

Do State TANF Policies Affect Child Abuse and Neglect?

For Presentation at:

Childhood Poverty and The Kansas Child Welfare Crisis

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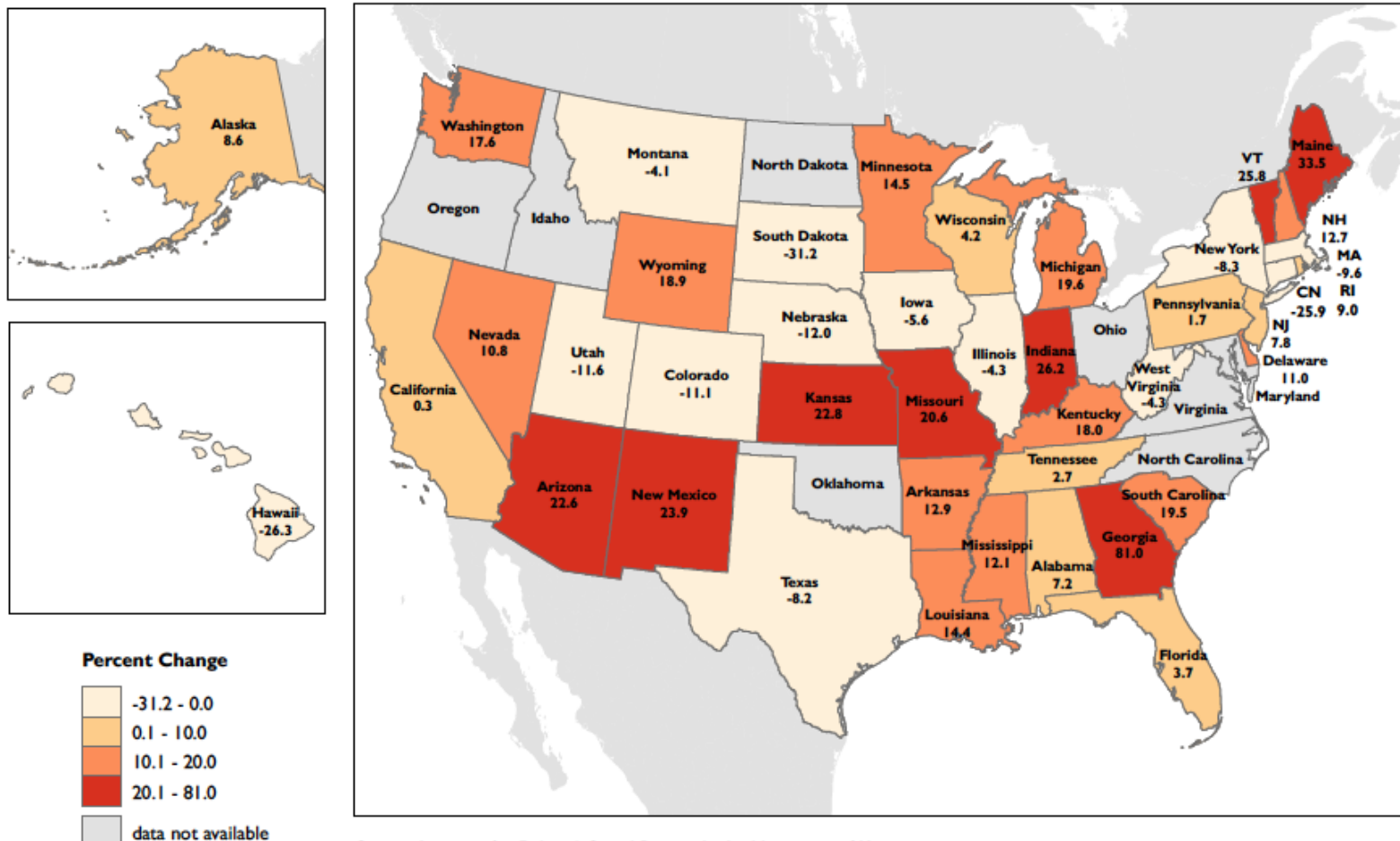
Background

- **Goal:** Examine whether changes in state TANF policies are associated with increases in child maltreatment.
- Data from the National Child Abuse and Neglect Data System (NCANDS)--several states experienced considerable increases in rates of child neglect during the Great Recession while others experienced declines.

Percent Change in the Number of Children who Received a Child Maltreatment Investigation by State, 2009-2013



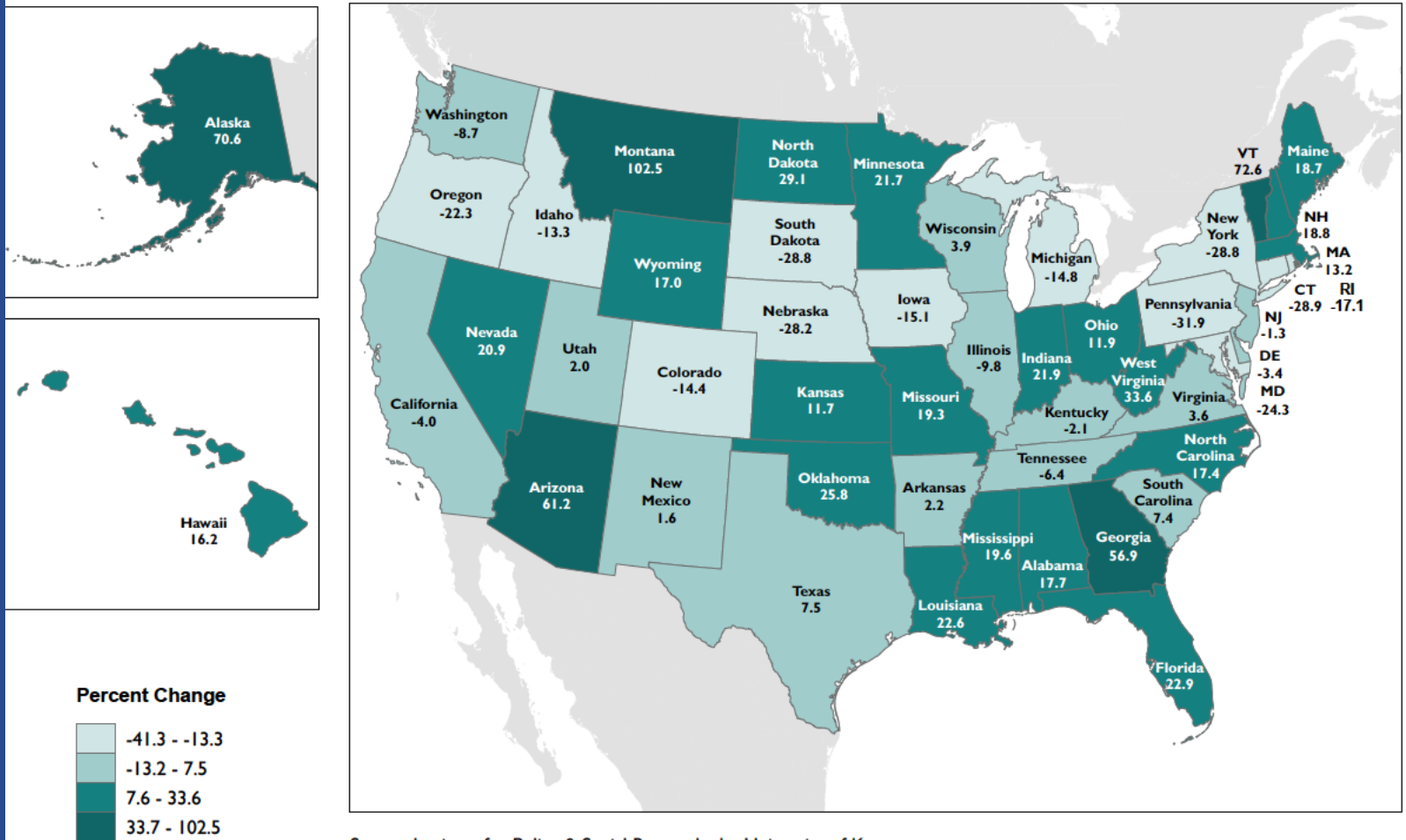
Percent Change in the Number of Children who Received a Child Maltreatment Investigation, by State, 2009-2013



Source: Institute for Policy & Social Research, the University of Kansas;
data from National Data Archive on Child Abuse & Neglect, NCANDS Child File.

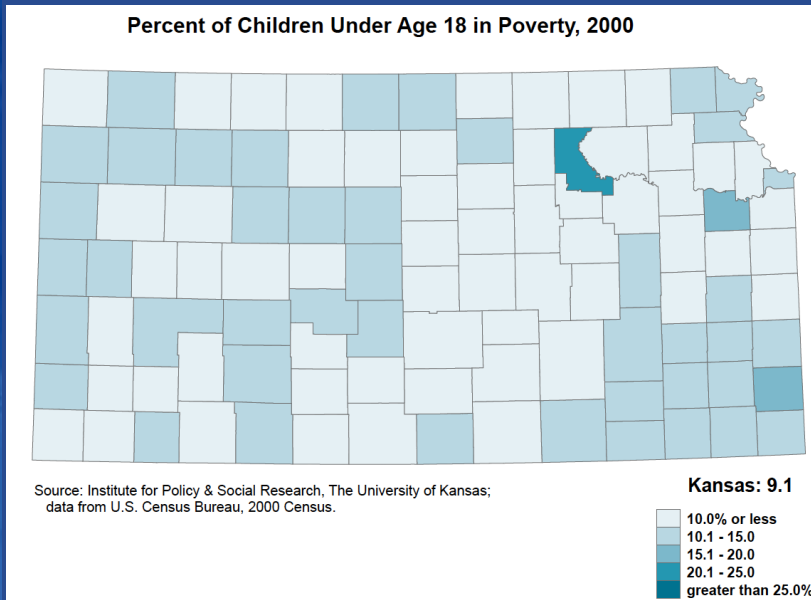
Percent Change in the Number of Children Placed in Foster Care, 2010-2015

Percent Change in the Number of Children who Entered Foster Care, by State, 2010-2015



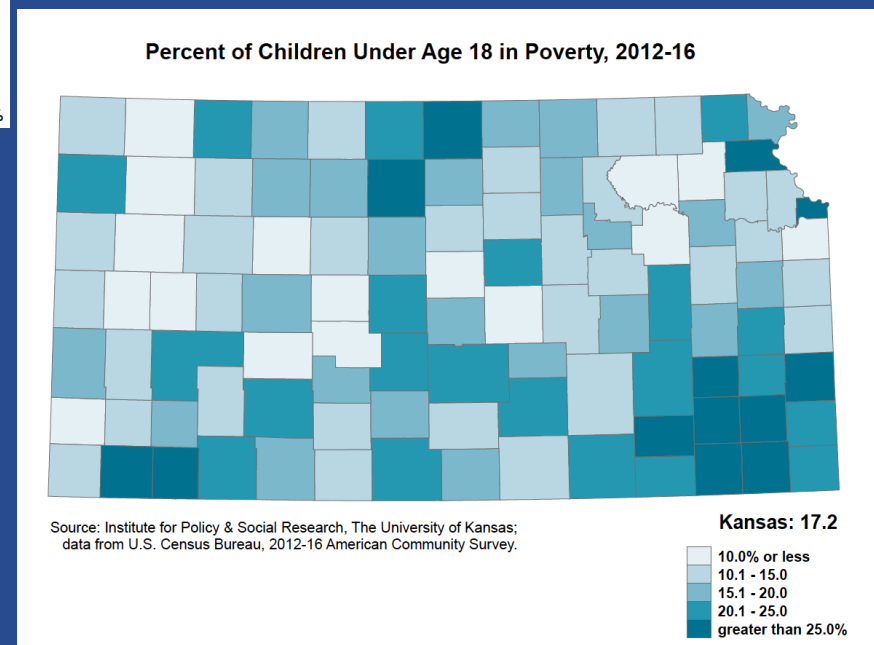
Source: Institute for Policy & Social Research, the University of Kansas; data from National Data Archive on Child Abuse & Neglect, AFCARS Foster Care File.

Child Poverty has nearly doubled in Kansas & the US since 2000



In 2000, 9.1% of children were in poverty. The highest rate was in Riley county ~20%.

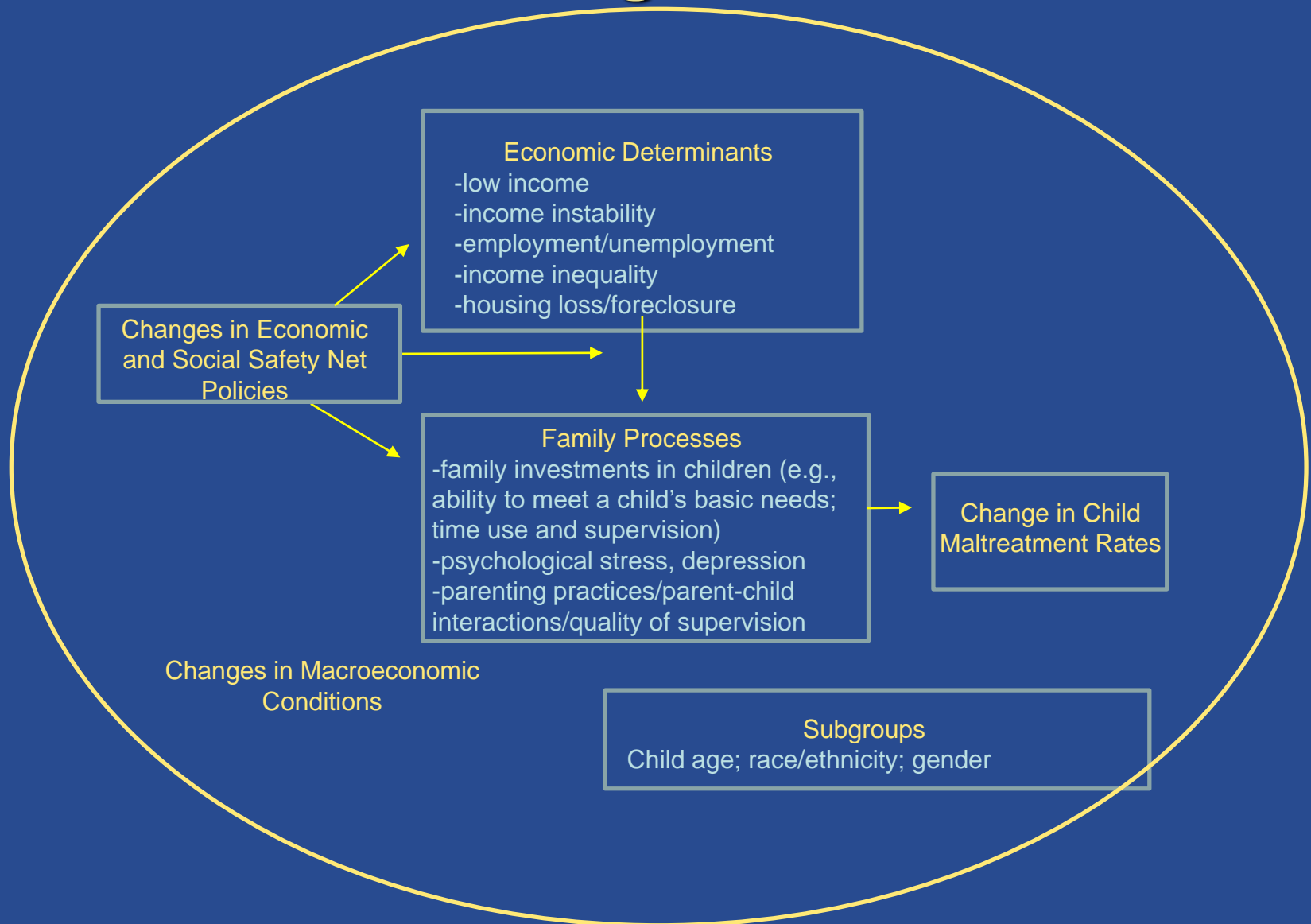
In 2016, 17.2% of children were in poverty. The highest rates were in SE Kansas, ranging between 25-45%. Only 11.8% of Kansas Households received some form of assistance.



Hypotheses

- Increases in child maltreatment in some states were partly induced by restrictive changes in economic and social safety net policies at the state level during this period.
 - This study examines how changes in TANF policies at the state level affected rates of child abuse and foster care placements.

How the Safety Net Affects Abuse & Neglect



Social Safety Net

- Temporary Assistance to Needy Families (TANF) or Cash Welfare
- Supplemental Nutrition Assistance Program (SNAP) formerly Food Stamps
- Earned Income Tax Credit.
- Minimum Wage
- Women, Infants and Children (WIC) nutrition program
- Childcare and Pre-K programs (e.g. Headstart)
- Medicaid & SCHIP
- Housing subsidies

Temporary Assistance to Needy Families

- Replaced Aid to Families with Dependent Children in 1996
- 60 Month Time limit on benefits
- Sanctions for not working or looking for work including removing entire family from benefits.
- Family caps, asset tests, diversion payments
- Block grants to states has resulted in significant policy variation.
- Kansas TANF payments:
 - **Maximum for a family of 3: \$375 per month.**

Temporary Assistance to Needy Families

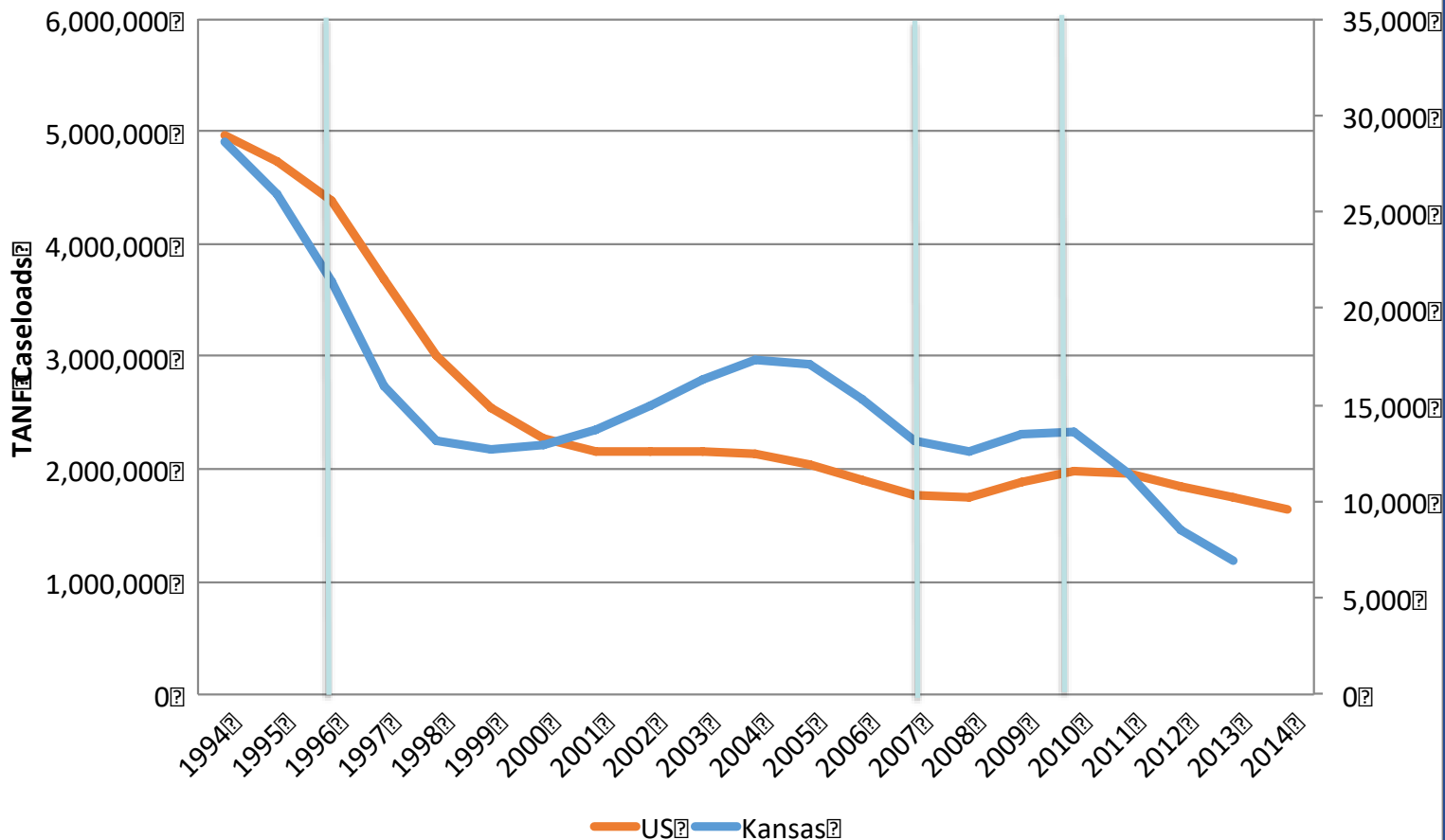
- Since Deficit Reduction Act of 2005 (implemented in 2007) states have been under increased pressure to move TANF recipients into work.
 - The change in the base year for caseload reduction credits made it more difficult for states to meet federal requirements.
- At the same time, the Great Recession of 2007-2009 resulted in a peak 10% unemployment rate that stayed high thru 2013
 - However, TANF caseloads barely responded to increases in the unemployment rate.

Kansas HOPE Act

- In 2016, Kansas enacted some of the most restrictive TANF policies in the US:
 - Reduced Benefit time limit from 48 to 24 months (an extra 12 months in case of hardship)
 - Diversion payments: One time payment for not taking TANF benefits
 - Restricts TANF recipients from spending money out of state.
- However, TANF policy began to change significantly in 2011 through administrative actions.

TANF Caseloads

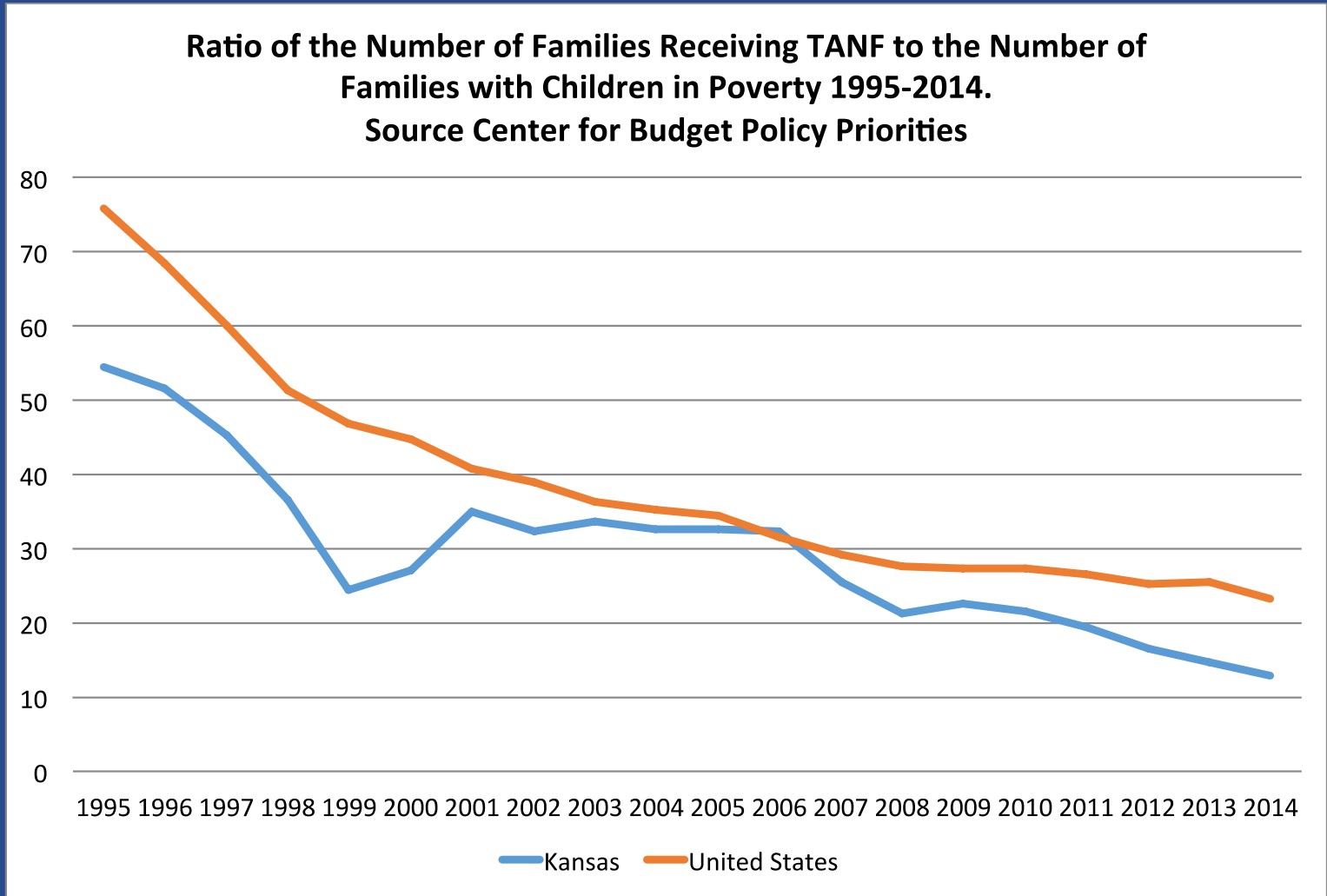
US and Kansas Temporary Assistance to Needy Family Caseloads, 1994-2014



Despite very high unemployment rates, TANF caseloads did not increase during the Great Recession.

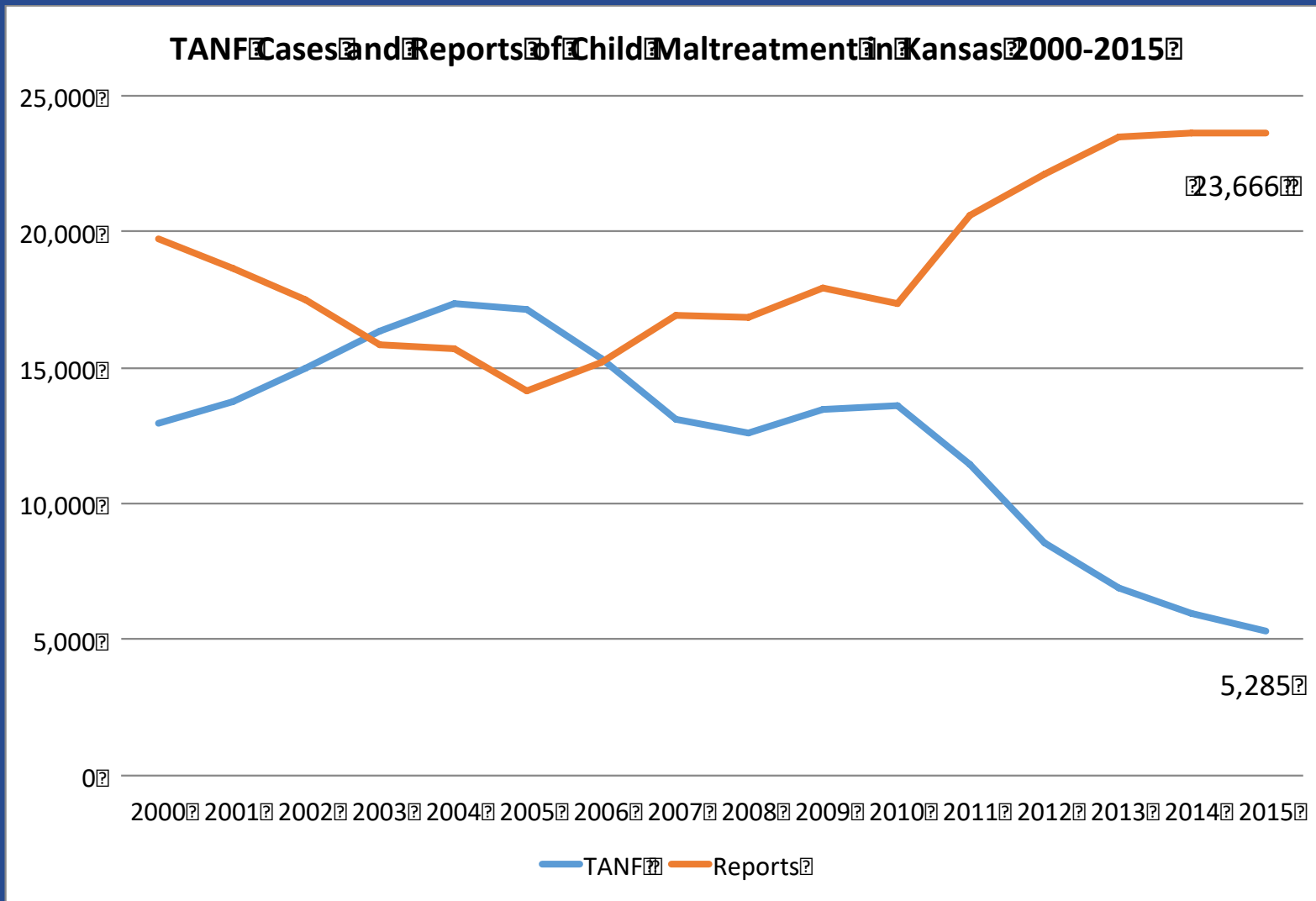
TANF Caseloads / Poverty

Source: Center for Budget Policy Priorities



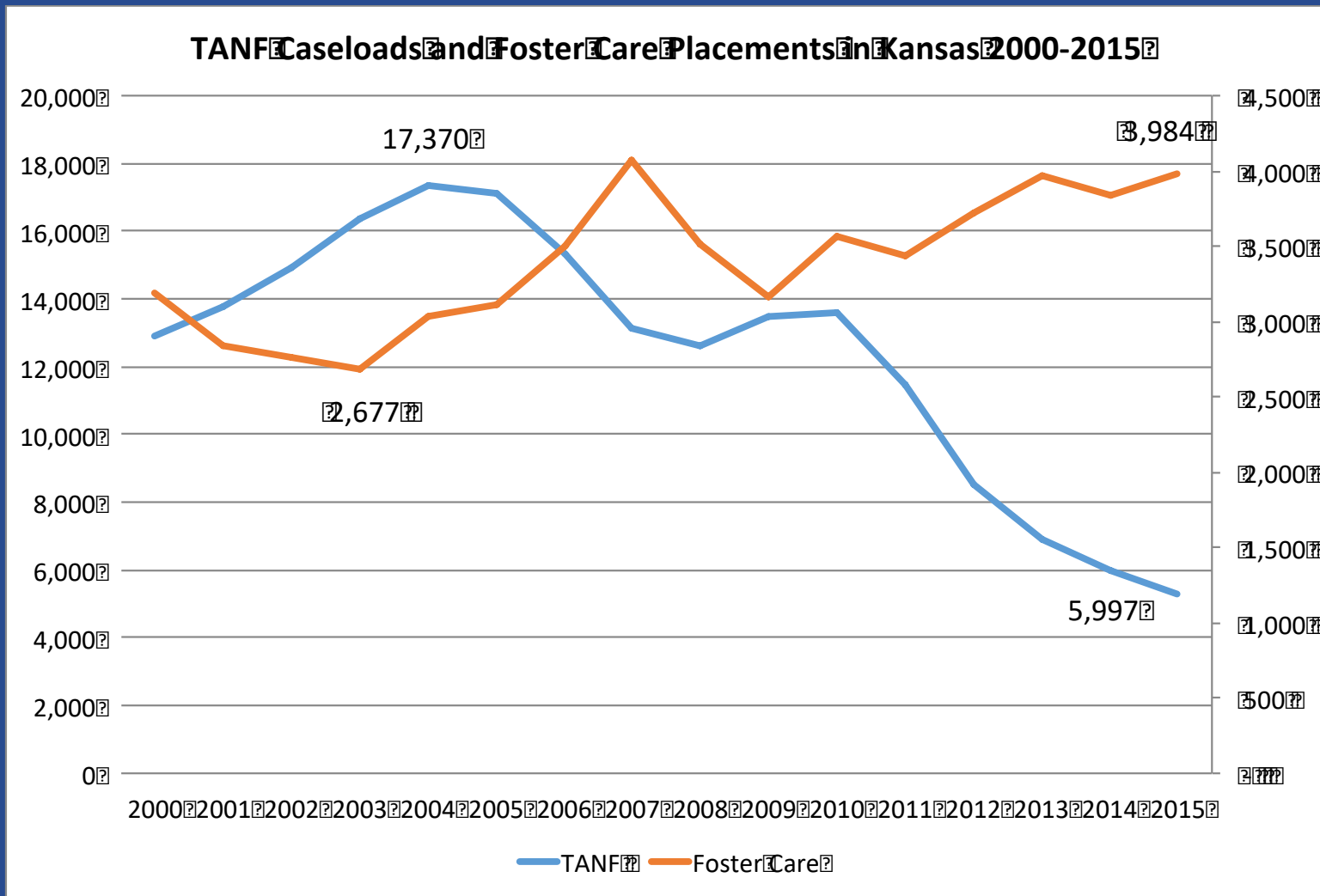
In the US only 25% of impoverished families receive TANF; In Kansas Only 13% receive TANF.

TANF Caseloads & Child Maltreatment in Kansas



Reports of abuse and neglect are the mirror image of TANF caseloads

TANF Caseloads & Foster Care Placements in Kansas



Foster care placements are the mirror image of TANF caseloads

Data—Dependent Variables

- Reliable data only available 2004-2014
- Data on child abuse and neglect from NCANDS, a federally sponsored initiative.
 - Total Reports
 - Victims / Substantiated Cases
 - Neglect Reports and Victims
- Data on foster care entries are available from the Adoption and Foster Care Analysis and Reporting System (AFCARS).
 - Total Children in Foster Care
 - Total Children in Foster Care due to Neglect

Data—Independent Variables

- Covariates from CPS-ASEC:
 - share of children by age categories, share of population that are immigrants, non-Hispanic black, non-Hispanic Asian, non-Hispanic other race, Hispanic any race, children living below 75% of poverty line, share of mothers without a high school degree, share of single mothers, share of working mothers/no father, share with father not working, share of working mother/non-working father, share of working mother/working father
- CDC Crude Death Rates from Drugs

Data—Independent Variables

- Covariates from University of Kentucky Center on Poverty Research and Current population survey.
 - state population, unemployment rate, gross state product, percentage of children in poverty, state minimum wage

Data—Treatment Variables

- Urban Institute Welfare Rules Database
- Work-related sanctions
 - Most severe sanction is losing benefits
 - Return to work before child is 12 months old
 - Time-limit is < 60 months
 - No increase in earnings disregard
 - All four policies at the same time
- Behavioral Carrots/Sticks
 - School attendance/participation requirements
 - School bonus
 - Immunization requirement
 - Health Screening requirement

TANF Policy Changes



Policies	2005	2010	2015
Most Severe Sanction: Lose Benefits	43	45	46
Time Limit < 60 Months	8	11	12
Work if Child < 12 Months	22	25	25
Earnings Disregard Did Not Increase	36	27	28
States with All Four Sanction Counts	4	5	4
School Requirement	33	33	37
School Bonus	8	9	8
Immunization Requirement	27	26	25
Health Screening Requirement	8	6	5

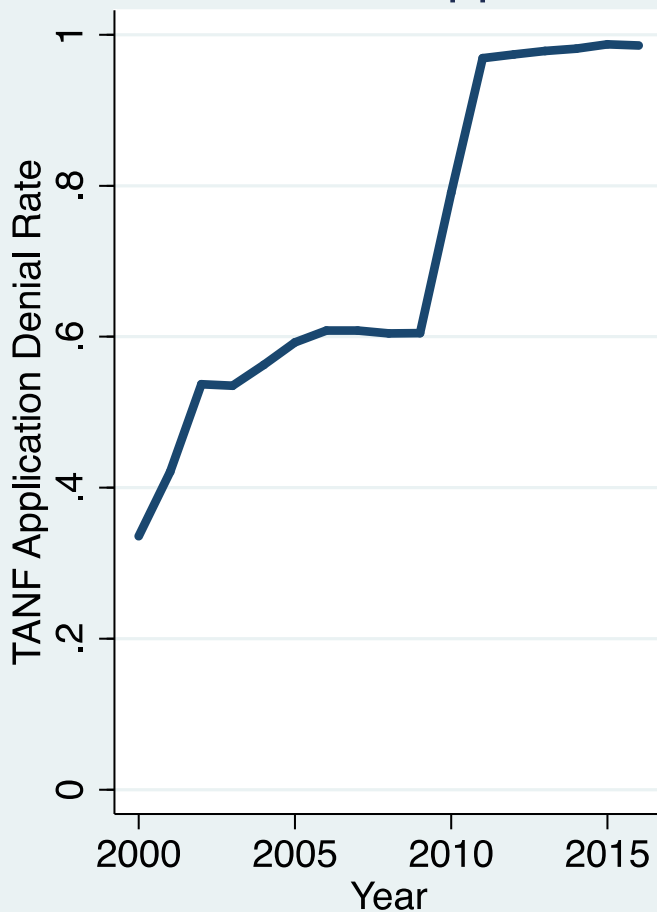
Denial Rates

- In addition to sanctions and time limits that push people off of TANF, states may have policies that limit the take up of benefits.
 - Examine the data for states looking for discrete jumps in TANF application denials.
 - Infer policy change when denial rates are above average and jump ~ 20 percentage points within two years.
- States with denial data changes:
 - Arizona, Florida, Georgia, Indiana, Kansas, Michigan, Mississippi, Nebraska, Ohio, Rhode Island, South Carolina, Texas, Utah, Virginia

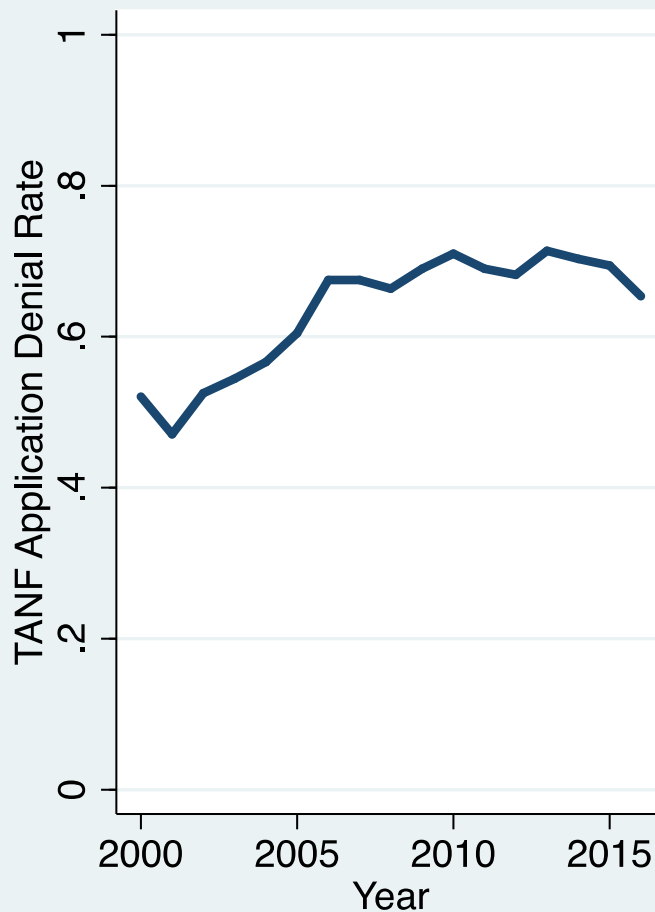
TANF Denial Rates



Mississippi



Oklahoma

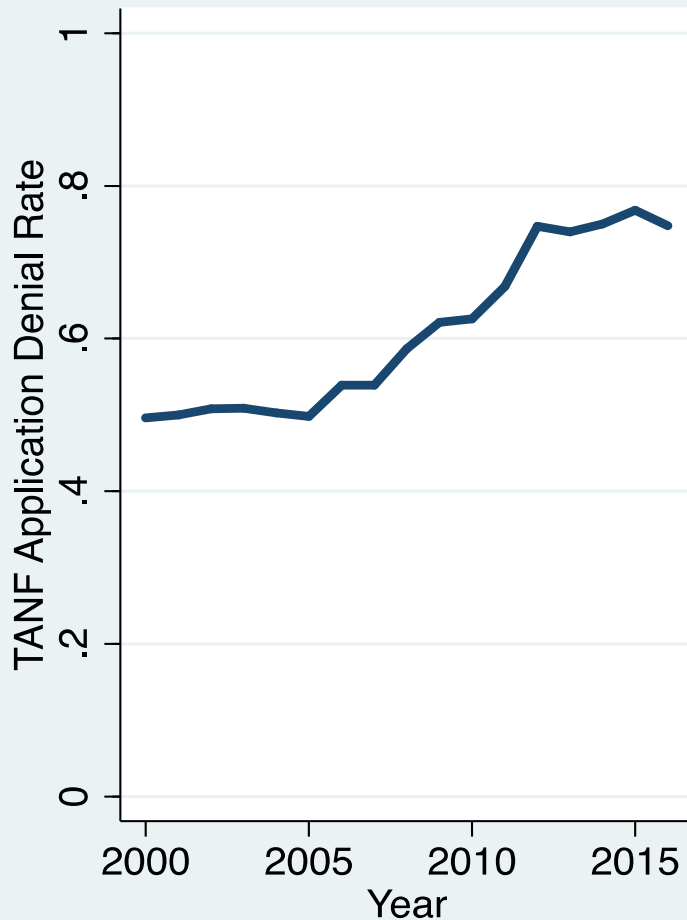


We infer that Mississippi adopted a policy in 2011 that increased denials

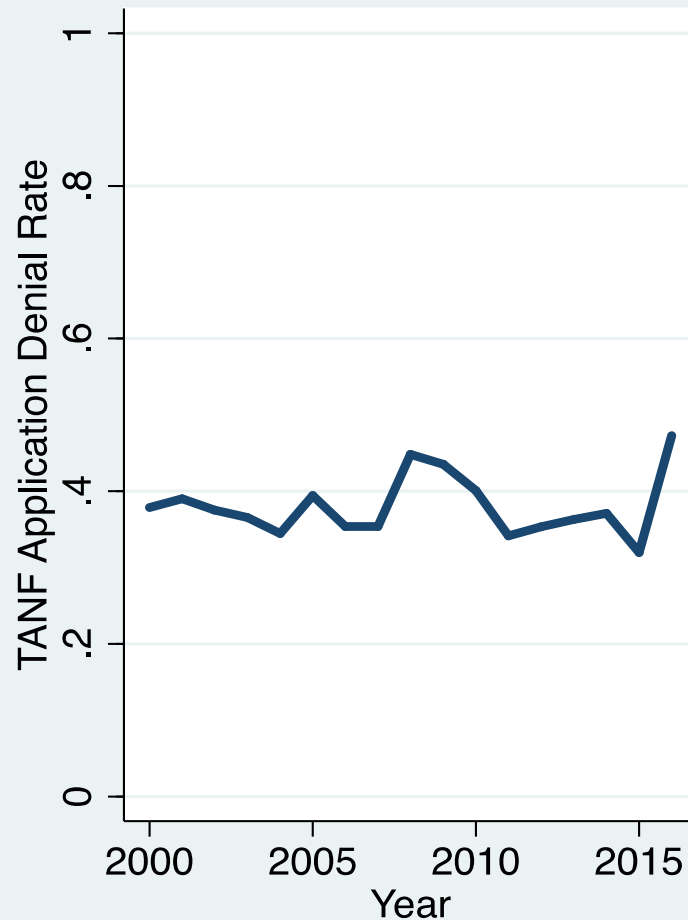
TANF Denial Rates



Kansas



Missouri



We infer that Kansas adopted a policy in 2011 that increased denials
But Missouri did not.

Difference-in-Differences Estimates

- States change policies at different times and in different directions.
- We can use these policy changes as quasi-natural experiments embedded in a regression model.
 - These models will generate estimates of the causal effect of policy changes on child abuse and neglect and placement into foster care.
- Drop states that changed policies except for Kansas, to see the effect of Kansas policies relative to states that didn't restrict access.

Effect of TANF Sanctions on Abuse & Neglect



Full Sample ***p<.001, **p<.01, *p<.05, ~ p<.10	Total Reports	Neglect Reports	Total Victims	Neglect Victims	Total Foster Care	Negl Foster Care
Sanction: Lose All Benefits	0.048	0.030	0.125*	0.217~	0.126*	0.118~
Time limit < 60 months	0.011	0.262	0.296*	0.335*	0.049	0.195~
Denials	0.073	0.150	0.190*	0.161	0.160**	0.153
Kansas						
Sanction: Lose All Benefits	0.075	0.144	0.153*	0.262~	0.158**	0.108
Time limit < 60 months	0.099	0.053	0.092*	0.040	0.129**	0.189*
Denials	0.186***	0.054	0.014	-0.252**	0.192***	0.224***

Coefficients are interpreted as percent change. Denials have a larger effect on foster care placements in Kansas.

Full Sample: Effects of TANF Sanctions on Abuse & Neglect



- When sanctions are switched to losing all benefits:
 - Total abuse & neglect victims increase 12.5%--21.7%
 - Total foster care & neglect foster care increase 12.6% to 11.8%
- Reductions in time limits increase victims 29.6% to 33.5% and neglect foster care placements by 19.5%
- Denials increase victims by 19% and foster care placements by 16%

Kansas: Effects of TANF Sanctions on Abuse & Neglect

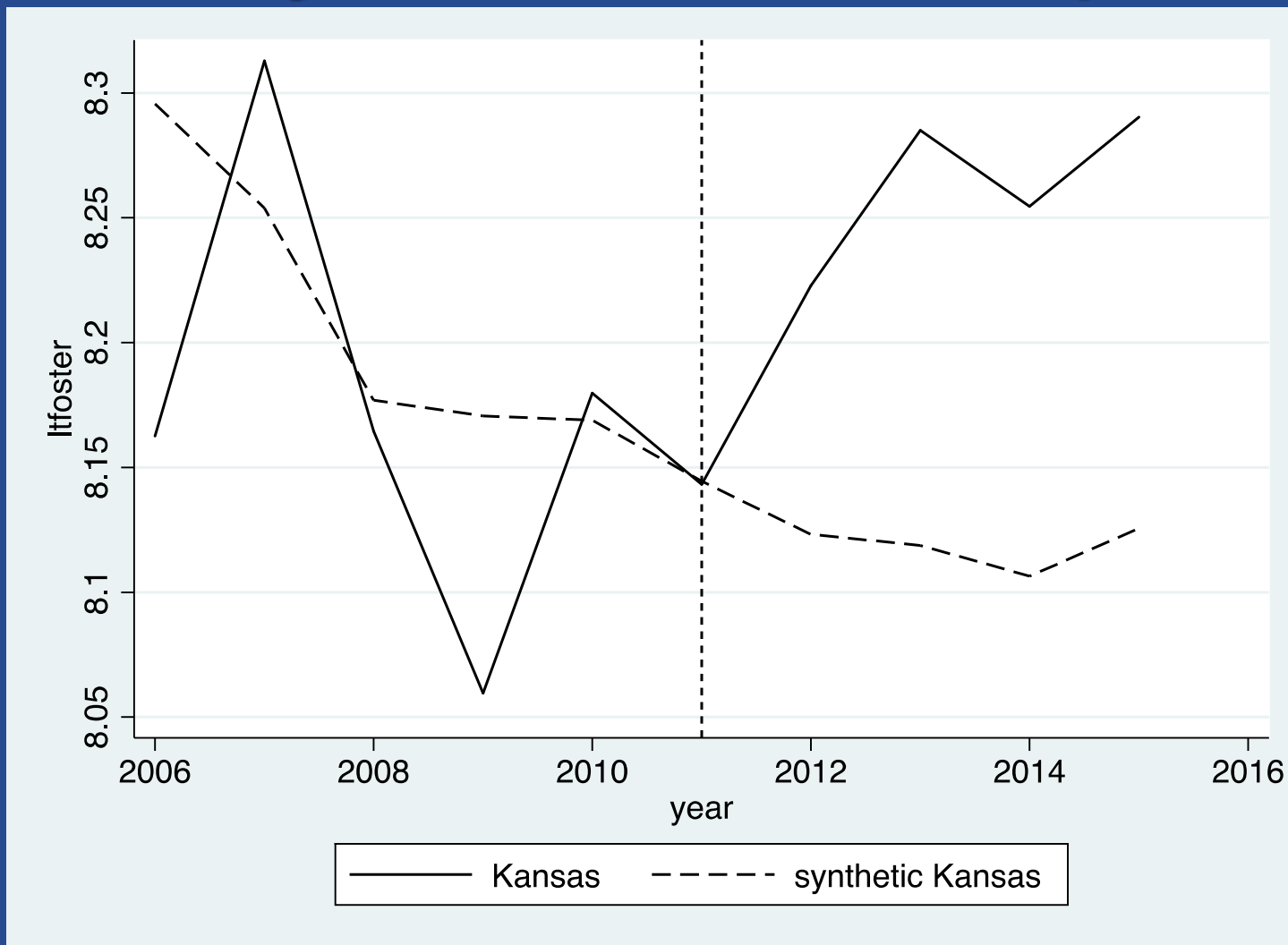
- Sanctions losing all benefits:
 - Total abuse & neglect victims increase 15.3%--26.2%
 - Foster care placements increase 15.8%
- Reductions in time limits increase
 - Total victims by 9.2%
 - Total foster care placements by 12.9%
- Denials increase:
 - Total reports by 18.6%
 - Total foster care by 19.2%; foster care for reasons of neglect by 22.4%
- Neglect victims may be reduced because some move directly to foster care.

Synthetic Control Group



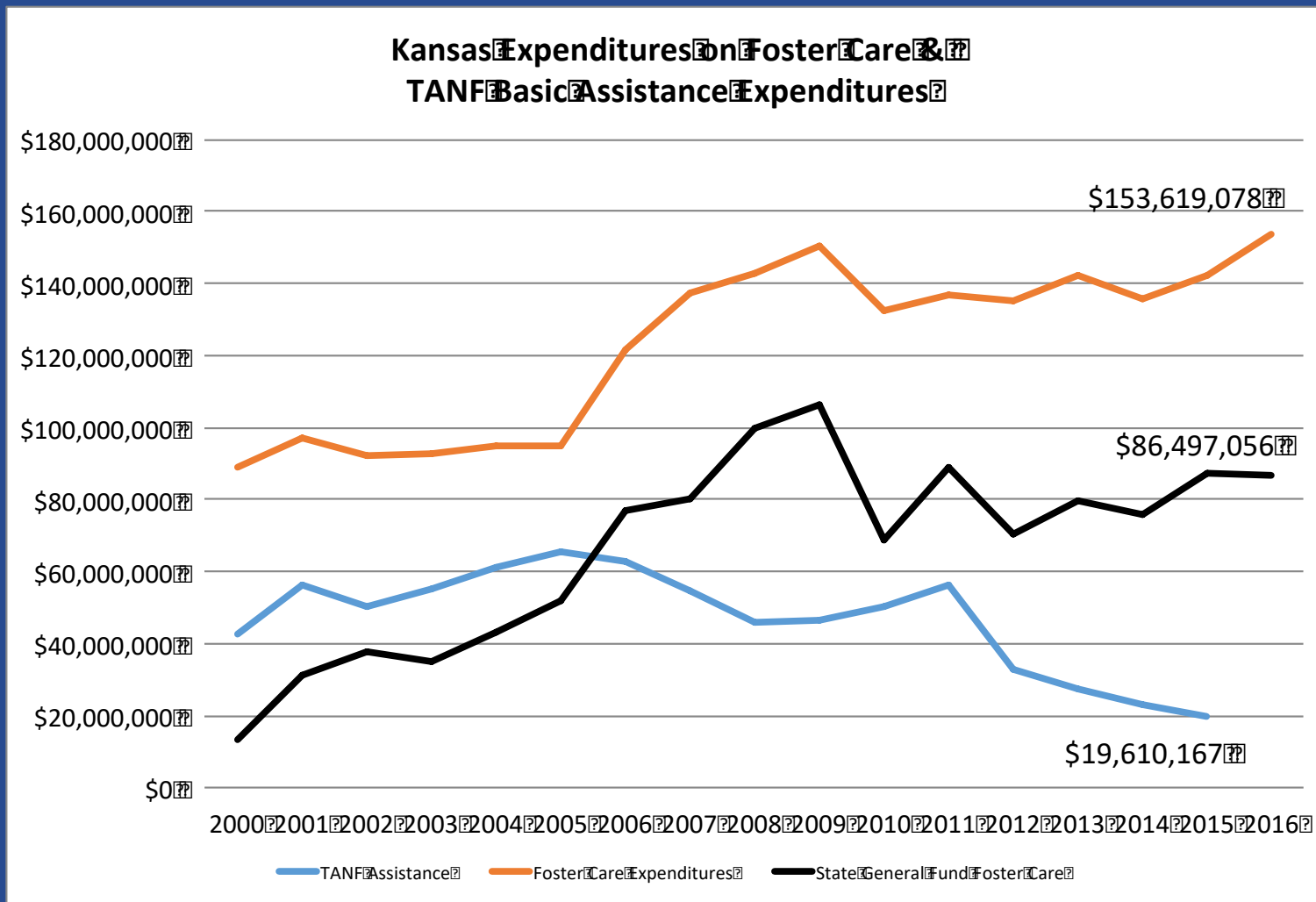
- We can take a weighted average of characteristics of states including unemployment rate, child population, share of immigrants, percent urban, race/ethnicity of state.
- Compare foster care placements to a synthetic control made up of a weighted average of states that did not change TANF policies to foster care placements in Kansas.

Synthetic Control Group



Preliminary estimates show decreasing foster care between 2007-2009, but huge divergence starting in 2011.

Foster Care & TANF Expenditures



TANF Basic expenditures dropped from \$56 mil in 2011 to only \$19 mil in 2015. SGF costs for foster care are much higher at \$86 mil.

More Work to Do

- Include additional safety net programs (e.g. SNAP, EITC, Medicaid, etc).
- Calculate the costs and benefits of policies:
 - For example, foster care in Kansas costs a minimum of \$3060 per month for two children (at a rate of \$55.71 per day). This is more than 8 times the amount of a monthly TANF payment (\$375) for a three person family!
- Estimate counterfactual outcomes and other robustness checks to support causal argument.

Conclusions



- Our preliminary results indicate that restrictions on TANF have a causal effect on the change in abuse victims and foster care placements.
 - In Kansas sanctions that remove families from TANF as well as barriers to obtaining TANF appear to increase abuse & foster care placements.
- Restrictions on access to the safety net appear to have unintended and dire consequences.

Questions?

