

Tuesday, September 21, 2021 2021 National TANF Directors' Meeting

### Racial and Ethnic Disparities in Human Services Analysis Execution (RED-X) Project

### Preliminary Analysis and Ongoing Work Focused on the TANF Program

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# RED-X seeks to identify and understand ethnic and racial differences across the service delivery system; it builds on a previous OPRE project.

- The goal is to "reliably and comprehensively" identify potential racial and ethnic disparities within select ACF-administered programs.
- RED-X builds on OPRE's Racial and Ethnic Disparities in Human Services (RED) project, Oct 2015-Sept 2017.
- RED-X focuses on 2 human services programs.
  - Temporary Assistance for Needy Families (TANF)
  - Child Care and Development Fund (CCDF)

#### **Prior RED project had several objectives:**

- Develop a <u>definition</u> of disparities in human services programs.
- Develop a <u>framework</u> and <u>research design</u> for identifying and distinguishing racial and ethnic differences vs. disparities.
- Review <u>literature</u> on racial and ethnic disparities in 6 human services programs\* including TANF.
- Conduct <u>preliminary analysis</u> by race and ethnicity of participation rates in 4 human services programs including TANF.

\*TANF, Child Support Enforcement, Head Start, CCDF, Runaway and Homeless Youth programs, Pregnant and Parenting Youth Programs

## Today's presentation focuses on the work already conducted and the work being planned for TANF

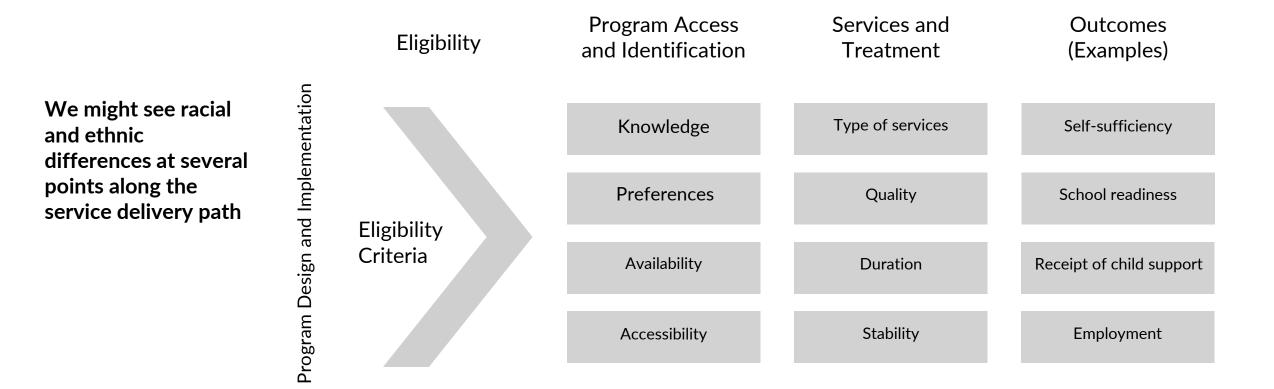
• From RED:

- Conceptual framework and conclusions from literature review
- Preliminary analysis of TANF
- From RED-X:
  - Quantitative work underway
  - Planned fieldwork

#### RED Conceptual Framework and Literature Review

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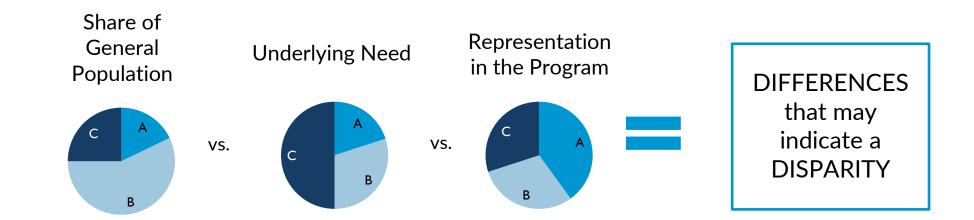
#### **Conceptual framework: Differences**



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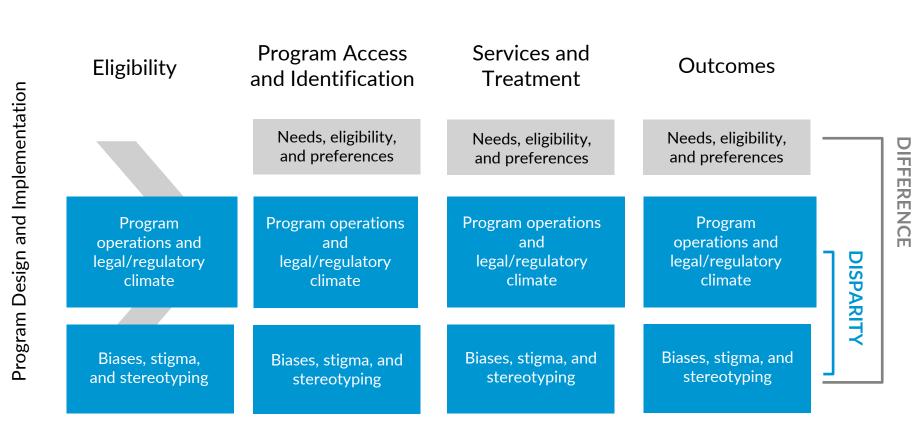
#### **Conceptual framework: Differences**

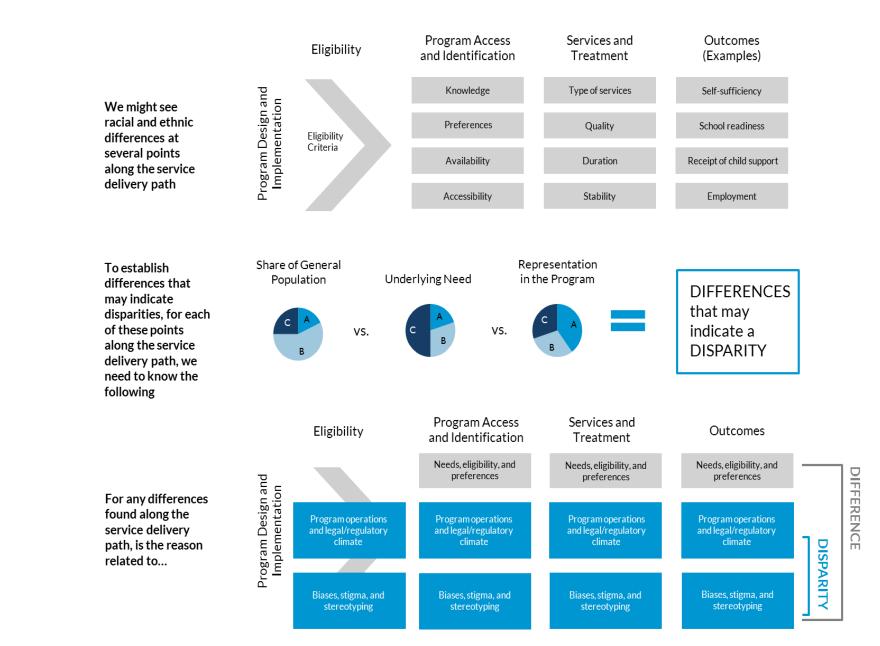
To establish differences that may indicate disparities, for each of these points along the service delivery path, we need to know:



#### **Conceptual framework: Reasons for differences**

For any differences found along the service delivery path, is the reason related to...





#### Conceptual framework (combined)

## Research literature\* on TANF shows racial and ethnic differences in the context for TANF participation

- African American and Hispanic families are disproportionately poor (i.e., higher shares living at or below the federal poverty level) compared to white families.
  - 26.2% of African Americans, 23.6% of Hispanics, 12.7% of Asians and 10.1% of non-Hispanic whites.
- African American and Hispanic families receive TANF at higher rates than white families.
- African American people are more likely than white or Hispanic people to live in states with lower maximum TANF benefits or more restrictions (in analyses focused on selected policies).

\* Summarized in project report: Identifying Racial and Ethnic Disparities in Human Services: A Conceptual Framework and Literature Review (2017)

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### Research literature<sup>\*</sup> on TANF shows racial and ethnic differences in TANF sanctions and access to support services

- African American TANF recipients are more likely to experience sanctions than white TANF recipients.
  - The higher likelihood for African American recipients persists even when analyses consider differences in the "risk" factors that might be associated with sanctions (e.g., lower education levels, less work experience, less access to transportation and being unlikely to find employment).
- White recipients receive more discretionary assistance than African American and Hispanic recipients.

\* Summarized in project report: Identifying Racial and Ethnic Disparities in Human Services: A Conceptual Framework and Literature Review (2017)

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## Research literature\* on TANF shows racial and ethnic differences in TANF outcomes

- African American welfare recipients are less likely to be hired than white recipients.
- African American women are most likely to exhaust time on welfare than other recipients.
- African American former recipients are most likely to cycle back to welfare compared to other recipients.

\* Summarized in project report: Identifying Racial and Ethnic Disparities in Human Services: A Conceptual Framework and Literature Review (2017)

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### Research literature\* on TANF shows racial and ethnic differences

But generally <u>does not</u> use the term disparities, and does not examine whether some racial and ethnic groups systematically fare worse after accounting for differences in factors like financial need, eligibility, and preferences.

\* Summarized in project report: Identifying Racial and Ethnic Disparities in Human Services: A Conceptual Framework and Literature Review (2017)

#### **RED Preliminary Analyses**

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### Topic of RED preliminary data analyses: Percentage of families eligible for a benefit who receive the benefit

- Analyses were conducted for several programs, including TANF.
- Definition of participation rate used =
  - Number receiving the benefit, divided by
  - Number eligible for the benefit.
- Reasons for conducting these analyses under RED:
  - No set of cross-program analyses already existed.
  - Program participation rates by race and ethnicity (among eligible people and families) were viewed as important foundational information to inform other analyses.
  - Evidence of differences could inform future work on disparities.

### We used two sources of data to estimate participation rates in TANF

**TANF-SSP Admin. Data** 

Data source for the TANF caseload

**TRIM3 Simulation Model** 

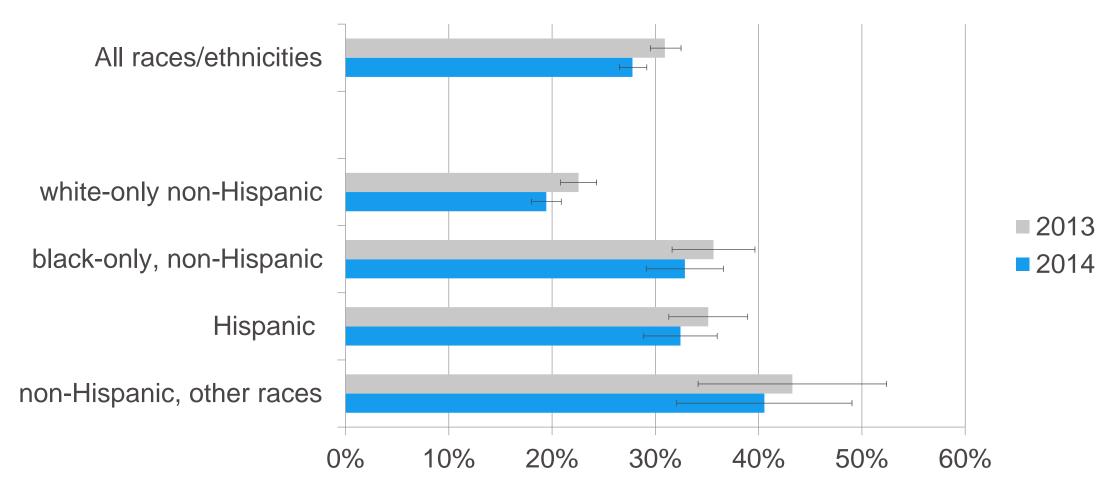
applied to Current Population Survey (CPS) data and American Community Survey (ACS) data Data source for estimating eligible people/families

**Data limitation:** TANF-SSP data do not include Solely State Funded cases

#### Our analyses were descriptive

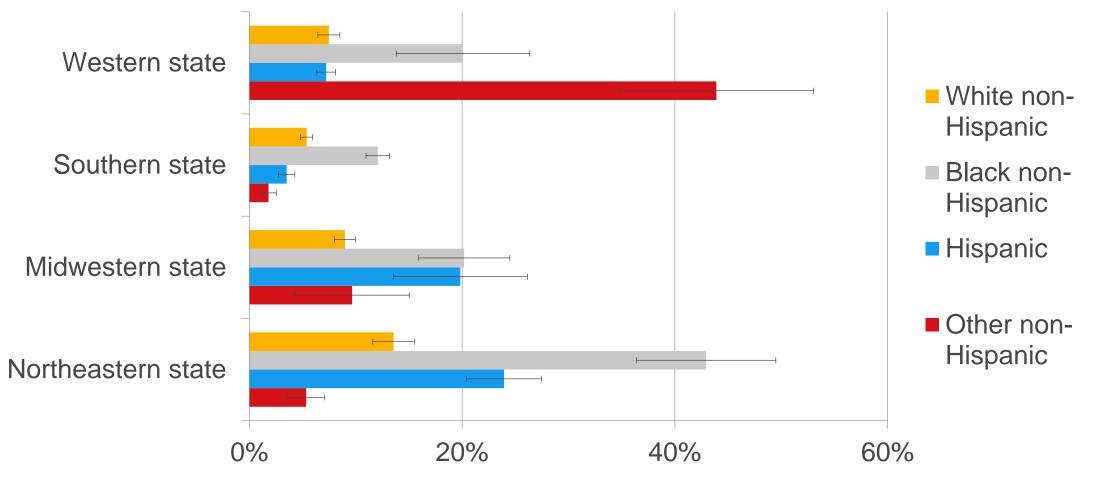
- We looked at one characteristic at a time (e.g., racial and ethnic differences among single-parent families; among families in poverty).
- Our analyses raised several questions, but also pointed to the need to consider underlying need and other factors.

#### TANF participation rates among eligible families vary by race and ethnicity



Percent of eligible families enrolled in TANF or Tribal TANF; excludes SSF enrollment

#### Patterns differ across states



Percent of eligible families enrolled in TANF or Tribal TANF; excludes SSF enrollment

#### RED-X Plans for New TANF Analyses

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#### **RED-X TANF** research – underway or in planning

Quantitative work (underway):

- 1. Degree of financial need for TANF benefits
- 2. Variation in policies faced by people of different races/ethnicities
- 3. TANF participation rates

New data collection (in planning)

### **1**. Do People of Different Races and Ethnicities Have Different Degrees of Financial Need for TANF?

Motivation:

- Important part of conceptual framework
- Affects likelihood of participation
- Data sources:
  - Current Population Survey data
  - Supplemental Poverty Measure (SPM) thresholds
- The measure we're looking at:
  - <u>Without TANF income</u>, what is the gap between a family's available resources and what they need to meet their basic expenditures, as captured by the Supplemental Poverty Measure (SPM) threshold?
  - If it varies, how much, and what are the main reasons?

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### Example results table 1: Degree of financial need by race and ethnicity – for all families or a subgroup (e.g., eligible for TANF)

	Distribution of families by pre-TANF income as a percent of the SPM poverty threshold						
	< 50%	50% to 74%	74% to 99%	100% to 200%	200% or more		
All families							
Race/ethnic group 1							
Race/ethnic group 2							
Race/ethnic group 3							
Race/ethnic group X							

\* Just one table shown for illustration; analysis will involve many types of statistics

#### 2. Are People of Different Races and Ethnicities More or Less Likely to Live in States with More Stringent Cash Aid Policies?

- *Motivation:* 
  - Other research has shown differences in policies based on a state's demographics.
  - The policies could affect whether people participate.
- Data sources:
  - Information from the Welfare Rules Database provides the policy data.
  - The TRIM3 simulation model is used to develop rankings of states' combined policies in terms
    of total eligibility and aggregate potential benefits.
- What we're looking at:
  - What percentage of people of different races and ethnicities live in states with high, medium, or low rankings?

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#### **Example results table 2: Distribution of low-income families living in states with different TANF policy rankings**

	Distribution by state eligibility ranking			Distribution by state benefit ranking		
	low	medium	high	low	medium	high
All families						
Race/ethnic group 1						
Race/ethnic group 2						
Race/ethnic group 3						
Race/ethnic group X						

\* Just one table shown for illustration; analysis will involve many types of statistics

#### 3. Analysis of TANF participation rates among eligible families

#### • Motivation:

- The preliminary data analysis for RED showed differences in participation rates by race and ethnicity.
- We want to better understand the differences and determine if *disparities* exist, also considering financial need.
- Data sources:
  - TANF-SSP data for enrolled families
  - TRIM3 data for eligible families
- What we're looking at:
  - Are the TANF participation rates by race and ethnicity still similar to the earlier analysis?
  - Do the results change when we look at degree of financial need?
  - Can we better understand differences by state?

### **Example results table 3: Probability of participation among families eligible for TANF**

	Overall partic. rate	By degree of financial need			
		Greatest need	Medium need	Least need	
All families					
Race/ethnic group 1					
Race/ethnic group 2					
Race/ethnic group 3					
Race/ethnic group X					

\* Just one table shown for illustration; analysis will involve many types of statistics

#### **RED-X TANF research - new data collection in planning**

**Research question:** How might State and TANF agency policy/practice adaptions in response to COVID-19 affect families of different races and ethnicities? How might State TANF policy and TANF agency practice adaptations contribute to or potentially reduce disparities?

Policies/Practices of interest: Job search at application; Virtual services delivery

#### Planned design (data collection anticipated for Winter/Spring 2022)

- One-state case study (State TBD).
- Up to 3 locations in the state.
- Interviews with TANF administrators and staff.
- Discussions with TANF clients (and non clients who would be TANF eligible) of different races and ethnicities.
- Potential use/analysis of local or State TANF administrative data.

#### Discussion

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# THANK YOU

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