



ILLINOIS
FAMILIES
STUDY

The Two
Worlds
of Welfare
Reform
in Illinois

University Consortium on Welfare Reform
July 2004

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Purpose of this Report

Like most states in the nation, Illinois is more than six years into the major welfare reforms introduced by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in 1996 and implemented in 1997. Currently, the state is facing uncertain changes in federal policies, state budget reductions, and a weak, although rebounding, economy with low levels of job creation and continued unemployment.

This report can help policymakers make the most of limited state resources by identifying the strengths and weaknesses of Illinois welfare reform programs and helping policymakers to determine the priority areas for families affected by these reforms.

Background

Last year's Illinois Families Study (IFS) annual report to the legislature, based on surveys conducted during times of economic prosperity and economic weakness (1999-2002), concluded that while the Illinois approach helped to make work "pay" and was associated with slightly improved well-being for working families, there were growing numbers of families not faring so well. The group of individuals neither working nor on TANF both grew and experienced hardships at greater rates than other groups in the sample. Although the report discussed the gains that some families experienced, it stressed the need to re-evaluate the losses associated with vulnerable families. The report concluded that work supports—especially the stopped clock, child care subsidies, and Medicaid—were crucial to promoting work, independence, and well-being.

Figure 1: Child Poverty, AFDC/TANF Caseloads, and Unemployment in Illinois, 1992-2003

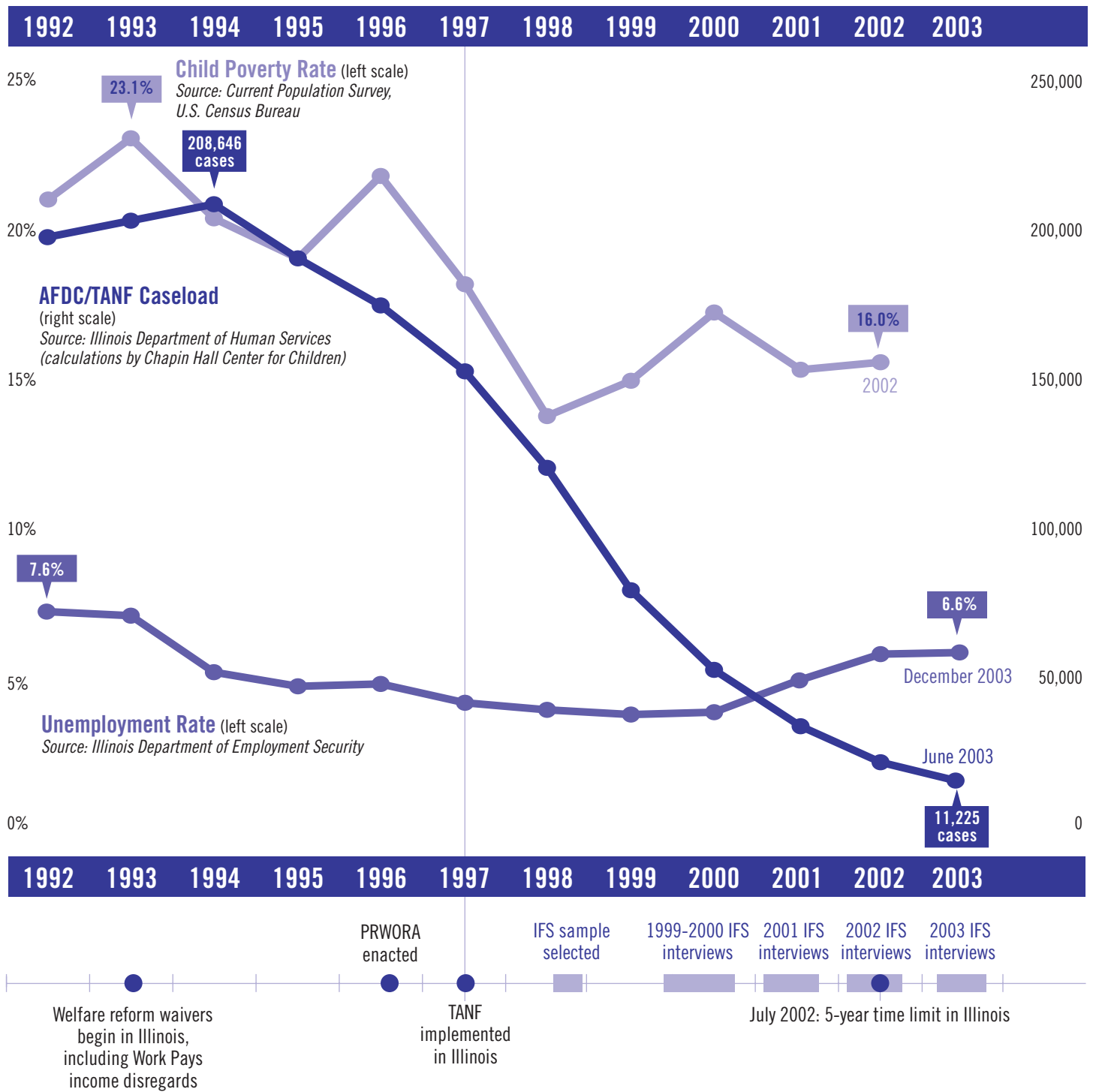


Figure 1 displays the AFDC/TANF caseload trends, along with the child poverty and unemployment rates in Illinois during the period prior to and after TANF was first implemented in the state. The timeline shows key policy events and dates when the Illinois Families Study (IFS) surveys were conducted.

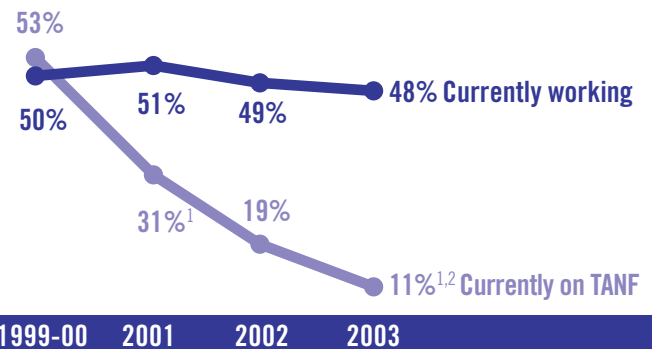
Key Features of Welfare Reform in Illinois

- **Time limits:** 60-month lifetime limit on TANF cash assistance, with some exceptions.
- **Stopped clock:** time limit clock stops for recipients who work 30 hours per week (35 for two-parent families) and still qualify for assistance or meet other requirements (e.g. participation in post-secondary education or care for a sick or disabled child or spouse).
- **Income disregards (Work Pays program):** two-thirds of earned income is disregarded when determining benefit levels (for example, a parent earning \$300 monthly receives a \$100 decrease in her/his monthly TANF grant).
- **Sanctions:** three-step sanction process ending in a full-grant sanction after three occurrences of noncompliance or after three months in a first or second-step sanction.
- **Family cap:** repealed in 2003 for children born on or after 01/01/2004. Children who were capped at birth prior to 01/01/2004 remain capped unless the family has been off cash assistance for nine months or the child no longer lives with the parent.
- **Work requirements:** 30-35 hours per week; broad definition of work-related activities, including community service, substance abuse treatment, domestic violence counseling, foster parenting, and postsecondary education.
- **Cash benefits:** maximum monthly cash benefit of \$396 for a family of three in urban areas (increased from \$377 in July 2002).
- **Child care subsidies:** for all families at or below 50% of 1997 state median income, regardless of TANF status; parent co-pay sometimes required.
- **Medical benefits:** Family Assist (Medicaid), Parent Assist (Medicaid), Transitional Medical Assistance (Medicaid), KidCare (Medicaid and SCHIP), and FamilyCare (Medicaid and SCHIP HIFA waiver, for adults).

Have the main goals of PRWORA been realized in Illinois?

The primary goals of PRWORA were to promote work and marriage and to decrease welfare dependence and births to unmarried women. In Illinois, welfare reform met the goal of decreasing welfare dependence, although at the cost of more parents neither working nor receiving welfare. Large numbers of respondents have left welfare for work, but efforts to maintain employment were unsuccessful as work levels remained stable. Although there were no changes in marriage rates, some progress was made towards family formation goals given that birth rates fell. Nevertheless, it is unclear to what extent welfare reform was responsible for these changes in child bearing.

Figure 2: Work and Welfare N=962-967



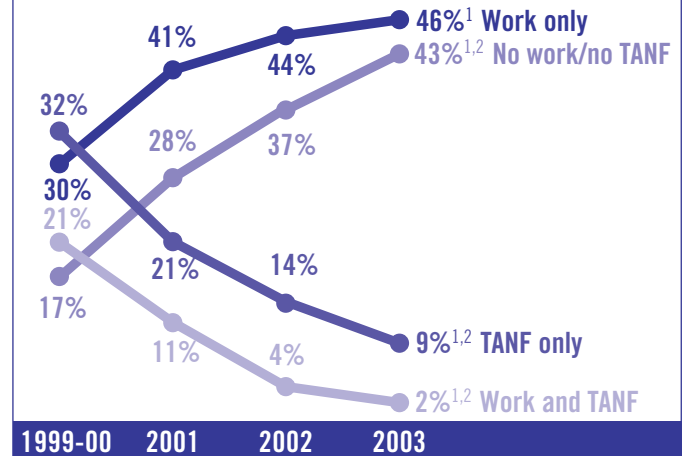
Source: IFS survey data

¹Significant difference between 1999-00 and 2003;

²Significant difference between 2002 and 2003

(Statistical significance for differences between time periods, T-test)

Figure 3: Work/Welfare Status N=962-967



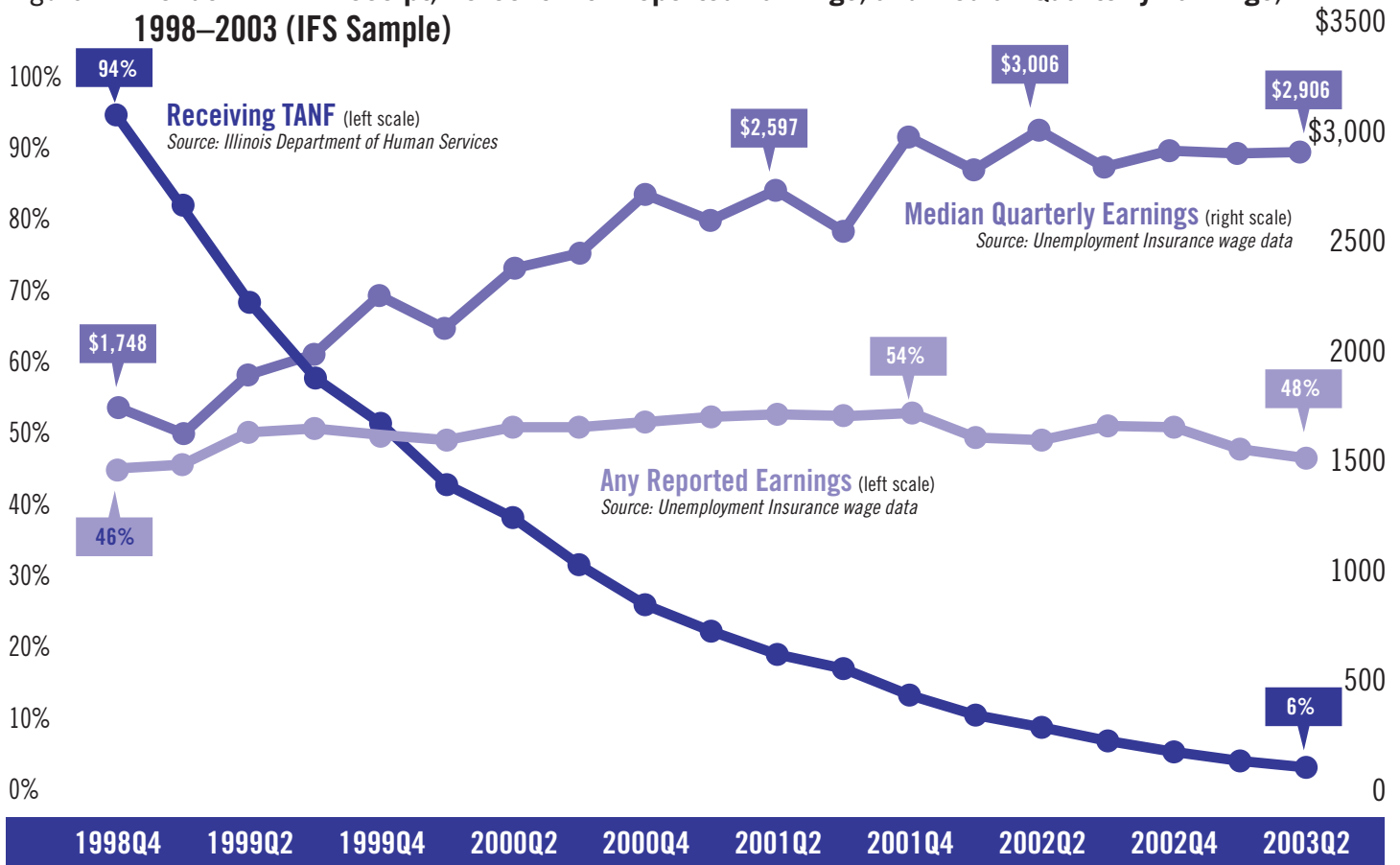
Source: IFS survey data

¹Significant difference between 1999-00 and 2003;

²Significant difference between 2002 and 2003

(Statistical significance for differences between time periods, T-test)

Figure 4: Trends in TANF Receipt, Percent with Reported Earnings, and Median Quarterly Earnings, 1998–2003 (IFS Sample)

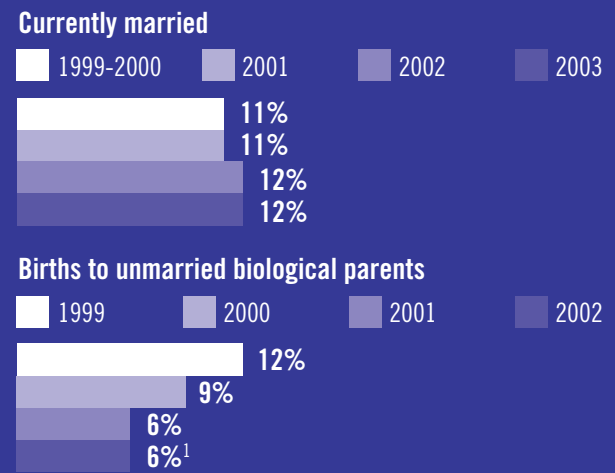


Between 1998 and 2003, employment rates remained stable while TANF receipt dropped sharply. About one-half of the IFS sample was working across all four survey years, while TANF receipt for the IFS sample decreased 42 percentage points from 1999-00 (53%) to 2003 (11%) (see Figures 2 and 4).

Overall, large declines in TANF use did not coincide with comparable increases in work, resulting in a large and growing group of families who were left with neither work nor TANF (see Figure 3). By 2003, 43% of respondents were in the “no-work/no-TANF” group, up from 17% in 1999-00. Of those working, 46% were in the “work-only” group (i.e., working but not receiving TANF), up from 30% in 1999-00.

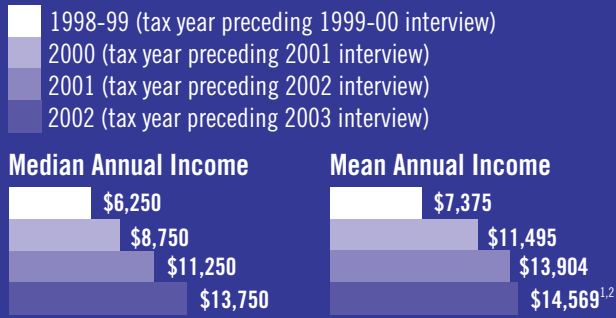
Between 1999-00 and 2003, marriage rates remained constant at approximately 12% (see Figure 5). Births to unmarried parents decreased between 1999-00 and 2002 and then leveled off at 6% between 2002 and 2003.

Figure 5: Marriage and Births *N=945-967*



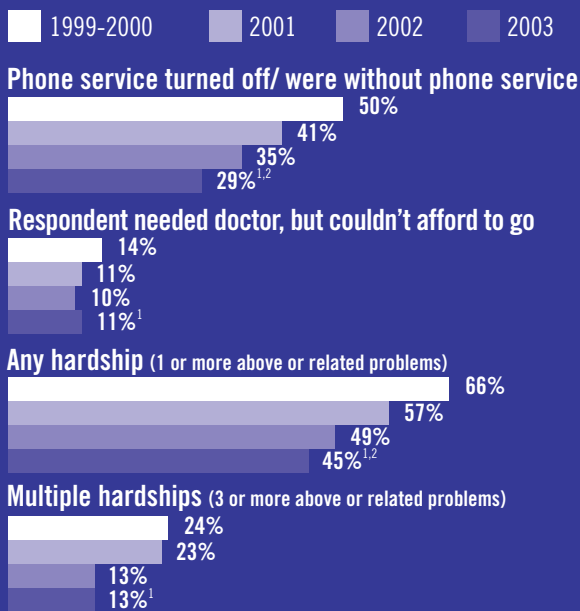
Source: IFS survey data
¹Significant difference between 1999-00 and 2003; (Statistical significance for differences between time periods, T-test)

Figure 6: Changes in Median and Mean Annual Income (income includes Respondent's earnings and benefits combined) *N=884-944*



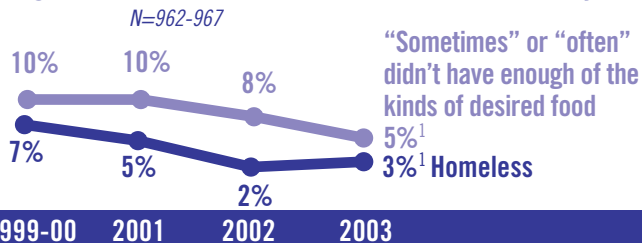
Source: IFS survey data
¹Significant difference between 1999-00 and 2003 estimate at .05 level;
²Significant difference from 2001 estimate at .05 level
 (Statistical significance between time periods, paired T-test)

Figure 7: Material Hardship *N=967*



Source: IFS survey data
¹Significant difference between 1999-00 and 2003;
²Significant difference between 2002 and 2003
 (Statistical significance for differences between time periods, T-test)

Figure 8: Homelessness and Food Insecurity



Source: IFS survey data
¹Significant difference between Wave 1 and Wave 4
 (Statistical significance for differences between time periods, T-test)

How are families doing?

Based on a broad range of indicators of well-being, work appears to protect against some material hardship. Families who leave welfare for work seem to be doing better than families who continue to receive welfare or who neither work nor receive welfare. However, almost one-half of the families who were working and no longer receiving TANF in 2003 experienced some hardship.

Overall, income and earnings for IFS families have been rising steadily. Combining earnings and all benefits (e.g., TANF and food stamps), the average family income in 2003 was \$14,569, up from \$7,375 in 1999-00. Nevertheless, incomes continue to be low (see Figure 6).

Fewer families in 2003 experienced material hardship than in 1999-00, although about half (45%) still reported some hardship (see Figure 7). Issues of housing affordability spiked in 2001 but decreased significantly in 2003 (not shown). Homelessness and food insecurity saw modest declines (see Figure 8). Homelessness fell from 7% in 1999-00 to 3% in 2003. This includes families who stayed in a shelter, car, abandoned building, "on the streets," or temporarily (less than two weeks) doubled up with a friend or relative. Five percent of respondents in 2003 said they "sometimes" or "often" did not have enough of the kinds of desired food.

Despite increases in work and earnings, most respondents perceived their financial situation to be about the same over the four-year period (not shown). In 2003, about two-thirds (65%) said they “somewhat” or “strongly” agreed that they can generally afford to buy the things they need. In 2003, however, 85% said they “worry a lot about having enough money in the future.”

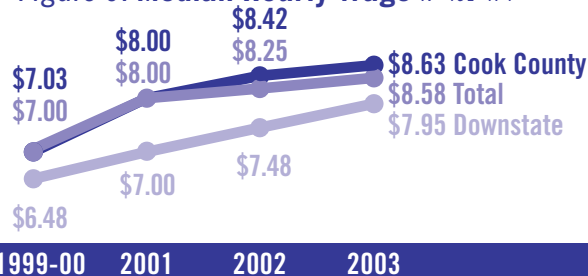
Between 1999-00 and 2003, respondents made gains in hourly wages and in employer-sponsored benefits, although wages remained fairly low and most working respondents did not receive benefits from their employers (see Figures 9 and 10). The median wage in 2003 was \$8.58 per hour and 30% of working respondents said they received health insurance from their employer. Slightly more than one-third (37%) of workers said they had received a pay raise or promotion in the past year, down from 46% in 2002 and returning to 1999-00 levels (not shown).

In 2003, employed respondents worked an average of 34 hours per week, slightly up from 33 hours per week in 1999-00 (not shown). Sixty-five percent of all employed respondents were working full time (30+ hours per week) in 2003, down from 68% in 2002.

Job satisfaction remained fairly stable during the four-year study period. The majority of respondents (81%) reported they were “very” or “somewhat” satisfied with their job in 2003 (not shown).

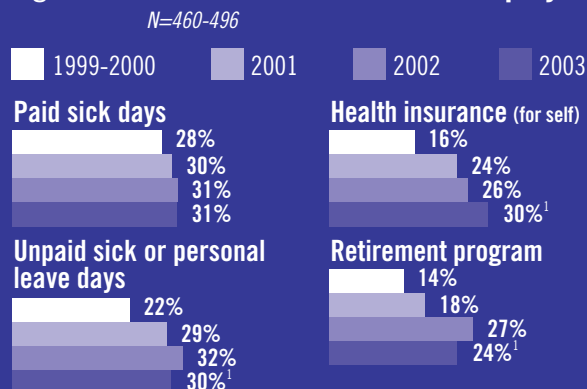
Self-reported physical and mental health status improved steadily from 1999-00 to 2003 for adults and children (see Figure 11). By 2003, 80% of adults and 96% of children were reportedly in “good,” “very good,” or “excellent” health. The proportion of adults reporting depressive symptoms dropped from 24% in 1999-00 to 18% in 2003.

Figure 9: Median Hourly Wage *N=451-474*



Source: IFS survey data

Figure 10: Benefits Received from Employers *N=460-496*

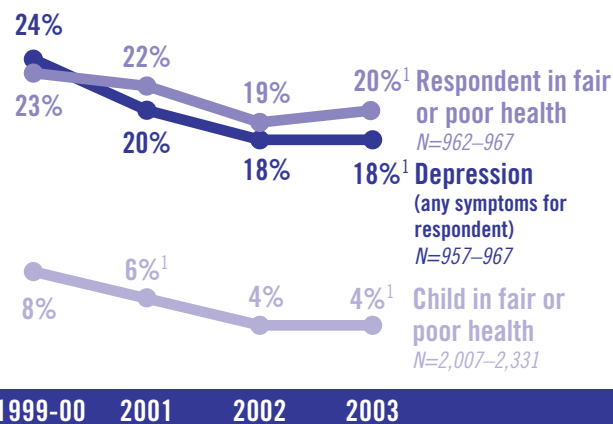


Source: IFS survey data

¹Significant difference between 1999-00 and 2003

(Statistical significance for differences between time periods, T-test)

Figure 11: Health Status and Depression



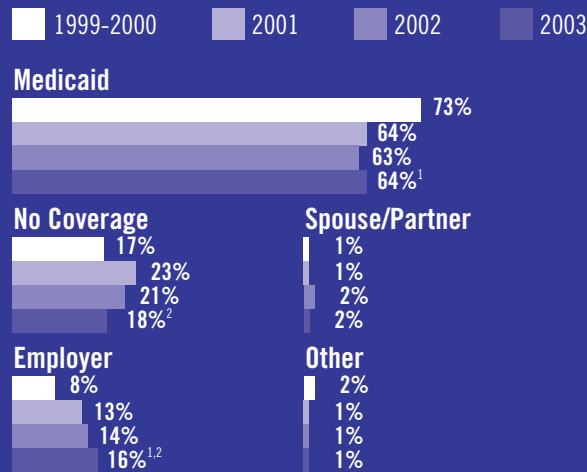
Source: IFS survey data

¹Significant difference between 1999-00 and 2003

(Statistical significance for differences between time periods, T-test)

Depressive symptoms were assessed using a 12-item version of the Center for Epidemiological Studies Depression Scale (CES-D) developed by Ross, Mirowski, and Huber (1983).

Figure 12: Current Health Insurance: Adult (Respondent) *N*=966-967



Source: IFS survey data

¹Significant difference between 1999-00 and 2003;

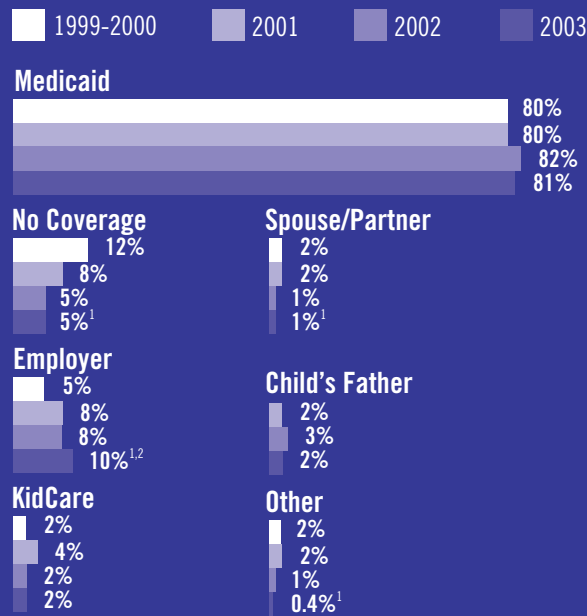
²Significant difference between 2002 and 2003

(Statistical significance for differences between time periods, T-test)

Health insurance coverage for adults is one indicator of family well-being that did not improve during the four-year study period. The proportion of adults without health insurance peaked in 2001 at 23% and then fell in 2003 to 18%—only slightly higher than in 1999-00 (see Figure 12). Steady gains in employer-sponsored health insurance were enough to offset the declines in Medicaid receipt among adults from 1999-00 to 2001.

Changes in health insurance were more positive for children. Increases in employer-sponsored coverage helped lower the number of uninsured children between 1999 and 2002 (see Figure 13). By 2003, 5% of respondents had at least one child who was uninsured.

Figure 13: Current Health Insurance: Child *N*=1,025



Source: IFS survey data

¹Significant difference between 1999-00 and 2003;

²Significant difference between 2002 and 2003

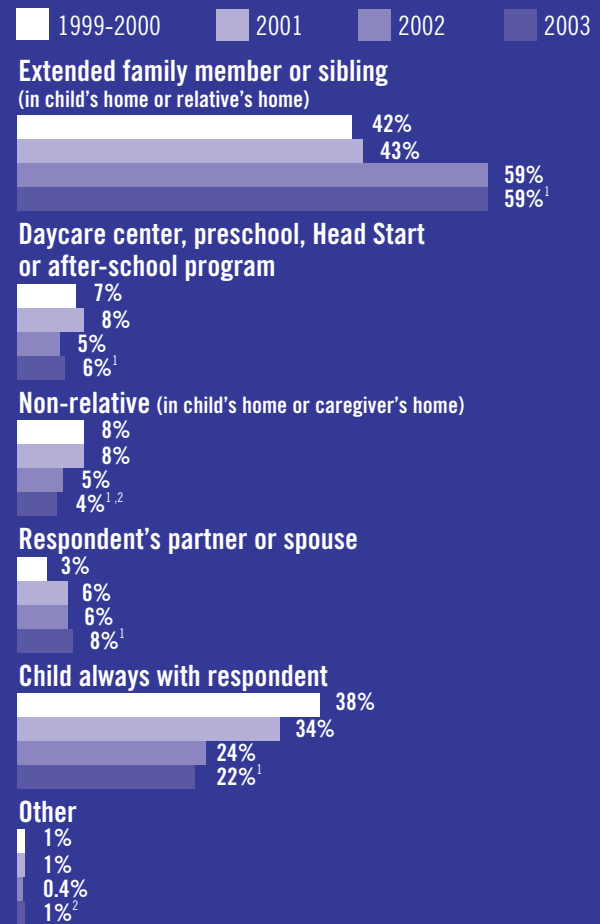
(Statistical significance for differences between time periods, T-test)

Note: Respondents were asked if any of their children were covered by these health insurance options. Respondents were not asked about coverage through the child's father in 1999-2000.

Use of formal child care arrangements, such as child care centers and Head Start, started off quite low in 1999-00 (7%) and remained fairly stable; by 2003, 6% of children were in these types of formal arrangements (see Figure 14). Care by a relative or some other family member was the most common type of child care. By 2003, 59% of the children under age 12 in the sample were in these informal arrangements. Children experienced quite stable child care arrangements over time, with 92% of children having only 0-1 child care arrangements within the 12 months prior to the 2003 interview (not shown). Child care concerns dropped sharply over the four-year period. In 2003, 6% of respondents said they had one or more child care problems, down from 27% in 1999-00.

Most respondents in all four surveys expressed positive feelings about their welfare worker and welfare policies (time limits and work requirements). Satisfaction with these welfare policies increased from 1999-00 to 2002 and leveled off in 2003 (see Figure 15). A full 92% in 2003 said they “somewhat” or “strongly” agreed that “it is a good idea to require people on welfare to work.”

Figure 14: Main Type of Child Care Arrangement Used Last Week *N=1,313–2,847 children*



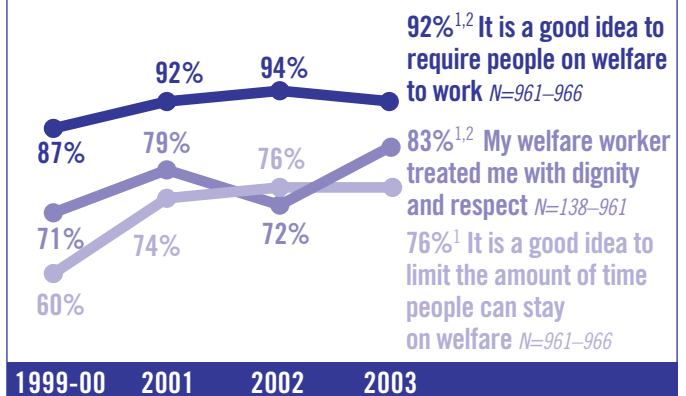
Source: IFS survey data

¹Significant difference between 1999-00 and 2003;

²Significant difference between 2002 and 2003

(Statistical significance for differences between time periods, T-test)

Figure 15: Attitudes towards Welfare
(Percent who “somewhat” or “strongly” agree)



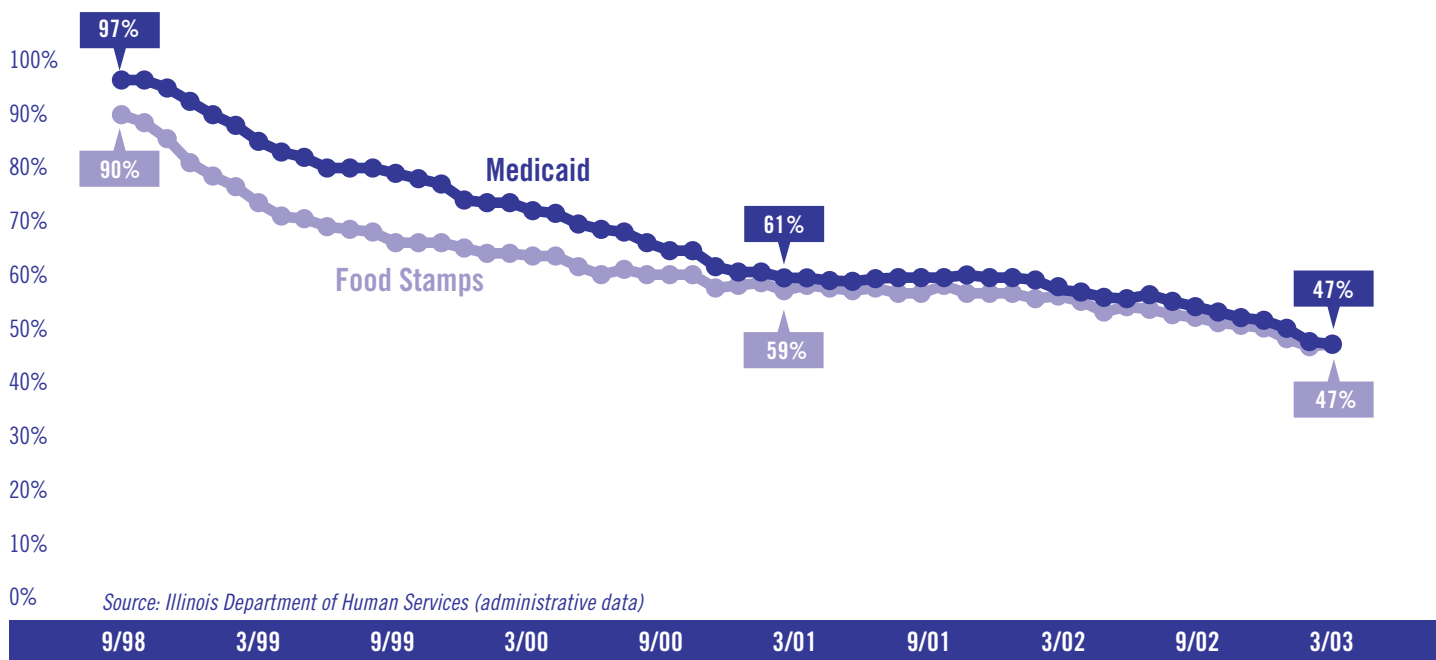
Source: IFS survey data

¹Significant difference between 1999-00 and 2003;

²Significant difference between 2002 and 2003

(Statistical significance for differences between time periods, T-test)

Figure 16: Trends in Medicaid and Food Stamp Use Among IFS Sample, 1998-2003 *N=1,899*



Making work pay in Illinois: Use of work supports and other services

Work does indeed “pay” in Illinois. Those who worked were less likely to experience poverty or material hardship than those who did not work.

Illinois provides a wide array of work supports, including earnings disregards, the stopped clock option, the state Earned Income Tax Credit (EITC), and child care subsidies. Despite fairly high awareness of these policies, utilization was low for some programs.

The majority of respondents (87%) had their TANF clock stopped at some point between July 1997 and June 2002. (See page 4, Key Features, for an explanation of the stopped clock option). Respondents who used the stopped clock option in 2002 were more likely to be working in 2003 (not shown).

Overall, food stamp and Medicaid use dropped significantly between 1999-00 and 2003, although declines slowed in 2001 (see Figure 16). Among the original sample, slightly fewer than one-half were receiving each of these benefits in 2003.

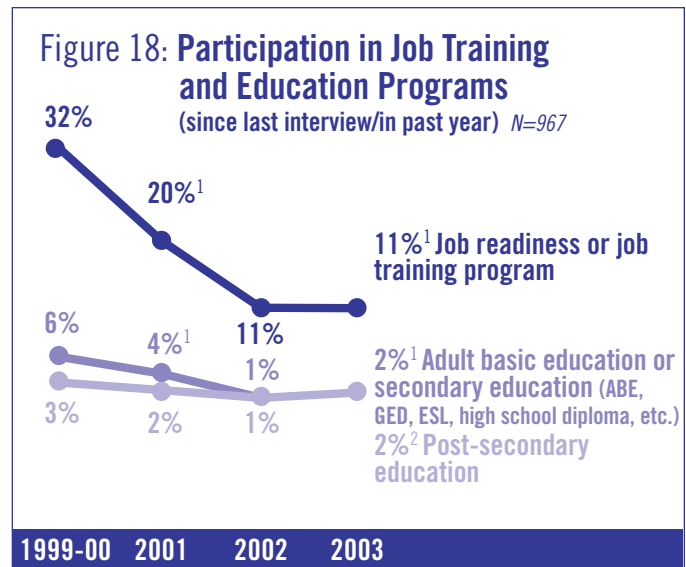
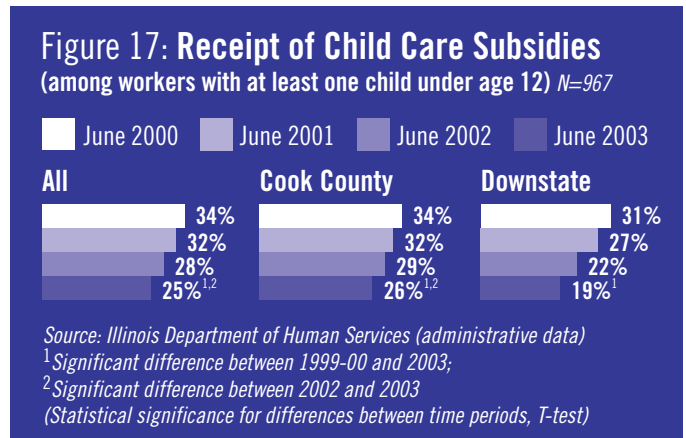
Use of child care subsidies continued to decline between 1999 and 2003 (see Figure 17). Only 25% of workers with a child under age 12 were receiving this benefit in June 2003. Respondents who received child care subsidies in 2002 were more likely to be working in 2003 (not shown).

The percentages receiving housing subsidies fell a small but statistically significant amount from 35% in 1999-00 to 27% in 2003. In 2003, fewer respondents reported living in a public housing development (15% in 1999-00 and 13% in 2003) while more reported receiving a rent voucher such as Section 8 (14% in 1999-00 and 19% in 2003) (not shown).

Formal child-support receipt fell from 1999-00 to 2002 and then increased slightly in 2003 (not shown). Among respondents, 36% received formal child support payments in the year prior to their 2003 interview. Thirty-four percent said they received informal child support from their child(ren)'s other parent, usually the father.

Participation in job readiness, job training, work experience, basic education, and secondary education programs saw consistent and significant declines between 1999-00 and 2002 before leveling off in 2003 (see Figure 18). By 2003, only 11% of respondents said they had participated in a job readiness or job training program since their last interview and only 2% had participated in a postsecondary education program. Although such decreases are to be expected owing to the sharp declines in TANF receipt, participation in these programs in 1999-00 was very low.

The Earned Income Tax Credit (EITC) was widely used by the IFS sample. Of those who worked for pay at some point in the previous tax year, 82% reported receiving the EITC in 2002 (See Figure 19). This proportion climbed every survey year and represents a striking 21 percentage point increase from 1999-00. This increase is not surprising considering the outreach campaigns that exist in Illinois to increase awareness of and participation in the EITC.



Source: IFS survey data
¹Significant difference between 1999-00 and 2003;
²Significant difference between 2002 and 2003
 (Statistical difference between time periods; chi-square test and paired T-test)

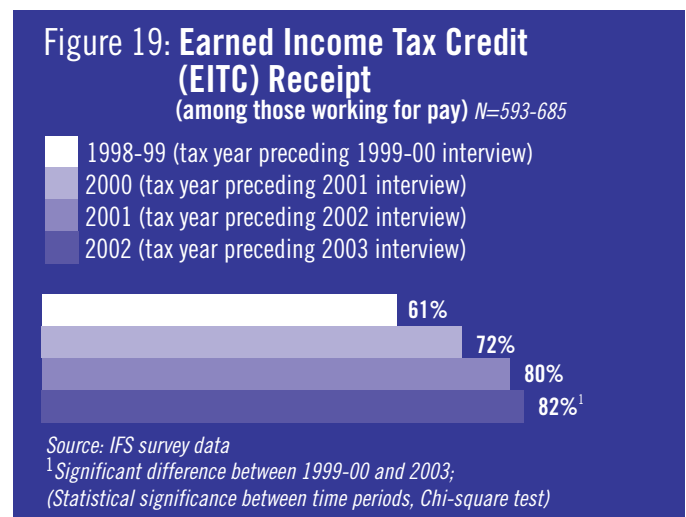
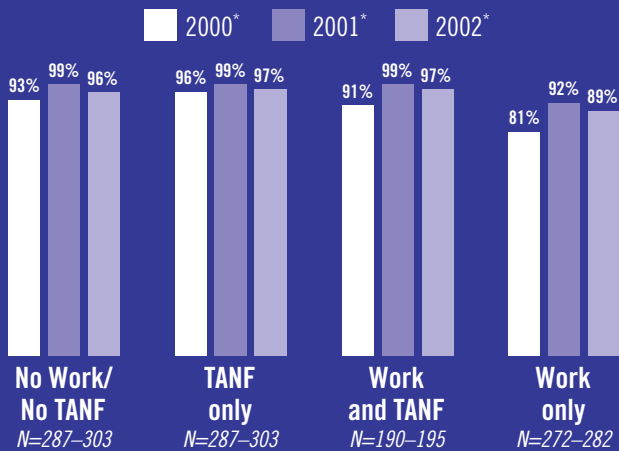


Figure 20: Percent of Families Living in Poverty in 2000, 2001 and 2002 by Work and TANF Status in 1999-00 (annual family income at or below Federal Poverty Line, earnings and benefits combined)

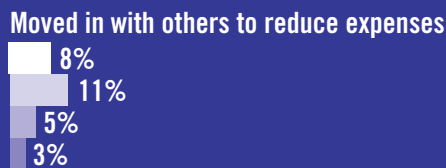
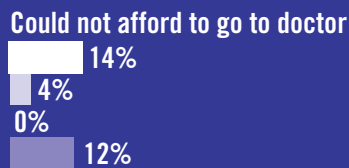
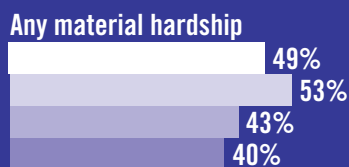


Note: To compute these percentages, the number of children in the household plus the respondent was divided into the respondent's personal income. All other household members and their incomes were not included in the calculation due to incomplete information on these other income sources. Source: IFS survey data

*p < .05 analysis of variance and Chi-Square tests. a= as reported in subsequent interview year; e.g., 2000 data are as reported in 2001 interview.

Figure 21: Material Hardship in 2003 by Work and TANF Status in 2002

No Work/No TANF N=358
 TANF only N=139
 Work and TANF N=42
 Work only N=927



Source: IFS survey data
 ***p<.001, **p<.01, *p<.05, Chi-square tests

The majority of respondents were aware of earnings disregards, transitional Medicaid, and continuing food stamps, while fewer than one-half said they knew that the months during which they work at least 30 hours per week do not count toward the lifetime welfare receipt time limit (stopped clock policy). Knowledge of these policies increased across survey waves, with the largest overall increases occurring between 1999-00 and 2001. This was followed by a decline in knowledge between 2002 and 2003. Initial increases in knowledge may stem in part, from more respondents entering the workforce, where they likely learn that it is possible to keep at least a portion of their benefits while working, and that the time clock stops when they work at least 30-35 hours. Subsequent decreases in knowledge between 2002 and 2003 may in part stem from fewer respondents receiving TANF.

Looking at the relationship between work and welfare status in 1999-00 and poverty one to three years later, we find that work does indeed “pay.” Those who were working in 1999-00 were less likely to be living below the poverty line in 2000, 2001, or 2002 than those who were not working (see Figure 20). Similarly, work seems to ameliorate material hardship. Those who were working in 2002 were less likely to experience hardship in 2003 than those who were not working in 2002 (see Figure 21). Yet, work does not completely eradicate material hardship: levels of poverty and hardship were still high even among those who were working and had left welfare.

How are the most vulnerable families faring?

Families in the no-work/no-welfare group, those in the TANF-only group, those approaching the time limit, and those who were sanctioned are the more vulnerable families in the sample.

Between 1999-00 and 2003, there was a troubling increase in the proportion of families who relied neither on work nor TANF. By 2003, almost one-half of the sample (43%) was in this category. Many in this group relied on informal sources of support and government benefits other than TANF and reported high rates of material hardship and health problems. These respondents seemed to have tenuous relations with formal employment. Although they no longer rely on TANF, many were still “connected to the public

assistance system” through food stamps and Medicaid. The state may be meeting work participation requirements, but the lack of maintaining employment after leaving TANF makes the situation problematic.

The percentage of those relying solely on TANF dropped sharply between 1999-00 and 2003. Only 9% of the sample was receiving this type of cash assistance in 2003. Although this group is small, hardships predominate with high rates of health problems and material hardship and lower rates of high school or GED completion (see Figure 21).

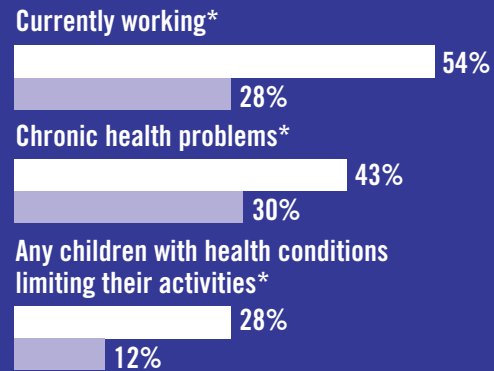
Almost all of the families in the sample had “saved” some of their TANF eligibility by leaving welfare temporarily or permanently or by using the stopped clock option. For this reason, none of the families in the sample had yet reached their lifetime limit. Certain families, however, are at greater risk of reaching the time limit within the next few years, including those with chronic health problems, more children, and those with a child with a limiting health condition (if a child has a limiting health condition that requires a TANF adult’s care, the TANF clock is stopped due to a family care barrier and the clock would not reach its 60 month time limit while the barrier existed) (See Figure 22).

More than one-third of the IFS sample (36%) received some type of sanction between 1999 and 2003 (not shown). Most were first-level sanctions, and third-level (“full-family”) sanctions were extremely rare. Sanctioned respondents had, on average, more children, more children with an adverse health condition, and were more likely to have participated in job search/job training programs (see Figure 23). These individuals were also less likely to be working or receiving welfare in 2003.

After controlling for several demographic characteristics, sanctions were associated with increased material hardship and did not appear to promote work. Given that sanctioned individuals appear to have more barriers to work than non-sanctioned individuals, it is critical that Illinois’ moderate welfare policies and work supports remain in place to support these families.

Figure 22: Risk Characteristics of Respondents for Reaching the Time Limit

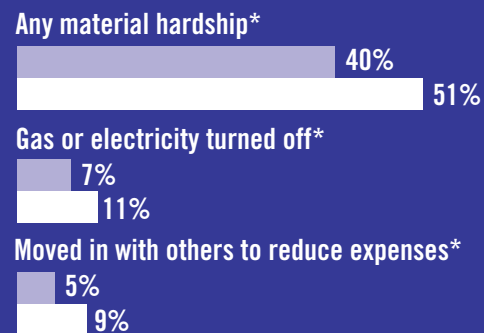
Used half or more of months toward time limit *N*=334
 Used less than half of months towards time limit *N*=488



Note: analyses are restricted to the 823 respondents in 2003 who consented to administrative data access
Source: IFS survey data and Illinois Department of Human Services (administrative data)
 * *p* < .05, independent samples *t*-test

Figure 23: Sanctions in 1999-2002 and Material Hardship in 2003

Never sanctioned *N*=526
 Partial or full grant sanction in 1999-2003 *N*=297



Note: analyses are restricted to the 823 respondents who have consented to administrative data access and who received TANF at some point during 1999–June 2003. Distinctions between partial and full family grant sanctions were not made because only 3% of the sample experienced a full-grant sanction in 1999-2003.
Source: IFS survey data and Illinois Department of Human Services (administrative data)
 * *p* < .05, Chi-Square tests

Putting it all together: What helps families attain self-sufficiency?

Work, work supports, and education seem to promote greater independence.

Multivariate analyses, which look at data over a period of time, accentuate factors that uniquely contribute to increased self-sufficiency and greater independence.

After controlling for work status in 2002, respondents with the following characteristics in 2002 were *significantly more likely to be working* in 2003:

- Received a child care subsidy
- Used the stopped clock option (after controlling for number of months on welfare)
- Were employed
- Were married

Respondents with the following characteristics in 2002 were *significantly less likely to be working* in 2003:

- Received a partial or full-grant sanction
- Had a health problem

Respondents with the following characteristics in 2002 were *significantly more likely to be earning higher hourly wages* relative to others who were working in 2002:

- Had a job with employer-sponsored health insurance
- Had a high school degree or GED

Respondents who received government subsidized housing in 2002 were *significantly more likely to be receiving TANF* in 2003.

Respondents with the following characteristics in 2002 were *significantly less likely to be receiving TANF* in 2002:

- Received a partial- or full-grant sanction
- Had a high school degree or GED
- Were working

Conclusions and policy implications

The 2003 annual IFS report concluded that although the Illinois approach to welfare reform helped to make work “pay” and was associated with slightly improved family well-being, growing numbers of families were not faring so well. The most recent data clearly show that whether the overall effect of welfare reform in Illinois is positive or negative depends on employment. For families who find and maintain jobs, welfare reform has been positive. For those who do not, welfare reform has been a less positive influence in their lives, and they continue to struggle to make ends meet.

Illinois’ moderate approach to welfare reform, including its generous income disregards and the stopped clock, its flexible definitions of work activities, and its conservative use of full-family sanctions, has been integral to the self-sufficiency of former and current welfare recipients. For about one-half of the families in the study, employment in conjunction with work supports has led to increased earnings and greater independence. The other one-half, however, was not employed in 2003. Coupled with flat employment levels, the rising proportion of families who relied on neither work nor TANF is disturbing.

Work supports should be the highest priority

Illinois can build on the success of its welfare policies thus far by maintaining and strengthening work supports. Three work supports emerged as being particularly critical for promoting work and self-sufficiency: 1) health insurance, 2) child care subsidies, and 3) stopping the time clock (with accompanying income disregards). Given limited resources, the greatest effect will come from public health insurance (Medicaid, KidCare, and FamilyCare) and child care subsidies.

These programs benefit many low-income families—both receiving and not receiving TANF—and should be maintained or expanded as the foundation of Illinois’ comprehensive work support system.

The two worlds of welfare reform

Family well-being has improved for many, but some are left behind.

More than six years after the implementation of welfare reform, Illinois has witnessed a significant decline in welfare receipt with no accompanying rise in labor force participation. Employment rates remained constant at approximately one-half of the sample throughout the four years of the study, with increasing numbers of respondents without welfare and the income security of employment. The result has been a distinct division of the sample into “two worlds”: those working and those not working.

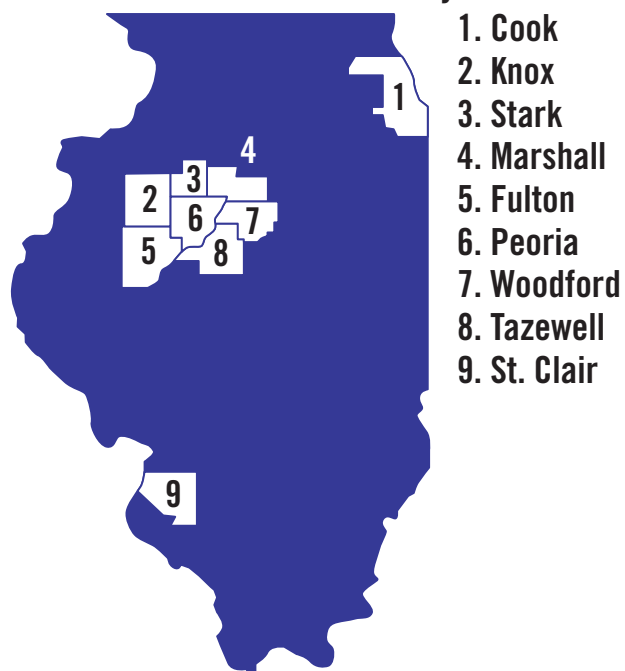
Those who find and maintain employment appear to be faring as well as or better than they did prior to welfare reform, despite the downturn in the economy from 2001 to 2003. Much of this success can be attributed to work supports, such as child care subsidies and health insurance, which have helped many Illinois families increase self sufficiency and gain independence from welfare.

Those who have been unable to enter or remain in the workforce, however, appear to be struggling. Some of these families are still receiving TANF, while a much larger group neither works nor receives TANF. Those in the no-work/ no-welfare group report significant hardship and low levels of well-being; they rely on informal work, community charities and organizations, and their families to survive. They also depend on government support programs such as food stamps, Medicaid, housing assistance, and formal child support payments.

Although declines in TANF rolls and general improvements in family well-being point to the success of reform in Illinois, the sharp decline in TANF use and stagnant work levels paired with persistent poverty demonstrates that welfare reform will likely have a mixed legacy. Increased wages and earnings, high levels of job satisfaction, approval of many reform policies, and a strong preference for work over welfare receipt indicate that many families have enthusiastically embraced new opportunities to improve their lives through work. Nevertheless, the growing segment who neither works nor receives welfare calls for careful attention from the state.

The welfare reforms of 1996 ushered in a new social contract that promised to reward those who left welfare for work. For the most part, Illinois welfare recipients have kept their end of the bargain. As of 2003, the vast majority of the IFS sample was no longer receiving TANF, about one-half was working, and about 80% had worked at some point since 1999. Policymakers, therefore, have an obligation to uphold their end of the bargain by ensuring that working and leaving welfare affords a sustainable living and translates into concrete gains for parents and children. The major challenge of the next phase of reform in Illinois will be to help unemployed families gain and maintain jobs while continuing to support families who are newly self-sufficient. The challenge is to build supports that reward work and make it “pay” amid a low wage environment. Maintaining or expanding a comprehensive network of work supports coupled with a living wage for low-income families will be crucial for building on Illinois’ moderate approach to welfare reform.

Figure 24: Illinois Families Study Counties



About this study

The Illinois Families Study has followed the same group of families for four years. The core of the study is an annual in-person survey of a random sample of adults who were primary TANF grantees in the fall of 1998, a little more than a year after TANF was implemented. Participants were selected from nine Illinois counties that were stratified by two regions (see Figure 24):

- Cook County (including the city of Chicago)
- Eight Downstate counties (including the cities of East St. Louis and Peoria and rural counties surrounding Peoria)

Together, these nine counties represented approximately 75% of the state TANF caseload in 1998. They also represent cities and towns of varying sizes and demographic makeup.

This report draws upon two sources of data:

- Survey data: results of four annual in-person interviews, one conducted between November 1999 and September 2000, a second interview conducted between February 2001 and September 2001, a third interview conducted between February 2002 and September 2002, and a fourth interview conducted between February 2003 and October 2003
- Administrative records: information about the use of TANF, Medicaid, food stamps, child care subsidies, and employment and wage records (linked to the same families who were interviewed)

A total of 967 respondents were interviewed all four times—in 1999-00, 2001, 2002, and 2003. The response rate in 1999-00 was 72% (1,363 respondents), 87% in 2001 (1,183 respondents), 91% in 2002 (1,072 respondents), and 91% in 2003 (967 respondents) (see Figure 25). Ninety-three percent of respondents consented to allow IFS researchers to access their individual administrative records. All analyses of survey data presented here are weighted to adjust for regional stratification and non-response. Figure 26 displays selected demographic characteristics of IFS respondents at the baseline interview (1999-00).

Figure 25: IFS Survey Response Rates

	Number of completed interviews	Response rate
1999-2000 Survey	1,363	72%
2001 Survey	1,183	87%
2002 Survey	1,072	91%
2003 Survey	967	90%

Figure 26: Demographic Characteristics of Respondents at Baseline (characteristics of 2003 sample in 1999-2000, by region)

	All (N=967)	Cook County (N=874)	Downstate (N=93)
Average age	31.6	31.8	30.3
Female	97%	97%	99%
Average number of children	2.5	2.5	2.5
Average age of children	7.4	7.4	7.7
Never married	63%	65%	41%
High school graduate (incl. GED)	59%	58%	69%
Race:			
African American	85%	87%	69%
White	13%	11%	31%
Other	2%	2%	1%
Hispanic/Latino/Chicano	13%	14%	1%

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