also offer training to CBO staff on the FSP and on the application and recertification processes (Pavetti et al. 2002). This type of training may help shorten the intake process, because informed applicants are more likely to bring all necessary information to the food stamp office.

Distribute screening tools to other programs. CWAs may increase food stamp participation by developing and distributing screening devices that check whether former TANF recipients who are employed are eligible for food stamps. Rangarajan and Wood (2000) found that seven percent of food stamp-eligible TANF leavers did not apply because they were uncertain about their eligibility. Knowing that they may be eligible for food stamps may encourage households to apply for benefits. At least two CWAs are developing food stamp benefit calculator software to screen for potentially eligible households. The calculators are intended for different purposes. Mercer Street Friends and the Mercer County Board of Social Services (MCBOSS) jointly developed the Food

⁷As part of a state-initiated food stamp media campaign that began in June 2003, advertisements promoting the program will be placed on buses, on shopping carts, and in newspapers with high African American and Hispanic readership.

⁸Sometimes networking with local groups can be difficult. For example, after reading a report by a coalition of food banks that stated that many people eligible for food stamps were not receiving benefits, an administrator of one New Jersey county welfare office asked nine local food banks for referrals. Only two of the nine responded.

Stamp Screening Tool (FSST) to identify potentially eligible households and to provide them with estimated benefit levels. The calculator is intended for CBOs to use. The CWA in Camden County is developing software to use in its intake office to screen for eligibility for food stamps, Medicaid, and TANF. If these screening tools are effective, other counties may choose to use them in their welfare offices and to make them available to local CBOs. In addition, the counties might also consider placing a food stamp benefit calculator on their websites, as the U.S. Department of Agriculture (USDA) and a number of states already have done.⁹

- ***Counteract the Stigma Associated with the FSP***

The FSP suffers because of its association with welfare. Some working families may not want to feel stigmatized by approaching the welfare office for services. For example, one respondent noted that families often chose to apply for food stamps at a CBO office rather than at the welfare office across the hall. In addition, in a recent WFNJ survey, 10 percent of participating but eligible TANF leavers reported that they do not participate because of the stigma associated with food stamps (Wood et al. 2003b). Other former TANF families may not want to continue participating because of negative experiences they had at the welfare office. Chapter III discussed general options to improve customer service and relations; here, we mention two options that have particular relevance for the FSP.

Use off-site locations. Enabling people to apply for food stamps at locations other than the main welfare office may help sever the FSP's association with welfare. Several New Jersey counties regularly send eligibility workers to other locations, such as food banks, soup kitchens, and other CBOs, to take FSP applications and recertifications.

Revise the marketing strategy. Marketing the FSP as a program that is not a welfare program might encourage additional eligible families to apply.¹⁰ For example, states, including New Jersey, successfully have promoted their Medicaid program as a program for children and working families (Pavetti et al. 2002). Similarly, the USDA views the FSP as a nutrition insurance program and encourages states to adopt a similar message in their marketing campaigns (U.S. Department of Agriculture 2002).

- ***Lessen the Impact of Policies That Freeze Inactive EBT Accounts***

FSP regulations require food stamp agencies to freeze EBT accounts that are inactive for three or more months. This policy can hinder the efforts of small-benefit households to let their food stamp account accumulate before drawing down on it. Households can reactivate their inactive account by contacting the CWA, or, if their case is closed, by reapplying. However, families may not know why their account had been frozen or how to reactivate it.

⁹In June 2003, Mercer Street Friends and MCBOSSE donated the FSST, which is a downloadable spreadsheet, to NJDHS to allow statewide use. NJDHS then expanded and modified the FSST to fully reflect NJDHS eligibility criteria, and plans to post it on the NJDHS website.

¹⁰In June 2003, the state began to implement a media campaign to promote the food stamp program. With the slogan, "Food Stamps Make New Jersey Strong. Every Day People Use Food Stamps Every Day," the media campaign seeks to change peoples' perception that food stamps is a welfare program.

Increase clients' knowledge about EBT accounts. The state and counties may want to improve clients' knowledge about the EBT system and the process to reactivate frozen accounts. For example, they might want to promote clients' ability to bank benefits to increase their purchasing power, while stressing that clients must access the account at least once during a three-month period to avoid having to reactivate the EBT. The state also might consider tracking inactive accounts so that reminders can be mailed to clients when their account is about to close.

- ***Eliminate or Reduce Inconveniences Associated with Applying for and Maintaining Eligibility for Food Stamps***

The process for applying and maintaining eligibility for food stamps may deter some clients from participating. According to CWA and CBO staff and food stamp clients, some clients, especially those who qualify only for low benefit amounts, are distressed by the long application form, questions they regard as intrusive, and the requirement for frequent recertification. They are also distressed by the necessity of making multiple visits to distant offices, extended waits, and the presence of clients of other programs who may seem threatening. In group discussions, former TANF participants stated that small benefit amounts were not worth the effort the FSP required. Similarly, Ponza et al. (1999) found that seven percent of food stamp-eligible people were deterred by paperwork requirements, transportation issues, or small benefit amounts. They also found that about 15 percent of their respondents who were food stamp recipients were dissatisfied with the application and recertification processes. In New Jersey, those who were eligible but not participating in food stamps most often cited administrative hassles as the reason they were not participating (Wood et al. 2003b). About 22 percent reported that it was difficult to get to the office.

Minimize the number of face-to-face interviews. Except for hardship cases, where a food stamp worker is sent to the person's home, the CWAs in the nine study counties require a face-to-face meeting for each 6-month recertification, even though the FSP requires only one face-to-face meeting during a 12-month period.¹¹ Reducing the number of face-to-face meetings may make it easier for working families and for families reluctant to enter the welfare office because they are ashamed or afraid. However, the state has not been able to implement this policy because its management information system, Family Assistance Management Information System (FAMIS), cannot track the sequencing of the interviews. To effectively implement annual face-to-face recertifications, counties might need to implement a tracking system, or the state might need to add an additional field to FAMIS to track the annual appointments.

Use off-site locations and satellite offices. Families that have difficulty traveling to the welfare office may fail to make required appointments and to submit required documentation. Locating food stamp offices and staff in places other than the main welfare office may increase access to the program and reduce the FSP's association with welfare. Counties not already doing so should be encouraged to establish satellite offices or to outstation staff at other organizations.

¹¹The typical food stamp household is certified as being eligible for a six-month period.

Limit verification information to that required by the federal government. Concern about quality control errors may encourage counties and workers to adopt a broader definition of information than the one used by the federal government for verification. For example, one interviewed worker stated that she asks her clients for photo identification even though it is not required. By asking for more information than necessary, the worker adds to the client's participation costs. In addition, such requests could unnecessarily increase the application processing time. Arkansas has streamlined the process by discouraging case managers from the "anything questionable" approach to verification (Pavetti et al. 2002).

B. KEY ISSUES IN THE MEDICAID PROGRAM

In recent years, New Jersey has focused on the health care needs of low- and moderate-income children and families by expanding coverage and easing access for this population in significant ways (Bovbjerg and Ullman 2002). Through its Medicaid and expanded coverage programs, almost one million individuals, including children, their parents, and people who are aged, blind, or disabled, receive health insurance coverage. However, although New Jersey has extended coverage to many previously uninsured parents and children, our review of the counties' practices suggests that additional strategies may help close gaps that prevent post-TANF families from receiving continuous health insurance coverage.

1. Medicaid in New Jersey

In New Jersey, a family that leaves welfare for work can continue to receive health insurance coverage through the following programs:¹²

- **Section 1931 Medicaid.** Since the delinkage of Medicaid and TANF, families leaving TANF for work may continue to qualify for the basic Medicaid program if they meet income eligibility requirements and if their children are younger than 18.
- **Transitional Medicaid.** New Jersey provides for 24 months of additional fully subsidized Medicaid coverage for families with children younger than 18 who no longer are eligible for Section 1931 Medicaid due to earnings, regardless of the families' income. This coverage extends the 12 months of transitional coverage required under PRWORA.
- **NJ FamilyCare.** During the past five years, New Jersey has expanded eligibility to reach uninsured children and adults. In 1998, it used the federally matched SCHIP to expand eligibility for children.¹³ After the

¹²In the descriptions that follow, we focus on identifying the different eligibility criteria for the three programs. However, the programs also provide different services. For example, under NJ FamilyCare, depending on family income, some families might have to pay premiums and/or co-payments.

¹³In 1998, the state, through Medicaid expansion, extended coverage to uninsured children, born after September 30, 1983, up to age 19, in families with incomes up to 133 percent of the FPL. In 1998, the state extended SCHIP coverage to children in families with incomes up to 200 percent of the FPL, and, in 1999, up to 350 percent of the FPL.

passage of legislation in 2000 that further extended coverage to parents, pregnant women, and childless adults, NJ KidCare became the NJ FamilyCare program.¹⁴ However, the state tightened adult eligibility rules because of larger than expected levels of adult participation and subsequent budgetary pressures. As of June 15, 2002, parents no longer could enroll, but the program continued to cover previously enrolled adults.¹⁵ Currently, NJ FamilyCare provides coverage to approximately 160,000 adults and 92,000 children, including children in families with incomes up to 350 percent of the FPL, the highest income eligibility standard in the country, up to the June cutoff date. Some families pay a monthly premium based on their income.

A post-TANF family can move through these programs to receive continued health insurance coverage. Post-TANF families typically receive transitional health insurance when they leave TANF because of earnings. A family's Medicaid case stays with its TANF worker while the family remains on transitional Medicaid. After the 24 months of transitional Medicaid end, families can enroll their children in NJ FamilyCare. Maximus, a private company, processes applications for most NJ FamilyCare categories. In addition, all counties station Medicaid workers in hospitals to enroll eligible people in the Medicaid program.

After experiencing a low initial response to NJ KidCare, New Jersey began aggressively promoting the program in 1998, followed by aggressive promotion of NJ FamilyCare in 2001 (Bovbjerg and Ullman 2002). It launched a multimillion-dollar marketing effort to distance NJ FamilyCare from Medicaid by advertising the program without mentioning state involvement. It also enlisted community groups, day care centers, local health departments, federally qualified health centers, and schools in the promotion by paying a \$25 fee for each approved NJ KidCare application referred to the county welfare office or to the vendor. Other state agencies also cooperated. For example, the Department of Motor Vehicles inserted flyers into all driver's license and registration renewals, and the New Jersey Lottery inserted flyers into its plastic game cardholders. The application for the subsidized school lunch program asks whether the family would like information about health coverage. Businesses also were enlisted in the marketing effort. For example, Kmart Corporation and The TJX Companies, Inc. promoted enrollment in their stores, and about 125 McDonald's locations made applications available.¹⁶

¹⁴Parents with incomes of up to 200 of the FPL and with children eligible for Medicaid or non-Medicaid coverage initially were eligible for coverage. Childless adults with incomes up to 100 percent of the FPL also could receive state-funded coverage. NJ FamilyCare also provided coverage to pregnant women up to 200 percent of the FPL. Previously, pregnant women up to 180 percent of the FPL had been eligible for coverage.

¹⁵As of September 2001, NJ FamilyCare was closed to couples without children who were not eligible for WFNJ-GA. After June 15, 2002, parent applicants were only eligible for NJ FamilyCare coverage under Section 1931 provisions.

¹⁶New Jersey also promoted its Section 1931 Medicaid program during this period by mailing more than 52,000 letters to former welfare mothers who were likely to be eligible for the program, to encourage them to apply (Bovbjerg and Ullman 2002).

The state and some counties also made other efforts to ease the application process. To help working families who were unable to take time from work to apply for Medicaid, New Jersey allows applications and redetermination forms to be submitted by mail. The state also made it easier for children in families with incomes up to 200 percent of the FPL to qualify for SCHIP coverage by reducing the length of the uninsurance period from 12 months to 6 months and by allowing certain providers to presumptively enroll children in SCHIP pending final state approval.¹⁷ To improve Medicaid eligibility determination and to expedite the application process, some counties have developed their own computerized information systems.

Finally, concerns about slow application processing times for Medicaid led to “Building Bridges,” a 1999 pilot project supported by a grant from the Robert Wood Johnson Foundation to streamline the Medicaid enrollment, redetermination, and transition processes. The Division of Medical Assistance and Health Services (DMAHS), the state’s Medicaid agency, initiated the project to improve county procedures for moving clients from one medical insurance program to another. Detailed process maps of the enrollment, transition, and redetermination processes were created and then refined to streamline these processes and to make them more customer friendly. This initiative that focuses on customer service began in Monmouth County, one of the nine counties in this study. It has since been implemented by other counties.

These efforts most likely contributed to high program participation levels, at least relative to participation in the FSP. According to a 2002 report by the Kaiser Commission on Medicaid and the Uninsured, enrollment growth in New Jersey’s Medicaid programs began to increase during periods that largely preceded the current economic downturn (Ellis et al. 2002). In particular, enrollment increased during the latter half of the 1990s and then rose markedly in 2000 and 2001, by 8.3 percent and 11.0 percent, respectively.¹⁸ According to state administrative data, during 2002, an average of 62 percent of families that left TANF continued their Medicaid coverage, and 95 percent of families that left TANF for employment continued their Medicaid coverage through Section 1931 Medicaid or transitional Medicaid (Table IV.2).¹⁹

2. Options to Improve Access

The high post-TANF participation rates indicate that there are few gaps in post-TANF families’ access to continued health insurance. Indeed, most local welfare administrators and staff we interviewed have asserted that nearly all former TANF and other low-income families know about the available benefits. Similarly, a national study of low-income families’ awareness of Medicaid and SCHIP found that only nine percent of these families had not heard of either program (Kenney et al. 2001). Although we did

¹⁷The waiting period is designed to prevent SCHIP from “crowding out” (that is, replacing) private insurance coverage. The waiting period in New Jersey was halved for children who had had employer-sponsored coverage and was eliminated for children who had had individual coverage and for those who were involuntarily disenrolled by employers.

¹⁸Unemployment rates in New Jersey did not begin to rise until after March 2001.

¹⁹Participation did not change substantially from 2001 to 2002. Annual average participation rates in Medicaid for all cases closed and for cases closed for employment were 59 percent and 95 percent, respectively (data not shown).

TABLE IV.2
 PERCENTAGE OF FORMER TANF RECIPIENTS ENROLLED
 IN MEDICAID AFTER CASE CLOSURE
 (2002 Annual Average)

County	Among Cases Closed Due to Employment	Among All Cases Closed
Atlantic	93	60
Bergen	93	58
Camden	95	69
Cumberland	96	70
Essex	93	58
Hudson	96	54
Mercer	98	69
Monmouth	98	70
Passaic	97	62
All 21 Counties	95	62

Source: NJDHS administrative reports.

not uncover major access issues affecting the transition from TANF to post-TANF coverage, two factors may affect eligible families' continued health insurance coverage as they leave TANF:

1. Inefficient application and eligibility redetermination processes
2. Changes in NJ FamilyCare eligibility and the enrollment of children

In the following section, we discuss how these issues affect families' access to public health insurance and offer options for improving access.

- ***Improve the Efficiency of the Medicaid Application and Eligibility Redetermination Processes***

Clients who view the procedures they must follow to apply for or continue to receive Medicaid as too complicated or cumbersome might let their eligibility lapse. For example, working parents may be reluctant to apply for additional coverage if they have to apply for coverage in person. Even though these parents may not have the necessary time or flexibility to keep appointments at the welfare office, a few counties have chosen to continue to require clients to come to the office to complete Medicaid-only

applications and redeterminations. Parents participating in several programs (for example, in Medicaid and in the FSP) may become frustrated by duplicative requests for information. Other inefficiencies might result from poor communication among staff of the different Medicaid programs and from computer systems that do not provide enough support to CWA staff who manage and track Medicaid applicants and enrollees.

We suggest several ways to make the system more efficient. Although the effects of these actions on Medicaid enrollment are unclear, these improvements do appear to matter to applicants (Pavetti et al. 2002).

Encourage counties to use mail-in applications and redeterminations. Although mail-in applications and redeterminations are permitted, at least two of the study counties continue to require face-to-face interviews for Medicaid applicants and current Medicaid beneficiaries. One county reported that it experimented with mail-in applications and redeterminations but switched back to face-to-face interviews because of the low response rate. Given the advantages of mail-in redeterminations for working families, however, the state should encourage all counties to allow alternative methods for applications and redeterminations.

Use other sources when performing Medicaid redetermination. Counties can avoid unnecessary and repetitive requests for information that can add to burden and make it difficult for families to retain Medicaid coverage. Although the Medicaid program allows agencies to use information obtained from other sources in redeterminations, most Medicaid workers who assist non-TANF clients do not fully use these sources. For example, instead of obtaining information available from food stamp recertifications, they require clients to provide all information directly. In most counties, this is not an immediate problem because a client's TANF worker continues to handle the client's food stamp and Medicaid cases while the client receives transitional Medicaid. After this coverage ends, however, different workers handle the food stamp case and the Medicaid case.

Encourage efforts to streamline Medicaid processing. In several counties, Building Bridges has helped improve county staff's processing of Medicaid applications. Administrators in one county reported that the program has improved overall service delivery, because staff at all levels now work together to identify problems. Although Building Bridges might not be appropriate in all counties (one county administrator reported that the program was incompatible with the county's application processing system), all counties should be encouraged to identify weaknesses in their processes for taking applications, certifying applications, and tracking cases through the Medicaid system.

Promote the development of an MIS that facilitates application processing and client tracking. Administrators in all counties voiced frustration with the current Medicaid MIS. They complained that the system does not adequately track Medicaid participants and does not link with other support programs. Although Building Bridges is intended to ease this difficulty, two counties have independently developed software programs to address the limitations of the current Medicaid MIS. Bergen County's MIS permits workers to track clients' status in the system and their progress through it. Passaic County's system permits workers to determine all programs for which an individual might be eligible when the individual applies for any of its programs.

- ***Stress Ongoing NJ FamilyCare Benefits for Adults and Children***

The change in NJ FamilyCare eligibility requirements, which eliminated new adult clients, may lead to fewer new child enrollees and loss of coverage for current adult enrollees. Some county officials believe that extending eligibility to parents led to the large expansion in NJ FamilyCare during the past two years. They fear that parents will be less likely to enroll their children because they themselves no longer are eligible. In addition, county staff worry that currently covered adults may not follow through with requirements for continued coverage (they must submit a renewal application and all supporting documentation) and thus will lose their eligibility. Adults who lose coverage cannot reenroll at a later time because the program does not accept new adult enrollees.

Implement procedures to remind clients about NJ FamilyCare when they lose transitional Medicaid coverage. Camden and Passaic counties have used additional resources to remind clients that they must apply for NJ FamilyCare if they wish to continue coverage for their children after the end of the Medicaid extension period. Camden County mails a NJ FamilyCare application packet to clients four months before the extension end date to remind them of the application requirement. In Passaic County, a special three-person Medicaid Unit sends a notice to clients two months before the end date.

Expand notification efforts to adults due for redetermination. The state and counties should stress to current adult enrollees the importance of following through with redetermination procedures. For example, counties may want to begin notifying parents of the deadline several months in advance.

C. HOUSING ISSUES

Housing issues can affect families' efforts to achieve self-sufficiency. In New Jersey, as elsewhere in the country, many low-income parents worry about finding and paying for decent housing for their families. Employed former TANF recipients and other low-income individuals who are unable to secure and maintain a decent place to live may spend much of their time searching for housing. They also might move frequently as they try to find a stable housing situation. These factors might cause parents to lose their jobs (1) because the parents must take too much time off from work to search for housing, or (2) because their job is inaccessible from their new home. In addition, family mobility makes it difficult for county agencies to contact families about benefits.

Although the original focus of this study did not include housing issues, many people we interviewed mentioned housing as a critical need for many of their families. The need for decent, affordable housing is especially critical in New Jersey's wealthier counties, where rental rates are beyond the financial reach of many low-income families. Although other housing assistance programs help low-income families with their housing needs, we briefly describe the NJDHS housing subsidy program, which targets current and former TANF clients who work.

The state designed the housing subsidy program to meet some of the demand for affordable housing. NJDHS set aside \$5 million of maintenance of effort (MOE) funds

to implement the housing subsidy program in January 2001; the program ended in June 2003.^{20,21} The program offered rental assistance to families for up to 24 months and a one-time payment of their security deposit, moving expenses, and utility connection.²² To be eligible for this program, families had to meet the following requirements:

1. They had to have closed their welfare case within the preceding six months and be employed. (Alternatively, they had to have had employment for at least 20 hours per week for the preceding four months and agree to close their TANF case.)
2. They had to have earned income of up to 150 percent of the FPL during the first year.
3. They had to have spent 40 percent or more of their household income on rent.

As of October 2002, counties had approved 424 rental subsidies at an average of \$266 per subsidy.²³

- ***Improve the Promotion and Processing of Applications for the NJDHS Housing Subsidy Program***

Families responded to the program unevenly, and a major reason may be differences in how counties administered the program. For example, Mercer County allocated most of the funds it had received for the initiative by summer 2002. As of October 2002, the county had approved 62 subsidies averaging \$298 and had placed about 80 families on the waiting list for future housing subsidies. In Essex County, 90 subsidies averaging \$285 were approved by October 2002. However, several other counties approved only a few vouchers, suggesting that these counties were not able to effectively promote the program. As a result, the state reallocated the remaining funds so that counties that had demonstrated success with the program could issue more subsidies, and counties with less success would have fewer unspent funds. We provide the following suggestion for how counties could more effectively administer the program if a similar program is funded in the future.

²⁰Initially, the initiative was not implemented in several areas, including Newark, Bergen County, and Monmouth County, because their public housing authorities received other housing vouchers. However, given the demand in Newark and Monmouth County, NJDHS subsequently allocated housing subsidy funds there.

²¹MOE funds are the minimum level of state funds that states are required to spend to continue to receive their federal TANF block grant. MOE funds can be used more flexibly than the federal TANF dollars.

²²The rental subsidy was the fair market rent for the county or the actual rent, whichever was less, minus 40 percent of the family's monthly income.

²³The data are from a state administrative report about the housing subsidy program.

Dedicate staff to the program. Where administrators assigned staff or units to promote and administer the housing subsidy program, such as in Essex and Mercer counties, interest in the program appears to be high. As described in Chapter III, dedicating staff to a particular post-TANF program or set of programs helps focus attention on those supports. This strategy also provides clients with a clear point of access to a program.

V

IMPROVING ACCESS TO WORK-RELATED SUPPORTS

Working TANF leavers might need help obtaining and paying for work-related supports. Families might have difficulty keeping jobs without help with child care, for example, or with safe, reliable, affordable transportation to and from work. In a survey of employers in four metropolitan areas, employers reported that the most frequent cause of welfare recipients' absenteeism were problems with child care (64 percent) and with transportation (41 percent) (Holzer and Wissoker 2001). Presumably, these problems extend to when recipients leave cash assistance for work.

New Jersey offers several supports that directly affect the ability of low-income parents to keep their jobs. The state offers (1) child care subsidy programs that enable families to find and pay for child care providers; (2) transportation programs that provide options for the job commute; and (3) a direct work support that provides benefits to help pay for a worker's initial job expenses, such as clothing, tools, and licenses. TANF clients can receive a lifetime maximum of \$500 toward these expenses. Many counties also provide working TANF and former TANF clients with work-appropriate clothing through boutiques stocked with donated clothing. In this chapter, we focus on New Jersey's child care subsidy and transportation programs, the state's major work-related programs for low-income workers.

A. KEY ISSUES IN CHILD CARE SUBSIDY PROGRAMS

Affordable, available, reliable child care enables working families, especially low-income families, to work and to maintain their employment. Parents will not enter the workforce without having a place they trust to leave their children. Many low-income families have relatives care for their children, but that child care option is not always reliable (Rangarajan and Wood 2000; and Schumacher and Greenberg 1999). However, the cost of formal child care is high and might be out of reach for low-income families. In New Jersey, the annual cost of child care for a four-year-old child in 2000 ranged from \$4,000 to \$6,000, which would represent an average of 18 percent of income for a family of three with an income of 200 percent of the FPL (Association for Children of New Jersey 2000). Subsidies clearly can defray families' child care expenses. For example, the average weekly costs of child care for WFNJ clients not using child care subsidies was double the cost paid by families using the child care subsidies (Wood et al. 2003b).

1. New Jersey's Child Care Subsidy Programs

Child Care subsidy programs provide referrals for child care and pay a portion of child care costs for low-income families.¹ In New Jersey, low-income families can access three child care subsidy programs, depending on their income and welfare status:

1. **TANF Child Care.** Families that receive TANF and participate in WFNJ activities are eligible to receive free child care. Depending on their income, working TANF families might have to cover a co-payment for the child care.
2. **Transitional Child Care.** Families that close their TANF case due to earnings may be entitled to transitional child care for up to 24 months, as long as they are employed. Families receiving transitional child care are assessed a co-payment based on their earnings, family size, number of children in care, and hours of care needed. Although parents must report changes in their income or employment while receiving the subsidy, families' continued eligibility for the subsidy is reassessed only after 12 months.
3. **New Jersey Cares for Kids.** All low-income families who meet the criteria are eligible for New Jersey's low-income child care subsidy program, New Jersey Cares for Kids (NJCK). NJCK eligibility criteria are (1) acceptance of or maintenance of full-time employment dependent on child care, and (2) family income at or below 200 percent of the FPL. Families enrolled in the subsidy program maintain their eligibility until they reach 250 percent of the FPL. Using the same criteria as for transitional child care, NJCK families are assessed a co-payment, and, as with transitional child care, they must report changes in income or work and have redetermination of eligibility every 12 months. Employed former TANF families completing their 24 months of transitional child care and meeting NJCK eligibility requirements can continue to receive child care subsidies without being placed on a waiting list for NJCK.²

With the advent of welfare reform in 1997, New Jersey awarded responsibility for the administration of the child care subsidy system to unified child care agencies (UCCAs), which are CBOs or units of local government. Under annual contracts to the state, UCCAs provide resource and referral information to all families and administer the child care subsidy programs. Sixteen organizations serve as UCCAs, each administering the subsidy programs in one or more of the state's 21 counties. After having been approved for TANF and designated for an activity in the On-Line Management of Economic Goals Achievement (OMEGA) system, part of the state's MIS, a parent contacts the UCCA worker, by telephone or in person, to receive referrals for child care

¹All subsidy programs provide child care to infants, pre-school-age children, school-age children younger than age 13, and special-needs children younger than age 19.

²For contract year 2002-2003, NJDHS created a post-transition child care funding category to ensure that families who complete their 24 months of transitional child care and are eligible for NJCK continue to receive subsidies. In this way, the families are able to bypass placement on the NJCK waiting list. According to state records, as of December 12, 2002, almost 10,000 children were on the waiting list for NJCK child care subsidies.

providers. The UCCA may make the referrals based on a form from the welfare office authorizing child care. When no form is present, the UCCA worker may check OMEGA to determine the parent's eligibility for service. The UCCA then enters into an agreement with the client and with the selected provider. As long as families receive TANF, staff from the UCCA and the welfare office work together to ensure that the parent participates in work activities and has made arrangements for child care.

A TANF family that leaves welfare due to earnings can maintain child care subsidies fairly easily until the family's income exceeds eligibility requirements or until the children age out of the system. Little is required of the client to enroll in the transitional child care program other than providing the welfare office with proof of employment. A client who does not change child care providers does not even need to inform the UCCA that she is leaving welfare for employment; the system notifies the UCCA about the client's changed status. To receive an NJCK voucher, the former TANF recipient must submit a two-page application for the NJCK program and an agreement for services with a child care provider before the transitional child care subsidy has ended.³

Despite the apparent ease with which families can access child care subsidies, some families eligible for the TANF and post-TANF programs do not participate. According to state administrative reports, in July 2002, about 63 percent of TANF cases meeting the federal participation requirements used the child care subsidy.⁴ Only 33 percent of families leaving TANF in 2002 due to earnings received transitional child care (Table V.1).⁵ However, the WFNJ client study indicated that more later TANF clients who are off TANF and working are receiving child care subsidies than earlier clients, possibly because of state and county efforts to better reach eligible clients (Wood et al. 2003b). Some families may simply decide that they do not want the subsidies. Among the earlier TANF clients, 20 percent of employed former WFNJ clients with children younger than age 6 reported that they were aware of the child care benefits but did not need or want help (Rangarajan and Wood 2000). The state and counties may not find it appropriate or possible to increase this group's use of child care subsidies, but other families might confront problems or issues that do affect their participation.

2. Strategies to Improve Access

Through our analysis, we have identified five factors that may affect eligible families' access to, and use of, New Jersey's child care subsidy programs:

³Other low-income families in New Jersey face a similar application process, but not all families eligible under federal guidelines can receive services. The state's maximum income eligibility level is lower than would be allowed under federal regulations. Federal law sets the income eligibility ceiling at 85 percent of the state median income, but New Jersey sets its ceiling at 200 percent of the FPL. In 2000, the federal ceiling would have set the income eligibility for a family of three at \$48,077, but the New Jersey cutoff was \$28,300 (Schulman 2001).

⁴These data are from the NJDHS Division of Family Development's report on program statistics as of July 2002.

⁵New Jersey's utilization rate for post-TANF child care is consistent with rates found in other states. In their review of studies of leavers, Schumacher and Greenberg (1999) found that most study sites had a post-TANF child care utilization rate of 30 percent or less.

TABLE V.1
 PERCENTAGE OF POST-TANF FAMILIES USING
 TRANSITIONAL CHILD CARE
 (Annual Averages)

County	2001	2002
Atlantic	27	41
Bergen	27	31
Camden	37	43
Cumberland	28	25
Essex	23	30
Hudson	30	31
Mercer	19	27
Monmouth	40	34
Passaic	25	29
All 21 Counties	29	33

Source: NJDHS administrative reports.

Note: Data are for all clients closing their TANF case for employment earnings.

1. Limited client access to UCCA staff.
2. Weak coordination between the CWA and the UCCA.
3. Families' failure to disclose pertinent information
4. Difficult NJCK application and cumbersome application process
5. Limited supply of specific types of child care

These factors can discourage the participation of families in the child care subsidy programs, even if they need help finding and paying for child care. Therefore, we discuss them in detail and present suggestions for eliminating them. However, we recognize that, for some families, the elimination of some or all of these barriers is unlikely to change their participation decision.

- ***Increase TANF Clients' Access to UCCA Staff***

Whether they are seeking assistance for the first time or wish to continue receiving child care subsidies, families sometimes have difficulty accessing UCCA staff. TANF families may face limited access because of (1) lack of personal contact with UCCA staff, or (2) difficulty reaching the staff by telephone.

In many counties, TANF clients' initial transactions with the UCCA staff do not have to be in person. Families can telephone to set up child care arrangements and can mail in documents, contracts, and applications. This policy has clear advantages, as it allows working parents to maintain their child care subsidy without having to take time from work to see their UCCA worker (Adams et al. 2002). However, the lack of personal contact may create a sense of alienation from the UCCA and may reduce the likelihood that families will continue requesting services after their welfare case has closed. In addition, without in-person interaction, UCCA staff may have some difficulty ensuring that clients understand important aspects of the state's child care program, such as its ability to pay for care provided by relatives and friends. Thus, without personal contacts, UCCA staff might not be able to develop relationships with TANF clients, encourage their participation in the subsidy programs after they have stopped receiving welfare, and ensure that clients understand programs for which they might be eligible in the future (Adams et al. 2002).

In most counties, UCCAs do have some in-person contact with clients. For example, some UCCAs make presentations to clients at an initial orientation. Several counties also co-locate UCCA staff at the CWA or workforce agency to quickly establish connections between clients' work activities and need for stable child care. Rather than expect clients to make the initial call to the UCCA, these counties direct the clients to meet with an on-site UCCA worker immediately after meeting with the case manager to ensure that child care is in place.

According to welfare staff in some counties, some clients complain that it is difficult to contact the UCCA staff by telephone. Clients may have to call the UCCA staff to request a change in providers, to request applications, or to ask questions about transitioning to different programs. Unanswered telephone calls are likely to be frustrating and, perhaps, may convince clients to discontinue participation. On the one hand, UCCA practices may be partly to blame for this situation. On the other hand, one UCCA administrator commented that some clients leave incomplete or confusing information on the agency's message machines and that others do not provide current or complete telephone numbers that would enable UCCA staff to return the clients' messages.

Increase UCCA presence. In counties where UCCAs have limited in-person presence, efforts could be made to make UCCA staff more available to clients. In some counties, UCCA staff could be located in the welfare office. In these and other counties, UCCA staff also could be encouraged to meet with and be available to clients during the initial WFNJ activity to ensure that child care arrangements are in place, and to meet with them at subsequent WFNJ providers to resolve any child care problems. For example, in Monmouth County, Child Care Services makes a presentation during the first week of clients' group job search activity to ensure that the clients have child care and to inform them about post-TANF subsidy programs.

Improve UCCA telephone systems and message return policies. UCCA offices that have been difficult to reach by telephone could implement procedures that would enable their staff to either direct clients to the appropriate staff or to take complete, informative messages. As an example of such a procedure, one CWA has designated staff on a rotating basis to answer the telephone and to direct the caller to the appropriate staff person. UCCAs could adopt a similar model. They also could establish a policy of returning all telephone messages within 24 hours.

Extend office hours. Similar to efforts to extend CWA office hours beyond normal working hours, some UCCAs have tried nontraditional office hours to accommodate working parents. For example, The Urban League, Hudson County's UCCA, is open Saturday mornings.

- ***Continue to Improve Coordination Between the CWAs and UCCAs***

Since the UCCAs were established in 1997, relationships between the CWAs and UCCAs have improved. Interviews with welfare and UCCA staff for a previous study suggested that some attitudinal and coordination problems developed as the UCCAs took over the administration of child care subsidy programs from the CWAs (Rosenberg et al. 2000). Although the relationships have improved substantially since then, efforts to increase coordination still may benefit the system. In particular, communications between CWA and UCCA staff about clients' status could be improved.

According to UCCA staff in several counties, CWA workers do not always communicate effectively to the UCCA about their clients' transition from TANF to post-TANF status. If that information is not promptly or correctly inputted into the OMEGA system, UCCA staff cannot approve the transitional child care subsidy. In these cases, families' child care arrangements may be disrupted as the families lose their subsidy under one program but must wait for their eligibility under another one to be determined. In counties where the relationship between the two agencies could be improved, one of the following strategies might be helpful:

Co-locate staff. Co-locating UCCA staff at the welfare office might help improve communications between the agencies. In Hudson County, WFNJ case managers refer clients to the on-site UCCA workers when clients' WFNJ activities change. If necessary, the CWA workers can expedite changes in clients' child care arrangements by walking to the child care referral form down the hall to the UCCA worker (Rosenberg et al. 2000).

Meet regularly with liaisons. Regular meetings between welfare and UCCA staff and the regular use of agency liaisons may keep communication open. Mercer County has established monthly meetings between the CWA and UCCA administrators to discuss problems and to resolve status and payment issues for individual cases. The county's efforts to coordinate service delivery between the CWA and UCCA likely contributed to an increase in use of transition child care, from 19 percent in 2001 to 27 percent in 2002 (Table V.1).

- ***Encourage Families to Disclose Pertinent Information***

A key element in TANF clients' continued access to child care subsidies is the clients' ability to carry out all their TANF reporting responsibilities. TANF clients must inform their welfare workers that they are leaving welfare for work so that the codes authorizing post-TANF subsidy receipt, including transitional child care, can be entered into the system. Clients leaving TANF for any reason receive a letter about available benefits. However, more may need to be done while clients are on TANF so they fully understand the benefits they receive if they notify the agency they are leaving welfare for work.

Stress the importance of reporting employment. UCCA and CWA staff could do more to stress to TANF clients who receive subsidies that eligibility for transitional child care subsidies depends on their reporting earnings. Similarly, they could discuss with

TANF clients who do not participate in the child care subsidy programs that closing their welfare case for earnings may enable them to obtain subsidized care, should they ever need it.

- ***Modify the NJCK Application Process***

Some former TANF parents and other low-income parents may have difficulty with both the NJCK application and the process of moving from transitional child care to NJCK. They may be intimidated or confused by the application, worried about the requirement to return the provider agreement to the UCCA, or unaware that their transitional child care is ending. Some states have long applications (Adams et al. 2002). New Jersey, in contrast, has a universal child care subsidy application form consisting of a two-page document and several pages of explanation. To maintain the two-page limit, the application is printed in a small font that can be hard to read. According to UCCA staff, some clients submit incomplete or inaccurately completed applications, and others do not submit anything. One UCCA administrator reported that, in his county, a majority of applicants return improperly completed NJCK applications. To process the incomplete applications, UCCA staff must spend time reviewing the forms with parents and helping them to complete them.

Participants whose 24 months of transitional child care is ending must act promptly to ensure their child care subsidy continues under NJCK. At the time of clients' 12-month redetermination for transitional child care, many counties mail the universal application form to gather the information needed to determine continued eligibility for transitional child care and to place an NJCK application on file at the UCCA for when the transitional child care subsidy ends. According to UCCA staff in several counties, many parents do not respond to the mailing.

Further improve the application process. Although New Jersey's NJCK application is short, UCCA staff report that returned applications often are not complete. One UCCA administrator suggested that the application form be replaced with a simple, less intimidating one requiring only basic family information. UCCA staff then would conduct a telephone interview with the parent to collect the rest of the required information. This change would eliminate the time staff currently spend trying to understand the parent-entered information on the application and working with the parent to correct it. While this may not be practical in all counties, especially those with large caseloads, it might work well for smaller counties that are expending resources to complete and correct applications.

Work with providers to improve response to NJCK. Providers have a stake in ensuring that their families continue to receive child care subsidies. Some providers already track clients' status in various subsidy programs and, as eligibility for one subsidy ends, encourage them to apply for the next one. UCCAs could ask providers to encourage transitional child care clients to complete the paperwork required for continued subsidies under NJCK. UCCAs might mail providers copies of notices sent to clients about their transitional child care status so the providers could help clients complete the paperwork.

- ***Increase the Supply of Specific Types of Care, Especially Infant and Toddler Care***

Families usually can find child care, but care for infants, toddlers, and sick children and care during nontraditional hours can be in short supply (Haimson et al. 2001). County administrators report that TANF families referred to their counties' UCCAs have been able to find the child care they need to participate in WFNJ activities. However, most administrators also mentioned that their counties have a limited supply of some types of child care, especially for infants and toddlers. In addition, some parents might not be able to maintain certain jobs because their long commutes make it difficult for them to pick up their children from child care or because they cannot find care during nonstandard hours (Haimson et al. 2001).

The supply of child care slots for infants and toddlers, especially at centers, has most likely been affected by regulatory requirements that increase the costs of providing care to infants and toddlers relative to the costs of care for pre-school-age children. Because infant and toddler programs have higher staff-child ratios and more stringent facility requirements, providers may opt to provide care to pre-school-aged children. Another factor affecting supply may be the 1998 Abbott ruling mandating free preschool care for children in 30 poor urban districts throughout the state. All nine of the study counties contain at least one Abbott district. From discussions with county UCCA administrators and child care providers, it appears that the effects of the ruling on available infant and toddler child care slots vary across counties. In counties where the school district has contracted with local providers to provide child care through the Abbott program, some centers may eliminate their infant and toddler slots to accommodate Abbott preschool children. In counties where the school district provides the Abbott services, providers may not be able to fill their preschool slots, so more slots would be available for infants and toddlers.

Provide incentives to increase care. The state and some counties have tried to improve the supply of infant and toddler child care, but one county administrator reported that local providers were unwilling to participate in grant proposals to increase their infant and toddler child care slots. This unwillingness may be a function of both the higher costs associated with the care and the changes it might impose on a center's staff. Thus, the state could choose to increase the reimbursement rates paid to providers of infants and toddlers to bring the rates closer to the costs of providing the care.

Improve availability of extended-hour care. Parents may find it hard to match their work hours to the hours the day care center is open. Without child care alternatives, the state might want to promote more transportation services, such as employer-based child care or employer-sponsored vans to help parents commute from child care facilities to work.

B. KEY ISSUES IN TRANSPORTATION PROGRAMS

Transportation is an important element of strategies designed to help low-income workers find and keep decent jobs. Inadequate public and private transportation options can limit the ability of low-income workers to transport their children to their child care providers and to commute to their jobs. In the WFNJ evaluation's community study, 40 percent of modest-income parents in Newark and 16 percent of modest-income parents in

Cumberland County reported turning down jobs because of transportation difficulties (Haimson et al. 2001).⁶

Many low-income workers have no reliable means of transportation. Some do not own a car, have a driver's license, or have the financial resources to pay car-related expenses, such as insurance and fines. The WFNJ community study found that fewer than one-third of poor working families in Camden and Essex counties had access to a car, whereas two-thirds of poor working families in Cumberland County had access to one (Haimson et al. 2001). In theory, people living in urban counties should be able to take public transportation to many locations. In Newark, for example, 45 percent of poor parents rely on public transportation. In reality, however, some jobs' work hours or locations make taking public transportation infeasible. People who live or work in rural counties use public transportation much less than do people in urban counties, most likely because rural public transportation systems are less extensive than urban ones. For example, only four percent of modest-income parents in Cumberland County use public transportation (Haimson et al. 2001).

1. New Jersey's Transportation Programs

Since the advent of WFNJ, the state and counties have developed a number of transportation programs to expand low-income working families' transportation options. In most counties, TANF clients can receive the WorkPass, a free monthly bus ticket. Counties that do not provide the WorkPass continue to reimburse clients for their transportation-related expenses (TRE), up to a maximum of \$6 per day. After leaving TANF due to earnings, former recipients who work for at least 20 hours per week can receive one free monthly bus pass under the Get a Job. Get a Ride! program. After they have used their Get a Job. Get a Ride! pass, they are eligible under the Extended WorkPass program to receive a free monthly pass for three months, and a half-price monthly pass for three additional months.⁷

Other transportation services also are available to former TANF and other low-income working families. Funding sources for these programs have included the WFNJ Transportation Block Grant for TANF clients and the Transportation Plus Block Grant for working TANF leavers (the funds come from the savings achieved in transitioning from TREs to WorkPass); the New Jersey Transportation Innovation Fund (with funds coming from the Welfare-to-Work formula grant and TANF); the federal JARC federal grant program; and other federal, state, or local funds. Transportation services developed with this funding include the following:

- ***Demand-Response Service.*** About half the study counties have developed systems in which eligible families call for transportation services to bring them from their home or other location to child care providers and/or work. In a typical demand-response service, clients make reservations with a central location, sometimes called the "county transportation broker" or "manager,"

⁶The WFNJ evaluation's community study report defined modest-income parents as those with household incomes below 250 percent of the FPL and with a child younger than age 18 living at home.

⁷As of January 2003, clients receive a free pass for the entire six months.

to arrange for transportation that uses county vehicles or those of a vendor. In several counties, post-TANF families ride on the county's paratransit system with other eligible riders, including the elderly, the disabled, and Medicaid clients.

- ***Fixed-Route or Expanded-Route Service.*** Some counties have used their JARC grants and other funding sources to establish new routes not currently served by New Jersey Transit (NJT), or to expand existing ones, to help workers in central locations travel to jobs in the suburbs or in out-of-the-way industrial parks. Often, these routes are established in collaboration with NJT. For example, Monmouth County has used JARC funds to expand a public transportation route from one side of the county to the other that ran only on weekdays, and only until 6:30 P.M. With funds, the route now runs until midnight on weekdays and provides weekend services. Atlantic County used two shuttle buses to develop 34 fixed routes to serve clients in previously underserved locations in the county.
- ***Payments for Cars and Car-Related Expenses.*** Several counties have used transportation block grant funds to create programs that will help post-TANF clients purchase cars, maintain their cars, and obtain driver's licenses. For example, the TransPlus program in Bergen County covers up to \$1,500 of emergency-related car payments, including payments for insurance and repairs. The car-related programs in Atlantic and Mercer counties also cover up to \$3,000 toward the purchase of a car.

Different agencies administer one or more transportation programs for low-income families. Welfare agencies administer the Get a Job. Get a Ride! program; many also administer the car-related programs. NJT administers and collaborates with NDHS on the extended WorkPass, WorkPass, and Get a Job. Get a Ride! programs. County transportation agencies, county planning offices, workforce investment boards (WIBs), improvement authorities, and other entities may administer one or more of the other services within a county.

Estimating the utilization of these services is difficult. Although some data on ridership and use of these services are available, we do not have equivalent data on the level of need for the various routes and services. However, we do have some indications that some programs are not well utilized. For example, during a four-month period in six urban counties, 107 clients per month participated in the Get a Job. Get a Ride! program after leaving TANF for earnings. This figure represents 22 percent of all cases reported closing due to employment during the same period.⁸ Furthermore, transportation managers in several counties mentioned their disappointment in the level of use of various shuttle services, given their expected demand for the services. In contrast, programs that paid for cars and car-related expenses seemed to be popular. Mercer CWA staff reported that "Road to Success," its program to pay car-related expenses, had

⁸Get a Job. Get a Ride! data were reported by NJT. Case closure data are from NJDHS's administrative reports. Urban counties used in the calculations are Bergen, Camden, Essex, Hudson, Mercer, and Passaic.

exhausted its allocated funds after purchasing cars and paying for other car-related expenses for clients.

2. Strategies to Improve Transportation Options

Despite a range of transportation programs for low-income workers, three factors may affect eligible families' access to the programs:

1. Lack of visibility and client interest
2. Few options for intercounty transportation
3. Lack of coordination with child care providers

In the rest of this chapter, we describe the factors we identified and present options for addressing them. However, we recognize that the options may not substantially increase use of the transportation services that clients do not need or want. Directing more resources to popular programs, such as the car-related ones, may be worth considering.

- ***Expand Interest in, and Visibility of, Transportation Services***

Respondents in several counties expressed disappointment that ridership on some fixed and demand-response routes was not higher. In one county, two shuttles serving post-TANF clients have about 15 customers per day. County respondents mentioned two issues affecting ridership in their programs. First, low ridership might result from clients' unfamiliarity with newly established routes. Second, the new services might not meet workers' needs. For example, the trip from the central location to a worker's place of employment might be too long, the hours might not coincide with shift hours, or the service might not be reliable. In one county, respondents felt that the brokered transportation system vendors did not pick up workers on time, and thus delivered them to their jobs late.

Provide additional marketing. Expanded marketing efforts might generate additional riders for new programs. Several counties have made presentations to CBOs about their transportation services for post-TANF and other low-income workers and have distributed brochures about new routes to CBOs and other community locations. Another county aired public service announcements about its new transportation services on the radio and local television stations. The state and counties also could follow the example of the suburban Detroit transit authority, which advertises in the suburbs through radio commercials and records a message on a designated telephone line announcing job openings along bus routes. It also distributes information on employment opportunities along the bus routes to malls, chambers of commerce, and other employers (Community Transportation Association of America 1999).

Link jobs and transportation services. To increase ridership on fixed routes, more effort may be needed to tie existing job development activities to jobs on the fixed routes. The counties have used one of two different strategies to accomplish this goal. First, for its JARC-funded extended fixed route, the Monmouth County planning office developed a job match program to identify available jobs located along the bus route. These jobs were entered into the state Department of Labor's system of available jobs to help job counselors and clients identify worksites served by the existing route. Second, the

Camden County Improvement Authority (CCIA) provides both job placement services and transportation services to current and former TANF clients, which may lead to more use of its routes. During the first three quarters of 2001, the CCIA transported 2,413 passengers to jobs. By providing both services, the CCIA can place a number of clients in an area well served by existing transportation services. In addition, after a certain number of clients have obtained employment in a particular location, it can develop a route to transport clients there.

Increase the availability of car-related programs. Having access to a reliable car can both increase a person's access to jobs in many locations and decrease reliance on public transportation (Kaplan 1998). Because TANF allows loans to eligible clients to lease or purchase cars, the state and counties might want to pursue loan programs. Other entities, such as CBOs, may be able to contribute to these efforts as well.

- ***Extend Transportation Options Beyond County Borders***

Respondents in at least three study counties indicated that their clients have difficulty traveling to available jobs in other counties. In some instances, residents of one county may not be able to travel to a job in another county because no transportation services are available between counties. In other instances, intercounty transportation services might be available, but with a very long commute. For example, both Camden County and Cumberland County run buses to Atlantic City, where many former TANF clients can find work. However, the bus ride takes more than two hours for riders boarding the bus at its origin. The express trip would take less than one hour.

Develop intercounty transportation programs. Even though intercounty transportation services might entail long commutes, neighboring counties could work together to develop intercounty services that create more job possibilities for their workers. These services would require cooperation among counties to ensure that routes are fully used. For example, Camden County has worked effectively with one of its neighboring counties to provide transportation services to an industrial park in that county; the service picks up riders from both counties. The two counties are jointly seeking additional funding.

- ***Coordinate Transportation Services with the Child Care Agency and Providers to Meet Parents' Transportation Needs***

Workers may have to find a way to transport their children to child care providers. Many counties' post-TANF and low-income worker transportation programs do not provide this type of assistance, however.

Transportation programs that transport workers' children to their child care providers before bringing the parents to their jobs can face complications that strain the demand-response service. For example, UCCA staff in one county reported that (1) many child care providers require parents to escort their children to their classrooms, (2) children from the same family may be dispersed across several child care providers, and (3) child care providers may not be centrally located. In other cases, providers may not admit children into the building if they are late. All these factors may limit the services the system can provide to families.

Work out agreements with child care providers. Helping parents maintain employment should be in the interest of the child care provider. Working with providers when developing transportation programs (1) may help educate the providers about the strains their policies may place on working parents, and (2) may lead to agreements between transportation and child care providers about policies that will help parents travel to their jobs. For example, agreements might allow parents to drop their children off with a center aide just inside the center.

Make child care a critical part of transportation service plans. It is important to ensure that child care staff are involved in transportation plans, as occurs in most counties. The UCCA could be involved in transportation plans so that new services are coordinated with the child care that parents find for their children. For example, if UCCA staff know about the transportation routes, they can encourage clients to use providers located on the routes. In addition, to the extent possible, new fixed routes should take into consideration the location of child care providers.

VI

IMPROVING ACCESS TO SUPPORTS BOLSTERING FAMILIES' INCOME

In addition to receiving supports that help pay for work-related expenses, low-income families also are eligible for financial assistance unrelated to specific work expenses. This type of work support helps make work an affordable option for parents who have difficulty caring for their families on their low income. These supports might be offered through programs that provide working families with a monthly cash supplement that boosts their income or through income tax credits that reduce their tax burden.

In New Jersey, families in low-wage jobs can effectively supplement or increase their incomes through four types of supports:

1. **Supplemental Work Support.** New Jersey's SWS program supports the incomes of working TANF clients so that they can leave welfare.
2. **Earned Income Tax Credits.** EITCs supplement the earnings of low-income workers. In 2002, the combination of the federal EITC and state EITC enabled a family with two or more children to increase its annual income by as much as \$4,865.
3. **Individual Development Accounts.** In September 2002, the state implemented its IDA program to help low-income families save for the purchase of a home or a small business or for higher education tuition.¹ Under New Jersey's program, participants' contributions of up to \$1,500 per year for three years are matched dollar for dollar. Several New Jersey counties had offered IDAs before the state initiated its program.
4. **Emergency Payment Funds.** Several counties have set up payment accounts to help TANF leavers in emergency situations. Through Bergen County's Post-WFNJ Wrap-Around Fund, former TANF clients can receive payments for (1) child care arrangements for a sick child, (2) car repairs and insurance, (3) transportation to and from employment, (4) motel placement, (5) the security deposit and moving expenses for families relocating to new housing to meet Section 8 guidelines, (6) rental assistance for families about to receive a Section 8 certificate, and (7) retroactive rent and utilities payments for families demonstrating the ability to pay the costs in the future.

¹Families with annual household gross incomes of up to 200 percent of the FPL are eligible for the state's IDA program. One-third of the program's participants must be current or former welfare recipients. Current funding levels enable at least 435 families statewide to participate.

The remainder of this chapter discusses issues affecting eligible families' access to the SWS and EITC programs. We do not discuss the state IDA program, which was implemented just as we were completing the study's data collection, or emergency-payment programs, which only a few counties operate.

A. KEY ISSUES IN THE SWS

In April 2001, NJDHS implemented the SWS program to enable employed TANF recipients to leave welfare. Through the SWS program, employed recipients who voluntarily close their case effectively exchange their monthly welfare benefit for the monthly SWS payment, while banking their remaining months of TANF eligibility. The SWS program has simple enrollment and participation requirements. To be eligible for SWS, a working welfare recipient must:

1. Have a WFNJ/TANF case that has been active for at least the past six months
2. Have continuous employment for a minimum of four months
3. Be employed for a minimum average of 20 hours per week

Once enrolled, SWS participants receive a \$200 monthly payment for up to 24 months.² By voluntarily closing their welfare case for SWS, participants also become entitled to the full set of post-TANF supports. To continue their eligibility after 12 months, participants must provide proof that they are employed for a minimum average of 20 hours per week, have a household annual earned income of no more than 250 percent of the FPL, and have a child who is eligible for TANF for the remaining 12 months.

The state and counties have promoted the SWS program in several ways. First, as the program started, the state disseminated lists of likely eligible working recipients to the counties. The counties sent letters and a brochure that the state had developed to these clients informing them about the program and inviting them to apply. Second, the state provided additional funds to its outreach vendors to promote the program to working clients who were likely to be eligible. Third, the counties have continued to identify likely eligible clients as they come through the CWA for redetermination. Clients who have been working for four months are encouraged to apply.

Thus far, relatively few eligible families have enrolled in the SWS. As of November 2002, 1,067 families had voluntarily left welfare to participate (see Table VI.1). Sixty-five percent of the enrollees were in Essex and Hudson counties. New Jersey has estimated that several thousand welfare families are eligible for the SWS, although a somewhat smaller number of eligible families receive less than \$200 per month in welfare benefits.³ The SWS should be particularly attractive to these families, as they would receive more money through the SWS than through their TANF cash benefit.

²New Jersey received permission from the federal government to use TANF dollars to support the SWS program.

³Using administrative records, MPR calculated that about 1,000 TANF cases earned more than \$500 per month and received less than \$200 in TANF benefits.

TABLE VI.1

ELIGIBILITY FOR THE SUPPLEMENTAL WORK SUPPORT PROGRAM
AND ENROLLMENT IN THE PROGRAM
(Number)

County	Enrollment		Total
	2001 ^a	2002 ^b	
Atlantic	2	1	3
Bergen	11	5	16
Camden	32	42	74
Cumberland	6	12	18
Essex	192	120	312
Hudson	133	248	381
Mercer	21	28	49
Monmouth	29	42	71
Passaic	10	34	44
All 21 Counties	487	580	1,067

Source: NJDHS administrative reports; FAMIS records.

^aReflects enrollment for June through December 2001.

^bReflects enrollment through November 2002.

Our research has identified two factors that might be affecting enrollment in the SWS program: (1) the program's strict eligibility rules, and (2) lack of information about the program.

- ***Introduce Flexibility into Eligibility Rules***

Some county respondents felt that the current rules for eligibility prevent some working recipients from participating even though they would be good candidates for the program. For example, a working recipient might not be working 20 hours per week but still might be a steady worker eligible for a small TANF benefit. As another example, a recipient might be employed for three months and therefore might almost be eligible, but subsequently become ineligible if her circumstances were to change suddenly. Participants in the focus groups on post-TANF supports mentioned that their hours of work could fluctuate so substantially from one week to the next that they might work more than 20 hours one week and fewer than 20 hours the next. The erratic schedule might not average to the required 20 hours of work per week.

Expand eligibility. Introducing flexibility into the eligibility rules may attract good candidates for the program. One possibility would be to extend eligibility to clients earning an average of at least \$100 per week over a four-month period, regardless of the number of hours worked.

- ***Develop Marketing Tools to Reach Eligible Clients and to Assuage Their Fears***

Clients may not be enrolling because they do not have enough information about the program, despite the state's outreach efforts. In our group discussion (with women participating in the program and with women potentially eligible for it), several nonparticipants reported that they were unaware of the program. Even if potentially eligible clients learn about the program through letters, outreach vendors, or caseworkers, they might not understand it or its benefits. Some discussion group members mentioned that their caseworkers failed to explain the program fully.

CWA staff in all nine study counties reported that many knowledgeable clients are reluctant to enroll because they fear losing their safety net. Some clients do not want to lose access to emergency assistance or to lose a portion of their FSP benefit. Other clients might believe that the program is "too good to be true." Moreover, many working recipients may never have had a life without welfare and thus may be intimidated by the idea of leaving it for part-time employment. These women's fears might counterbalance the benefits they understand they would receive for participating (namely, preserving months of their five-year time limit and, for some, possibly earning more from the SWS than they receive from the monthly TANF benefit).

Convene groups to reach eligible clients. The discussion group members indicated that they are more likely to respond positively to program participants who relate positive program experiences than to their caseworkers. Convening small group discussions with potentially eligible and currently participating women might persuade eligible women of the program's merits and might overcome their reservations. The state might have to pay SWS participants to attend the discussions, and to recruit new SWS participants, but these women may have the most success at persuading eligible families about the program's advantages.

Distribute simple, attention-getting brochures. New Jersey has worked hard to market the SWS program. It developed its SWS brochure as part of that marketing campaign. However, people must read most of it to understand how the program would benefit them. Developing simpler brochures or posters may foster new interest in the program. These new marketing tools should quickly get the message out that the SWS stops clients' TANF time clocks, does not prevent families from returning to TANF if necessary, and provides the full set of post-TANF benefits. Staff at the Bergen County welfare office have posted the large, simple signs that the state developed in the lobby and believe they have increased clients' interest in the program.

B. KEY ISSUES IN THE EITC

EITCs were designed to reward work by giving low-income families a tax credit based on their earnings and number of children. The federal EITC credits are refundable, meaning that taxpayers with little or no tax liabilities will receive their credit as a

payment from the government.⁴ The size of the credit depends on families' adjusted gross income (AGI); the maximum credit in 2002 was \$4,140. Although filing a claim for the EITC can be beneficial to a family, completing the form is not a simple matter. The instruction manual for filing for the 2002 federal EITC was 53 pages.

1. The New Jersey EITC Program

New Jersey introduced a refundable state EITC program in 2000. The program covers families with qualifying children and whose AGI is less than \$20,000. However, to receive the state EITC, a family must claim its federal EITC credit, as the amount of the state credit is a percentage of the federal credit. The state credit was phased in at 10 percent and increased each year until tax year 2003, when it reached 20 percent of the federal EITC. In tax year 2002, the maximum credit was \$439 for a family with one child and \$725 for a family with two or more children.

The statewide promotion of the EITC program in New Jersey has been left largely to the NJDHS's Office of Special Initiative (OSI), with help from the New Jersey Treasury Department (NJTD) and the Internal Revenue Service (IRS).⁵ Several years ago, NJDHS trained CBO staff on the EITC so that they could serve as ambassadors for the program and train their constituents to serve as ambassadors. In addition to disseminating information about the program, these agencies have recruited organizations to establish VITA sites that offer taxpayers free help in preparing and filing their tax returns. They also are recruiting city mayors and faith-based organizations to help promote the EITC.

In the counties, it appears that CBOs make the greatest effort to promote the EITC. In Passaic County, for example, Passaic Legal Services operates a low-income tax credit clinic that helps clients file for the EITC. In Cumberland County, Empowerment Zone staff accompanied census takers in the Empowerment Zone area to promote the EITC program.⁶ The Tri-County Community Action Agency inserts flyers in the envelopes containing employees' paychecks and sponsors community meetings about the EITC. A goal of the Camden City's Making Connections Demonstration, funded under the Annie E. Casey Foundation's Asset Building Coalition Initiative and coordinated by a local organization, has been the promotion of the EITC.⁷

⁴Although the federal credit is named the "Earned Income Credit" (or EIC), we refer to it in this report as the EITC, the name often used to refer to this tax credit.

⁵In addition, the NJTD is matching the EITC amount that taxpayers claim they are receiving from the IRS against IRS records and is issuing checks to reconcile underpayments. According to the Center on Budget and Policy Priorities (2000), the Maryland and Minnesota revenue departments use the tax return information that the IRS provides to identify taxpayers who failed to claim their state EITC. However, according to the NJTD, this is not possible in New Jersey, because the state does not have enough information to make a determination about a dependent child's eligibility.

⁶The federal government designated selected distressed urban and rural communities to be Empowerment Zones, which entitles the areas to receive flexible grant funding and tax incentives to improve the conditions of families living in the zones.

⁷Since its start in 1999, Making Connections has sought to improve outcomes for children by mobilizing communities to develop strategies that strengthen families. One goal of the demonstration is to encourage families to file for the EITC at VITA sites.

Although most EITC-eligible families know about the tax credit, it appears that a significant number still are not informed. In New Jersey, almost 31,000 families that filed 2000 taxes and were likely to be eligible for the federal EITC did not receive it, and 17,000 families likely to be eligible for the state EITC did not receive it.⁸ These families lost out on EITCs totaling more than \$50 million. Haimson et al. (2001) estimated that about two-fifths of the potentially eligible families in Cumberland County and Camden and Newark cities did not know about the EITC program. About one-third of potentially eligible families reported that they had applied for or had received the credit. EITC filing was greater among current and former TANF recipients than among people who never received TANF, implying that the TANF families may receive more information than other families about the EITC.

2. Key Access Issues

Our review of county practices and other studies indicated that three factors may be preventing low-income families in New Jersey from taking full advantage of the EITC program. These factors are:

1. The way that the EITC and VITA sites are promoted
2. Use of VITA sites
3. The number of VITA sites

- ***Encourage Promotion of the EITC Through CWAs and One-Stop Centers***

In general, the study counties' welfare offices do not aggressively promote the EITC. CWAs are distracted by other pressing issues, such as time limits, which reduce the importance of the EITC program relative to their other priorities. For the most part, the CWAs have promoted the EITC programs by displaying posters in their offices and by mailing informational pamphlets to clients around tax time. Staff from some CWAs indicated that they cover the EITC when they discuss support programs with their clients; however, staff from other CWAs indicated that they do not cover the EITC because their clients receive information about the program from NJDHS mailings. One-stop centers also post information in their waiting rooms and display EITC brochures.

Expand promotion activities. CWAs and one-stop centers could expand their efforts to promote the EITC program to TANF clients and to other low-income families. At this time, only two CWAs appear to be doing more than displaying information about the EITC in their offices and sending out pamphlets. In Monmouth County, a CWA administrator makes presentations about the EITC to community groups and posts information on the department's website. The county also requires its vendors to discuss the EITC with their clients. IRS data provided by OSI indicate that eligible EITC filers claim the EITC at a slightly higher rate in Monmouth County than in other New Jersey counties. Bergen County's Department of Human Services has sponsored the state presentation on the EITC program for the past two years. Both public and private local agencies were invited to the presentation.

⁸IRS data were provided by OSI.

Encourage clients to talk about the EITC program with their family and friends. The Making Connections demonstration in Camden implemented an “ambassador” program, which, according to staff, successfully disseminated information about the EITC program throughout the community. The demonstration recruited about 12 community residents who agreed to discuss the EITC with at least 10 people every day for 6 weeks. In light of this, the state may provide more regular training for programs interested in serving as ambassadors for EITC. County agencies might wish to try this strategy by encouraging their clients to discuss the EITC program with family, friends, and coworkers.

- ***Encourage the Use of VITA Sites as Alternatives to Commercial Tax Preparation Firms***

Low-income families that use commercial tax preparation firms often pay a substantial fee, especially if they take a refund anticipation loan (RAL), also known as “rapid refund.”⁹ A study by Berube et al. (2002) found that, on average, taxpayers in Washington, DC who had a \$1,500 EITC credit paid at least \$100 to file their state and local taxes—double that amount if they took RALs. The investigators found the use of RALs to be high in northern and central New Jersey. Families that use the VITA sites to file their tax returns can avoid incurring the costs imposed by commercial firms.

Provide electronic tax filing. One way that families may be encouraged to use VITA sites is by equipping the sites with electronic filing capability. According to Camden’s Making Connections program staff, low-income families would leave the VITA center for a commercial tax preparation firm so that they could receive an instant return. Demonstration staff now encourage VITA sites to offer electronic filing capabilities to shorten the time it takes families to receive their returns.

Promote VITA sites. Efforts should be made to inform low-income families about the location of the VITA sites in their area. According to the Annie E. Casey program staff, many low-income families would like to receive their EITC quickly. Thus, while NJDHS has no control over the release of the list of VITA centers, it is important that the department disseminates the list to the CWAs and its contractors quickly.

- ***Expand the Number of VITA Sites***

Despite the efforts of the state and the IRS to increase the number of VITA sites, there appear to be too few to meet the need. According to one source, Camden County had only three or four sites before it implemented the Making Connections demonstration.¹⁰ According to the state, the lack of volunteers to staff sites is the factor limiting the number of sites. NJDHS has tried to increase the number of VITA sites by encouraging CWAs to offer VITA services. Unfortunately, many CWAs indicated the

⁹RALs are loans issued by financial institutions that are secured by the taxpayer’s expected refund and that usually come with high fees. The tax preparation firm usually enters into a partnership with a financial institution to provide these loans (Berube et al. 2002).

¹⁰The coalition increased the number of sites to more than 20 within two years. These sites filed about 800 tax returns in 2002.

option was not viable, given the demands on their staff time and the lack of space in their buildings.

Recruit additional VITA sites and volunteers. The state should continue to recruit more VITA sites. When the Making Connections Demonstration first began, staff invited various Camden social service organizations to a kickoff event about VITA services. The organizations indicated whether they were willing to participate in the campaign and, if so, what type of contributions they were prepared to make. They could choose to offer their facilities as VITA sites, disseminate information about the EITC and VITA center locations, recruit volunteers to staff centers, and train their staff to help clients with forms.

Encourage one-stop centers to offer their clients alternatives to commercial tax preparation firms. If they are not doing so already, one-stop centers could be encouraged to sponsor or partner with a VITA site or to provide other assistance. In Cumberland County, the one-stop center is providing post-TANF participants with free tax return assistance. In Monmouth County, the agency providing postemployment services maintains a list of certified public accountants who have volunteered their services to clients.

VII

PROMOTING JOB RETENTION AND ADVANCEMENT

Although basic-needs and work support programs may be helpful, they may not be sufficient to ensure parents' success in the workplace, especially if the parents have limited work experience. Without help, former TANF recipients may fail to move beyond their initial post-TANF job to a more personally and financially rewarding career. To address this problem, the state and counties have implemented programs that promote job retention and advancement for former TANF recipients.

In this chapter, we discuss these programs and propose a postemployment program that may help increase job retention among former TANF recipients. In Section A, we discuss access issues relevant to New Jersey's CAV program. In Section B, we describe postemployment programs operating in several study counties. Because many of these programs are small and county-specific, we are unable to analyze particular issues affecting former TANF clients' use of the programs' services in their counties. However, the experiences of the state and counties in providing post-TANF support services can serve as a framework for extending county postemployment programs and for creating a flexible, targeted postemployment services program. We conclude the chapter by offering guidelines for a program of this type, which New Jersey might want to consider providing as a way to strengthen existing support programs while helping to promote post-TANF parents' job retention and advancement capabilities.

A. KEY ISSUES IN THE CAREER ADVANCEMENT VOUCHER PROGRAM

Since January 2001, the state has been providing vouchers to cover the training costs of employed former TANF clients who want to improve their employment opportunities. As of December 2002, the CAV, which provides training funds of up to \$4,000 directly to approved vendors, is available to former TANF recipients who have left welfare within the 12 months preceding their application for a voucher and who have been employed for at least four consecutive months.¹ According to county staff, many participants use the vouchers for computer literacy or nursing training. The program, which the counties administer, has been promoted mostly through the state's outreach efforts and through mailings to former TANF recipients likely to be eligible for it.²

Despite the benefits of the CAV, however, utilization levels have been low (Table VII.1). Data from state administrative records indicate that 183 vouchers were issued in 2001 and that only \$148,088 of the \$5 million allocated for the CAV was spent.

¹The state pays vendors, except community colleges, half the voucher amount at the beginning of the training and the rest after the participant's completion of the training. Community colleges receive the full voucher amount at the start of training.

²In most counties, a similar CAV program is offered through the WIB or appropriate employment and training agency.

TABLE VII.1
NUMBER OF CAREER ADVANCEMENTS VOUCHERS ISSUED

County	2001	2002	Total
Atlantic	17	14	31
Bergen	14	10	24
Camden	38	40	77
Cumberland	12	17	29
Essex	21	3	24
Hudson	5	9	14
Mercer	9	7	15
Monmouth	11	58	54
Passaic	8	6	14
All 21 Counties	183	205	388

Source: NJDHS administrative reports.

Assuming CAVs of \$4,000, state records indicated that 1,213 slots were not used. In calendar year 2002, counties issued another 205 vouchers.

Based on interviews with welfare workers and on focus group discussions with former TANF recipients, we have identified two factors that may be affecting use of the vouchers:

1. Clients' ongoing struggle to juggle work and family responsibilities
2. Clients' unspecified career goals

In the rest of this section, we discuss these issues and suggest options for improving accessibility of the CAVs. We recognize that, even if the state and counties implement these options, many working parents still will have difficulty accessing the CAVs.

- ***Increase Accessibility of the CAV for Former TANF Recipients Who Are Juggling Work and Family Responsibilities***

According to welfare staff, many recent TANF recipients have difficulty meeting the CAV eligibility period requirement. Typically, former TANF recipients who have just entered the workforce might struggle to adapt to their changed lives. They may have long commutes to bring their children to day care and to travel to and from work. For example, modest-income parents in three New Jersey communities had average commutes, including the time needed to drop their children off at day care, of

about 40 minutes each way (Haimson et al. 2001). Parents using public transportation had average commutes of about one hour each way. Former TANF recipients may have to adjust to an unfamiliar work environment that imposes new responsibilities and new demands on their time. These people may not have room in their lives for an additional activity, especially one that impinges on already limited family time.

Extend the eligibility period. One option, to revise the current requirement that CAV participants must have left TANF within the preceding 12 months, might attract additional participants who are ready for additional training. Extending the eligibility period beyond 12 months (perhaps to 18 or 24 months) might give parents the time they need to adjust to their work schedules and to accommodate a schedule that includes training.³ In addition, during that time, TANF leavers might have learned to appreciate the need to upgrade their skills and find a better-paying job.

Promote distance-learning training programs. Enabling people to take courses from their homes may be a promising approach to enrolling parents who may be interested in training but who are unwilling or unable to take additional time away from their families.⁴ Monmouth County initiated a distance-learning program with a Texas-based computer company that maintains a Web-based training system. The company provides the personal computer and Internet access so that participants can access courses in adult basic skills, GED preparation, computer skills, and business skills. As a result of this program, Monmouth County has approved more CAVs than any other county in the state, except one. Bergen County has a distance-learning demonstration that provides computer training to 20 women, almost half of whom are post-TANF clients. Several employers agreed to pay a fee to help cover the costs of their employees' tuition, and all of the employers of the 20 women agreed to provide better job opportunities for the ones who complete the program.

Engage employers' participation. Another way to improve access to additional training would be to develop training programs with employers. Parents may be more likely to participate in on-the-job training programs that are both convenient and directly tied to their current employment. Employers also would benefit by providing job-specific training and receiving financial support through the CAV program.

Improve outreach. Because training may not be on the agenda of clients after leaving TANF, additional outreach may help inform them about possible training opportunities. Camden County mails materials about the CAV to former TANF clients as soon as they may be eligible (four months after they closed their TANF case for employment). The information that the unit supervisor responsible for the CAV sends includes information about the voucher, an application, and a list of approved vendors. The supervisor also helps resolve issues that arise between the parent and the vendor. Most likely as a result of these efforts, Camden County has had higher utilization of the CAV than any other county (Table VII.1).

³In April 2003, the state did extend the eligibility period to 24 months.

⁴The state allows the CAV for distance-learning courses. Counties submit the application to DFD for approval.

- ***Provide Job Counseling and Career Planning to Help Parents Form Career Goals***

To benefit from the CAV, clients must have some idea about their career plans and how to realize them. However, parents who leave welfare for work may not have any plans beyond obtaining their first job. Those who do have career goals may not know how to achieve them or what training would be helpful. CAVs are not appropriate for either set of clients, as the goal of the program is to provide the training necessary to advance clients' chosen careers.

Encourage development of career plans. Clients may benefit from career counseling and planning services to help them identify a career path and the type of training required to follow the career path. These plans could be developed when the client is a TANF recipient, and they could be updated when the client closes her TANF case for employment.

Use expertise of different agencies. Welfare staff may not have the necessary expertise to help workers develop their career plans. Therefore, county employment and training staff connected to one-stop job centers might provide job counseling more effectively. Collaboration between welfare offices and the one-stop centers should be encouraged so that welfare office staff can refer people to the centers' job counseling staff.

B. COORDINATING POSTEMPLOYMENT SUPPORT

New Jersey has made great progress in developing support programs for families leaving TANF and in informing families about the programs. As the previous chapters have shown, the state offers former TANF clients many valuable support services for making the transition to work.⁵ Participation in some supports have increased over time, possibly as a result of state outreach efforts (Wood et al. 2003b). However, as the preceding chapters also have shown, many of these programs still fail to realize high levels of participation. A possible weakness in New Jersey's approach is that a family must first become aware of a program providing the specific service the family needs before it can access the service. The uneven levels of knowledge about post-TANF services among some clients, combined with the decision by other clients that they do not need the services, might account for low participation rates.

The CAV is the state program that, thus far, has focused on employment retention and advancement issues. At this time, neither the CAV nor any other state program works one-on-one with clients who are trying to make the transition to work. However, several county programs are designed to provide that kind of support to some of their former TANF clients. In this section, we describe some county efforts to provide intensive help to those clients during the post-TANF transition period. Based on the experiences of these counties and on experiences in other states, we then suggest that the state consider developing a postemployment program that provides coordinated job

⁵Two other services that are thought to be important for retention, which we did not explore in this study, are preemployment and job placement services (Holzer and Wissoker 2001; and Relave 2000). We excluded these programs from our study because clients generally are exposed to them before they leave TANF.

retention and advancement services to targeted former TANF clients. As a supplement to the suggested options for improving families' access to the support programs described in this report, such a plan may increase access and further ease the transition to work.

1. Efforts in the Counties

The state may want to examine some of the postemployment programs currently in place in the counties. More than half the study counties have responded to a recognized need for a more intensive postemployment service by offering programs that provide employed former TANF clients with assistance in accessing benefits and in dealing with on-the-job and personal challenges. Several of these programs use case managers or job coaches to work closely with former clients to help them resolve crises that might otherwise interfere with their jobs. Here, we describe some of the county-specific programs:

- ***Bergen County.*** In Bergen County, staff of the WIB, under contract to the Bureau of Social Services, maintain contact with clients for 90 days after employment to help the clients transition to work and deal with personal and family problems. In addition, with funding from NJDHS, the county plans to launch a pilot post-TANF monitoring program, to be managed by a community agency, that will help 10 to 20 employed single mothers adjust to their lives after leaving welfare.
- ***Camden County.*** Catholic Charities, which has the outreach contract in Camden County, offers a weekly, one-and-a-half hour workshop on job retention that post-TANF clients are encouraged to attend. The workshop covers such topics as how to get along with the boss and how to keep a job. To encourage participation, Catholic Charities issues movie passes and \$20 WalMart certificates to attendees.
- ***Cumberland County.*** The county's employment and training agency uses its competitive welfare-to-work grant to provide job-coaching services to employed post-TANF clients. The program's job coaches maintain regular contact with participants and talk with employers (if participants sign a waiver). Through the program, participants also can receive financial assistance to pay their child care co-payments, their commuting costs, one-time emergency bills, and tax preparation fees.
- ***Essex County.*** The New Community Corporation (NCC), a CBO in Newark, provides several job retention activities to former TANF clients. Through a welfare-to-work contract with the county, NCC provides job coaching to employed current and former TANF recipients. In addition, NCC operates a monthly Expo, where representatives of transitional service providers, such as child care, transportation, and the FSP, provide information and enroll eligible individuals. Providers of important services for low-income families, such as Home Energy Assistance, Section 8 Housing, Foster and Adoptive Services, and the Food Bank, also attend.
- ***Monmouth County.*** Through a county contract, case managers at Waters & Sims Employment Services, Inc. help clients resolve problems that could jeopardize their employment, such as needing to be home with sick children

and poor transportation options. Case managers also inform clients about support services available through the county welfare office and other local organizations and make referrals, when appropriate.

Although promising, these services have several limitations. First, some programs have limited funding and may not be able to serve every family that needs postemployment services. Second, many of the programs are funded with welfare-to-work funds and therefore have uncertain long-term prospects. Third, some counties do not offer the services. Because of these limitations, the state may want to consider a statewide postemployment services program that will help clients adjust to their lives off TANF, develop and carry out plans for career advancement, and access postemployment services.

2. Elements of a Postemployment Service Program

An effective, comprehensive postemployment program could provide clients with support to help them meet a variety of challenges when they leave TANF. Rather than having to seek particular services provided by different programs to get the help they need, clients could obtain all needed services through one program. In developing a postemployment program, the state and counties would want to consider three program elements that other studies have suggested are important: (1) case management, (2) flexibility in program design, and (3) a package of services.

a. Targeted and Individualized Case Management Services

One way to give clients the level of support they need is to provide them with case managers. The fact that most of the currently available county postemployment service programs offer some case management services indicates that local agencies recognize the need for case managers to support and encourage former TANF clients, and to help these clients access postemployment services. A case management approach would enable the program to be flexible enough to accommodate differences in clients' needs and capabilities.

The PESD, a study of postemployment programs in four sites throughout the country, revealed the problems recipients might face as they leave TANF for work. The study found that some parents may not be adept at meeting the demands of the workplace or may have problems at home. For example, more than 40 percent of newly employed welfare recipients experienced problems at work that made work difficult (Rangarajan 1998). In addition, 70 percent reported problems outside of work that made it difficult for them to keep their jobs. Although these problems included the need for services discussed in previous chapters, they also encompassed such challenges as coping with family problems and budgeting their limited income.

Although the PESD case management services designed to help clients address these problems had little effect on earnings and welfare recidivism, these services still might be warranted for some families experiencing difficulty in the transition from welfare to work. Studies of the PESD and of the GAPS employment retention program in Allegheny County, Pennsylvania, offer important lessons on how to deliver case management services (Rangarajan 1998; and Wood and Paulsell 2000). The ongoing Employment Retention and Advancement (ERA) evaluation is testing these lessons

(Bloom et al. 2002). The ERA sites have improved their targeting of case management services and have begun to work with clients before the clients leave welfare. In the ERA sites, case management is most important because it enables case managers to connect clients to other services. These three studies also suggest that important elements of a case management approach include the provision of both targeted services and individualized services.

Provide targeted services. Evidence suggests that some eligible families do not want support services. Moreover, some nonparticipants may not benefit from every available service. The same applies to case management—not all clients need or will benefit from case management. Targeting case management to clients who need the most help to make the successful transition to work will allow for a more efficient use of scarce resources.

However, identifying those who need intensive case management services is difficult. Rangarajan (1988) provides some ideas on how to target services. Targeting could focus on people with particular characteristics, such as those in the lowest-paying jobs without fringe benefits, those with less than a high school diploma, or those with multiple barriers or risk characteristics. Alternatively, program administrators could target people who had lost jobs within a few months of having been hired. Rangarajan et al. (1998) examined individual characteristics such as these and showed that they can serve as efficient targeting variables.

After the target group for these intensive services has been identified, aggressive marketing to that group, combined with incentives, might encourage participation. During the early phases of the ERA evaluation, the postemployment programs struggled to recruit and retain participants (Bloom et al. 2002). The sites tried to increase participation by implementing aggressive marketing strategies, offering financial incentives, and providing services at convenient locations and hours. Offering postemployment services while families still are receiving cash assistance might be another way to identify and connect clients to the program (Rangarajan 1998). Creating positive connections while the client is still on TANF may increase the chances that the client continues the relationship after leaving TANF.

Provide individualized services. Given that different post-TANF families may have to deal with different issues or may have different needs, the case management service the families receive should vary depending on those needs. Thus, the case manager has the important task of determining how much attention a particular client requires. Some families, perhaps those identified as at risk while still on TANF, might benefit from more-intensive case management that provides counseling and followup to help them navigate the workplace, plan their budgets, and access important community resources. By contrast, if families need assistance only to access support services, such as help finding child care and health care services, the case manager's role will be limited to working with the clients to identify the most helpful post-TANF supports and programs.

b. A Flexible Program Design

Clients' needs are likely to depend somewhat on their county of residence. For example, participation in housing subsidy programs across counties may reflect differences in outreach, but they also may be a function of the effects on clients of

geography, infrastructure, and resources across counties. The state should therefore consider giving the counties the flexibility to design their own full-fledged postemployment programs using the resources of several existing post-TANF supports. Similar to how counties currently use special initiative funds, they may need some discretion in determining the appropriate target groups for services, the appropriate types of services, and the most appropriate organization to deliver the services.

In addition, county-level administrators are best suited to determine which organization or staff should provide case management. As we discussed in Chapter III, post-TANF clients might be more willing to work with CBOs than to continue their relationship with the welfare office. In the GAPS employment retention program, researchers found that, relative to the welfare agencies, CBO staff may be more accessible to clients, more familiar with community-based support services, and more successful at developing trusting relationships (Wood and Paulsell 2000). Thus, counties may elect to have community organizations provide case management. Indeed, most of the retention programs operating in the state rely on local organizations.

c. A Postemployment Service “Menu”

Instead of developing different programs and reaching out to potentially eligible clients, a better strategy, which uses existing resources, may be to develop a menu of postemployment services designed for the needs of clients. This overall service menu could be an “umbrella” for the support services described in the preceding chapters. Case managers operating under the umbrella would be able to provide clients with, or link them to, the full range of needed benefits and services. They also would be able to promote the services to ensure that families are aware of them. For example, the postemployment program could provide critical linkages for post-TANF families seeking housing or food assistance.

In addition to the services discussed in the previous chapters, the state might consider the following as part of its menu of services:

Preemployment training. Preparations for postemployment can begin before clients leave welfare for work. They may provide clients with important skills to succeed in the workplace, such as life skills classes, job search services, and employability assessment and training (Clymer et al. 2001). These services also might help clients map out a career path, which would help them advance beyond their first post-TANF job.

Additional work supports. Programs that provide additional income supports to supplement low-wage workers’ incomes may also attract clients to the services and keep them engaged. For example, an employment retention and advancement project in Texas provides a \$200 monthly stipend to individuals who leave welfare and work for a minimum of 30 hours per week. Recipients also must participate in postemployment activities (Bloom et al. 2002).

Other services. Other important postemployment programs services include job search assistance for people who lose their jobs, financial support for work-related emergencies (as is offered in Bergen County’s Post-WFNJ Wrap-Around Fund), employer mediation services for people who have problems at the worksite, and career and life-planning workshops.

In suggesting that New Jersey consider a postemployment program, we recognize several issues. First, the state clearly has been concerned about the needs of its post-

TANF clients and has instituted several new programs (discussed in the preceding chapters) to help clients succeed after leaving welfare. Through its outreach vendors, the state also has tried to make post-TANF families more aware of the supports available. As we have seen, several counties also have worked to increase support for their post-TANF clients. Second, implementing an entirely new program is not feasible given the state's current budget crisis. In addition, many county welfare agencies currently are focusing on the problems of hard-to-employ clients who are reaching their time limits, and on the strains on staff members who must juggle responsibilities for multiple programs. Instituting a new program might not be well regarded by these agencies. Finally, some of the more recent statewide post-TANF programs have had lower than expected levels of participation.

There is no guarantee that a different kind of postemployment program will increase families' access to post-TANF supports or that increased access will lead to increased use of these supports. However, we believe that developing a unified, comprehensive postemployment program is both possible and advantageous. It might require redirecting the resources of discrete programs and the infusion of additional TANF resources to establish a new type of program that focuses resources where client need is most evident. We envision a program that provides important links between clients and existing supports, while tailoring services so that clients' particular needs are met. A program offering individualized services that meet particular needs of clients might be better able to attract clients than programs providing services that clients might not want.

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APPENDIX A

PUBLICATIONS OF THE WORK FIRST NEW JERSEY EVALUATION

Longitudinal Client Study

Wood, Robert, Anu Rangarajan, and John Deke. "Early and Later WFNJ Clients: Are Their Experiences Different?" Draft report. Princeton, NJ: Mathematica Policy Research, Inc., June 2003.

Wood, Robert, Anu Rangarajan, and John Deke. "WFNJ Clients Under Welfare Reform: How Is an Early Group Faring Over Time?" Princeton, NJ: Mathematica Policy Research, Inc., April 2003.

Rangarajan, Anu, Carol Razafindrakoto, and Walter Corson. "Study to Examine UI Eligibility Among Former TANF Recipients: Evidence from New Jersey." Princeton, NJ: Mathematica Policy Research, Inc., November 2002.

Wood, Robert G., and Debra A. Strong. "The Status of Families on Child-Only TANF Cases." Princeton, NJ: Mathematica Policy Research, Inc., May 2002.

Rangarajan, Anu, and Amy Johnson. "Current and Former WFNJ Clients: How Are They and Their Children Faring 40 Months Later?" Princeton, NJ: Mathematica Policy Research, Inc., January 2002.

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Rangarajan, Anu, and Robert G. Wood. "How WFNJ Clients Are Faring Under Welfare Reform: An Early Look." Princeton, NJ: Mathematica Policy Research, Inc., October 1999.

Program and Community Studies

Rosenberg, Linda, Charles Nagatoshi, and Richard Roper. "Helping Working Families After Welfare: Access to New Jersey's Support Services." Princeton, NJ: Mathematica Policy Research, Inc., July 2003.

Strong, Debra, Joshua Haimson, and Linda Rosenberg. "Addressing Barriers to Employment: Detecting and Treating Health and Behavioral Problems Among New Jersey's TANF Clients." Draft report. Princeton, NJ: Mathematica Policy Research, Inc., June 2003.

Haimson, Joshua, Alicia Meckstroth, Linda Rosenberg, Richard Roper, and Charles Nagatoshi. "Needs and Challenges in Three New Jersey Communities: Implications for Welfare Reform." Princeton, NJ: Mathematica Policy Research, Inc., July 2001.

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APPENDIX B

POTENTIALLY PROMISING EFFORTS BY COUNTIES TO IMPROVE PROGRAM ACCESS

As indicated throughout the report, New Jersey's county welfare agencies (CWAs) have implemented many administrative and office procedures intended to ease families' access to their post-TANF services. To our knowledge, these policies and procedures have not been tested rigorously for their effectiveness. As a result, we are unable to say whether a particular practice actually improves families' access to services and increases the number of families participating in services. However, based on our discussions with county staff, we feel that certain practices might mitigate some of the participation barriers clients face. Other counties might want to consider these efforts to enhance TANF families' access to important supports as they transition from welfare to work.

This appendix can be viewed as a resource guide for counties that are considering implementing one or more of the identified practices. In Table B.1, we list several types of county practices that are identified in the main report. For each of these practices, we also identify one or two counties that have implemented the practice. While other study and nonstudy counties may also have implemented the particular practice, the ones listed are likely to be good resources for a particular practice or policy. For those interested in learning more about a particular practice, Table B.2 provides address and phone information for the study counties' CWA and UCCA offices.

TABLE B.1

EFFORTS TO IMPROVE ACCESS TO POST-TANF SUPPORT PROGRAMS

Policies and Practices	Counties
I. General Welfare Office Practices	
Extended office hours	Cumberland, Passaic
Policies on response time for clients in the waiting room	Camden, Essex
Document dropoff procedures	Mercer
Computer-based multiprogram application	Bergen, Passaic
Satellite locations	Atlantic, Mercer
Designated post-TANF unit/staff	Essex, Mercer
Customer service training for staff	Atlantic
Use of county's website for applications and other information	Bergen
Information packets on post-TANF services	Atlantic, Monmouth
II. Issues in the Food Stamp Program	
Nonwelfare programs and organizations used in outreach	Atlantic, Passaic
Food stamp benefit calculators for other organizations' use	Camden, Mercer
Off-site or satellite offices	Bergen, Hudson
III. Issues in the Medicaid Program	
Process for identifying ways to streamline application	Camden, Mercer
MIS that facilitates the application process and client tracking	Bergen, Passaic
Reminders to transitional Medicaid clients to apply for NJ FamilyCare	Camden, Passaic
IV. Issues in Child Care Subsidies	
UCCA staff co-located at CWA	Atlantic, Hudson
UCCA presence at WFNJ providers	Cumberland, Essex
Extended UCCA office hours	Camden, Hudson
UCCA and CWA liaisons meet regularly	Camden, Mercer
V. Issues in Transportation Programs	
Jobs and public transportation routes linked	Monmouth
Routes extended to large employers	Camden, Hudson
Use or acquisition of private vehicles	Bergen, Mercer
Programs marketed widely	Atlantic, Hudson
Collaboration and routes with adjacent counties	Camden, Cumberland
VI. Issues in Earned Income Tax Credit Program	
EITC promotion	Bergen, Monmouth
Tax filing support at one-stop centers	Cumberland, Monmouth
VII. Issue in Career Advancement Vouchers	
Distance-learning training programs	Bergen, Monmouth
Enhanced outreach	Camden

TABLE B.2

COUNTY WELFARE AGENCY (CWA) AND UNIFIED CHILD CARE AGENCY (UCCA)
CONTACT INFORMATION

County Welfare Agency	Unified Child Care Agency
ATLANTIC COUNTY	
Atlantic County Department of Family and Community Development 133 Atlantic Avenue Atlantic City, NJ 08401 Telephone: (609) 348-3001 Fax: (609) 343-2374	Child Care Network 211 Shore Road P.O. Box 311 Northfield, NJ 08225 Telephone: (609) 646-1180 Fax: (609) 645-8877
BERGEN COUNTY	
Bergen County Board of Social Services 216 Route 17 North Rochelle Park, NJ 07662-3300 Telephone: (201) 368-4200 Fax: (201) 368-8710	Office for Children One Bergen County Plaza, 2nd Floor Hackensack, NJ 07601-7076 Telephone: (201) 336-7150 Fax: (201) 336-7155
CAMDEN COUNTY	
Camden County Board of Social Services Aletha Wright Building 600 Market Street Camden, NJ 08102-8800 Telephone: (856) 225-8800 Fax: (856) 225-7797	Camden County Division for Children Jefferson House, Lakeland Road P.O. Box 88 Blackwood, NJ 08012 Telephone: (856) 374-6376 Fax: (856) 374-5148
CUMBERLAND COUNTY	
Cumberland Board of Social Services 13 Northeast Boulevard Vineland, NJ 08360 Telephone: (856) 691-4600 Fax: (856) 692-7635	Tri-County Child Care Services 110 Cohansey Street Bridgeton, NJ 08302 Telephone: 451-6300 Fax: (856) 455-7288
ESSEX COUNTY	
Essex County Department of Citizen Services Division of Welfare 18 Rector Street, 9th Floor Newark, NJ 07102 Telephone: (973) 733-3000 Fax: (973) 643-3985	Programs for Parents 33 Washington Street Newark, NJ 07102 Telephone: (973) 297-1114 Fax: (973) 297-1196
HUDSON COUNTY	
Hudson County Division of Social Services John F. Kennedy Office Building 100 Newkirk Street Jersey City, NJ 07306 Telephone: (201) 420-3000 Fax: (201) 420-0343	Urban League of Hudson County 253 Martin Luther King Drive Jersey City, NJ 07305-3427 Telephone: (201) 451-8888 Fax: (201) 451-1808

TABLE B.2 (continued)

County Welfare Agency	Unified Child Care Agency
MERCER COUNTY	
Mercer County Board of Social Services 200 Woolverton Street P.O. Box 1450 Trenton, NJ 08650-2099 Telephone: (609) 989-4320 Fax: (609) 989-0405	Child Care Connection 1001 Spruce Street, Suite 201 Trenton, NJ 08638 Telephone: (609) 989-7770 Fax: (609) 989-8060
MONMOUTH COUNTY	
Monmouth County Division of Social Services Kozloski Road Freehold, NJ 07728 Telephone: (732) 431-6000 Fax: (732) 431-6017	Child Care Services 30 South Street, Rear P.O. Box 190 Freehold, NJ 07728-0190 Telephone: (732) 294-1894 Fax: (732) 294-1895
PASSAIC COUNTY	
Passaic County Board of Social Services 80 Hamilton Street Paterson, NJ 07505-2060 Telephone: (973) 881-0100 Fax: (973) 881-3232	North Jersey 4Cs 101 Oliver Street Paterson, NJ 07501 Telephone: (973) 684-1904 Fax: (973) 684-0468