
Record Type: Record

To:

cc:

Subject: What happened at today's meeting with Haskins on family formation measures and hi performance bonus

Attending were HHS, Doug Steiger, Deborah Colton, CRS, Census, and me. Haskins said his goal is to develop a list of the most viable family formation measures. He will then appeal to HHS to add one of them to the NPRM. He acknowledged that the decision rests with HHS, but said he is prepared to "take further action" if we choose not to add one of them.

Haskins had CRS come to the meeting with a list of possible measures (see below). We then discussed pro's and con's of each one. HHS made it clear that there are problems with almost all of them. Haskins' fallback position seems to be that he is perfectly comfortable simply repeating the illegitimacy bonus's out-of-wedlock births measure if we can't come up with anything better. He reiterated that the law calls for us to do something here. He also said we should try to add measures to CRS's menu and might solve any data problems simply by requiring states to collect the appropriate data as a condition of the bonus.

We need to figure out a strategy here, since Ron wants to meet again in a week.

Measures listed by CRS:

Problem/Reaction

- | | |
|--|--|
| 1. 2 parent families as a percentage of all families | Data no good at state level. States have little direct influence on this. |
| 2. Percentage of TANF case closings due to marriage | Measure could be affected by unrelated factors (e.g., patterns in other causes of case closure, like sanctions). Could instead look at percentage of TANF cases that change from 1-parent to 2-parent. |
| 3. Out of wedlock births | Identical to Illegitimacy Bonus. |
| 4. Teen births | Ron could not support unless adjusted for abortions. HHS explained why abortion data is problematic, especially if we focus only on teen abortions. |
| 5. Marriage/Divorce Rates | States have little direct influence on this. Ron wants to explore limiting to low-income, but data may not exist. |
| 6. Child Poverty state | Ron doesn't rule out in theory. But data unreliable, most recent data is '94 |

- | | |
|--|----------------------|
| 7. Percentage of Children in Foster Care | Raises thorny issues |
| 8. Suggested by HHS: Child well-being, such as low birthweight, infant mortality | Ron rejected |

Hastings
Shannon Rudisill

4/2/98

[CRS] - Gene Falk

Colton

Doug

Don Dellrich

Howard

Mary

Patricia Bravo

Census - Stephanie Shipp

Our call, but prep'd to take further action
Develop list of ppl to use
Steiger asks if legal Q; meant to be double c

Howard: how does TANF affect all fams/minor?

Ron: Yes, ideal to measure TANF, but have to do algo

Ron: ONL gd

Howard: ONL identical to other bonus? Do it?

Don't we collect
fam changes on TANF
Rpt

Ron: yes, but must do algo so clb live w/this; is legal

ASPE: Birth data gd, but no system for ab; no call if

All but 5 states collect their own data - contact providers

Data to CDC, but do nada; more or less persistent efforts

Rpt where pref'd vs. where live

5 - CDC survey; nervous about doing it

Howard - discussed teen births w/ states

NOTE

To: Ron Haskins

From: Gene Falk

Date: 04/02/98

Re: TANF Performance Bonus Measures

The attached table provides a draft, preliminary list of family composition and formation indicators that might be considered for the TANF High Performance Bonus. The table shows a list of measures; their relationship to the statutory purposes of the TANF Program; and a preliminary discussion of their advantages and disadvantages visa-vis statistical reliability and timeliness.

Generally, I have identified three basic categories of sources of state-level data:

1. Census data for population characteristics;
2. Information on births, marriages, and divorces from the *Vital Statistics* systems; and
3. Information generated from federal transfer programs and the tax system.

Most of the measures shown on the table are broad social indicators, rather than measures directly tied to the TANF program itself. These indicators tend to reflect social and economic trends for the population as a whole, not just the TANF population.

Additionally, close consideration of the statistical reliability of the measure is advisable. Though an indicator might be statistically reliable enough to provide useful information to policy-makers, its error might be large enough to make distribution of funds on its basis problematic.

Please let me know if the attached table format is useful to you. My number is 7-7344.

Table 1. Preliminary List of Social Indicators For Consideration for Use in the Temporary Assistance for Needy Families (TANF) High Performance Bonus

Measure	Purpose	Data Type	Data Source	Advantages/Disadvantages
2-parent families as a percent of families with children ↓ or improvement	401(a)(2) end dependence by promoting marriage; 401(a)(4) encourage the formation and maintenance of 2-parent families.	Census Data	Decennial Census / Current Population Survey/ <u>American Community Survey</u> <i>may be reliable, but not till 2000-02</i>	Decennial census lacks timeliness. American Community Survey is designed to provide yearly estimates reliable at the state level starting in 2001 (full implementation nationwide in 2003). CPS data are timely but <u>not statistically reliable at the state level</u> . Statistical reliability can be improved with 3-year averaging, but that reduces the timeliness of the measure. Statistical reliability can also be improved by model-based estimation technique to "shrink" errors. Both averaging and model-based techniques reduce but do not eliminate error. Model-based techniques also introduced model error to the estimates.
	Same	Tax Data	Statistics of Income <i>Ron says eliminate</i>	Married filing jointly with dependents versus single head of household. SOI data are published by state, but are from samples and hence subject to sampling error. Indirect measure. <u>Does not capture nonfilers who might be poor</u> .
	Same	Administrative data	Food stamp QC Survey <i>Ron says eliminate</i>	% of households with children headed by a single adult among food stamp households. Low-income population only. <u>Could be affected by changes in the food stamp program.</u>
Percentage of TANF case closing due to marriage	Same	Administrative data	TANF emergency report and proposed quarterly report	Information collected on TANF report. May need follow-up (verifying marriage and remaining off the benefit rolls). Could affect data reporting. Could also examine whether a TANF case <u>changes from 1- to 2-parent families in addition to case closing in a manner similar to that proposed for families working in Administration draft.</u>

*-could be affected by changes in other closure reasons
-generosity of bens affects who's eligible*

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Measure	Purpose	Data Type	Data Source	Advantages/Disadvantages
Out-of-Wedlock Birth	401(a)(3): prevent and reduce the incidence of out-of-wedlock births. <i>Not direct goal</i>	Vital statistics	National Center for Health Statistics. <u>Data submitted for the Reduction in Illegitimacy bonus.</u>	Published data from the National Center for Health Statistics. Method of determining or estimating out-of-wedlock births vary by state. Some states directly ask questions about mother's marital status; others infer this information from other sources (e.g. surnames of the parents). Different methods used across states make interstate comparisons of the measure problematic; however, within state comparisons are more valid (reduction/increase) as long as changes in estimating methodology are considered (as required by TANF). <i>Could require states to adjust</i>
Births to Teens	Likely association with out-of-wedlock births	Vital statistics	<i>Ron: big problem for him - old never support</i>	Indirect measure. To determine teen pregnancies, need to adjust for abortions and miscarriages. <i>HHS: Abortion data problematic; worse for just teens subset</i>
Marriage/Divorce Rates	Likely association with single parent/2-parent households	Vital statistics	<i>OK if adjusted for abortions</i>	Very indirect measure <i>Ron: look at more - both HHS + CRS</i> <i>How to target to TANF: low income only? CRS: Income data not available</i>
Child poverty ↓ <i>Improvement vs. Absolute</i>	Likely association with all purposes of IV-A	Census data	<i>Ron: doesn't rule out in theory Big data problems</i>	Indirect measure. Reduction in child poverty <u>not mentioned in</u> People diagram. <i>Goal!</i> statement of purposes of the Act. State-level child poverty data subject to error. CPS estimates <u>not statistically reliable</u> by state. Statistical reliability can be improved with 3-year averaging, but that reduces the timeliness of the measure. Statistical reliability can also be improved by model-based estimation technique to "shrink" errors. Both averaging and model-based techniques reduce but do not eliminate error. Model-based techniques also introduced model error to the estimates. <i>HHS: Most recent 1994</i>

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Measure	Purpose	Data Type	Data Source	Advantages/Disadvantages
Foster care rate	Able to raise children in their own homes or with relative caretakers	Administrative data/Census Data.	AFCARS, Census Population estimates.	Raises kinship care, child endangerment, etc. issues

Ron - census ideas?

Census - not state data

HHS - Birth/child well-being? - Ron doesn't like
low birth wt, inf. mortality

HHS - legal challenges

Ron - other ideas? - What ^{data} would we require states to collect
- meet again in 1 wk