

**Children Living with Non-Parent Caregivers:
Prevalence, Determinants and Participation in the Child-only TANF program**

Extended Abstract

Submitted for the 2012 Population Association of America Meetings

September 23 2011

**Jane Mauldon
Associate Professor
Goldman School of Public Policy, U
University of California Berkeley**

**Jon Stiles,
Archivist
UC DATA, University of California Berkeley**

**Robert Goerge
Senior Research Associate
Chapin Hall, University of Chicago**

Kin are an important source of support for children whose parents are unable to care for them. Sometimes kin provide care with parents in the home, but often not: at any one time about 5% of all U.S. children live apart with their parents with non-parent-caregivers(NPCs). Some of this relative caregiving is government-mandated foster care or, in some states, subsidized Kin Guardianship. However, many NPC arrangements are set up by the family without Child Welfare agency involvement.

Many caregivers are poor or near-poor, and many have other problems (notably, health problems due in part to advancing age). TANF provides child-only cash aid for children in these families, with linked food stamps and Medicaid. In 2006, the most recent year for which sufficiently detailed TANF administrative data are available, about 20% of all TANF cases were for children living with NPCs. In contrast, the number and the share of TANF cases that are adult-aided cases fell sharply from 1996 to 2007, and has increased only modestly even during the Great Recession. (http://www.acf.hhs.gov/programs/ofa/data-reports/caseload/2000/2000_0parent_tanssp.htm).

NPC families are entitled to child-only TANF aid with only minimal eligibility requirements. NPC TANF does not impose work requirements on adults or time limits on children's participation, and financial eligibility for the program is calculated based on the child's own income and assets, not the caregiver's. In contrast, full-family TANF aid (which includes parents) has time limits, work requirements and phases out at low levels of income. Despite the ease of qualification for NPC TANF, take-up nationally is low. One study using NSAF data found only

21% families using the program. Take-up was higher among more disadvantaged caregivers. (Sharan and Swann, 2007).¹

This paper aims to provide a national picture of children in NPC settings over the past decade (2002-2009). We focus on their use of TANF, investigating differences both at the state level and within very small geographic areas (census tracts.) A major impediment to research on relative-caregiver TANF has been the lack of administrative data on the number of these types of TANF cases, and under-reporting in survey data. Most administrative data lumps NPC cases with other child-only cases, such as children of parents on SSI and citizen children of unqualified immigrants. This paper draws on new detailed state TANF caseload information gathered as part of a research project on Child-Only TANF, combining these data with foster care caseload data from AFCARS, and micro-data from the American Community Survey for 2002 through 2009.

One goal of this paper is to **estimate the number, proportion and characteristics of children residing with NPCs** throughout the first decade of this century. We describe their characteristics, their household resources and the characteristics of caregivers. We will compare the characteristics of NPC households to families who might (but in this moment did not) use NPC caregiving as a safety net, namely, low-income single-parent families. Although two-parent households might occasionally rely on kin care, in general it is single parents who are expected to use kin care as a safety net. In a two-parent family, if one parent is incapacitated or incompetent, the other can step in.

Second, we use the cross-sectional ACS data to **model the predictors of a child living in a relative NPC household rather than with a low-income single parent**. (The unrelated foster children identified in the ACS are excluded from the analysis.) A child's chances of living with relatives rather than parents will vary with demographic factors: African Americans are more likely to turn to relative care; older children are more likely to be placed in relative care; children born in another state may not have nearby relatives. Prior research has found that children with health problems are more often in NPC care. Local economic factors, such as local median earnings and unemployment, may have more effect on single parents' ability to afford their children than on relative caregivers; and state foster care policies, indicated by relative-caregiver caseloads, will also affect children's chances of living with NPCs. We do not include characteristics of the placement (the caregiving adults or parents) as predictors because these are endogenous, the result of the housing choice that has already been made, and omit the characteristics of other elements of a "choice set". We include state and year fixed effects.

In order to focus more sharply on a family's choice between parents and kin caregivers, foster children must be removed from the analysis. The datasets used in the study, a combination of administrative data and ACS data, permit counts of NPC-eligible children within a state classified into five groups:

- a) foster children not living with a relative (identified in the ACS)
- b) foster children living with a relative in foster care (recorded AFCARS data on foster care caseloads, with the counts of unrelated foster children recorded in the ACS subtracted)

¹ "The take-up of cash assistance among private kinship care families". Michelle Sharan and Christopher A. Swann. Children and Youth Services Review 29:8 August 2007, Pages 973-987

- c) children in subsidized kin guardianship (from state administrative data)
- d) children living with a relative, not in foster care or subsidized kin guardianship² (estimated as the counts of children with NPCs identified for each state in the ACS, and subtracting the estimates of foster/guardian children in that state)
- e) low-income children living with a parent (a single mother or a single father) (from the ACS).

We report the proportion in each setting in each state. Preliminary data for 2009 from four states (California, Illinois, New York and Florida) indicates that roughly one-quarter of children with NPCs are in foster care, child-only TANF or kin guardianship. An analysis of data over time will indicate whether, as foster care caseloads shrank in the first decade of this century,³ children moved back with their parents or whether families shifted into private kin-care arrangements.

These state-level data provide an opportunity to model the choice between parent care and kin care for families. In the taxonomy above, groups (d) and (e) are those for whom families can decide whether to place with parents or with kin. **We model, at the state level, the fraction of these children in NPC homes** rather than with parents. In this aggregate analysis, ethnic characteristics, and the proportion of “eligible” children born out of state, are relevant predictors. State economic characteristics (such as the unemployment rate) may have more effect on single parents’ ability to afford their children than on relative caregivers’ willingness to take children.

The incentives presented to families by the asymmetry in the TANF program –open-ended aid for relative-caregivers but time-limited and income- conditioned aid for parents – could presumably, on the margin, prompt families (especially, single-parent families) to reorganize their living arrangements so that a child would be raised by a relative rather than by the parent him or herself. This effect, if it exists, might be especially pronounced as the economy worsened; we will include as determinants the state unemployment rate. **We will test whether the asymmetric tilt of TANF is associated with the fraction of children in NPC households, once foster caregiving is taken out of the picture.**

Another view of the possible interchangeability (from the perspective of a family) of NPC and full-family TANF is provided by longitudinal data on TANF cases from the four states four states that are the focus of the Child Only TANF study (California, Illinois, New York and Florida). These data indicate the rate at which children on TANF move among foster care, child-only TANF and adult-aided TANF.

A third goal of the paper is to **estimate the take-up of NPC TANF**. We estimate take-up as the ratio of counts of children in NPC TANF (from administrative data) to the counts of children in private (non-foster) NPC settings (from ACS micro-level data). We model this ratio as a function of the generosity of the TANF program available to NPCs in each state, as exemplified by, the size of the cash grant, while controlling for state demographic and political characteristics. (We use

² A majority of states had, by 2003, instituted subsidized kinship guardianship programs, although many restricted subsidies to children in or approaching their teens. (Childrens Defense Fund, <http://www.aecf.org/upload/PublicationFiles/Expanding.pdf>).

³ The number of children in foster care fell from 523,000 in September 2002 to 408,000 in 2010, a reduction of one-quarter, according to the AFCARS annual counts of children in foster care (recorded at http://www.acf.hhs.gov/programs/cb/stats_research/afcars/trends_june2011.pdf)

aggregate data rather than individual-level data because welfare reciprocity in the ACS micro-data understate TANF participation.) We also use the ACS micro-data to estimate health insurance coverage of children in NPC homes, compared to children in single-parent homes. Many children in NPC homes are probably eligible for public coverage, given the low incomes of many relative caretakers, but may not be enrolled. Their caregivers' responses to the ACS survey indicate whether caregivers are aware of the health coverage to which the children are entitled, and so are an indirect measure of health care access for these children.

As a predictor of TANF take-up, we will use qualitative information from each state from the national survey that describes the state's efforts to reach out to NPC caregivers with services, supports and information. We will have multiple years of TANF NPC caseload data, which will permit us to estimate models that include state and year fixed effects.

For two contrasting focal states, California and Illinois, **we extend the analysis to lower levels of geography**, estimating the prevalence of NPC caregiving by county, and then estimating rates of TANF take-up among non-foster NPC households by county. We use as predictors county demographic characteristics and any county programmatic efforts to encourage TANF receipt among NPCs.

We then take the analysis to the census tract level. For tract-level estimates of children with NPCs we again rely on the ACS, using combinations of published aggregate tables from the 2005-2009 ACS file that come very close to mirroring the micro-level data on children in NPC households. Preliminary analyses of a sample of 125 census tracts in Alameda County, California, illustrate how geographically concentrated NPC caregiving can be. One-third (30%) of these tracts have no children living apart from parents, and in a quarter of the tracts, fewer than 4 percent of children are in this situation. In contrast, one-third (31 percent) of tracts have between 4 percent and 10 percent of children in this situation, and in 15 percent of tracts, between 10 percent and 30 percent of children are apart from parents.

Foster and TANF caseload data by census tract are available for Illinois, and for at least one county within California (we are anticipating for more than one) thanks to the relationships with state and county agencies in our respective states established by Chapin Hall, Berkeley's Center for Social Services Research, and UC DATA.

We anticipate that the penetration of foster care and non-parent caregiver TANF among kin caregivers are likely to vary substantially across census tracts. We will model the take-up of TANF among non-foster-care NPCs as a function of tract demographic and economic characteristics, with a focus on whether Illinois and California show different take-up rates for otherwise similar tracts.

From a public policy perspective, knowing the geographic variation in take-up of TANF among NPC caregivers is useful to guide any efforts to expand utilization. Even more interesting is the question of how responsive take-up is to grant amounts. Enrolling in TANF has auxiliary benefits, notably, eligibility for Medicaid. Finally, as policy makers consider reducing the availability of NPC TANF (as has been proposed for California) it would be valuable to know more clearly how the program is currently being used.