Welfare Recidivism in Maryland: The Importance of Child Support

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Child Support and Self-Sufficiency
(Sorensen, 2010)

• Child support is an indispensable source of income for families.
  – It makes up 40% of a poor family’s income, on average.
  – It reduces child poverty by approximately 4%.
  – It lifts more than 1 million people out of poverty each year.
Child Support for Welfare Recipients

- Child support collected on behalf of the families is used to reimburse the federal and state governments.
- Maryland does not have a child support pass-through policy in place.
- Families are unable to receive child support until they leave welfare.
Child Support and Welfare Recidivism

- When a family leaves welfare, 40% have an order for current support established in the first year after exit (Nicoli, Passarella, & Born, 2013).

- Research examining the effect of child support on returns to welfare are limited in both abundance and methodology.

- Child support was associated with a decreased likelihood of returning to welfare (Huang, Kunz, & Garfinkel, 2002; Meyer, 1993).
Research Questions

• Are women who leave welfare less likely to return if they receive child support after their exit?

• Do other factors, such as payment consistency, amount received, employment and earnings contribute to welfare recidivism?
Sample

n = 34,541

• All Maryland welfare cases that closed between January 2006 and December 2009 and meet these criteria:
  – Exited for at least two months
  – Female-headed
  – Had a child under 18 in the household
  – Had child support due at some point in the 3 years after exit

• Cases excluded:
  – Churners
  – Administrative errors
  – Two-parent and child-only cases
Methods

• Welfare Recidivism
  • Dichotomous: yes/no returned to welfare within three years

• Child Support Receipt
  • Dichotomous: yes/no received child support within three years
  • Payment consistency: yes/no received a payment for 75% of the three years (27 out of 36 months).
  • Categorical dollar amounts based on quintiles

• Descriptive statistics and significance testing were used to test differences.
Data Sources

• CARES (Client Automated Resources and Eligibility System)
  – Administrative data system for the welfare program managed by the Department of Human Resources, State of Maryland.

• MABS (Maryland Automated Benefits System)
  – Administrative data system that contains employment and earnings for all individuals who work for an employer covered by Unemployment Insurance (UI).

• CSES (Child Support Enforcement System)
  – Administrative data system that contains all child support data for the public child support system in Maryland.
## Characteristics of Recidivists and Non-Recidivists

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Recidivist (n = 18,028)</th>
<th>Non-Recidivist (n = 16,513)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>52.2%</td>
<td>47.8%</td>
</tr>
<tr>
<td>African American</td>
<td>85.0%</td>
<td>75.3%</td>
</tr>
<tr>
<td>Never Married</td>
<td>87.7%</td>
<td>81.8%</td>
</tr>
<tr>
<td>Earned High School Diploma</td>
<td>55.3%</td>
<td>69.7%</td>
</tr>
<tr>
<td>Mean Age</td>
<td>28.98</td>
<td>30.53</td>
</tr>
<tr>
<td>Mean Number of Children</td>
<td>2.08</td>
<td>1.96</td>
</tr>
<tr>
<td>Mean Age of Youngest Child</td>
<td>4.21</td>
<td>4.84</td>
</tr>
<tr>
<td>Mean Months of Welfare Receipt</td>
<td>23.42</td>
<td>17.93</td>
</tr>
</tbody>
</table>

Note: *** p<.001
Recidivism and Child Support

- Returned to Welfare
- Did not Return to Welfare

<table>
<thead>
<tr>
<th>Received Child Support</th>
<th>Did not Receive Child Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>49.6%</td>
<td>63.6%</td>
</tr>
<tr>
<td>50.4%</td>
<td>36.4%</td>
</tr>
</tbody>
</table>

Note: *** p<.001
Payment Consistency***

Among Women who Received Child Support

- Returned to Welfare
- Did not Return to Welfare

Note: *** p<.001
Child Support Received***

Among Women who Received Child Support

<table>
<thead>
<tr>
<th>Range</th>
<th>Returned to Welfare</th>
<th>Did not Return to Welfare</th>
</tr>
</thead>
<tbody>
<tr>
<td>$.01 - $936</td>
<td>59.9%</td>
<td>40.1%</td>
</tr>
<tr>
<td>$937 - $2,802</td>
<td>56.4%</td>
<td>43.6%</td>
</tr>
<tr>
<td>$2,803 - $5,700</td>
<td>53.1%</td>
<td>46.9%</td>
</tr>
<tr>
<td>$5,701 - $9,832</td>
<td>46.6%</td>
<td>53.4%</td>
</tr>
<tr>
<td>$9,833 +</td>
<td>31.2%</td>
<td>68.8%</td>
</tr>
</tbody>
</table>

Mean: $4,594
Mean: $7,264

Note: *** p<.001
Employment, Earnings, and Recidivism***
Among Women who Received Child Support

- **82.6%** returned to work after welfare
- **80.9%** did not return to welfare

- **$21,264** average earnings among those who returned to work after welfare
- **$40,211** average earnings among those who did not return to welfare

Note: *** p<.001
Conclusions

• There is a significant association between child support receipt and welfare recidivism in Maryland.

• Consistent with earlier findings, women who received child support after exit were less likely to return to welfare.

• Consistent payments, the amount of child support, and earnings from employment are also important factors.
Implications

• Further research should be pursued in this area and should utilize appropriate regression models.

• States should continue to advocate for low-income families whose income may be largely dependent on child support after leaving welfare.

• States should increase efforts to establish child support orders for low-income families.

• States should adopt family-friendly policies that encourage low-income noncustodial parents to pay their support.
References


Thank You

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