

SOCIAL POLICY



Child-Only CalWORKs Cases in San Mateo and Santa Clara Counties

by

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As welfare caseloads fall, households in which the only welfare recipients are children represent a rising share of the overall caseload. In California, citizen children of undocumented immigrant parents make up the largest group of these “child-only” cases. This report explores the characteristics and economic circumstances of these child-only cases in San Mateo and Santa Clara Counties, where The SPHERE Institute surveyed the parents of almost 800 citizen children who were currently and formerly receiving aid in child-only CalWORKs cases. In conjunction with survey findings from an earlier study of CalWORKs leavers in these counties, we review the demographic characteristics, the employment status, the economic circumstances and other measures of well-being for these families. We find that large families and low levels of education and English proficiency present significant barriers to self-sufficiency for the child-only cases, even though most of these families include at least one working adult, usually at low wages. Despite earning more on average than other CalWORKs leavers, child-only leavers have lower income and much lower income relative to the poverty threshold. Housing, food, and health insurance
continued inside...

Child-Only CalWORKs Cases in San Mateo and

This report explores the characteristics and economic well-being of current and former CalWORKs cases consisting of citizen children with undocumented parents in San Mateo and Santa Clara Counties.



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are also issues for these families: more than half live in crowded housing and the majority of leavers appear to remain eligible for, yet do not apply for Food Stamps, despite one in three reporting food insecurity. Finally, one in five children in child-only leaver families lack health insurance, despite being eligible for Medi-Cal or the Healthy Families program. Welfare reform has largely ignored these cases, in part because there are relatively few avenues available to serve undocumented immigrants through public assistance programs. However, additional outreach could help ensure that these parents get access to health insurance coverage for their children and non-assistance Food Stamps for eligible household members. In addition, such families could benefit greatly from services such as English as a Second Language (ESL) courses and child care assistance.

Introduction

The rapid decline in welfare caseloads since 1996 has revealed a persistent set of cases largely untouched by welfare reform: so-called “child-only” cases. These cases, in which the only recipients of welfare benefits are children, now make up one-third of the welfare caseload nationwide and an even larger share of cases in California, where child-only cases rose from 23 percent of the caseload in June 1996 to about 40 percent of the caseload five years later.

In California, the most common reason for child-only status is that the parent is an undocumented immigrant with a citizen child. Unlike many child-only cases, these are needy families with adults who are able to work.¹ However, the immigration status of these parents has three major consequences for their experience with CalWORKs (California’s cash assistance program for low-income families). First, these cases are not subject to work participation requirements. Second, they receive smaller

¹Cases may also be child-only because the parent is time-limited or sanctioned from receiving aid, the parent is disabled and receiving support through SSI, or because the child is cared for by a non-needy relative caretaker.

grants because the grant does not cover the adult's needs. Finally, because adults in such families do not participate in CalWORKS activities, the families do not receive associated support services, including job training and child care assistance.

This article draws on a unique survey of families with undocumented immigrant parents and citizen children currently or formerly receiving CalWORKS in Santa Clara and San Mateo Counties. For social service providers in these counties, the motive for learning more about such families is unmistakable: By mid-2001, child-only cases represented about 60 percent of the total caseload in San Mateo County and 46 percent of the total in Santa Clara County. The survey was developed to address two key questions:

1. What are the economic and life circumstances of children receiving CalWORKS aid whose parents are undocumented immigrants?
2. What support services do current and former child-only

families need to facilitate self-sufficiency, family and child well-being, and the use of post-aid assistance?

Almost 800 families were interviewed by telephone or in person during the summer and fall of 2001. These families fall into two subpopulations: "current" child-only cases, and former child-only cases, or child-only "leavers." The 567 current child-only case families were receiving CalWORKS in February 2001 when the survey sample was selected. The remaining 231 families had previously received CalWORKS, but stopped receiving benefits for two or more consecutive months between May 2000 and January 2001. This definition of welfare "leavers" is consistent with earlier studies of families who left welfare, including a survey of 394 adult recipients who left welfare in San Mateo, Santa Clara and Santa Cruz counties during the last quarter of 1998, interviewed approximately one year after they left aid. This group of adult recipients, though interviewed almost two years

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earlier, provides a valuable basis for comparison to the findings on child-only cases.²

Demographic Characteristics

By design, the adult respondents in our survey of child-only cases in San Mateo and Santa Clara Counties were predominantly undocumented immigrants. Virtually all the respondents (primarily the mothers) were Latino/Hispanic, speaking Spanish as their primary language. More than 90 percent reported that they were neither citizens nor legal permanent residents. This contrasts markedly with the backgrounds of former adult recipients, only one-third of whom were Hispanic, and who

²More details on the survey population, approach and findings for the child-only survey are available in the full report by Lieberman, Lindler and O'Brien-Strain (2002). Results for adult recipients were first reported in Mancuso, et al. (2001).

predominantly spoke English.

The household structure for child-only recipient families also differs from that of adult recipients in two significant ways. First, the child-only families had more children than adult leavers. Current and former child-only respondents had an average of 3.5 and 3.2 children respectively, compared to only 2.0 among adult leavers. Second, shared housing was a much more common strategy among child-only respondents, of whom one-third lived in multi-family households (defined as one family residing with another unrelated or only distantly-related family). In contrast, only 8 percent of adult leavers lived in such households, although both child-only and adult recipient families frequently lived with extended family.

Employment, Employability, and Service Needs of Parents

Employment, Wages, and Benefits. Work participation is quite high among adults associated

with child-only cases. For leavers, the work activity of respondents from child-only cases is very similar to that of the adult leavers. In each case, around 65 percent of respondents worked either full- or part-time. Work participation is lower for respondents associated with current cases, but we still see that 40 percent of these adults were working. Work activity is even higher when one also accounts for the spouses or partners of the respondents.³ Over 90 percent of the spouses in the child-only families that left CalWORKs worked full-time. If

we consider the activities of both the respondent and her spouse or partner, more than half of current child-only cases and 87 percent of child-only leavers have at least one parent employed.

Wages for child-only respondents, however, were relatively low. (Table 1). The respondents in child-only leaver cases reported a mean hourly wage of \$8.42 per hour, \$2.00 per hour less than the average for adult leavers.⁴ The spouses and partners of child-only respondents had somewhat higher wages. More striking perhaps is the fact that 20 percent of employed

	Child-Only		Adult Leavers
	Current	Leavers	
Respondent's Hourly Wage			
• Mean	\$7.47	\$8.42	\$10.45
• Median	\$7.00	\$8.14	\$9.46
Share Earning Below Minimum	35%	20%	7%
Spouse's Hourly Wage			
• Mean	\$9.48	\$9.90	—
• Median	\$8.40	\$9.44	—
Share Earning Below Minimum	17%	8%	

³Work activity and related questions were not asked for spouse/partners in the aided adult survey.

⁴Since the aided adult data were collected two years earlier than the child-only data, wages and other income data have been adjusted to reflect 2001 dollars.

leavers and 35 percent of current child-only respondents earned less than the prevailing minimum wage of \$6.25 per hour. In contrast, only 7 percent of aided adult leavers reported sub-minimum wages in 1999.

Education and English Proficiency. After their immigration status, the most important employment barriers these families face are education and English proficiency. About three-fourths of adults associated with both current and former child-only cases have neither completed high school nor received a GED, either in the

U.S. or in their country of origin (Table 2). In fact, most had only 8 years of education or less.

Only 13 percent of the child-only respondents reported that they were very proficient in English, and almost half did not speak any English. Their spouses tended to be much more proficient, with 77 percent very proficient. Although we found little relationship between English proficiency or education and the likelihood of being employed, there is a strong relationship between English proficiency and wages. For both respondents and spouses in

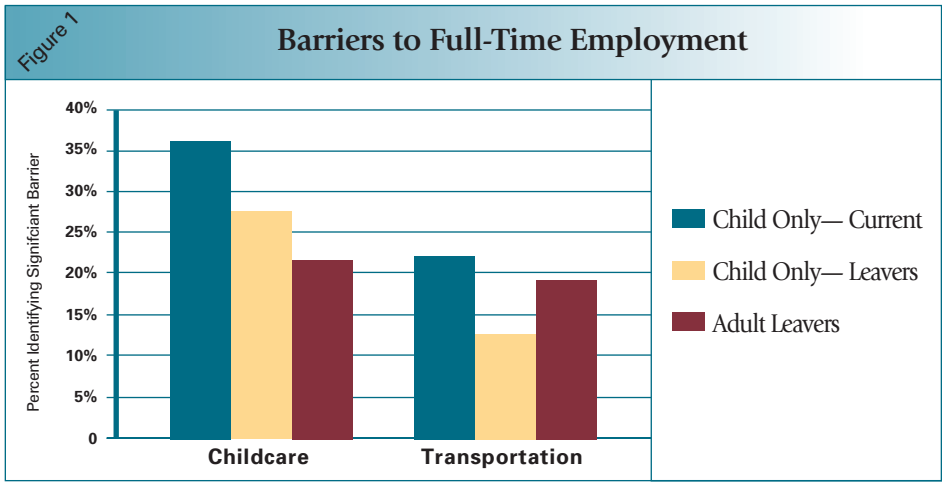
“After their immigration status, the most important employment barriers these families face are education and English proficiency.”

current and leaver cases, wages rise significantly with English proficiency.

Our survey respondents clearly believed that stronger English ability would allow them to improve their employment situation, either by allowing them to get a job or to increase their wages. More than three-fourths of respondents identified English as a Second Language (ESL) courses as the training or education program they think would be most helpful in advancing their economic status.

Other Barriers to Employment. Compared to adult leavers, child-only families were more likely to report child care as a major barrier to full-time employment

	Child-Only		Adult Leavers
	Current	Leavers	
Respondent’s Education Level			
• 8 Years or Less	57%	48%	13%
• Some High School	26	26	34
• Diploma or GED	11	20	29
• Beyond High School	6	6	24
Spouse’s Education Level			
• 8 Years or Less	67	60	—
• Some High School	16	11	—
• Diploma or GED	8	23	—
• Beyond High School	9	6	—



(Figure 1). There are a number of explanations for this difference. First, as we noted above, child-only families are typically larger than adult recipient families. Second, unlike adult recipient families, parents in these child-only families are not eligible for child care assistance provided for current and former CalWORKs recipients. Indeed, child-only families are much less likely than aided adult leavers to use any child care arrangement.

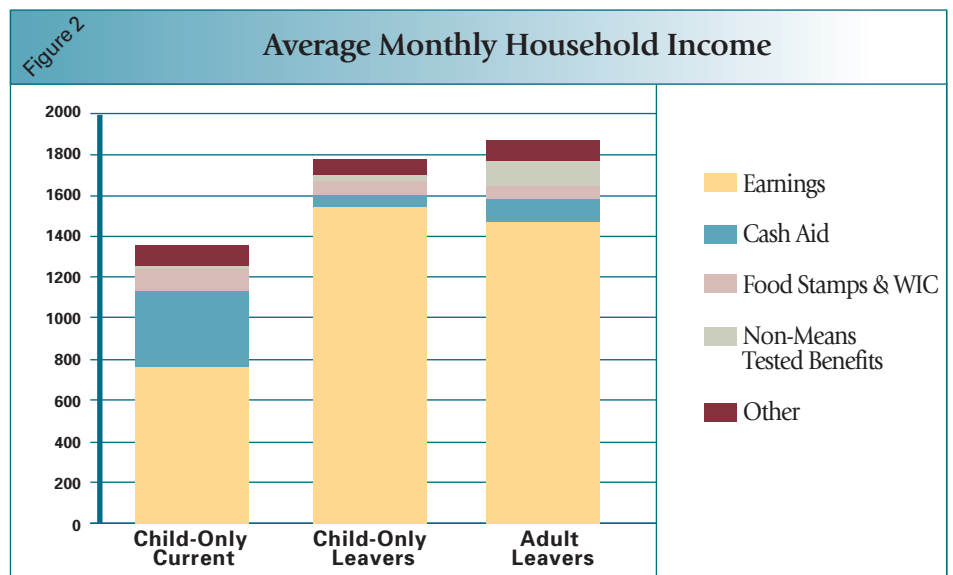
On the other hand, child-only leavers cited transportation as a barrier less often than the other two groups. Child-only leavers were twice as likely as current child-only respondents to have access to

a car. For all groups, respondents who had access to a car were much less likely to report transportation barriers and more likely to be employed.

Economic Circumstances Of Families

Income. Child-only leaver families earn more each month than do other leavers⁵, although at \$1,748 monthly, child-only leavers have about \$100 less total income per month than do adult leavers (Figure 2). As one would expect, both types of leaver households have substantially higher income than current child-only households. For all three groups, earnings make up the largest share of income.

The relatively modest differences in total income mask greater differences in income compared to



⁵This refers to monthly earnings averaged over all households, not just those with employed persons.

the federal poverty level, because child-only respondents reside in larger families than adult leavers. The median household income for adult leavers was 109 percent of poverty, whereas the median child-only leaver household income was 93 percent of the poverty level. In fact, the majority of current child-only households were very poor, defined as income below 71 percent of the poverty threshold. One-third of child-only leavers were very poor as well, compared to 24 percent of adult leavers.

In further examining the very poor child-only leavers, we found that about two-thirds of these households had earned income (that is, at least one person was working), and in about 10 percent of the cases the children were back on aid at the time of the survey. The very poor leavers had more children, on average, and were more likely to live in extended family or multi-family housing arrangements.

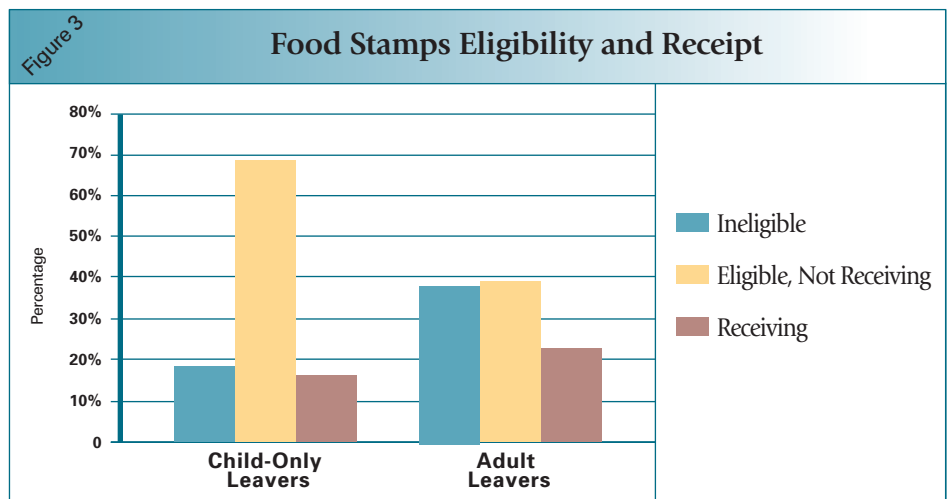
Housing Conditions. Housing rent is typically the largest single expense for child-only recipient

families, partly due to high-cost housing markets in San Mateo and Santa Clara Counties. Child-only leavers paid substantially more for housing than did the adult leavers, in part due to the larger families associated with child-only cases.

In addition to paying a large share of their income for housing, child-only respondents also commonly reported inadequate housing conditions.⁶ About one-third of the child-only families (both active and leavers) reported living in substandard housing, compared to about one-fifth of the adult leavers – even though the latter group reported lower average housing costs than did the child-only leavers. A very high percent-

age of the child-only families reported living in crowded housing conditions – about 70 percent of the families on aid and about 55 percent of the leavers. Recall that child-only families were, on average, larger than the families of the adult leavers, and also were more likely to be living in multi-family housing arrangements.

Food Insecurity. Child-only families also often experienced food insecurity, although child-only respondents were slightly less likely than adult leavers to report this. In each group, around 30 percent of respondents reported that in the last six months there was sometimes or often not enough food to eat in their household.⁷



⁶Housing was considered substandard if the respondent reported one or more of the following conditions: (1) a leaky roof or ceiling; (2) a toilet, hot water heater, or other plumbing that does not work; or (3) rats, mice, roaches, or other insects. Housing conditions were defined as crowded if the ratio of household members to rooms (excluding bathrooms) is greater than one.

⁷The child-only survey used the standard 6-item subset of the 12-month food security scale developed by USDA (see USDA 2000); these questions differed slightly from those used in the adult survey.

"22 percent of children from former child-only cases are reported to be uninsured."

Yet over 60 percent of the child-only leaver households appeared eligible for but did not receive Food Stamps, compared to about 40 percent of the adult leavers. (Figure 3) As with CalWORKs, the undocumented immigrant adults are not eligible for Food Stamps, but their children would be eligible if the family meets the eligibility criteria.

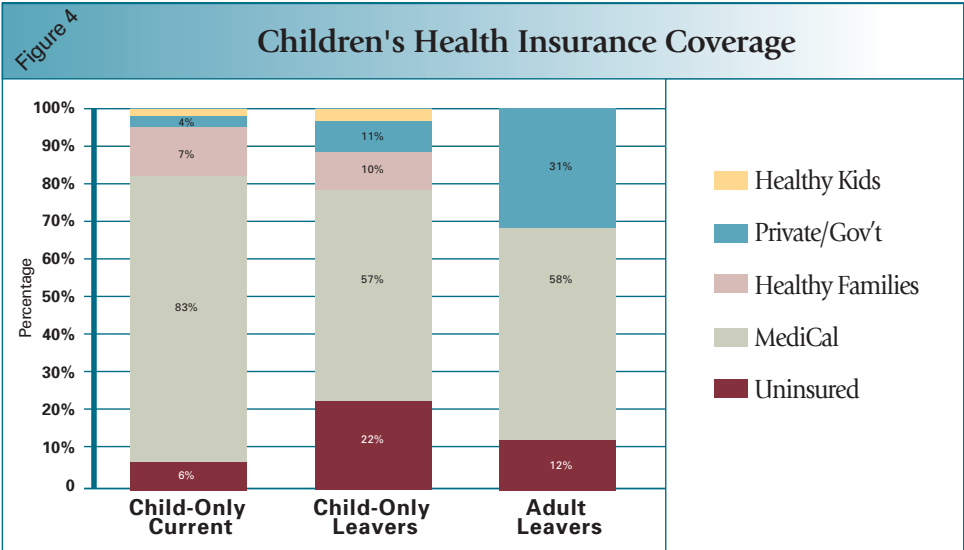
Health Insurance. About one-third of respondents in current child-only cases and 38 percent of leavers report no health insurance. However, this probably understates the real share of uninsured adults in this group. Fifty-five percent of respondents in current child-only cases and 36 percent of former child-only respondents reported coverage for themselves through Medi-Cal. Yet undocumented immigrants are only eligible for

emergency and pregnancy-related coverage from Medi-Cal, so most of these respondents cannot in fact rely on Medi-Cal for ongoing health coverage.

While there are few insurance options for the parents in these households, their children should qualify for public health insurance. In addition to Medi-Cal, the Healthy Families program is available for children in families earning up to 250 percent of the federal poverty level (which includes 95 percent of child-only leaver families). Moreover, in 2000, Santa Clara County established the Healthy Kids program to guarantee that "no uninsured child who is

a resident of Santa Clara County, and whose parents have an income at or below 300% of the federal poverty level, shall be turned away from receiving health coverage."

As a result of these policies, the children in current and former child-only cases should be eligible for health coverage. However, as Figure 4 indicates, 22 percent of children from former child-only cases are reported to be uninsured. In addition, 6 percent of the children in current child-only cases are reported to lack coverage, suggesting a lack of awareness of their Medi-Cal coverage. At the time of the adult recipient survey, Healthy Kids was not available,



and Healthy Families had just begun. Even with fewer options for coverage, only about 10 percent of the children in the adult leaver households lacked coverage. In looking more closely at health coverage for children, we found that even after controlling for employment, the parent's English proficiency had a significant impact on children's coverage.

Policy Implications

Policy prescriptions involving our target population are particularly difficult, given the immigration status of the parents. In considering potential actions, policymakers must reconcile their views on the propriety of providing services to undocumented parents with the less controversial objective of providing a minimum level of economic and social support for citizen children. The current policy context reflects the tension between these two forces. For example, citizen children of undocumented parents are eligible for grants, but as child-only cases they get lower

family grants than other children in the CalWORKs program. In the Medi-Cal program, they are eligible for the same benefits as other children, but their parents are eligible only for emergency services. With respect to government subsidized child care, undocumented parents of citizen children are eligible for federal block grant funds and state funds through the State Department of Education programs, but are not eligible for federal or state funds provided through the CalWORKs program. Undocumented immigrants do, however, have access to ESL through the public school and community college system.

The policy implications of our findings fall in five areas, some specific to undocumented immigrant cases and some more general: child care, instruction in ESL, health coverage, post-aid use of Food Stamps, and transportation.

Child Care. Although work activity was high and many undocumented parents were

able to arrange for child care, respondents still cited child care as the predominant barrier to full-time work. Thus, some form of child care assistance would probably improve the employment prospects of these parents, which in turn would help them to achieve self-sufficiency. In addition, the low educational background of these parents suggests that school-readiness programs or other developmentally rich care could be particularly beneficial for their children. Child care assistance cannot be provided as an employment support through the CalWORKs program, but as citizens, these children are eligible for non-CalWORKs child care. Unfortunately, current child care funding is only enough to serve a small fraction of all working poor families in California. Child care, however, could be supported through other revenue sources, such as the Proposition 10 funds administered through the state and county Children and Families Commissions.

“Virtually all of the children in the surveyed families are eligible for Medi-Cal, Healthy Families, or Santa Clara County’s Healthy Kids program.”

Addressing the Language Barrier. Undocumented parents are eligible for ESL courses in Adult Education programs and community colleges, but our surveys indicate that in spite of acknowledging the need for such instruction, they frequently fail to enroll. Better outreach activities could help undocumented parents become aware of these opportunities, and strategies that incorporate ESL into the workplace or other convenient settings may also help facilitate access.

Children’s Health Insurance. Virtually all of the children in the surveyed families are eligible for Medi-Cal, Healthy Families, or Santa Clara County’s Healthy Kids program. Healthy Kids

was quite new at the time of the interviews, so these findings may not reflect recent enrollment increases. Most clinics and other health care providers are actively working to enroll children in these programs, so the most critical outreach issues may relate to (1) encouraging families to use well-child health care, (2) ensuring that families exiting aid apply for non-assistance Medi-Cal or other health coverage for their children, and (3) recognizing the importance of language barriers in serving these families.

Food Stamps. The low participation rate for non-assistance Food Stamps is similar to what we have found in our research on other CalWORKs leavers. Because the parents in child-only cases do not participate in welfare-to-work, they may not be aware that their children may remain eligible for Food Stamps after leaving CalWORKs. Outreach activities, including informing current recipients about post-assistance benefits, should help to address this problem.

Addressing Transportation Barriers. Our findings revealed a significant association between access to a car and employment. In the CalWORKs program, counties have taken different approaches to addressing transportation barriers, although child-only cases generally would not qualify for assistance through the various programs. Two bills introduced in the California Legislature in 2001 could help these families. AB 144 (Cedillo), vetoed by the Governor because of cost considerations, would have increased the asset limit for an automobile for CalWORKs and Food Stamps recipients from \$4,650 to \$15,000 if needed for employment or preparation for employment. AB 60 (Cedillo) would, in effect, allow undocumented persons who are applying for legal residency to obtain a driver’s license. This bill also was passed by the Legislature and vetoed by the Governor.

Related Publications (available at www.sphereinstitute.org)

Lieberman, Charles, *Health Insurance Coverage for Citizen Children of Undocumented Immigrant Parents After They Leave CalWORKs: A Survey of Families in San Mateo and Santa Clara Counties*, Report to the California Program on Access to Care, California Policy Research Center, July 25, 2002.

Lieberman, Charles, Vanessa Lindler, and Margaret O'Brien-Strain, *Assessing the Family Circumstances of Current and Former TANF Child-Only Cases in San Mateo and Santa Clara Counties*, Report to the San Mateo County Human Services Agency, the Santa Clara County Social Services Agency and the U.S. Department of Health and Human Services, Assistant Secretary for Planning and Evaluation, June 27, 2002.

Mancuso, David et al. *Examining Circumstances of Individuals and Families Who Leave TANF: Assessing the Validity of Administrative Data: Final 18-Month Report*, prepared by the SPHERE Institute for the U.S. Department of Health and Human Services, Assistant Secretary for Planning and Evaluation, November 30, 2001.

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