Enhancing the Child Support Knowledge of TANF-Eligible Families and TANF Caseworkers: A Collaborative Strategy for Improving Outcomes for Low-Income Children and Their Families

Outcomes Evaluation

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INTRODUCTION

Child support has the potential to be an important income source for economically vulnerable single-parent families. In 2007, among poor families who received child support, child support income accounted for 40 to 47 percent of income; among families with incomes below 50 percent of the poverty line, child support accounted for 63 percent of total income (Sorensen, 2010; Grall, 2009). The importance of child support for families receiving income support has long been recognized. Federal welfare reform efforts, including the Family Support Act of 1988 and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, have included significant child support changes as a central component. Wisconsin has been a leader in this respect, perhaps most notably by pursuing a unique policy of a full pass-through and disregard of child support for welfare participants as part of the state's original Temporary Assistance for Needy Families (TANF) plan. While the original policy, permitted under a time-limited federal waiver, was phased out by October 2006, Wisconsin has continued to develop policies designed to make it possible for single parent families to combine income from the state's TANF program (Wisconsin Works, or W-2) with child support.

In this report we present the findings of the final component of a demonstration project designed to support and evaluate the implementation of the most recent Wisconsin child support policy changes related to TANF participation. This project, "Enhancing the Child Support Knowledge of TANF-Eligible Families and TANF Caseworkers: A Collaborative Strategy for Improving Outcomes for Low-Income Children and Their Families" was known as the Collaborative Strategies Project, or CSP. The CSP was an intensive, three-way collaboration between the Wisconsin Department of Children and Families Bureau of Child Support (BCS), the Wisconsin Department of Children and Families Bureau of Working Families (BWF), and University of Wisconsin–Madison researchers at the Institute for Research on Poverty (IRP). The demonstration project was designed to identify the effects of the collaborative approach to program implementation in the context of three child support policy changes. An earlier report documented the implementation process and preliminary outcomes of the implementation efforts

on child support information dissemination by TANF caseworkers (see Noyes & Selekman, 2011). This report considers the effects of the CSP on outcomes for low-income children and their families. Specifically, we compare the outcomes of the Wisconsin Works (W-2) application process for families applying in 2008 (prior to the child support policy changes) and in 2010 (after the implementation of the new child support policies).

Beginning in October 2009 through October 2010, Wisconsin planned to adopt a series of changes to its child support distribution policies for W-2 participants. These changes included:

1) effective October 2009, W-2 recipients would no longer be required to sign over past-due child support that was owed to them before they began receiving W-2 payments;

2) effective January 2010, 100 percent of payments made on past-due child support, including past-due assigned support, would be paid to families when they no longer received W-2; and

3) effective October 2010, 75 percent of current child support collected for families receiving W-2 would be passed through to the family.

These changes were designed to provide families with more of the child support paid on their behalf. The Department of Children and Families expected that, given the increase in the proportion of child support that would directly benefit them, families applying for W-2 would be more likely to complete the W-2 application process and enroll in the W-2 program.

Understanding that the potential effects of these policy changes could be diminished if families did not have an accurate understanding of the changes, the CSP aimed to improve information about child support policy provided to TANF applicants. This would be accomplished through increasing local agency staff awareness and knowledge about the child support changes taking place and about the importance of collaboration across the W-2 and child support programs. The final implementation report for this project (Noyes & Selekman, 2011), details the evaluation of the collaborative component of the CSP, as well as the information dissemination efforts that were employed. Here, we report on our evaluation of the effect of the collaborative project on program participation of W-2 applicants, comparing application outcomes for two cohorts of applicants.

CHILD SUPPORT POLICY AND W-2 PARTICIPATION

Congress passed Part D of Title IV of the Social Security Act in 1975, which called for the creation of the Office of Child Support Enforcement. In addition to the creation of an office with the responsibility of establishing paternity and collecting child support payments, Title IV-D stated that, as a condition of receiving public cash assistance, recipients would be required to sign over to the state and federal government any child support collected on their behalf while the family received benefits (Lerman & Sorensen, 2003; Miller, Farrel, Cancian, & Meyer, 2004; Morgan, 2008; Piven & Cloward, 1993; Stirling & Aldrich, 2008). Thus, since 1975, child support and cash welfare programs have been tightly linked. In Wisconsin, as a requirement of W-2 participation, a participant signs a "Notice of Assignment of Child Support, Family Support, Maintenance, and Medical Support." Signing this form certifies that the applicant acknowledges the state has the right to collect court-ordered child support payments and to use that support to pay back the federal costs of any W-2 payments that are received.

Previous research has demonstrated the (potential) importance of child support to low-income families. Bartfeld (2003) found that paternity establishment, child support orders, and child support receipt are quite low among the TANF population in Wisconsin. However, other research has found that, especially when collected fully and regularly, child support has the ability to lift families out of poverty (Ha, Cancian, & Meyer, 2011; Miller, et al., 2004; Sorensen & Zibman, 2000). Thus, while child support enforcement may be complicated and difficult for this population, there are potentially large improvements in economic well-being for these families. However, because of the rules of assignment of child support during receipt of assistance, participants in the TANF program receive less of the child support paid on their behalf compared to low-income families who do not participate in TANF.

Over the years, the proportion of child support that has been kept by Wisconsin to repay the federal costs of the W-2 payments has changed (See Appendix A for a history of child support pass-through policies). Historically, the state has kept 100 percent of any past-due support that was owed to the family during W-2 participation and 60 percent of any past-due support that was owed to the family after W-2 participation. In addition, the state kept 60 percent of any current child support payments made to the

family during W-2 participation. Thus, an individual enrolling in W-2 anytime between 2005 and 2009 would stand to lose the greater part of child support that was both owed to them prior to W-2 participation and paid on their behalf during W-2 participation. Therefore, we hypothesize that under these old child support policies, applicants who expected to receive, or were owed, a large amount of child support would be less likely to enroll in W-2, as they would not want to lose that source of income.

Beginning in October 2009, the distributional rules related to child support and W-2 participation were changed, allowing W-2 participants to keep more of the child support that was owed and paid to the family. Under these new rules, W-2 participants could keep all past-due child support that was owed to the family during and after W-2 participation. Also, W-2 participants could now receive 75 percent (up from 40 percent) of any current child support payments during W-2 participation. Therefore, we expect that under this new policy regime, applicants who anticipated receiving a large amount of child support would be more likely to enroll in W-2, as they now keep more of their child support in addition to receiving W-2 benefits. While this is the primary effect we examine, this policy could have other effects as well. For example, because child support received should be higher, the custodial parent's income should be higher. Moreover, the nonresident parents may be more likely to pay support and to pay higher amounts. Finally, the increased income could result in fewer cases of child maltreatment. Because these are not the focus of this report, we provide only descriptive data on these outcomes; future research could examine these topics in more depth.

DATA AND METHODS

Drawing on analyses conducted for previous reports on the W-2 application process, we use a cohort of W-2 applicants who applied for benefits from September to October of 2008 as our pre-policy change comparison group. Our treatment group consists of W-2 applicants who applied for benefits from October to November of 2010, after the policy change. We followed the sampling approach and methods used for earlier cohorts of W-2 applicants (Noyes & Selekman, 2011; Ybarra & Noyes, 2009). Using detailed manual coding of electronic case notes for applicants during the two time periods, we have

specific information on when in the application process applicants decide to withdraw from the application process or when an applicant is placed in a W-2 tier (see Noyes & Selekman, 2011; Ybarra & Kaplan, 2007; Ybarra & Noyes, 2008 for detailed explanation of the manual electronic case note coding process).

Building on the previous analyses of the W-2 application process, we followed the application process and outcomes for two samples of individuals who applied for W-2 in three Milwaukee County agencies or in Dane County, including only those considered "new" applicants. The observation window for the W-2 application process was September to October in 2008 and October to November in 2010.[1] The 2008 cohort had 2,089 new applications between September and October and the 2010 cohort had 1,850 new applications between October and November. The final samples for these two cohorts used for our analyses included 1,827 applicants in 2008 and 1,596 applicants in 2010.[2] We use the same definition used in the earlier reports on the W-2 application process: an applicant is any person who completes a "Request for Assistance" form at one of the four W-2 agencies we observed. An applicant is considered a dropout if, after a 60-day observation window, the applicant is not placed in a W-2 tier. A dropout may occur if an applicant misses appointments, is denied for being non-compliant with application requirements, is denied for having a pre-existing sanction, or if the applicant declines services. An applicant is considered to be placed after the first assignment to a W-2 tier within the 60-day observation window.

To examine the demographic and program participation characteristics of the two cohorts, we analyze information drawn from administrative records on the income and program participation patterns

[1]The application time period for the two cohorts differed by one month because we wanted to examine application outcomes after the last child support policy was implemented, which was October 1, 2010.

[2]The 2008 Cohort began with 2,089 applicants and the 2010 Cohort began with 1,850 applicants. For our analyses we deleted cases that were considered uncodable or pending at the end of the observation window. We also excluded two parent households, male applicants, applicants who were not pregnant and had no other children, and those who were determined ineligible. This resulted in our analysis sample size of 1,827 and 1,596 respectively.

for the year prior to and the year following[3] an application for TANF benefits. We use administrative data from the Unemployment Insurance program (UI) to measure wages; from CARES to measure TANF (W-2 cash assistance), Supplemental Nutrition Assistance Program (SNAP), Medical Assistance (MA), child care benefits, and SSI; from KIDS to measure child support received; and from WiSACWIS to measure screened-in calls to child protective services (CPS). We also add estimated state and federal Earned Income Tax Credits (EITC) (see Appendix B for details).

While the administrative data we use have a number of advantages, they provide a limited indication of labor market activity (since we can measure only quarterly earnings, and have no information on hours worked or wage rates) and a limited measure of total household income (since, for example, we do not measure the income of others in the household, or income from sources other than UI-covered earnings, child support, and benefits). Moreover, our current measures of SSI receipt and of CPS involvement are also limited.[4] Our findings should be interpreted in light of these limitations.

To examine the effect of the change in child support policy on the participation behavior of W-2 applicants, we employ a difference-in-difference (DID) analysis. We first compare the difference in the enrollment rates of those who had received more substantial child support (high) prior to the application with the enrollment rates of those who receive less child support (low). These groups are of particular interest because we expect those with high support amounts to be more affected by the policy change than those who were receiving less. We then compare the enrollment rates for the 2008 Cohort (pre-policy change) and the 2010 Cohort (post-policy change). The difference (pre-policy change versus post-policy

[3]To be consistent in our analysis of the pre- and post-application dates across the cohorts, we define the dates for one year prior to application as July 2007 to June 2008 for the 2008 Cohort, and July 2009 to June 2010 for the 2010 Cohort. We define one year post-application as the first full calendar year after application, thus one year post-application is January to December 2009 for the 2008 Cohort and January to December 2011 for the 2010 Cohort. Note, because some data are available only by calendar quarters, the one-year periods we examine all begin with calendar quarters, rather than the precise month before and after application.

[4]Our measure of SSI benefits is drawn from CARES records. This data should be interpreted with caution as CARES records are sometimes incomplete with respect to the beginning and ending date of benefit receipt. Our measure of CPS involvement includes only whether there was a screened-in report, and whether there was ever a substantiated report. No measure of other child welfare services is used in this analysis. For additional discussion of our current measures of CPS involvement see Cancian & Han (2010).

change) in the difference (high versus low child support receipt) provides an estimate of the effects of the new policies:

$$DID= (Y_{2010} - Y_{2008})-(Y_{High} - Y_{Low})$$

Y=enrollment into W-2.

Because one of the policy changes affects the pass-through of past-due support, or arrears, we will conduct a similar difference-in-difference analysis comparing outcomes for those with more or less child support arrears.

We use three models to examine the effect of the policy change on participation behavior of W-2 applicants. In each of these models, we define the participation outcomes as a binary variable, with 1 = W-2 Placement and 0 = W-2 Drop Out. We create a dummy variable for the application cohort (i.e., the time variable), with 1 = 2010 Applicant and 0 = 2008 Applicant. We expect applicant outcomes are most likely to be affected among those with a "high" level of arrears. That is, we anticipate an impact on an applicant's participation behavior if their expected current child support levels are sufficient for the new policies to be economically important. However, in the absence of strong theory or past empirical estimates to suggest the sufficient level of child support, we use a relatively flexible form, including the levels of child support receipt and arrears amount. These receipt and arrears categories are interacted with the dummy time variable and provide us with our DID estimator. Our first model includes only the key independent variables, time, child support, and child support interacted with time. The second model adds demographic control variables including age, race, education, number of children, past W-2 receipt, previous employment, pregnant, marital status, CPS involvement, and county of application. The third model includes the demographic variables and adds variables on income from W-2, SNAP, earnings, SSI, and EITC in the year prior to application. Additionally, the third model includes months of medical assistance and child care subsidy receipt prior to application. These economic measures help capture differences that are not accounted for in the demographic data but that might affect program participation.

The DID approach aims to isolate the effect of the policy change from other differences in enrollment between the two cohorts and between those who receive high or low child support. In addition to the child support policy changes, there were other changes that occurred between 2008 and 2010 that might present limitations to our analysis. Around the same time as the child support policy changes, Milwaukee County also modified their application process. In 2008, Milwaukee applicants applied for and were provided services by one single agency over a 12-day application timeframe. As of January 2010, Milwaukee County used two different agencies (although located at one location) to provide services to W-2 applicants; one agency to conduct eligibility assessment and W-2 tier placement, and another agency to provide on-going case management services. The application timeframe was simultaneously reduced to a 10-day window. While many aspects of the application process remained the same, it is possible that there was enough difference in the process to affect the application behavior of some applicants. (See Appendix C for a description of differences in the application process from 2008 to 2010). The DID method is able to control for differences between the application process in 2008 and 2010 as long as they affect those with high and low child support in the same way. If they do not, (i.e., if these changes differentially affected families receiving high or low child support), our evaluation strategy will not eliminate the resulting bias. Furthermore, the economic environment in 2008 was much different from the economic environment in 2010. Again, if the change in economic opportunities affected high and low child support families in the same way, this is controlled in our analysis. However, if it affected high and low child support families differentially, that is not accounted for in our analysis. Notwithstanding these concerns, as shown below, there are relatively few differences between the cohorts in their characteristics at application. Therefore, by focusing on not only the difference in placement rates between the two time periods, but also on the difference in placement rates between the two time periods for those with high and low child support and arrears, our analysis aims to identify the effect of the changes in child support policy on W-2 participation behavior.

SAMPLE CHARACTERISTICS: DEMOGRAPHICS, INCOME, AND OTHER PROGRAM PARTICIPATION

While our focal interest is in the impact of the child support policy changes, we begin by reviewing the demographic characteristics of the applicants and how they vary across the cohorts and between those who participate in W-2 and those who drop out of the application process. We also examine the earnings and incomes of the applicants, and assess how these vary across cohorts. There is substantial interest in changes in W-2 applicants and outcomes of the application process. This report builds on earlier analyses of previous application cohorts, and comparisons of the 2008 and 2010 cohorts are of interest in themselves. This information also provides context for the main focus of this report, on the child support characteristics of the applicants, and the results of the difference-in-difference (DID) analysis.

The Demographic and Participation Characteristics of W-2 Participants and Dropouts

Table 1 depicts the demographic characteristics of the two cohorts, as well as indicating any significant difference within and across cohorts. Within the 2008 Cohort, placed applicants and dropouts significantly differed on age (older more likely to drop out), race (black less likely to drop out), number of children (applicants with more children more likely to drop out) marital status-never married (never married less likely to drop out), and pregnant at the time of application (pregnant less likely to drop out). Within the 2010 Cohort, differences between dropouts and placed applicants were generally similar, though age differences were not statistically significant (significant difference in education outcomes are due to higher levels of unknown education among dropouts, perhaps because education data was not collected prior to the dropout juncture).

Differences across cohorts are potentially more important for our analysis of the policy change that occurred between cohorts. In 2008, 50.1 percent of the applicants were placed, compared to 67.2 percent of applicants being placed in 2010. The difference in participation rates across the cohorts was statistically significant. In 2008, the average applicant was between 19 and 24 years old (40.2 percent),

Table 1: Sample Demographics and Significant Differences

	2008 Cohort (N=1827)							2010 Cohort (N=1596)									
	Placed		Dropout		All		Placements vs. Dropouts (Given 2008 Cohort)	Placed		Dropout		All		Placements vs Dropouts (Given 2010 Cohort)	C1 vs. C2 Placed	C1 vs. C2 Dropouts	C1 vs. C2 All
	916	50.1	911	49.9	1827	100		1073	67.2	523	32.8	1596	100				
Characteristic	N	%	N	%	N	%		N	%	N	%	N	%				***
Age							***										
<18	74	8.1	49	5.4	123	6.7		89	8.3	32	6.1	121	7.6				
19–24	389	42.5	345	37.9	734	40.2		439	40.9	204	39.0	643	40.3				
25–32	283	30.9	293	32.2	576	31.5		335	31.2	168	32.1	503	31.5				
33 years or more	170	18.6	224	24.6	394	21.6		210	19.6	119	22.8	329	20.6				
Race							**							**	*	*	**
White	70	7.6	90	9.9	160	8.8		109	10.2	70	13.4	179	11.2				
African American	763	83.3	704	77.3	1,467	80.3		880	82.0	411	78.6	1,291	80.9				
Latina/o	19	2.1	46	5.1	65	3.6		32	3.0	17	3.3	49	3.1				
Other	7	.8	12	1.3	19	1.0		17	1.6	7	1.3	24	1.5				
Unknown	57	6.2	59	6.5	116	6.4		35	3.3	18	3.4	53	3.3				
Education Level														***	**	***	***
<HS	577	63.0	548	60.2	1,125	61.6		609	56.8	277	53.0	886	55.5				
=HS	241	26.3	248	27.2	489	26.8		340	31.7	178	34.0	518	32.5				
>HS	80	8.7	85	9.3	165	9.0		96	9.0	34	6.5	130	8.1				
Unknown	18	2.0	30	3.3	48	2.6		28	2.6	34	6.5	62	3.9				
No employments in previous 4 quarters	325	35.5	312	34.3	637	34.9		437	40.7	216	41.3	653	40.9		***	**	***
No W-2 receipt in previous 4 quarters	688	75.1	697	76.5	1,385	75.8		814	75.9	390	74.6	1,204	75.4				
Children							**							*	*		
No Children	29	3.2	20	2.2	49	2.7		25	2.3	6	1.9	31	1.9				
One	396	43.2	368	40.4	764	41.8		477	44.5	209	40.0	686	43.0				
Two	264	28.8	245	26.9	509	27.9		265	24.7	144	27.5	409	25.6				
Three or more	227	24.8	278	30.5	505	27.6		306	28.5	164	31.4	470	29.5				
Never Married	825	90.1	789	86.6	1,614	88.3	**	976	91.0	454	86.8	1,430	89.6	**			
Pregnant	243	26.5	76	8.3	319	17.5	***	258	24.0	31	5.9	289	18.1	***		*	

Notes: Levels of significance: *** p<.01; ** p<.05; *p<.1.

African American (80.3 percent), had less than a high school education (61.6 percent), had some employment in the year prior to application (34.9 percent had no employment in the year prior to application), had no W-2 participation in the year prior to application (75.8 percent), had one child (41.8 percent), had never been married (88.3 percent), and was not pregnant at the time of application (17.5 percent of applicants *were* pregnant at the time of application).

While generally the 2010 applicants look similar to the 2008 applicants, there are a few statistically significant differences between the two groups. In particular, in the 2010 Cohort, compared to the 2008 Cohort, there was an increase in the number of white applicants (11.2 percent in 2010 compared to 8.8 percent in 2008) and there were fewer "unknown" races in 2010 (3.3 percent compared to 6.4 percent). The difference in the educational attainment of the two cohorts was also statistically significant. In 2010, 40.6 percent of applicants had completed high school compared to 35.8 percent in the 2008 cohort. Also, the average applicant in the 2010 cohort had slightly less employment in the year prior to application (40.9 percent had no employment) when compared to the 2008 cohort (34.9 percent had no employment). The only other statistically significant differences between the cohorts were number of children and pregnant at time of application. The 2010 cohort had slightly more placed applicants with one child (43.0 percent compared to 41.8 percent) and with three or more children (29.5 percent compared to 27.6 percent), although this difference was only significant at the $p<.1$ level. Similarly, there were slightly less dropouts who were pregnant at the time of application in 2010 (5.9 percent compared to 8.3 percent). This difference was also only marginally significant. The remainder of the applicant characteristics did not differ between the cohorts.

Although there are some differences in the demographic characteristics across the two cohorts, there is little evidence that these differences would have much bearing on interactions with the child support system. Because we are assessing W-2 participation as a function of child support characteristics, any differences across cohorts in the opportunities for applicants to have knowledge about the child support system prior to application would be problematic. This could be captured in our data by previous W-2 experience, as prior W-2 participation would provide a person with the opportunity to develop

additional knowledge about how W-2 participation and child support interact. However, there is no significant difference in prior W-2 participation between the cohorts, so we are less concerned about 2010 applicants knowing more about the child support system than those in the 2008 Cohort. Further, it is only a slight concern that the 2010 cohort appears to have attained more education, in that this cohort may be better able to understand the complexities about the child support and W-2 system interactions. However, in both cohorts the majority of the applicants have a high school education or less.

Earnings and Income of W-2 Participants and Dropouts

Table 2a summarizes the annual earnings and income of 2008 and 2010 applicants, distinguishing outcomes by whether the applicant dropped out or entered W-2. Table 2b shows whether earnings and income levels differed significantly by cohort and dropout status. We measure total income by summing W-2 cash assistance, the cash value of SNAP, child support, earnings, the estimated EITC, and SSI (depicted visually in Figures 1 and 2). The table shows the proportion of each group receiving each source of income, as well as the mean for all, and the mean conditional on the receipt of income from that source. We examine these income sources for the year prior to application and the year after application.[5]

Table 2a shows the proportion of each group receiving each source of income. For example, among all the applicants in the 2008 Cohort, 24 percent had received W-2 payments in the year prior to application, with cash benefits averaging $651 among all applicants and $2,691 for those with any receipt. (Note that by sample construction, none were receiving W-2 payments at the time they applied.) In the year after application, 55.9 percent received W-2 payments, averaging $1,783 for all applicants and $3,191 for those with any receipt. There are significant differences in the incomes of applicants by dropout status, both before application (especially in the early cohort) and after. The first two columns of Table 2b show that, although 2008 placed applicants were no more likely than dropouts to receive W-2

[5]As previously noted, we define the dates for one year prior to application as July 2007 to June 2008 for the 2008 Cohort, and July 2009 to June 2010 for the 2010 Cohort. We define one year post-application as the first full calendar year after application, thus one year post-application is January to December 2009 for the 2008 Cohort and January to December 2011 for the 2010 Cohort.

Table 2a: Pre and Post Application Annual Earnings and Income by W-2 Dropouts and Participant

	2008 Cohort						2010 Cohort					
	W-2 Placement (N=916)		Dropouts (N=911)		All (N=1827)		W-2 Placement (N=1073)		Dropouts (N=523)		All (N=1596)	
Income Sources	Pre	Post	Pre	Post	Pre	Post	Pre	Post	Pre	Post	Pre	Post
W-2 Receipt												
% with any	24.9%	80.0%	23.5%	31.6%	24.2%	55.9%	24.1%	94.8%	25.4%	44.7%	24.6%	78.4%
Mean all	$740	$2,772	$562	$790	$651	$1,783	$595	$3,830	$636	$1,313	$608	$3,005
Mean >0	$2,971	$3,463	$2,394	$2,498	$2,691	$3,191	$2,464	$4,040	$2,501	$2,935	$2,477	$3,834
SNAP												
% with any	83.1%	97.7%	81.7%	93.4%	82.4%	95.6%	80.7%	99.1%	83.8%	98.3%	81.7%	98.8%
Mean all	$2,164	$4,054	$2,362	$3,879	$2,263	$3,967	$2,915	$4,595	$3,942	$4,789	$2,984	$4,658
Mean >0	$2,605	$4,149	$2,893	$4,152	$2,747	$4,151	$3,612	$4,638	$4,195	$4,872	$3,653	$4,714
Child Support												
% with any	28.0%	36.1%	34.0%	37.3%	31.0%	36.7%	25.8%	38.5%	29.3%	38.6%	26.9%	38.5%
Mean all	$452	$485	$670	$727	$561	$605	$439	$504	$658	$663	$510	$556
Mean >0	$1,169	$1,342	$1,664	$1,947	$1,420	$1,649	$1,699	$1,310	$2,248	$1,717	$1,894	$1,443
Earnings												
% with any	67.6%	59.0%	69.8%	64.5%	68.7%	61.7%	58.4%	55.2%	60.4%	60.2%	59.1%	56.8
Mean all	$5,797	$5,049	$6,178	$5,556	$5,987	$5,302	$5,040	$4,133	$5,572	$4,915	$5,214	$4,389
Mean >0	$8,578	$8,565	$8,850	$8,608	$8,716	$8,586	$8,625	$7,492	$9,222	$8,160	$8,825	$7,724
EITC												
% with any	66.5%	58.3%	68.7%	62.9%	67.6%	60.6%	58.4%	54.6%	60.4%	58.9%	59.1%	56.0%
Mean all	$1,878	$2,115	$1,880	$2,138	$1,879	$2,127	$1,731	$1,674	$1,823	$1,890	$1,761	$1,746
Mean>0	$2,836	$3,659	$2,768	$3,454	$2,801	$3,553	$2,963	$3,101	$3,017	$3,241	$2,981	$3,149
SSI (All Children)												
% with any	6.9%	9.2%	8.9%	10.4%	7.9%	9.8%	6.7%	8.5%	8.2%	10.1%	7.2%	9.0%
Mean all	$572	$751	$704	$940	$638	$845	$580	$1,057	$737	$966	$632	$766
Mean >0	$8,316	$8,186	$7,919	$9,012	$8,093	$8,624	$8,650	$7,881	$8,965	$9,535	$8,768	$8,490
SSI (Applicant)												
% with any	2.1%	3.9%	3.4%	4.6%	2.7%	4.3%	3.3%	3.3%	3.4%	2.9%	3.3%	3.1%
Mean all	$111	$132	$196	$245	$153	$188	$181	$140	$151	$122	$171	$134
Mean >0	$5,358	$3,362	$5,771	$5,317	$5,614	$4,415	$5,562	$4,295	$4,375	$4,270	$5,159	$4,288
Total Income												
% with any	92.3%	99.9%	94.5%	98.4%	93.4%	99.1%	90.0%	100.0%	91.0%	99.6%	90.4%	99.9%
Mean all	$11,713	$15,358	$12,554	$14,275	$12,132	$14,818	$11,321	$15,545	$12,523	$14,659	$11,715	$15,255
Mean >0	$12,698	$15,374	$13,283	$14,514	$12,993	$14,949	$12,575	$15,545	$13,759	$14,715	$12,966	$15,274

Table 2b: Significant Differences within and across Cohorts for Income and Earnings by Participants and Dropouts

	Placement vs. Dropout (2008 Cohort)		Placement vs. Dropout (2010 Cohort)		2010 vs. 2008 (Placements)		2010 vs. 2008 (Dropouts)		2010 vs. 2008 (All)	
Income Sources	Pre	Post	Pre	Post	Pre	Post	Pre	Post	Pre	Post
W-2 Receipt										
Any W-2 Receipt		+++		+++		+++		+++		+++
Amount of W-2 Receipt	++	+++		+++	--	+++		+++		+++
SNAP										
Any SNAP Receipt		+++				++		+++		+++
Amount of SNAP Receipt	++	+			+++	+++	+++	+++	+++	+++
Child Support										
Any Child Support Receipt	---								---	
Amount of Child Support Receipt	---	---	--	--						
Earnings										
Any Earnings		--			---	-			---	---
Amount of Earnings					--	---			---	---
EITC										
Any EITC					--	-				---
Amount of EITC		--				---	---		---	---
SSI (All Children)										
Any SSI										
Amount of SSI				-						
SSI (Applicant)										
Any SSI	-				+			-		-
Amount of SSI	-	--						--		
Total Income (W-2, SNAP, Child Support, Earnings, EITC, and SSI)										
Any Income	-	+++			-		--	++	---	+++
Amount of Income	-	++	--	+						

Notes: All monetary amounts adjusted to 2011 dollars. Tests are for difference in overall mean; levels of significance: +++ (---) p<.01; ++ (--) p<.05; + (-) p<.1.

Figure 1: Year Pre-Application Income and Earnings

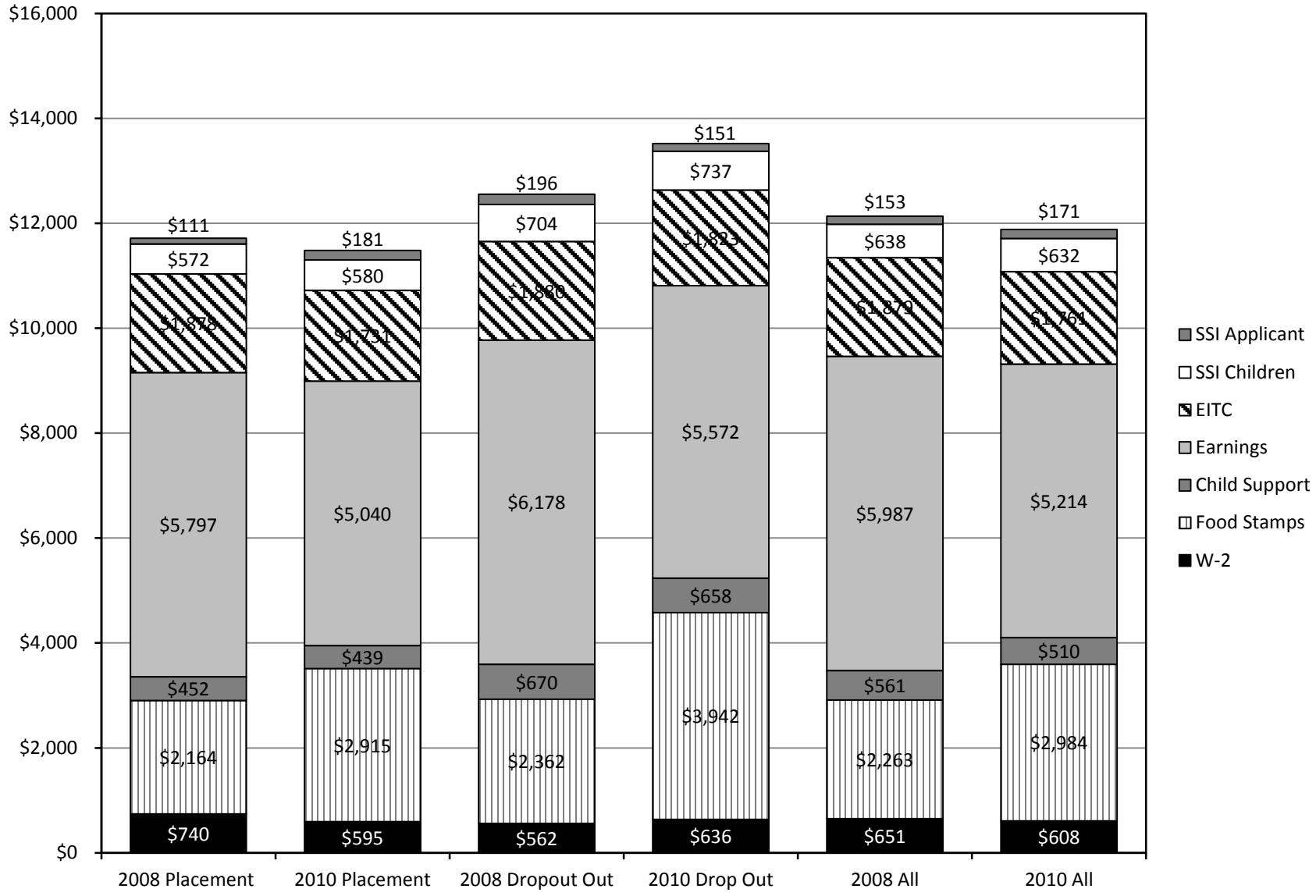
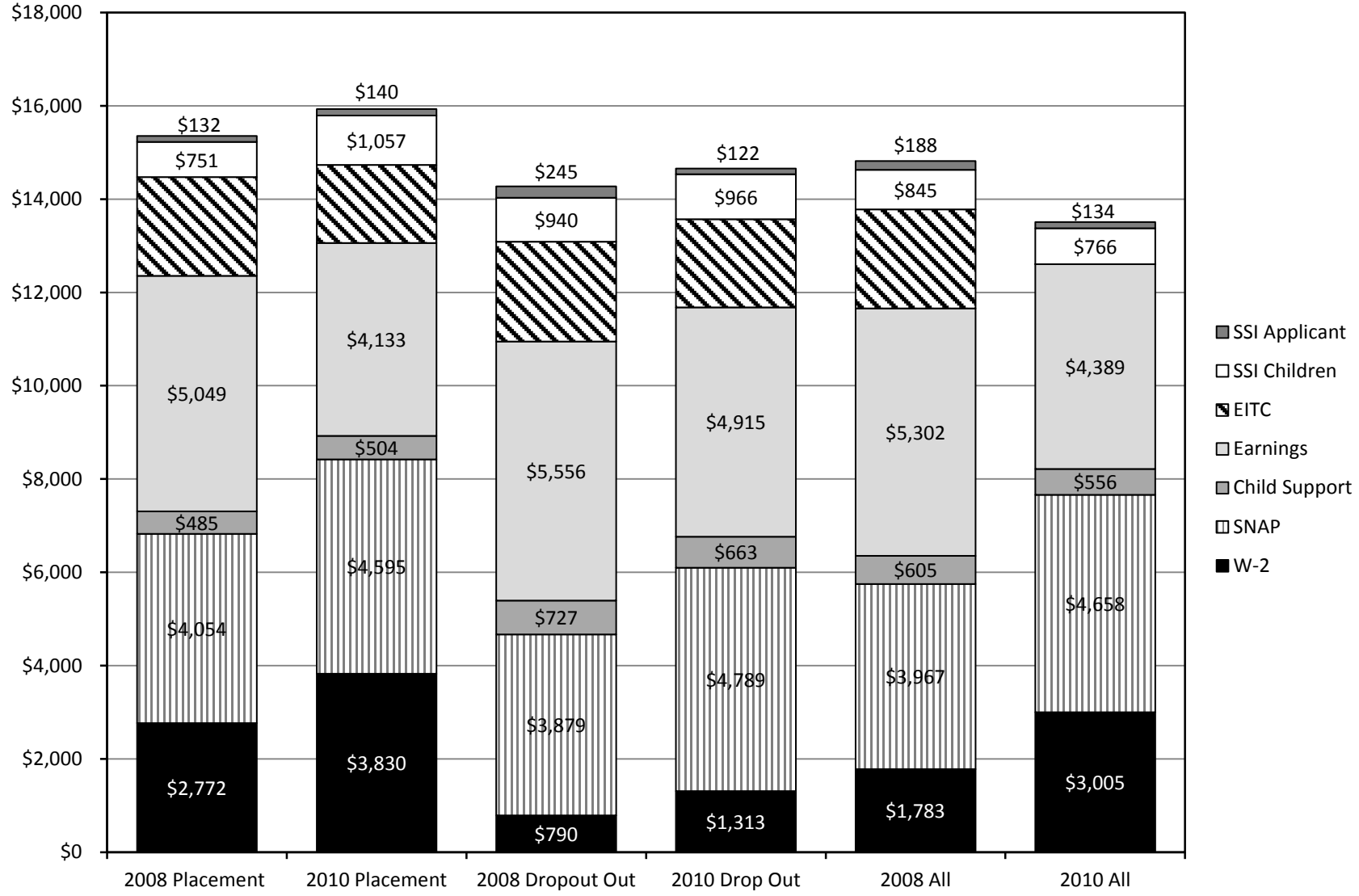


Figure 2: Year Post-Application Income and Earnings



and SNAP prior to application, placed applicants did receive significantly higher amounts of W-2 and SNAP benefits prior to application. In contrast, 2008 placed applicants were less likely to be receiving any child support or SSI and were less likely to have any income in the year prior to application compared to dropouts. In the year after application, 2008 applicants were more likely to be receiving W-2 and SNAP compared to dropouts. They were also more likely to have any earnings. However, placed applicants had lower child support receipt amounts, were less likely to have any earnings or EITC, and had lower SSI amounts. For the 2010 Cohort, there were no significant differences between placed applicants and dropouts in the number of those who received any of the different sources of income prior to application. Although, placed applicants received lower amounts of child support and had lower earnings than dropouts prior to application. In the year after application, placed applicants were more likely to be receiving W-2 benefits and received a higher amount of W-2 compared to dropouts. Additionally, placed applicants had a marginally higher total income after application, compared to dropouts. In the year after application, placed applicants continued to receive lower amounts of child support and also had lower amounts of SSI receipt for their children.

When we compare income and earnings of 2008 applicants and 2010 applicants we see that 2010 placed applicants had lower amounts of W-2 receipt and earnings but higher amounts of SNAP receipt in the year prior to application when compared to 2008 placed applicants. In the year after application, 2010 placed applicants had more W-2 and SNAP receipt and higher amounts of W-2 and SNAP benefits. 2010 placed applicants continued to have lower earnings and EITC amounts in the year after application. Those applicants who dropped out of the application process in 2010 had higher amounts of SNAP benefits in the year prior to application but were also less likely to have any earnings, any EITC, or any income. In the year after application, 2010 dropouts had more W-2 receipt, SNAP receipt, and total income but less SSI (applicant) when compared to 2008 dropouts. This pattern is maintained when we compare all applicants in 2010 and 2008.

Overall, Tables 2a and 2b indicate that, in the year prior to application, placed applicants in both cohorts were more economically disadvantaged than those who dropped out. In the year after application,

placed applicants in both cohorts increased their total income compared to dropouts. In these tables, we also see evidence that 2010 applicants were more economically disadvantaged compared to 2008 applicants and, overall, 2010 applicants improved their economic well-being after application, compared to 2008 applicants.

Receipt of Medical Assistance and Child Care Subsidies

Our measure of income does not include medical assistance (MA) nor child care subsidies; however, both benefits provide aid to families for covering expenses that could otherwise reduce their overall income. Table 3a shows patterns of receipt for both cohorts, indicating the proportion that received any MA or child care subsidies, the average number of months these benefits were received for those with any receipt, and the percent who received these benefits for the whole year. For example, for 2008 placed applicants, 88.9 percent received any MA, with a mean of ten months of receipt, and 57 percent of whom received benefits for the whole year prior to application. When comparing the percent of placements and dropouts within each cohort that had any MA or child care benefits, there were no significant differences in receipt in the year prior to application but there were significant differences post application.

As shown in Table 3b, placed applicants in both cohorts were more likely to receive both MA and child care in the year after application when compared to dropouts, though MA receipt rates are high, and increase significantly (test not shown), for both groups. For the 2008 Cohort, MA coverage rose from 88.9 to 98.9 among placements, compared to an increase from 88.7 to 94.3 percent for dropouts. Placements were also more likely to receive child care subsidies in the 2008 Cohort: while about 32 percent of both groups received child care subsidies prior to application, this rose to 53 percent of placed applicants in the year after application, compared to 38.1 percent of dropouts. These patterns were similar for the 2010 Cohort, although child care subsidy receipt was lower overall. When comparing placed applicants from the 2008 Cohort with placed applicants from the 2010 Cohort, we see that 2010 placed applicants had marginally significantly fewer months of child care subsidies in the year before and after

Table 3a: MA and Child Care Subsidy Receipt by W-2 Placements and Dropouts

	2008 Cohort						2010 Cohort					
	W-2 Placement (N=916)		Dropouts (N=911)		All (N=1827)		W-2 Placement (N=1073)		Dropouts (N=523)		All (N=1596)	
	Pre	Post	Pre	Post	Pre	Post	Pre	Post	Pre	Post	Pre	Post
MA for the Applicant												
% with any	88.9%	98.9%	88.7%	94.3%	88.8%	96.6%	87.6%	98.9%	88.3%	95.6%	87.8%	97.8%
Mean months among>0	10.0	11.2	10.2	10.8	10.1	11.0	10.4	11.1	10.4	10.9	10.4	11.1
% 12 months among>0	57.0%	71.6%	56.2%	69.7%	56.6%	70.7%	64.2%	73.0%	60.2%	69.6%	62.8%	71.8%
Child Care Subsidy												
% with any	32.8%	53.0%	31.6%	38.1%	32.2%	45.5%	29.2%	42.1%	30.0%	32.9%	29.5%	39.1%
Mean months among>0	7.3	7.6	7.1	6.9	7.2	7.3	7.4	6.5	7.3	6.3	7.4	6.4
% 12 months among>0	25.7%	19.8%	20.5%	16.1%	23.1%	18.3%	20.8%	12.2%	22.9%	14.4%	21.5%	12.8%

Table 3b: Significant Differences of MA and Child Care Subsidy Receipt within and across Cohorts

	Placement vs. Dropout (2008 Cohort)		Placement vs. Dropout (2010 Cohort)		2008 vs. 2010 (Placements)		2008 vs. 2010 (Dropouts)		2008 vs. 2010 (All)	
	Pre	Post	Pre	Post	Pre	Post	Pre	Post	Pre	Post
MA for the Applicant		+++		+++					-	++
Child Care Subsidy		+++		+++	-	---		--		---

Notes: Tests are for difference in percent with any MA or child care subsidy receipt; levels of significance: +++ (---) p<.01; ++ (--) p<.05; + (-) p<.1.

application, while 2010 dropouts had significantly fewer months of child care subsidies in the year after application only. Finally, for all applicants, 2010 applicants had significantly fewer months of MA receipt in the year prior to application. In the year after application, 2010 applicants had more MA receipt and less child care subsidies when compared to 2008 applicants.

Child Protective Services Involvement among Participants and Dropouts

In addition to demographic characteristics, earnings and income, and participation in economic support programs, we also gathered information on CPS involvement, building off of a previous study of applicant characteristics (Cancian, Noyes, & Chung, 2010). Table 4a reports the frequency of contact with CPS. In particular, we report the proportion of applicants with children who are subject to a screened in CPS report, and the proportion with a substantiated CPS report, in the year prior to and the year after application. For the 2008 Cohort, 7 to 9 percent of placements and dropouts had a CPS screened-in report in the year prior to and the year after application, while less than 2 percent in each group had a substantiated CPS report. These rates were similar for the 2010 Cohort. Table 4b shows there are no significant differences between placements and dropouts within the 2008 Cohort and the 2010 Cohort. The only significant difference across cohorts was for post-application CPS substantiated cases for placed applicants (1.4 percent in 2008 and .5 percent in 2010) and for the whole sample (1.5 percent in 2008 and .7 percent in 2010).

In sum, the demographic and earnings tables presented in this section suggest some important changes in the demographic characteristic and program participation histories of the W-2 applicants in 2008 and 2010. The 2010 applicant was more likely to be white, have slightly higher education, and less recent employment. Compared to 2008 applicants, 2010 applicants had less earnings and total income prior to application. Although they still had lower earnings in the year after application, 2010 applicants increased their total income package and were more likely to have any total income compared to 2008 applicants. Given the sustained period of economic recession, these differences are not unexpected.

Table 4a: CPS Involvement by W-2 Placements and Dropouts

	2008 Cohort						2010 Cohort					
	W-2 Placement (N=916)		Dropouts (N=911)		All (N=1827)		W-2 Placement (N=1073)		Dropouts (N=523)		All (N=1596)	
	Pre	Post	Pre	Post	Pre	Post	Pre	Post	Pre	Post	Pre	Post
Screened in CPS	7.5%	7.4%	9.4%	8.2%	8.5%	7.8%	8.8%	7.8%	8.8%	7.5%	8.8%	7.7%
Substantiated Case	1.5%	1.4%	1.3 %	1.5%	1.4%	1.5%	1.1%	.5%	1.2%	1.2%	1.1%	.7%

Table 4b: Significant Differences in CPS Involvement Within and Across Cohorts

	Placement vs. Dropout (2008 Cohort)		Placement vs. Dropout (2010 Cohort)		2008 vs. 2010 (Placements)		2008 vs. 2010 (Dropouts)		2008 vs. 2010 (All)	
	Pre	Post	Pre	Post	Pre	Post	Pre	Post	Pre	Post
Screened in CPS										
Substantiated Case						--				--

Levels of significance: +++ (---) p<.01; ++ (--) p<.05; + (-) p<.1.

SAMPLE CHARACTERISTICS: CHILD SUPPORT RECEIPT AND APPLICANT OUTCOMES

A central focus of this report is evaluating the impact of child support policy changes on W-2 application outcomes. As was stated above, three child support policies were implemented between October 2009 and October 2010 stipulating that:

1) W-2 recipients would no longer be required to sign over past-due child support that was owed to them before they began receiving W-2 payments;

2) 100 percent of payments made on past-due child support, including past-due assigned support, would be paid to families when they no longer receive W-2; and

3) 75 percent of current child support collected for families receiving W-2 would be passed through to the family.

All three of these policies reduce the negative impact of W-2 participation on potential child support receipt, and therefore have some potential impact on W-2 participation. In order to evaluate the impact of the child support policy innovations on the W-2 application process and subsequent outcomes for low-income families and their children, we gathered detailed child support characteristics for applicants in both the 2008 and 2010 cohorts. While past studies have reported on child support as an income source, this report expands upon that analysis, distinguishing child support by type of receipt (current, arrears, family, medical, etc.) and receipt for whom (applicant or the state).

Assignment of Past Due Child Support

The first policy change we examine is the change in assignment of past-due child support to the state. Prior to October 2009, new participants in W-2 were required to assign all of their past-due child support to the state. As a consequence, payments on arrears made while the mother was participating in W-2 would primarily (58 percent) go towards repaying state costs of assistance; 42 percent would pass through to the participant. For example, if an applicant (who had never before participated in W-2) was owed $15,000 in past-due child support (family owed arrears), she would have had to sign over all $15,000 to the state when she entered the W-2 program and would have only received 42 percent of any payments made towards this past-due support during W-2 participation. Following the 2009 policy

change, families no longer have to assign their past-due child support to the state when they participate in W-2. Now, a family being owed $15,000 in arrears prior to W-2 participation is able to keep 100 percent of any payments made towards those arrears before, during, and after W-2 participation. If an applicant had a previous W-2 spell and has state-owed arrears at the time of application, these arrears remain owed to the state and subject to the earlier 42 percent pass-through policy.

In trying to simulate the experience of a W-2 applicant, we worked with staff from the Wisconsin Department for Children and Families Bureau of Child Support to determine what past-due child support amounts would be relevant and known to a potential W-2 applicant. We concluded that, while applicants may not know the level of arrears owed to the state, we do expect they may have an understanding of the total amount of past-due child support owed to them. Thus, we create a measure of total child support arrears that are owed to the family at the end of the 2nd quarter in the year of application (June 2008 for the 2008 Cohort and June 2010 for the 2010 Cohort); this is before the application for assistance.

We estimate that for the total arrears package prior to the policy change, an applicant could expect their past-due child support to be impacted by W-2 participation in the following way:

1) .42 x (current family owed arrears + previously state owed arrears) = total arrears due during W-2 participation.

Under the new policy (effective October 1, 2009), an applicant could expect their past-due child support to be impacted by W-2 participation in the following way:

2) [1 x (current family owed arrears)] + [.42 x (previously state-owed arrears)] = total arrears due during W-2 participation.

Table 5a depicts arrears characteristics for the samples in each cohort. The top panel shows the number of applicants with state-owed arrears, family-owed arrears, and total (either state- and/or family-owed) arrears. Also shown are the percent of those with each type of arrears who were placed or who dropped out. The final column for each cohort shows the number and percent of all applicants with each

Table 5a: Arrears Breakdown for W-2 Placements and Dropouts

	2008			2010		
	Placement (% of All)	Drop Out (% of All)	All (% with Each Type of Arrears)	Placement (% of All)	Drop Out (% of All)	All (% with Each Type of Arrear)
N (%)[a] =	916 (50.1)	911 (49.9)	1,827(100)	1,073 (67.2)	523 (32.8)	1,596 (100)
State-Owed Arrears	254 (44.4)	318 (55.6)	572 (31.3)	305 (69.8)	132 (30.2)	437 (27.4)
Family-Owed Arrears	382 (46.6)	437(53.4)	819 (44.8)	447(67.4)	216 (32.6)	663 (41.5)
Total Arrears	414 (47.2)	464 (52.9)	877 (48.0)	463 (67.7)	221 (32.3)	684 (42.9)
Mean Amount Owed (All)						
State-Owed Arrears	$2,258	$3,014	$2,635	$1,942	$1,645	$1,844
Family-Owed Arrears	$4,038	$6,434	$5,232	$5,592	$5,824	$5,668
Total Arrears	$6,295	$9,445	$7,866	$7,533	$7,469	$7,512
Mean Amount Owed (Positive)						
State-Owed Arrears	$8,142	$8,634	$8,415	$6,831	$6,516	$6,736
Family-Owed Arrears	$9,684	$13,413	$11,673	$13,423	$14,102	$13,644
Total Arrears	$13,963	$18,545	$16,927	$17,459	$17,675	$17,528
*Distribution of **Total** Arrears*						
No arrears	503 (53.0)	447 (47.1)	950 (52.0)	610 (66.9)	302 (33.1)	912 (57.1)
$1 to $2,500	138 (49.8)	139 (50.2)	277 (15.2)	117(68.8)	53 (31.2)	170 (10.7)
$2,501 to $7,500	86 (50.9)	83 (49.1)	169 (9.3)	122 (68.9)	55 (31.1)	177 (11.1)
$7,501 to $15,000	60 (45.1)	73 (54.9)	133 (7.3)	59 (63.4)	34 (36.6)	93 (5.8)
More than $15,000	129 (43.3)	169 (56.7)	298 (16.3)	165 (67.6)	79 (32.4)	244 (15.3)
Estimated Mean Arrears owed during W-2 Participation						
Old Policy (42% of all)	$2,644	$3,967	$3,304	$3,164	$3,137	$3,155
New Policy (100% of Family owed +42% of state-owed)	$4,986	$7,698	$6,338	$6,407	$6,515	$6,442

Percentages for Placements and Dropouts are row percentages. Percentages for All Applicants are Column percentages

Table 5b: Significant Differences of Arrears for Placements and Dropouts within and between Cohorts

	Placement vs. Dropout (2008 Cohort)	Placement vs. Dropout (2010 Cohort)	2008 vs. 2010 (Placements)	2008 vs. 2010 (Dropouts)	2008 vs. 2010 (All)
Any State Arrears	---			---	--
Any Family Arrears	---			--	--
Any Total Arrears	--			---	---
Mean Total Arrears (all)	---		+	-	
High (>$15,000) Total Arrears (all)	---			-	-

Notes: Levels of significance: +++ (---) p<.01; ++ (--) p<.05; + (-) p<.1.

type of arrears.[6] The second panel provides the mean amount of arrears for all applicants and for those with any arrears. The third panel shows the distribution of the arrears owed to applicants. The bottom panel of Table 5a illustrates the mean arrears amounts that an applicant would receive if she went on W-2 under the old policy regime and under the new policy regime. This panel illustrates the gain in income a W-2 participant has the potential to receive under the new policy.

For the 2008 Cohort, 31.3 percent of the sample had state-owed arrears, 44.8 percent had family-owed arrears, and 48.0 percent had state-owed and/or family-owed arrears at the end of Quarter 2, prior to application (June 2008). Placed applicants were significantly less likely to have state, family, or both arrears when compared to dropouts (see Table 5b). The mean for all state-owed and family-owed arrears for all applicants was $7,866 and for applicants with any arrears the mean was $16,927. Placed applicants had lower amounts of total arrears owed compared to dropouts. Also, placed applicants were less likely to be owed a high amount (greater than $15,000) in arrears than dropouts. For the 2010 Cohort, 42.9 percent of all applicants had either family- or state-owed arrears at the end of Quarter 2, prior to application (June 2010). In contrast to the earlier cohort, there were no significant differences in arrear amounts between placed applicants and dropouts in the 2010 cohort.

Considering all 2008 and 2010 applicants, 2010 applicants are less likely to have state-owed arrears, family-owed arrears, total arrears, and are less likely to be owed a higher amount of total arrears than 2008 applicants. The same patterns are evident for dropouts. However, when comparing 2008 and 2010 placed applicants, we see no significant difference in the probability of being owed arrears, and instead find that 2010 placed applicants are owed significantly higher amounts of total arrears than 2008 placed applicants ($7,533 in 2010 and $6,295 in 2008).

Overall, these simple descriptive tables provide some suggestive evidence that having arrears discouraged W-2 participation in 2008, but not in 2010. From tables 5a and 5b we see that, although the

[6]For example, among 2008 applicants, 916, or 50.1 percent of all applicants, were placed. The next row shows that 254 applicants with state-owed arrears were placed, 44.4 percent of all those with state-owed arrears.

2010 cohort tends to have fewer and lower amounts of arrears owed, placed applicants in 2010 were more likely to have higher arrears amounts owed than 2008 placed applicants. Furthermore, 2010 dropouts were less likely than 2008 dropouts to be owed arrears. This indicates that the elimination of the requirement to assign past-due child support to the state may have the intended impact of no longer discouraging those with high arrears from W-2 participation. However, this evidence is only suggestive, given other changes in the mix of applicants, and the relatively small differences in outcomes, only some of which are statistically significant.

Pass-Through of Past Due Support

The second policy change increases the pass-through of payments on past-due child support after W-2 participation. Previously, families would receive 42 percent of payments on past-due child support after participating in W-2. Under the new policy, families receive 100 percent of payments made on past-due child support after W-2 participation. This policy change also potentially impacts the decisions of W-2 applicants. Under this new policy, W-2 participants do not have to give up over half of their future arrears payments in order to receive W-2. The effect of this policy change is difficult to estimate—both for researchers and participants—because the consequences of the policy change depend on how much past-due child support will accrue during participation and how much will be paid in the future. However, we can measure the effect of no longer assigning past-due child support owed at the time of application (the first policy change, described above), because that amount is known at the time of application. In addition, we can estimate the effect of increasing the pass-through of current support payments during W-2 participation based on payments in the three months prior to application (the third policy change, described below). We expect that these two measures are likely to capture the primary effects of the three recent policy changes.

Pass-Through of Current Support

The third policy change that could potentially affect an applicant's decision to participate in the W-2 program is the increased pass-through of current child support payments. Prior to October 1, 2010, a person could only receive 42 percent of any payment towards current child support during W-2 participation. After October of 2010, a W-2 participant could receive 75 percent of their current child support payments. In order to analyze the effect of this policy change, we examine the total amount of current child support receipt in the three months prior to application, as an indicator of the amount of child support that an applicant might consider in determining the potential benefits of W-2 participation. In Tables 6a and 6b we provide the descriptive information of current child support receipt for both cohorts.

Similar to Table 5a, the top panel of Table 6a provides the frequency of applicants who received any child support in the three months prior to application and those who received no child support in the three months prior to application, as well as the percent of each group that was placed or dropped out after applying for W-2. The second panel shows the mean amount of receipts for all applicants and for those with any child support receipt. The third panel shows the distribution of child support receipt amounts. The fourth panel provides estimates for how much current child support receipt an applicant would receive during W-2 participation based on the average of what they had received in the three months prior to application. For example, if an applicant received an average of $100 in the three months prior to application, during W-2 she could expect to receive $42 under the old policy and $75 under the new policy. We calculate the expected receipt amount for all applicants and for those with any child support. The fifth panel of Table 6a provides an alternative examination of child support, based on regularity of receipt in the past year.

For the 2008 Cohort, 22.9 percent of all applicants received any child support in the three months prior to application. Placed applicants were significantly less likely to receive any child support when compared to dropouts. First, placed applicants received significantly less child support than dropouts,

Table 6a: Current Child Support Received by W-2 Placements and Dropouts

	2008 Cohort			2010 Cohort		
=	Placement (% of All)	Drop Out (% of All)	All (% Each Category of Receipt)	Placement (% of All)	Drop Out (% of All)	All (% Each Category of Receipt)
N (%)[a]	916 (50.1)	911 (49.9)	1,827 (100)	1,073 (67.2)	523 (32.8)	1,596 (100)[a]
	Actual Current Child Support Receipt in 3 Months Prior to Application					
Any Child Support Received	181 (43.2)	238 (56.8)	419 (22.9)	211 (64.3)	117 (35.7)	328 (20.6)
No Child Support Received	735 (52.2)	673 (47.8)	1,408(77.1)	862 (68.0)	406 (32.0)	1,268 (79.5)
Mean Received Amount (positive receipt)	$166.37	$173.15	$170.22	$142.45	$169.84	$152.22
Mean Received Amount (all)	$32.87	$45.24	$39.04	$28.01	$38.00	$31.28
No Receipt	735 (52.2)	673 (47.8)	1408 (77.1)	862 (68.0)	406 (32.0)	1,268 (79.5)
$1 to $75 Received	48 (43.2)	63 (56.8)	111 (6.1)	62 (63.9)	35 (36.1)	97 (6.1)
$76 to 150 Received	56 (43.1)	74 (56.9)	130 (7.1)	74 (73.3)	27 (26.7)	101 (6.3)
$151 to 225 Received	28 (39.4)	43 (60.6)	71 (3.9)	35 (59.3)	24 (40.7)	59 (3.7)
More than $225 Received	49 (45.8)	58 (54.2)	107 (5.9)	40 (56.3)	31 (43.7)	71 (4.5)
Mean *Expected* Received Amount *During* W-2 Participation						
Old Policy Positive (42%)	$69.88	$72.72	$71.49	$59.83	$71.33	$63.93
New Policy Positive (75%)	$124.78	$129.86	$127.67	$106.84	$127.38	$114.17
Old Policy All (42%)	$13.81	$19.00	$16.40	$11.77	$15.96	$13.14
New Policy All (75%)	$24.66	$33.93	$29.28	$21.01	$28.50	$23.46
Regularity of Receipt in *Past Year*						
10 Months or More	100 (44.4)	125 (55.6)	225 (12.3)	122 (64.6)	67 (35.4)	189 (11.8)
5 to 9 Months	54(40.0)	81 (60.0)	135 (7.4)	49(69.0)	22 (31.0)	71 (4.5)
1 to 4 Months	87 (50.6)	85 (49.4)	172 (9.4)	72 (65.5)	38 (34.5)	110 (6.9)
None	675 (52.1)	620 (47.9)	1,295 (70.9)	830 (67.7)	396 (32.3)	1,226 (76.8)

Percentages for Placements and Dropouts are row percentages. Percentages for All Applicants are Column percentages

Table 6b: Significant Differences in Current Child Support Characteristics within and across Cohorts

	Placement vs. Dropout (2008 Cohort)	Placement vs. Dropout (2010 Cohort)	2008 vs. 2010 (Placements)	2008 vs. 2010 (Dropouts)	2008 vs. 2010 (All)
Any Child Support	---				-
Mean Received (all)	---	--			--
Regular Receipt (at least 10 times in past year)	-				

Notes: Levels of significance: +++ (---) p<.01; ++ (--) p<.05; + (-) p<.1.

with placed applicants having an average receipt of $32.87 per month in the three months prior to application compared to the $45.24 that dropouts received. Second, placed applicants were also less likely than dropouts to receive child support at least ten times in the year prior to application. In contrast, for the 2010 Cohort, there was no significant difference in the proportion with any child support received in the three months prior to application for placed applicants and dropouts, though applicants continued to have significantly lower mean child support received. 2010 applicants were significantly less likely to receive any child support in the three months prior to application (20.6 percent in 2010 compared to 22.9 percent in 2008) and 2010 applicants received significantly lower amounts of child support when compared to 2008 applicants. When they did receive child support, 2010 applicants received significantly lower amounts of child support when compared to 2008 applicants. However, there were no significant differences between dropouts in 2008 and 2010 and no significant differences between placed applicants in 2008 and 2010.

The results of Tables 6a and 6b provide limited evidence of the expected policy impact. Because 2008 placed applicants had less and lower amounts of child support receipt than 2008 dropouts, it does appear that prior to the policy change, those with more child support receipt were discouraged from participating in W-2. However, some of these relationships are inconsistent across the cohorts, suggesting that perhaps the policy was not driving the observed participation outcomes in 2008.

Given the three policy changes, we would expect to see a shift in the application outcomes for the 2010 cohort when compared to the 2008 cohort. Specifically, we hypothesize that applicants who were owed a great deal of arrears prior to application would be more likely to participate in W-2 in 2010 than in 2008. Similarly, those applicants who received a large amount of child support in the three months prior to application would be more likely to participate in W-2 in 2010 than in 2008. We expect these changes because the new policies allow W-2 participants to keep more of their current and past-due child support, thus reducing the potential disincentives of W-2 participation.

The descriptive tables of arrears and current receipt indicate that there may be a shift in application outcomes for applicants with child support arrears and receipt. As shown in Table 5a, in 2008,

over one-half (52.9 percent) of applicants who were owed arrears dropped out of the application process, higher than the 47.1 percent (not shown) of applicants who were not owed arrears but dropped out of the application process. Thus, there was a 5.8 percentage-point difference in the number of applicants with arrears that dropped out compared to the number of applicants *without* arrears that dropped out. In contrast, in 2010, while 32.3 percent of applicants who were owed arrears dropped out of the application process, 33.1 percent of applicants who were not owed arrears dropped out of the application process. In this case, there was only a .8 percentage-point difference between applicants with arrears who dropped out and applicants without arrears that dropped out. These results indicate that while applicants in 2008 with arrears were more likely to drop out compared to applicants without arrears, applicants in 2010 with arrears were no more likely than those without arrears to drop out. Similarly, in Table 6a we see that 2008 applicants who received child support in the three months prior to application had a dropout rate of 56.8 percent, compared to 47.8 percent of those without child support receipt. In contrast, 2010 applicants who received child support in the three months prior to application had a dropout rate of 35.7 percent, compared to 32.0 percent of those without child support receipt in the three months prior to application.

RESULTS: DIFFERENCE-IN-DIFFERENCE ANALYSIS

To help distinguish the possible impact of the policy changes from the contributions of changes in the economic environment, the application process, and other observed and unobserved changes we employ a difference-in-difference (DID) model to address our central research question. Our research aim is to identify if the change in child support policies led applicants with substantial child support expectations, who might previously been discouraged from participating in W-2, to participate in the program. We compare the outcome of the application process for the 2008 cohort and the 2010 cohort, contrasting outcomes for those who received (or are owed) a large amount of child support and those who

are not.[7] The DID approach improves upon simple difference estimates that might confound time trends or sample differences with the outcome of interest.

As stated above, we use three models to examine the effect of the policy change on participation behavior of W-2 applicants. Model 1 includes only the key independent variables, time, child support, and child support interacted with time. Model 2 adds demographic variables and Model 3 adds demographic and income and other program participation variables. Our outcome, W-2 Participation, is a binary variable with 1 = W-2 Placement and 0 = W-2 Drop Out. The cohort of application is also a binary variable, with 1 = 2010 Applicant and 0 = 2008 Applicant. We created four categories for child support and arrears amounts.

Tables 7 and 8 show the results of our main analyses, providing the parameter estimates, the standard error, and the p-value for each of three models, focusing on the key variables of interest. (See Appendix D for our full results.) Table 7 shows the results for the arrears analysis. Model 1 includes only the key independent variables: *time, arrears1–4*, and *arrears* interacted with *time*. The reference category for arrears is having no arrears owed. Our key variable of interest is the interaction between *arrears* and *time*, which captures changes in application outcomes in the second period, by level of arrears. In all three models, we see that applicants in the 2010 Cohort have a significantly increased probability of being placed in a W-2 tier. Here we also see that when compared to an applicant with no arrears, an applicant with more than $15,000 is significantly less likely to be placed in a W-2 tier. This coefficient estimate loses statistical significance, however, as more covariates are added to the model. For the key variables of interest, the interactions between *arrears* and *time*, we see that 2010 applicants with more than $15,000 in arrears are significantly more likely than applicants without arrears to be placed in a W-2 tier after the policy change. This significance holds, even as more covariates are added to the model.

[7]We reiterate that the child support receipt variable is the average amount of child support received in the 3 months prior to application, as this would be a relevant calculation for a W-2 applicant when thinking about the costs and benefits of W-2 participation. Arrears is the total amount of arrears owed to the applicant at the end of the second quarter prior to application.

Table 7: Probit Regression Results for Participation Based on Child Support Arrears

Variables	Model 1		Model 2 (with Demographic Variables)		Model 3 (with Demographic and Economic Variables)	
	Estimate	Standard Error (p-value)	Estimate	Standard Error (p-value)	Estimate	Standard Error (p-value)
Intercept	0.0739	0.0407 (.0693)	0. 0722	0. 3503 (.8367)	0.0152	0.374 (.9676)
Time (reference category is 2008 cohort)						
Time	0.3628	0.0592 (.0001)	0. 3783	0. 0613 (.0001)	0.4474	0.1136 (.0001)
Arrears Categories (reference category is no arrears)						
Arrears1 ($ 1 to2,500)	-0.0739	0.0855 (.3870)	-0.0419	0.0891 (.6381)	-0.0369	0.0903 (.6827)
Arrears2 ($2,500 to 7,500)	-0.0592	0.1044 (.5706)	-0.0144	0.1097 (.8952)	0.00254	0.1107 (.9817)
Arrears3 ($7,500 to 1,5000)	-0.1778	0.1162 (.1262)	-0.1564	0.1227 (.2023)	-0.1279	0.1239 (.3019)
Arrears4 (more than $15,000)	-0.2527	0.0838 (.0026)	-0.1339	0.0959 (.1624)	-0.1134	0.0974 (.2443)
DID Estimator (reference category is no arrears)						
Arrears1 *time	0.1280	0.1387 (.3561)	0.1138	0.1428 (.4253)	0.1239	0.1432 (.3869)
Arrears2 * Time	0.1162	0.1498 (.4381)	0.1539	0.1543 (.3189)	0.1456	0.1549 (.3474)
Arrears3 *Time	0.0846	0.1816 (.6414)	0.1496	0.1870 (.4236)	0.1504	0.1879 (.4235)
Arrears4 *Time	0.2731	0.1258 (.0299)	0.2943	0.1286 (.0221)	0.294	0.1304 (.0241)

Table 8: Probit Regression Results for Participation based on Child Support Receipt

	Model 1		Model 2		Model 3	
Variables	Estimate	Standard Error (p-value)	Estimate	Standard Error (p-value)	Estimate	Standard Error (p-value)
Intercept	.0552	.0334 (.0985)	0.0484	0.3448 (.8884)	-0.0457	0.3699 (.9017)
Time (reference category is 2008 cohort)						
Time	.4125	.0495 (.0001)	0.4330	0.0513 (.0001)	0.5174	0.1062 (.0001)
Receipt Categories (reference category is no receipt)						
Received1 ($ 1 to 75)	-.2254	.1242 (.0695)	-0.1414	0.1275 (.2675)	-0.1336	0.1284 (.2983)
Received2 ($76 to 150)	-.2296	.1155 (.0467)	-0.1617	0.1191 (.1745)	-0.1418	0.1196 (.2361)
Received3 ($151 to 225)	-.3232	.1544 (.0363)	-0.3199	0.1599 (.0455)	-0.3132	0.1608 (.0515)
Received4 (more than $225)	-.1608	.1259 (.2015)	-0.0265	0.1328 (.8420)	-0.0355	0.1334 (.7900)
DID Estimator (reference category is no receipt)						
Received1*Time	.0937	.1844 (.6114)	0.1226	0.1884 (.5150)	0.1226	0.1893 (.5173)
Received2*Time	.3745	.1808 (.0384)	0.3495	0.1859 (.0601)	0.3257	0.1864 (.0805)
Received3*Time	.1177	.2301 (.6090)	0.2334	0.2357 (.3221)	0.2311	0.2364 (.3283)
Received4*Time	-.1474	.1988 (.4585)	-0.1316	0.2038 (.5186)	-0.1124	0.2046 (.5828)

We use the same approach to measure differences in application outcomes for those with higher levels of child support receipt, and the results are shown in Table 8. We measure child support receipt in the three months prior to application. Again, the key variable of interest is the interaction between *time* and *receipt* which captures changes in application outcomes in the second period, by level of receipt. The reference category for receipt is having no receipt. Model 1 has only the measures of child support receipt and cohort. In Model 2 we add demographic covariates and in Model 3 we add the income and earnings covariates. In Table 8 we present only the key independent variables (See Appendix D for the full results table). In all three models we see that there is a positive significant effect for *time*, which indicates that being in the 2010 cohort increases the probability that an applicant would receive a placement. The results of Model 1 show that receiving any child support in the three months prior to application significantly decreases the likelihood of participation. However, the estimated relationship becomes smaller in magnitude and less significant when we control for demographic characteristics and earnings and income characteristics. The estimated effect of the policy change is captured by the *receipt*time* interaction. Here we see that receiving a mid-range ($76 to $150) amount of child support interacted with being in the 2010 Cohort has a positively significant impact on the probability that an applicant would be placed in a W-2 tier, when compared to an applicant who receives no child support. This relationship supports our hypothesis of the effect of the policy change, in that a person who receives more child support would be more likely to participate in 2010 when they are able to keep more of their child support, compared to an applicant with no child support. However, the inconsistent signs and significance of the remaining key variables and the generally small magnitude and non-significance of the other coefficients indicate that we have mixed evidence, at best, for an effect of the policy changes when we use our measure of recent child support receipt.

CONCLUSION

The importance of child support income to low-income families is well documented. Prior to October, 2009, W-2 applicants would have to give up a great deal of their current and past-due child

support in order to receive W-2 benefits. From October 2009 to October 2010, there were three policy changes that reduced the financial disincentives to participate in W-2 for those applicants who were owed or received a great deal of child support. This report provides an evaluation of the effect of these changes in child support policy on whether W-2 applicants participated in W-2. Using administrative data and case history data, we provide a description of two groups of W-2 applicants, one who applied prior to the changes and one who applied after the changes were implemented.

The results of our difference-in-difference model provide limited support for the hypothesis that the policy changes would encourage W-2 participation for those with more child support arrears or for those expecting greater child support receipts. For the most part, in our analysis of differences in participation for those with child support arrears, our coefficient estimates are in the hypothesized direction, but we find consistent (across all models) statistically significant increases in participation only for those with the highest level of arrears—more than $15,000. Regarding changes in participation for those with more current child support receipt, our coefficient estimates are mostly small, insignificant, and are not all in the expected direction, though our only statistically significant results show the hypothesized increases in participation, for just one of four categories of child support receipt (those receiving $76 to $150).

The limited evidence may reflect the true limited impact of the treatment of child support on W-2 participation decisions. However, there are reasons to anticipate that the current analysis might not capture the full potential effect of the policy change. As is often the case, implementation issues may have reduced the immediate impact of the policy change, and it is possible that this study was conducted too close to the time of implementation to capture the full effect. While the change in treatment of arrears was implemented in October of 2009, the final policy change related to the treatment of current support was not implemented until October 1, 2010, and training and outreach for the all the changes largely took place in the fall of 2010 (Noyes & Selekman, 2011). Our 2010 cohort was selected in this period. Thus, it is possible that this group of applicants was selected too close to the implementation date, especially with regards to the policy change related to current support, and if we had selected a sample longer after the

last policy change went into effect, we might have found greater evidence of differences due to the policy change.

Moreover, as was documented in previous reports, there are some standing concerns with the implementation and training related to the policy changes. Noyes and Selekman (2011) document the numerous trainings that were held state-wide to inform W-2 workers about the upcoming policy changes so that workers could inform applicants about the changes. Despite the concerted effort by the state and other collaborators, the training might have fallen short of its goals. With colleagues from the Institute for Research on Poverty, we conducted observations of the application process prior to and after the trainings. These observations indicated that, generally, applicants were receiving no information about the interaction of W-2 participation and child support. Therefore, it is likely that most of the applicants were not aware of the policy changes, and, consequently, could not adjust their participation choices accordingly. The limited findings from our quantitative evaluation should be considered in light of these implementation challenges.

Appendix A
Child Support Policy Changes Over Time

Figure 1: Current Support Pass-Through/Disregard (Non-Tax Intercept)						
	AFDC	**PRWORA**				**DRA**
	Pre-1997	**1997–2003**	**2003–2005**	**2006**	**10/2006–9/2010**	**10/2010**
Pre-Assistance	<---------- All Payable to Family ---------->					
On Assistance	$50 to the CP; balance retained by state/feds; $50 disregarded	CSDE randomly assigned CPs to receive either $50 or 41% of current support payments *or* to receive 100% of current support; full amount of pass-through was disregarded	At the end of CSDE, all CPs received 100% of current support paid; full amount of pass-through disregarded	Full (100%) pass-through phased down to state share (42%) by October 2006; full amount of pass-through disregarded	State share of current support paid is passed through to CPs; full amount of pass-through is disregarded	CPs receive 75% of current support payments; up to $100 for one child and $200 for two or more children of the pass-through is disregarded
Post Assistance	<----------100%---------->					

Figure 2: Pass-Through, Disregard, and Assignment of Arrears

	AFDC	PRWORA			DRA
	Pre-1997	**1997–9/2009**			**10/2009**
Pre-Assistance	←----------All Payable to the Family----------→ ←----------No Assignment ----------→				
On Assistance	All arrears are assigned and payable to the state	Family owed arrears that accrued before going on assistances are assigned to the state. The state passes-through 40% of any payments made on these to the CP. New arrears that accrue during assistance are permanently assigned arrears.			Family owed arrears are no longer assigned to the state. 100% of any payment on family owed arrears are payable to CP. New arrears that accrue during assistance are permanently assigned arrears. 75% of payments on new arrears are passed through to the family.
Post-Assistance	Past arrears and newly accrued arrears while on assistance stay assigned to the state	1997–2003	2003–2005	2006–1/2010	100% all arrears passed through to the family
		100% of all assigned arrears passed through to the family. Control group received the first $50 or 41% of collection to assigned arrears	100% of all assigned arrears passed through to the family	State share of all assigned arrears passed through to family	

Appendix B
Earnings and Income Data Measurement

1) All income and benefit sources extracted from administrative data, measured quarterly:

   a. W-2 cash receipt amount

   b. SNAP receipt amount, measured at family (not household) level.

   c. Child support received by applicant.

   d. Child care subsidy amount. Negative amounts are included in quarterly and annual averages.

   e. Medical assistance (MA) and/or BadgerCare. Measured as received or not received.

2) Earnings: Extracted from Unemployment Insurance data.

3) Income: Measured as the annual, quarterly, or monthly sum of W-2 cash receipt, SNAP receipt, child support, and earnings (including EITC estimate) for the year prior to and the year after application.

4) Estimating EITC for quarterly earnings: Employed the TAXSIM tax calculator from NBER to estimate EITC credits for all those with earnings greater than zero. (http://www.nber.org/~taxsim/; taxsim9 of STATA used).

   a. The Taxsim covers 1960–2013 (federal) and 1977–2009 (state).

      i. For 2008 Cohort pre application EITC amount, annual EITC was calculated for 2007 and 2008. These annual estimates were then converted to quarterly estimates. The pre application EITC estimate was the sum of Quarter 3 2007, Quarter 4 2007, Quarter 1 2008, Quarter 2 2008. For the post application EITC amount, the annual estimate was calculated for 2009.

      ii. Because the TAXSIM rules are only updated through 2009, for the 2010 Cohort, 2010 and 2011 EITC estimations were calculated by imputing 2009 tax rules.

   b. Calculating the EITC requires information unavailable in our data (for example, current marital status, pensions, rent paid, out-of-pocket child care costs, and second wage earners). We set variables to their expected values. For example, we assume marital status is ‘single’ and that applicants’ biological children are their only dependents. Additionally, the following variables were coded as zero for all applicants: second earner’s wages, pension income, child care, unemployment compensation benefits, mortgage interest paid, short-and long-term capital gains or losses, property tax, rent paid, other itemized deductions. In particular, it is worth nothing that we excluded the Homestead credit from the calculation of state tax liabilities by setting the value of rent paid for all applicants to zero.

Appendix C
Changes to the Milwaukee Application Process from 2008 to 2010

Service Delivery Contracts	2008	2010	Comments
One agency conducts eligibility assessment and ongoing participation services	X	--	In April 2010, Milwaukee the eligibility assessment and ongoing case management services were provided by two different agencies in each of the five service regions.
Applicants choose agency for ongoing participation	--	X	Applicants may choose different agency/region after successfully completing W-2 application. Participants must remain at this agency for 6 months
W-2 Application Period Duration			
12-day period	X	--	In April 2010, the 12-day application process was reduced to 10 days and became a strict measure of agency performance.
W-2 Application Period Appointments & Days			
Day 1: Submission of RFA	--	X	As part of the strict 10-day application process, the submission of the RFA formerly started the 10-day count.
Day 1: W-2 Orientation: Group setting	X	X	No changes between 2008 and 2010 to the setting or goals of the group orientation session.
Day 1: Resource Specialist Meeting	X	--	In 2008 the Resource Specialist meeting served to conduct an initial eligibility assessment, determine if any barriers existed that would need to be documented, and to assign work activities to those without barriers.
Day 1: 1st Financial Eligibility Planner (FEP) Meeting	--	X	In 2010, the first FEP meeting replaced the Resource Specialist. At this first FEP meeting it was possible to have eligibility determined and to make a placement.
Day 5: 1st FEP Meeting	X	--	In 2008 a separate meeting was scheduled to assess compliance with work activities for those w/o barriers. At this meeting CMC and W-2T cases only could be determined eligible and placed with appropriate documentation.
Day 5 up to Day 10: 2nd FEP meeting	--	X	In 2010, any time between days 5 and 10 of the application process, an applicant could be placed if it was determined that they had complied with work requirements or provided sufficient documentation of any barriers to work.
Day 6 to 12: Eligibility determination: Job-ready CSJ	X	--	In 2008, applicants would have an additional week of job search activities before being notified of eligibility and placement into a W-2 tier.
Day 12: Eligibility Determination: work activities	X	--	In 2008, compliance with the application process would be determined, along with eligibility, and an applicant could potentially be placed in a W-2 tier at this appointment. However, if documentation was still missing or the applicant was deemed to be non-compliant, time extensions were possible.

APPENDIX D
Difference-In-Difference Full Results

Table D1: Probit Regression Results for Participation Based on Child Support Arrears

	Model 1		Model 2		Model 3	
Variables	Estimate	Standard Error (p-value)	Estimate	Standard Error (p-value)	Estimate	Standard Error (p-value)
Intercept	0.0739	0.0407 (.0693)	0.0722	0.3503 (.8367)	0.0152	0.374 (.9676)
Time (reference category is 2008 cohort)						
Time	0.3628	0.0592 (.0001)	0.3783	0.0613 (.0001)	0.4474	0.1136 (.0001)
Arrears Categories (reference category is no arrears)						
Arrears1 ($1 to 2,500)	-0.0739	0. 0855 (.3870)	-0.0419	0.0891 (.6381)	-0.0369	0.0903 (.6827)
Arrears2 ($2,500 to 7,500)	-0.0592	0.1044 (.5706)	-0.0144	0.1097 (.8952)	0.0025	0.1107 (.9817)
Arrears3 ($7,500 to 15,000)	-0.1778	0.1162 (.1262)	-0.1564	0. 1227 (.2023)	-0.1279	0.1239 (.3019)
Arrears4 (more than $15,000)	-0.2527	0.0838 (.0026)	-0.1339	0. 0959 (.1624)	-0.1134	0.0974 (.2443)
DID Estimator (reference category is no arrears)						
Arrears1*Time	0.1280	0.1387 (.3561)	0.1138	0. 1428 (.4253)	0.1239	0.1432 (.3869)
Arrears2*Time	0.1162	0.1498 (.4381)	0.1539	0. 1543 (.3189)	0.1456	0.1549 (.3474)
Arrears3*Time	0.0846	0.1816 (.6414)	0.1496	0. 1870 (.4236)	0.1504	0.1879 (.4235)
Arrears4*Time	0.2731	0.1258 (.0299)	0.2943	0. 1286 (.0221)	0.2940	0.1304 (.0241)
Age			-0.0409	0. 0224 (.0682)	-0.0374	0.0229 (.1025)
Age Squared			0.0007	0. 0004 (.0629)	0.0006	0.0004 (.0842)
Race (reference category is black)						
White			-0.1197	0. 0824 (.1465)	-0.1255	0.0827 (.1294)
Hispanic			-0.3126	0. 1270 (.0138)	-0.3207	0.1272 (.0117)
Other			-0.0481	0. 0952 (.6137)	-0.0567	0.0963 (.5561)
Education (reference category is missing or less than high school)						
At Least High School			0.0477	0. 0478 (.3182)	0.0489	0.0482 (.3100)
Number of Children (reference category is no children)						
1 Child			0.1796	0.0519 (.0005)	0.1899	0.0534 (.0004)
2 Children			0.1693	0.0546 (.0019)	0.1575	0.0555 (.0046)
3 Children			0.0906	0.0580 (.1186)	0.0695	0.0649 (.2845)
Pre W-2 (reference category is no W-2 in past year)						
Some W-2 in Past Year			0.0311	0.0542 (.5659)	-0.0837	0.0811 (.3019)

(table continues)

Table D1, continued

Variables	Model 1 Estimate	Model 1 Standard Error (p-value)	Model 2 Estimate	Model 2 Standard Error (p-value)	Model 3 Estimate	Model 3 Standard Error (p-value)
Pre-Employment (reference category is no employment in past year)						
Some Employment in Past Year			-0.0888	0. 0481 (.0650)	-0.0615	0.0648 (.3427)
Pregnant (reference category is not pregnant at application)						
Pregnant at Application			1.0025	0. 0735 (.0001)	1.0012	0.0739 (.0001)
Marital Status (reference category is married)						
Never Married			0.1110	0.0777 (.1528)	0.1133	0.0780 (.1465)
Prior CPS reports (reference category is no prior CPS report in past year)						
Prior CPS Report in Past Year			-0.0052	0.0864 (.9520)	0.0063	0.0870 (.9421)
Prior CPS substantiation (reference category is no prior CPS substantiation in past year)						
Prior CPS Substantiation in Past Year			0.1427	0.2155 (.5080)	0.1341	0.2155 (.5339)
Applied in Milwaukee (reference category: did not apply in Milwaukee)						
Applied in Milwaukee			0.2706	0.0631 (.0001)	0.2706	0.0635 (.0001)
W-2 Amount					0.0005	0.0002 (.0261)
SNAP					-0.0001	0.0001 (.5873)
Earnings					-0.0002	0.0001 (.2632)
Earnings Squared					-8.77E-10	3.528E-08 (.9802)
Months of MA					-0.0265	0.0195 (.1738)
Months of CC					0.0035	0.0067 (.6082)
Total SSI					0.6725	1.0274 (.5128)
EITC					0.0004	0.0002 (.0363)

Table D2: Probit Regression Results for Participation Based on Child Support Receipt

	Model 1		Model 2		Model 3	
Variables	Estimate	Standard Error (p-value)	Estimate	Standard Error (p-value)	Estimate	Standard Error (p-value)
Intercept	.0552	.0334 (.0985)	0.0484	0.3448 (.8884)	-0.0457	0.3699 (.9017)
Time (reference category is 2008 cohort)						
Time	.4125	.0495 (.0001)	0.4330	0.0513 (.0001)	0.5174	0.1062 (.0001)
Receipt Categories (reference category is no receipt)						
Received1 ($1 to 75)	-.2254	.1242 (.0695)	-0.1414	0.1275 (.2675)	-0.1336	0.1284 (.2983)
Received2 ($76 to 150)	-.2296	.1155 (.0467)	-0.1617	0.1191 (.1745)	-0.1418	0.1196 (.2361)
Received3 ($151 to 225)	-.3232	.1544 (.0363)	-0.3199	0.1599 (.0455)	-0.3132	0.1608 (.0515)
Received4 (more than $225)	-.1608	.1259 (.2015)	-0.0265	0.1328 (.8420)	-0.0355	0.1334 (.7900)
DID Estimator (reference category is no receipt)						
Received1*Time	.0937	.1844 (.6114)	0.1226	0.1884 (.5150)	0.1226	0.1893 (.5173)
Received2* Time	.3745	.1808 (.0384)	0.3495	0.1859 (.0601)	0.3257	0.1864 (.0805)
Received3*Time	.1177	.2301 (.6090)	0.2334	0.2357 (.3221)	0.2311	0.2364 (.3283)
Received4*Time	-.1474	.1988 (.4585)	-0.1316	0.2038 (.5186)	-0.1124	0.2046 (.5828)
Age			-0.0402	0.0222 (.0699)	-0.0362	0.0227 (.1103)
Age Squared			0.0007	0.0003 (.0639)	0.0006	0.0004 (.0867)
Race (reference category is Black)						
White			-0.1053	0.0828 (.2032)	-0.1117	0.0831 (.1788)
Hispanic			-0.3177	0.1270 (.0123)	-0.3260	0.1272 (.0104)
Other			-0.0454	0.0949 (.6319)	-0.0529	0.0962 (.5820)
Education (reference category is missing or less than high school)						
At Least High School			0.0556	0.0479 (.2464)	0.0556	0.0483 (.2498)
Number of Children (reference category is no children						
1 Child			0.1764	0.0519 (.0007)	0.1880	0.0534 (.0004)
2 Children			0.1705	0.0542 (.0017)	0.1572	0.0553 (.0045)
3 Children			0.0961	0.0571 (.0925)	0.0716	0.0645 (.2669)
Pre W-2 (reference category is no W-2 in past year)						
Some W-2 in Past Year			0.0399	0.0540 (.4602)	-0.0838	0.0809 (.3003)

(table continues)

Table D2, continued

Variables	Model 1 Estimate	Model 1 Standard Error (p-value)	Model 2 Estimate	Model 2 Standard Error (p-value)	Model 3 Estimate	Model 3 Standard Error (p-value)
Pre-Employment (reference category is no employment in past year)						
Some Employment in Past Year			-0.0842	0.0480 (.0792)	-0.0597	0.0649 (.3573)
Pregnant (reference category is not pregnant at application)						
Pregnant at Application			0.9987	0.0736 (.0001)	0.9991	0.0741 (.0001)
Marital Status (reference category is married)						
Never Married			0.1009	0.0770 (.1902)	0.1047	0.0776 (.1771)
Prior CPS reports (reference category is no prior CPS report in past year)						
Prior CPS Report in Past Year			0.0015	0.0861 (.9864)	0.0127	0.0869 (.8839)
Prior CPS substantiation (reference category is no prior CPS substantiation in past year)						
Prior CPS Substantiation in Past Year			0.1525	0.2157 (.4794)	0.1415	0.2157(.5117)
Applied in Milwaukee (reference category: did not apply in Milwaukee)						
Applied in Milwaukee			0.2734	0.0632 (.0001)	0.2708	0.0636 (.0001)
W-2 Amount					0.0006	0.0002 (.0232)
SNAP					-0.0001	0.0001 (.7607)
Earnings					-0.0002	0.0001 (.2317)
Earnings Squared					4.723E-09	3.535E-08 (.8937)
Months of MA					-0.0231	0.0194 (.2335)
Months of CC					0.0042	0.0067 (.5303)
Total SSI					0.8791	1.0189 (.3883)
EITC					0.0004	0.0002 (.0355)

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