



What Docs Should Know About... Welfare Policy and Young Children

www.DocsForTots.org

In 1996, the federal government made dramatic changes to the welfare program through the Welfare Reform Law, which served 3.5 million children in FY 2005.¹

- The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) replaced the federal guarantee of cash welfare to all qualified families—Aid to Families with Dependent Children (AFDC)—with Temporary Assistance for Needy Families (TANF). TANF is a block grant that provides a fixed level of funding to states to design work-focused, time-limited welfare programs. TANF was reauthorized in February 2006 under the Deficit Reduction Act (DRA) of 2005.²
- Welfare consists of “basic assistance” monthly cash benefits to families, as well as other supports like child care, transportation and other benefits. Basic assistance is designed to provide for ongoing, basic needs of the families. States set eligibility guidelines for TANF. The program is currently funded at \$16.9 billion annually, and served 1.1 million women and 3.5 million children in FY 2005.³ In FY 2004, families received an average of \$439 per month in “basic assistance” (i.e. not including child care, transportation, etc.).⁴
- The 1996 law established a five-year cumulative time limit on welfare receipt through “assistance” received (with a state option to impose its own time limit for non-assistance support or state funds provided) and work participation guidelines requiring adults to participate in defined “work” activities after a maximum of 24 months of TANF receipt. However, the rules pertaining to work requirement and job training have been substantially tightened under the DRA, making recipients subject to federally mandated work requirement guidelines.
- States may exempt single parents with a child under the age of one from work requirements for a period of up to 12 months.⁵

Mandated maternal employment is a key component of welfare reform, and is linked to children’s development.

- Some research suggests that employment is beneficial to maternal mental health, and therefore children will indirectly benefit. Others argue that the stresses of work may affect children negatively, especially for single parents. One study links maternal employment of 30 hours or more per week in the first nine months of life to negative effects on child cognitive outcomes.⁶
- A review of 11 welfare-to-work experiments found that positive effects on school achievement, children’s behavior, and children’s health programs were most prevalent in programs that provided financial and in-kind supports (earnings supplements), highlighting the importance of increasing the family’s resources.⁷

Following welfare reform, other social service programs for the poor may be more important than ever.

- Following welfare reform, there was a marked trend of families leaving welfare and also losing receipt of other government benefits, such as Food Stamps and Medicaid. This may have been because Food Stamps were often provided in conjunction with TANF, and families assumed they were no longer eligible for Food Stamps.

¹ National Center for Children in Poverty (NCCP). (nd). Temporary Assistance for Needy Families (TANF) Cash Assistance. http://www.nccp.org/policy_detail_12.html.

² U. S. Department of Health and Human Services Administration for Children and Families. Office of Family Assistance. <http://www.acf.dhhs.gov/programs/ofa/>.

³ U.S. Department of Health and Human Services. Administration for Health and Families. Office of Family Assistance. Temporary Assistance to Needy Families. Caseload Data. <http://www.acf.dhhs.gov/programs/ofa/caseload/caseloadindex.htm>.

⁴ National Center for Children in Poverty. (nd). Temporary Assistance for Needy Families (TANF) Cash Assistance. http://www.nccp.org/policy_detail_12.html.

⁵ Center for Budget and Policy Priorities. (2006). Implementing the TANF changes in the Deficit Reduction Act: Win-win solutions.

⁶ Brooks-Gunn, J., Han, W., & Waldfogel, J. (2002). Maternal employment and child cognitive outcomes in the first three years of life: The NICHD study of early child care. *Child Development*, 73, 1052-1072.

⁷ Morris, P. A., & Duncan, G. J. (2001). Which welfare reforms are best for children? *Welfare Reform & Beyond Policy Brief*, 6.

- Recent research shows that this trend may be reversing and that Food Stamp receipt is higher among recent welfare leavers than among early welfare leavers. This increased use of Food Stamps and other benefit programs may be helping families stay off TANF.⁸
- These programs serve as an important safety net for poor children and their absence may be linked to negative health outcomes.⁹

Welfare reform was reauthorized for a period of five years in 2005.

- The Deficit Reduction Act substantially tightens the definition of what qualifies as work or job training that TANF recipients are required to participate in. Advocates are concerned that the reauthorized act does not take into account barriers to employment, for example, low-income women who have the desire to work but are not able to because of their inability to pay for quality child care.¹⁰

Docs can help families access social services and advocate for child-friendly welfare policies.

- Docs can help families locate local or county social service agencies through this Web site:
http://www.acf.dhhs.gov/programs/ofa/hs_dir2.htm.
- Contact Docs For Tots (dft@DocsForTots.org) for more information about welfare or for help in advocating for low-income children.

Additional Resources for Docs

- What Docs Should Know About... Child Care and Impact of Poverty on Young Children, www.DocsForTots.org
- Welfare Information Network, <http://www.financeprojectinfo.org/win/>

⁸ Loprest, P. J. (2003). Use of government benefits increases among families leaving welfare. Washington, D.C.: Urban Institute.
<http://www.urban.org/publications/310838.html>.

⁹ Smith, L. A., et. al. (2000). Implications of welfare reform for child health: Emerging challenges for clinical practice and policy. *Pediatrics*, 106, 1117-1125.

¹⁰ U.S. moves to get states to put more welfare recipients in work or in training. <http://www.washingtonpost.com/wp-dyn/content/article/2006/06/28/AR2006062801966.html>.