

PROMOTE PARENTAL RESPONSIBILITY AND PREVENT TEEN PREGNANCY

A. RESPONSIBILITIES OF SCHOOL-AGE PARENTS RECEIVING CASH ASSISTANCE

1. Minor Mothers Live at Home

Current Law

Under Section 402(a)(43) of the Social Security Act, States have the option of requiring minors (those under the age of 18) to reside in their parents' household, or a legal guardian or other adult relative, or reside in a foster home, maternity home or other adult supervised supportive living arrangement (with certain exceptions). Delaware, Maine, Michigan, Virgin Islands, and Puerto Rico have included this in their State plan.

Vision

By definition, minor mothers are children. Generally, we believe that children should be subject to adult supervision. This proposal would require minor mothers to live in an environment where they can receive the support and guidance they need. At the same time, the circumstances of each individual minor will be taken into account in making decisions about living arrangements.

Drafting Specs

- a. All States would require minor mothers to reside in their parents' household, with a legal guardian or other adult relative, or reside in a foster home, maternity home or other adult supervised supportive living arrangement with certain exceptions as described below. This is the same as current law, except that now the provision would be a requirement.
- b. As in current law, when a minor mother lives with their parent(s) their income is taken into account in determining the benefit. If the minor mother lives with another responsible adult, the responsible adult's income is not taken into account.
- c. A minor parent is an individual who (i) is under the age of 18, (ii) has never been married, and (iii) is either the natural parent of a dependent child living in the same household or eligible for assistance paid under the State plan to a pregnant woman. This is the same definition as current law.

- d. The following exceptions (now in current law) to living with a parent or legal guardian will be maintained:
- (i) individual has no parent or legal guardian of his or her own who is living and whose whereabouts are known;
 - (ii) no living parent or legal guardian of such individual allows the individual to live in the home of such parent or guardian;
 - (iii) the State agency determines that the physical or emotional health or safety of the individual or dependent child would be jeopardized if the individual and dependent child lived in the same residence with the individual's own parent or legal guardian;
 - (iv) individual lived apart from his or her own parent or legal guardian for a period of at least one year before either the birth of any dependent child or the individual having made application for aid to families with dependent children under the plan; or
 - (v) the State agency otherwise determines (in accordance with regulations issued by the Secretary) that there is good cause for waiving the requirement. (In those States that have this policy, the following are examples of what they determine to be good cause exceptions: the home is the scene of illegal activity; returning home would result in overcrowding, violation of the terms of the lease, or violation of local health and safety standards; the minor parent is actively participating in a substance abuse program which would no longer be available if she returned home; no parent or legal guardian lives in the State.)
- e. The determination of a minor mother's residency status must be made within the 45 days that all eligibility determinations are made.
- f. The minor must be assisted in obtaining an appropriate supportive alternative to living independently. (The types of living arrangements that States now use or are considering include living with an adult relative, a licensed foster home, in a group home for pregnant teens or teen parents, and in an approved congregate housing facility.) If the State and the minor mother cannot find an alternative arrangement or she has to move to another setting, the State may grant eligibility for a specified time if a good faith effort is being made to locate appropriate living arrangement and additional time is needed. If no appropriate setting is found the State must grant eligibility, but must utilize case managers to provide monitoring of the minor.
- g. The State would use the case management for teen parent provision (see #2 below) to make the determinations required under this provision. As described in the next proposal, these case managers would be trained appropriately and have reasonable

caseloads. Determinations would be made after a full assessment of the situation, including taking into account the needs and concerns expressed by the minor.

2. Case Management for All Teens Parents

Current Law

Section 482(b)(3) of the Social Security Act allows States to provide case management to all those participating in the JOBS program.

Vision

Frequently, it is multiple problems that lead youth to the welfare system. Their complex needs often stand in the way of their meeting educational requirements and other responsibilities. Removing these barriers to self-sufficiency can involve the confusing and difficult process of accessing multiple service systems. This proposal would provide every teen with a case manager who would help them navigate these systems and hold them accountable for their responsibilities and requirements.

Drafting Specs

- a. Require States to provide case management services to all teens parents receiving AFDC. Teens are defined to mean those under age 20.
- b. Case management services to teen parents will include, but is not limited to--
 - 1) determining the best living situation for a minor parent taking into account the needs and concerns expressed by the minor (see #1 above);
 - 2) assisting recipients in gaining access to services, including, at a minimum, family planning, parenting education, and educational or vocational training services;
 - 3) monitoring and enforcing program participation requirements (including sanctions and incentives where appropriate); and
 - 4) providing ongoing personal support and motivation.

States must in their plans describe how they will meet these requirements.

- c. Case managers must receive adequate training in the social service and youth development field. The ratio of case managers to clients must be sufficiently small to

adequately serve and protect teen parents and their children. Both the training and ratios must be consistent with those recommended by professional associations.

3. Access to Family Planning

Current Law

Section 402(a)(15) of the Social Security Act provides for the development of a program for preventing or reducing the incidence of births out of wedlock and otherwise strengthening family life, and for implementing the program by assuring that in all appropriate cases (including minors who can be considered to be sexually active) family planning services are offered and are provided promptly (directly or under arrangements with others) to all individuals voluntarily requesting such services. Services will be voluntary and shall not prerequisite to eligibility. This is to be provided to each appropriate relative and dependent child receiving aid and for each appropriate individual (living in the same home as a relative and child receiving aid) whose needs are taken into account in making the eligibility determination.

Section 403(a)(3) indicates that family planning **administrative costs** are not matched at 50 percent if the State includes family planning services under their Title XX Social Services Block Grant Program.

Vision

Section 402(a)(15) has essentially been ignored for quite some time. This proposal seeks to modify and strengthen this provision.

Drafting Specs

- a. States would be required to document efforts to coordinate with family planning grantees under Title X of the Public Health Service Act and other family planning providers.
- b. States would be required to ensure that family planning services are offered and provided promptly by specifying in the law that a consultation must occur within 30 days after delivery of their first child or their enrollment in AFDC. Note that this affects all on AFDC, not just teens.
- c. Under Section 403(a)(3), the law would be changed to allow a 50 percent match for family planning administration even if this is provided under Title XX. (NOTE: This still needs a cost estimate, but ACF staff anticipates that it will be minimal.)

4. Teen Parent Education and Parenting Activities State Option

Current Law

Under Section 402(a)(19) of the Social Security Act, teen custodial parents are required to participate in the JOBS program unless they are under 16 years of age, attending school full-time, or are in the last seven months of pregnancy. Participation in the JOBS program involves an assessment of the individual, and an agreement specifying what support services the State will provide and what obligations the recipient has. For those who have not obtained a high school diploma or a GED, attendance at school can serve as their JOBS assignment. Participation in the JOBS program is contingent on the existence of such a program in the geographic vicinity of the recipients' residence.

In addition, under a Section 1115 waiver, States can implement programs which utilize incentives or sanctions to encourage or require teen parents on AFDC to continue their education. Two examples of a State having done or planning to do this are the Learning, Earning, and Parenting Program (LEAP) in Ohio and Cal Learn in California, which is in the process of being implemented. LEAP and Cal Learn are mandatory for all pregnant and custodial teen parents who are receiving AFDC and who do not have a high school diploma or GED. Under both LEAP and Cal Learn program rules, all eligible teens are required to enroll (or remain enrolled) in and regularly attend a school or education program leading to a high school diploma or GED. These two initiatives apply only to teens who are case heads. Other States have obtained waivers to implement programs using sanctions to influence dependents to continue their education. This may become relevant if minor mothers are not permitted to be caseheads.

Vision

Teenage mothers face substantial obstacles to achieving self-sufficiency. Eighty percent of teen mothers drop out of high school and only 56 percent ever graduate. Their earning abilities are limited by lack of education and job skills. Teen parents are often not well prepared in the area of parenting. This proposal provide States with a mechanism to utilize creative approaches for encouraging and supporting youth in both their educational and parenting endeavors.

★ where is stay-in-school? rgmt?

Drafting Specs

- a. Provide States the option to use monetary incentives (which must be combined with sanctions) as inducement for pregnant teens and teen custodial parents who are receiving AFDC and who do not have a high school diploma or GED to enroll (or remain enrolled) in and regularly attend a school or education program leading to a high school diploma or GED, or a special skills training program if the State

determines this is most appropriate for a recipient. States may also choose to provide incentives for participation in parenting education activities. This option will operate as part of the new JOBS program, and the rules pertaining to JOBS will apply unless it is specifically stated otherwise.

b. Each State plan must clearly define the following --

● **Incentives.** States must define by how much benefits will be increased and what kinds of achievements will be rewarded.

Examples of incentives chosen by Ohio and California are as follows:

In Ohio's LEAP, teens who provide evidence of school enrollment receive a bonus payment of \$62. They then receive an additional \$62 in their welfare check for each month in which they meet the program's attendance requirements. For teens in a regular high school, this means being absent no more than four times in the month, with two or fewer unexcused absences. Different attendance standards apply to part-time programs, such as Adult Basic Education (ABE) programs providing GED preparation assistance, but the same financial incentives apply.

Participants of Cal Learn will be required to present their report cards four times a year. The grant will be increased by \$100 for the month after the Cal Learn participant receives a report card with a "C" average or better. For graduating high school (or its equivalent), these teens will have their grants increased on a one time basis by \$500.

● **Sanctions.** Sanctions under the revised JOBS program would apply unless the State proposes alternative sanctions, to be approved by the Secretary, which the State believes better achieves their objectives.

Examples of sanctions chosen by Ohio and California are as follows:

In LEAP, teens who do not attend an initial assessment interview (which commences participation in LEAP) or fail to enroll in school have \$62 deducted from their grant (i.e., the teens are "sanctioned") each month until they comply with program rules. Similarly, enrolled teens are sanctioned by \$62 for each month that they exceed the allowed number of unexcused absences. Teens who exceed the allowed number of total absences, but do not exceed the allowed number of unexcused absences receive neither a bonus nor a sanction.

In the Cal Learn program, teens who do not receive at least a "D" average or who do not submit his/her report card will have the assistance unit grant reduced over a two

month period by the lesser of \$50 or the amount of the grant. This will result in a sanction of not more than \$100. Included in the sanctions will be teens that do not present their report cards because they have dropped out of school or were expelled.

- **Coordination.** A case manager (as described in A.2) will assess each recipient's needs and arrange for appropriate services. States must describe the mechanism case managers and other service providers will use to coordinate with schools.
- **Eligibility.** States must include pregnant teens and teen parents under 20 years of age. States may choose to include all pregnant teens and teen parents up to their 21st birthday. States may also choose to include all teens, beyond those who are pregnant or parents.
- **Exemptions.** Exemptions from participation will be based on the same new guidelines governing participation in JOBS Prep, JOBS and WORK, with two exceptions. First, teens will only be able to defer participation for 3 months after giving birth. Also, a disability will not allow a recipient from deferring participation in school, as schools are required to provide students with disabilities appropriate services. (See JOBS and WORK section of proposal for more specific details.)
- **State-wideness.** States can limit the geographic scope of this option.
- **Evaluation.** States would be required to make data available to the Department and cooperate with any evaluation of their programs.

Limiting Family Growth While on AFDC

Current Law

Currently, families on welfare receive additional support because their AFDC benefits increase automatically to include the needs of an additional child.

Vision

The welfare system should reinforce parental responsibility by keeping AFDC benefits constant when a child is conceived while the parent is on welfare. The message of responsibility would be further strengthened by providing the family an opportunity to earn back what they lost.

→ Fertility
Drugs

Drafting Specs

- a. Allow States the option of keeping AFDC benefits constant when a child is conceived while the parent is on welfare. This does not apply to a minor mother's child living in a grandparent's household.
- b. Under this option, if a parent has an additional child, the State must do at least one the following--
 - 1) permit the family to receive more in child support;
 - 2) permit recipients who have gotten jobs to keep their earnings and their AFDC up to the benefits they would have gotten for an additional child; and/or
 - 3) some other approach whereby a recipient can earn back the increase in benefits lost that the State develops and is approved by the Secretary.
- c. Require States to develop exceptions to the rule for difficult circumstances. These would be developed by the State and approved by the Secretary.

B. LEARNING FROM PREVENTION APPROACHES THAT PROMOTE RESPONSIBILITY

1. Comprehensive Services to High Risk Youth

Current Law

Currently demonstration authorities exist to serve youth in particular areas. However, there is nothing so broad to allow for comprehensive approaches that cut across the education, public health, youth development and employment fields.

Vision

Early child-bearing and other problem behaviors are interrelated and strongly influenced by the general life-experience associated with poverty. Changing the circumstances in which people live and consequently how they view themselves is needed to change the decisions young people make in regard to their lives.

For any effort which hopes to have results that are large enough to be meaningful, attention must be made to circumstances in which youth grow up. It should address a wide spectrum of areas associated with youth living in a healthy community: economic opportunity, safety, health, education, among others.

Particular emphasis must be paid to the prevention of adolescent pregnancy, including sex education, abstinence education, life skills education, and contraceptive services. Programs that combine these elements have shown most promise, especially for adolescents who are motivated to avoid pregnancy. However, for those populations where adolescent pregnancy is a symptom of deeper problems, sex education and contraceptive services alone will be inadequate; they must be part of a much wider spectrum of services.

crime bill

Interventions need to enhance education, link education to health and other services, help stabilize communities and families in trouble. This would provide a sense of rationality and order in which youth can develop, make decisions, place trust in individuals and institutions serving them, and have a reasonable expectation of a long, safe, and productive life.

Comprehensive demonstration grants are proposed that would seek to change the environment in which youth live. These grants must be of sufficient size or "critical mass" to significantly improve the day to day experiences, decisions and behaviors of youth. Services should be non-categorical, integrated and delivered with a personal dimension. They would follow a "youth development" model and would seek to change neighborhoods as well as directly support youth and families.

Drafting Specifications

- a. Establish a separate authority under the Title XX Social Services Block Grant Program whereby a designated number of neighborhood sites chosen by the Secretary, in consultation with other Federal Departments, would be entitled to demonstration grants to educate and support school-age youth (youth ages 10 through 21) in high risk situations and their family members through comprehensive social and health services, with an emphasis on pregnancy prevention.
- b. Funding and services provided under this program do not have to achieve this goal of comprehensiveness in and of themselves. Rather, this funding can be used to provide "glue money," fill gaps in services, ensure coordination of services, and other similar activities which will help achieve the overall goal of comprehensive integrated services to youth.
- c. Ten neighborhood sites would be entitled to \$185 million over 5 years (\$3.7 million per site). Grantees would be required to provide a 10% match of the Federal funding. This could include in-kind contributions.
- d. The activities authorized under the demonstration would be focused on four broad areas; grantees would be given great flexibility to design programs within these areas:

ugl!

crime bill - \$100m per site

Use \$ to evaluate other prevention efforts?

- i) **Accessing health services and comprehensive health education.** Health-related activities could include, but are not limited to, health education from K-12 (including age appropriate sexuality education), life skills, decision-making, ethics, substance abuse prevention, school health services (including, but going beyond, family planning), and family planning services. Family planning services include a broad range of approaches currently available (e.g. abstinence counseling, male and female contraceptives, including the voluntary use of Norplant.)
 - ii) **Increasing time horizons and motivation to avoid childbearing.** Activities could include, but are not limited to, part-time paid work opportunities, career and college awareness, academic tutoring and counseling, job skills training, employment counseling, jobs program, a parent education component (e.g., communication and parenting skills), and family and community stability activities (e.g., violence reduction and community policing, family counseling, and community outreach using community residents). Communities could choose to use some of these opportunities as incentives for avoiding childbearing (e.g. part-time paid work opportunities available only to those youth who avoid teen parenthood).
 - iii) **Offering social supports to foster nurturing environments that provide positive ways for youth to fill their days.** Services could include, but are not limited to, social supports (such as mentor, recreational, cultural, and sports activities) to foster nurturing environments that ensure that out-of-school hours are spent on safe and productive activities.
 - iv) **Changing community norms.** Activities could include, but are not limited to, a local media campaign and/or other activities such as local campaigns involving community groups, such as PTAs and churches, that work to include the community in changing community norms. Given that economic and social isolation is at the cause of much community distress, activities should include interactions with neighboring less distressed communities.
- e. Sites would have to meet the following characteristics, and any others determined by the Secretary of Health and Human Services, in consultation with the Secretaries of Education, HUD, Justice, and Labor.
- i) **Geographic** -- Communities must identify the neighborhood or neighborhoods they will target. Smaller, more focused boundaries than those required in Empowerment Zones/Enterprise Communities or Youth Fair Chance will be used in order to develop a "critical mass" of services to meet the above goals.

Health Reform bill

Office of Prevention Council

Each neighborhood must have an identifiable boundary and must be considered a neighborhood by its residents.

ii) Population -- Each neighborhood or group of neighborhoods have populations of approximately 20,000 to 35,000 people.

ND iii) Poverty - The entire area must have a poverty rate of at least 20%, with 50% of the area having a rate of at least 35% and 90% of the area having a rate of at least 25%. As the neighborhood represents a small area, this could also be established by focusing on the attendance area of a high poverty high school(s) and its/their feeder schools. A high poverty high school could be defined as one in which at least 50% of the students are eligible for free or reduced price lunch.

Why not o/w birth rate?

f. Local governments, non-profit organizations, school districts, community colleges, and other non-profit community-based groups could apply. Applicants would be required to supply evidence of comprehensive commitment to the project and collaboration between the community and State. The applicant must involve multiple elements (e.g., government, schools, churches, businesses) of the community and the State in the planning and implementation of the demonstration program. Applicants must demonstrate 1) ability to manage this major effort and 2) resources for obtaining data and maintaining accurate records.

g. The Department will support rigorous evaluations of all demonstrations. Outcomes to be measured would include, but are not limited to, birth rates, high school graduation rates, college attendance rates, rates of alcohol and other drug use and violence reduction. Grantees will be required to assist and coordinate with independent evaluators selected by Department. Given the scope and length of grants, an interim evaluation will be conducted. The Federal government will also provide technical assistance to potential applicants and to those selected throughout the life of the demonstration. \$15 million would be provided for these activities.

C. NATIONAL CAMPAIGN AGAINST TEEN PREGNANCY

1. Challenge Grants to Schools or Communities in High Poverty Neighborhoods for Teen Resource and Responsibility Centers

Current Law

There is no general authority for challenge grants to leverage meaningful partnerships with caring adults. Rather, there are a variety of programs throughout HHS, Education, Labor, National Service, etc. that include mentoring components, information on employment and

training opportunities, and general development of youth-adult relationships. While not yet law, the Crime Bill also includes the Ounce of Prevention Fund which address this issue.

Vision

It is critical that we help all youth understand the rewards of staying in school, playing by the rules, and deferring childbearing until they are married.

Drafting Specs (details still under development)

- a. Provide challenge grants to a specified number (as yet to be determined) of schools and/or communities located in high poverty areas to develop a national network of school-linked, community-based teen resource and responsibility centers.
- b. The centers would primarily use mentoring to focus on teen pregnancy prevention, other activities to develop mutual respect of peers of the opposite sex, parenting skills, and other similar activities.
- c. Grants would be used as "glue" money to form long-term institutional partnerships with broad-based consortia of employers, community-based organizations, churches, colleges and universities.
- d. Grants would encourage the development of broader community centers; establish long-term mentoring, tutoring, coaching and other youth-adult relationships; provide education, training and support to youth to take responsibility for their own lives; and provide information about educational, training, entrepreneurial and work opportunities.
- e. Specific decisions on funding have yet to be determined.

not very rigorous

WR-SPECS
P

2

PROMOTE PARENTAL RESPONSIBILITY AND PREVENT TEEN PREGNANCY

B. LEARNING FROM PREVENTION APPROACHES THAT PROMOTE RESPONSIBILITY

1. Comprehensive Services to High Risk Youth

Current Law

Currently demonstration authorities exist to serve youth in particular areas. However, there is nothing so broad to allow for comprehensive approaches that cut across the education, public health, youth development and employment fields.

Stipulate to 4 of 5 principles
12B in EZ's - or in bill
- Do 10 Dem's in other winners
What to do w/
little \$
- multiply other efforts: more flex model - small grants
to neighborhood
↓
Target
10 Enterprise
Neighborhoods

- Responsibility Fund

Vision

Early child-bearing and other problem behaviors are interrelated and strongly influenced by the general life-experience associated with poverty. Changing the circumstances in which people live and consequently how they view themselves is needed to change the decisions young people make in regard to their lives.

For any effort which hopes to have results that are large enough to be meaningful, attention must be made to circumstances in which youth grow up. It should address a wide spectrum of areas associated with youth living in a healthy community: economic opportunity, safety, health, education, among others.

Particular emphasis must be paid to the prevention of adolescent pregnancy, including sex education, abstinence education, life skills education, and contraceptive services. Programs that combine these elements have shown most promise, especially for adolescents who are motivated to avoid pregnancy. However, for those populations where adolescent pregnancy is a symptom of deeper problems, sex education and contraceptive services alone will be inadequate; they must be part of a much wider spectrum of services.

Interventions need to enhance education, link education to health and other services, help stabilize communities and families in trouble. This would provide a sense of rationality and order in which youth can develop, make decisions, place trust in individuals and institutions serving them, and have a reasonable expectation of a long, safe, and productive life.

Comprehensive demonstration grants are proposed that would seek to change the environment in which youth live. These grants must be of sufficient size or "critical mass" to significantly improve the day to day experiences, decisions and behaviors of youth. Services

MSB - 25,000 schools
- challenge grants to

400/class
2,000/overall

20,000,000

should be non-categorical, integrated and delivered with a personal dimension. They would follow a "youth development" model and would seek to change neighborhoods as well as directly support youth and families.

Drafting Specifications

- a. Establish a separate authority under the Title XX Social Services Block Grant Program whereby a designated number of neighborhood sites chosen by the Secretary, in consultation with other Federal Departments, would be entitled to demonstration grants to educate and support school-age youth (youth ages 10 through 21) in high risk situations and their family members through comprehensive social and health services, with an emphasis on pregnancy prevention.
- b. Funding and services provided under this program do not have to achieve this goal of comprehensiveness in and of themselves. Rather, this funding can be used to provide "glue money," fill gaps in services, ensure coordination of services, and other similar activities which will help achieve the overall goal of comprehensive integrated services to youth.
- c. Ten neighborhood sites would be entitled to \$185 million over 5 years (\$3.7 million per site). Grantees would be required to provide a 10% match of the Federal funding. This could include in-kind contributions.
- d. The activities authorized under the demonstration would be focused on four broad areas; grantees would be given great flexibility to design programs within these areas:
 - i) **Health services designed to promote physical and mental well-being and personal responsibility.** Health-related activities could include, but are not limited to, health education from K-12 (including age appropriate sexuality education), life skills, decision-making, ethics, substance abuse prevention, school health services (including, but going beyond, family planning), and family planning services. Family planning services include a broad range of approaches currently available (e.g. abstinence counseling, male and female contraceptives, including the voluntary use of Norplant.)
 - ii) **Educational and employability development services designed to promote educational advancement and opportunities for job attainment and productive employment.** Activities could include, but are not limited to, part-time paid work opportunities, career and college awareness, academic tutoring and counseling, job skills training, employment counseling, jobs program, a parent education component (e.g., communication and parenting skills), and family and community stability activities (e.g., violence reduction

and community policing, family counseling, and community outreach using community residents). Communities could choose to use some of these opportunities as incentives for avoiding childbearing (e.g. part-time paid work opportunities available only to those youth who avoid teen parenthood).

- iii) **Social Support services designed to provide youth with a stable environment and to encourage youth to participate in safe and productive activities.** Services could include, but are not limited to, social supports (such as mentor, recreational, cultural, and sports activities) to foster nurturing environments that ensure that out-of-school hours are spent on safe and productive activities.
 - iv) **Community activities designed to change community norms, to improve community stability, and to encourage youth to participate in community service and establish a stake in the community.** Activities could include, but are not limited to, a local media campaign and/or other activities such as local campaigns involving community groups, such as PTAs and churches, that work to include the community in changing community norms. Given that economic and social isolation is at the cause of much community distress, activities should include interactions with neighboring less distressed communities.
- e. Sites would have to meet the following characteristics, and any others determined by the Secretary of Health and Human Services, in consultation with the Secretaries of Education, HUD, Justice, and Labor.
- i) **Geographic --** Communities must identify the neighborhood or neighborhoods they will target. Smaller, more focused boundaries than those required in Empowerment Zones/Enterprise Communities or Youth Fair Chance will be used in order to develop a "critical mass" of services to meet the above goals. Each neighborhood must have an identifiable boundary and must be considered a neighborhood by its residents.
 - ii) **Population --** Each neighborhood or group of neighborhoods have populations of approximately 20,000 to 35,000 people.
 - iii) **Poverty --** The entire area must have a poverty rate of at least 20%, with 50% of the area having a rate of at least 35% and 90% of the area having a rate of at least 25%. As the neighborhood represents a small area, this could also be established by focusing on the attendance area of a high poverty high school(s) and its/their feeder schools. A high poverty high school could be defined as

one in which at least 50% of the students are eligible for free or reduced price lunch.

- f. Local governments, non-profit organizations, school districts, community colleges, and other non-profit community-based groups could apply. Applicants would be required to supply evidence of comprehensive commitment to the project and collaboration between the community and State. The applicant must involve multiple elements (e.g., government, schools, churches, businesses) of the community and the State in the planning and implementation of the demonstration program. Applicants must demonstrate 1) ability to manage this major effort and 2) resources for obtaining data and maintaining accurate records.
- g. The Department will support rigorous evaluations of all demonstrations. Outcomes to be measured would include, but are not limited to, birth rates, high school graduation rates, college attendance rates, rates of alcohol and other drug use and violence reduction. Grantees will be required to assist and coordinate with independent evaluators selected by Department. Given the scope and length of grants, an interim evaluation will be conducted. The Federal government will also provide technical assistance to potential applicants and to those selected throughout the life of the demonstration. \$15 million would be provided for these activities.

C. NATIONAL CAMPAIGN AGAINST TEEN PREGNANCY

- 1. **Challenge Grants to Schools or Communities in High Poverty Neighborhoods for Teen Resource and Responsibility Centers**

Current Law

There is no general authority for challenge grants to leverage meaningful partnerships with caring adults. Rather, there are a variety of programs throughout HHS, Education, Labor, National Service, etc. that include mentoring components, information on employment and training opportunities, and general development of youth-adult relationships. While not yet law, the Crime Bill also includes the Ounce of Prevention Fund which address this issue.

Vision

It is critical that we help all youth understand the rewards of staying in school, playing by the rules, and deferring childbearing until they are married.

Drafting Specs (details still under development)

- a. Provide challenge grants to a specified number (as yet to be determined) of schools and/or communities located in high poverty areas to develop a national network of school-linked, community-based teen resource and responsibility centers.
- b. The centers would primarily use mentoring to focus on teen pregnancy prevention, other activities to develop mutual respect of peers of the opposite sex, parenting skills, and other similar activities.
- c. Grants would be used as "glue" money to form long-term institutional partnerships with broad-based consortia of employers, community-based organizations, churches, colleges and universities.
- d. Grants would encourage the development of broader community centers; establish long-term mentoring, tutoring, coaching and other youth-adult relationships; provide education, training and support to youth to take responsibility for their own lives; and provide information about educational, training, entrepreneurial and work opportunities.
- e. Specific decisions on funding have yet to be determined.

Federal Efforts in Adolescent Pregnancy Prevention

Numerous Departments across the Federal government have programs that address the issue of adolescent pregnancy prevention, including repeat pregnancies. Only a few focus specifically on teen pregnancy. Given that the multiple problems adolescents face are often interrelated, the specific problems that other programs emphasize (i.e., substance abuse, education, etc.) are also related to adolescent pregnancy prevention. Below is a quick attempt to summarize some of the existing and proposed, direct and indirect efforts in different departments. The majority of the programs specifically addressing pregnancy prevention are in the Department of Health and Human Services. This list is not meant to be a comprehensive list, but one that demonstrates the types of activities occurring in different departments.

Department of Health and Human Services

HHS efforts are primarily in the Public Health Service and the Administration on Children and Families.

- The Adolescent Family Life Program -- funds demonstrations and research projects that address the problems of teenage sexual behavior and pregnancy. In the FY 1995 budget proposal, these will no longer operate as separate grants. They will be incorporated in the new Office of Adolescent Health. Adolescent pregnancy prevention will be a priority in this office.
- The Division of Adolescent and School Health -- funds health education to schools in order to decrease the risk behaviors that cause high rates of morbidity and mortality through sexually transmitted diseases, drug and alcohol abuse, tobacco use, unintentional and intentional injuries, diet and physical inactivity.
- Title X of the Public Health Service Act and Medicaid-- provide funding for family planning services.
- The Division of Maternal and Child Health -- funds some grants to develop models to prevent early sexual activity.
- The Minority Male Initiative -- addresses teen pregnancy and fatherhood in addition to other issues.
- Runaway and homeless youth programs, alcohol and other substance abuse prevention programs, and National Youth Sports Program also address a wide range of risk factors related to adolescent pregnancy.
- Several block grant programs, including the Maternal and Child Health Block Grant and the Social Services Block Grant can fund family planning and other prevention services. However, as States are given a great deal of flexibility in determining how they spend the money, it is not known what proportion of these funds are used for these types of services.

- Empowerment Zones and Enterprise Communities (EZ-EC) include special Social Services Block Grant funds to support activities that focus on assisting disadvantaged youth and adults in achieving and maintaining economic self-sufficiency, preventing or remedying the neglect, abuse or exploitation of children and adults who cannot protect their own interests, and activities that promote and protect the interests of children and families outside of school hours. EZ-EC are jointly administered by HUD, USDA, and HHS.

The Department of Education

- A small school health program, that among other things, provides teen pregnancy prevention activities.
- Drop-out prevention and drug-free schools and communities programs address risk factors that are the same or related to those leading to teen pregnancy.
- Chapter 1 allocates funds to schools with educationally deprived and disadvantaged students.
- The Department also funds postsecondary education outreach and student support services to encourage individuals from disadvantaged backgrounds to enter and complete college.

The Department of Labor

- The New Chance program funds demonstration grants aimed at increasing the long-term employability of teenage mothers.
- The Youth Fair Chance Program supports grants to facilitate the coordination of comprehensive services, including education, job training, employment, and related social services to youth.
- The Job Training and Partnership Act (JTPA) funds programs, including Job Corps, that support youth in successfully attaining and retaining employment. Services include employment training, vocational counseling, literacy and basic skills training, work experience, and social support and health services.
- The Young Unwed Fathers Project funds demonstrations aimed at improving the long-term employability and parenting capabilities of teenage and other young fathers.

Other Departments

- The Department of Agriculture funds 4-H Youth Development programs aimed at assisting youth to acquire knowledge and developing life skills that will enable them to become self-directing, productive and contributing members of society. It also has a Youth at Risk Initiative that supports school-age child care and education programs, reading and science literacy programs, and coalitions for high-risk youth. The

Farmers Home Administration also makes Youth Project Loans to rural youth between the ages of 10 and 20 to support income producing projects.

- The Department of the Interior funds Youth Conservation Corps, a summer employment program for youth 15-18; and additional career development and job corps programs that provide educational and vocational training, work experience, personal and career counseling, and health care services for youth and young adults. The Department's Bureau of Indian Affairs supports programs aimed at high risk youth in the areas of alcohol and other substance abuse prevention, educational activities, and emergency youth shelters.
- The Department of Housing and Urban Development has a Youthbuild Opportunities Program that provides job training and work experience for economically disadvantaged youth; a Youth Sports Program that provides sports, cultural, recreational, and educational activities for youth who are residents in public housing. They also fund a Public and Indian Housing Drug Elimination Program.
- The Department of Justice's Office of Juvenile Justice and Delinquency Prevention funds programs assisting criminally at-risk youth. Service areas addressed include substance abuse, literacy, parental involvement, and mentoring.
- The Department of Defense provides youth programs for children of military families. Among the programs provided are prevention programs focused on substance abuse, conflict resolution, and teen pregnancy, positive youth development programs, including self-esteem and self-awareness, social, cultural and recreational programs, jobs skills, summer camps, and physical fitness and sports.

Proposed Initiatives

- The President's Health Care Reform Proposal -- addresses this issue in terms of financing and public health programs. The proposal includes contraceptives as part of the insurance benefit package. Also, it establishes health education programs as an integral part of the Public Health Reform.
- The School-to-Work Transition program (authorizing act not yet signed into law) will fund programs providing work-based learning, school-based learning and connecting activities. It will also fund demonstrations of school-to-work opportunities designed for youth in high-poverty urban and rural communities. This program will be jointly administered by the Departments of Education and Labor.
- Both the Senate and the House versions of Crime bill address the issue of youth development, including an Ounce of Prevention Grants that will fund, among other things, summer and after-school programs, mentoring, tutoring, and other programs involving participation by adult role models.

Evaluations of Mentoring Programs

Information on the impact of mentoring programs is limited. We have not been able to find any information on their impact on adolescent pregnancy and youth self-sufficiency. There are some studies underway that address these issues. Most completed evaluations focus on process, rather than impact outcomes. Attached is a brief summary of mentoring program evaluations that was compiled for the Department of Education. These evaluations offer some insight into the complexity of mentoring; it is neither easy nor cheap.

Impact

As you will note, the only discussion of impacts on this attached list of evaluations is the Career Beginnings Program. Career Beginnings had modest results in terms of school achievement. We do not know if these results continued, but are looking into this. It is important to note that Career Beginnings is a program of education and employment services with a strong mentoring component. Project Raise, in Baltimore, is modelled after Career Beginnings. We are waiting for specific information on its impact, but have heard that it has had some positive results.

There are several studies underway that are focusing on the impact of mentoring. Public/Private Ventures is doing a follow up with Big Brothers/Big Sisters looking at 600 youth in the program and 600 on the waiting list (which is 18 months long). The outcomes they are looking at include school attendance, relationship with parent, and a number of confidence/self-worth measures. They expect to complete their analysis in the winter.

A professor at the University of IL is conducting a longitudinal study randomly assigning mentors to pregnant teens to look at the following outcomes: repeat pregnancy, school behavior, baby's birthweight, and a number of psychological variables. She also is looking at the impact of natural versus assigned mentors. She anticipates that information on her data will be available in the fall.

Support for "Caring Adult" model

While not based on specific evaluations, there is also a body of literature that supports that need for a caring adult in the lives of youth. Many recent reports on youth, including the Carnegie Corporation's A Matter of Time, and works by P/PV, Center for Youth Development, Search Institute, Ron Ferguson, Center for Early Adolescence, etc. emphasize the importance of youth-adult relationships.

Information from Process Evaluations

Process evaluations have shown that the definition of "mentoring" varies greatly. Similarly, the success of "matches" established by mentoring programs also varies. P/PV estimates the range to be 35%-95%. This is measured by participation in the program. A number of factors effect the success of establishing an on-going relationship. Experts in the field highlight the importance of an infrastructure supporting both the mentor and the mentee. While cost analyses have not been done because it is difficult to identify both financial and in-kind costs, everyone in the field agrees that a good mentoring program is not likely to be inexpensive.

EVALUATION STUDIES OF MENTORING PROGRAMS

As more mentoring programs are being developed, an increasing number of program evaluations are being conducted. However, currently, very few full-scale, in-depth program evaluations that examine outcomes other than satisfaction levels exist. In *Big Brothers/Big Sisters: A Study of Program Practices*, Kathryn Furuno states that "although practitioners and policymakers have embraced the idea that mentoring programs can provide youth with supportive relationships, little research evidence currently exists to support this claim."

Evaluations that do exist fall into two general categories; internal evaluations conducted by the program itself and external evaluations, which are much fewer in number than the former. Several programs contacted were able to provide brief, internally generated, survey-based evaluations (attached). In general, because the people who respond tend to be pleased with the program, findings based solely on questionnaire data probably reflect non-response bias.

As noted, external evaluations, are conducted rarely. There are several reasons for this. The one most often cited is a lack of money. In a period of budget constraints, planned evaluations are often cut to allow funds to be used for more pressing needs. Another reason is methodological difficulty. Because mentoring programs are often administered as components of more comprehensive programs, it is difficult to separate out the effects of mentoring components alone. This difficulty can be seen in the Career Beginnings Impact Evaluation, which does not attempt to attribute program outcomes to specific program components. Another issue often found in the literature on mentoring programs is the difficulty of defining success and identifying appropriate measures of success.

The research which is available has shown that effective mentoring programs have several common components:

Mentor Screening — Interviews and background searches of volunteers prevent low mentor attendance at program functions, high mentor drop-out rates, and situations that put protégés at risk.

Mentor Training — Elements of training in successful programs include:

- o the nature of the protégé's neighborhood;
- o background information on their protégé; and
- o program rules and expectations.

Protégé Orientation — Conducting an initial orientation session can help protégés:

- o become familiar with the requirements of the program;
- o understand the role of the mentor (i.e., that the mentor is to be seen as a friend); and
- o set personal goals.

Matching Mentors and Protégés — Although no single set of rules will guarantee successful matches (e.g., always match race or gender), it is important to consider

the preferences and needs of the mentor, the protégé, and the protégé's parents.

While these conclusions may be helpful to people developing and coordinating mentoring programs, the current research does not appear to examine fully the impact of mentoring programs upon the lives of participants. As Erwin Flaxman asserts in *Mentoring in Action*, "successful mentoring can really only be measured over time: by how efficiently the mentees move towards their own educational goals, as well as toward career and personal goals that they may not reach for a dozen years or more after they have been mentored. Yet it is this kind of a change that mentoring seeks to make, and so this level of effect must be measured. To know whether mentoring enhances youths' life chances, far more thought and money will have to be spent on evaluation than is currently the case."

Evaluation Summaries

The evaluations described below were selected on the basis of literature reviews and discussions with experts on evaluating mentoring programs, including Dr. Erwin Flaxman of Columbia University Teachers' College and Marc Freedman of P/PV.¹ Copies of the reports (except for *Mentoring in Action*) are included with this memo.

Big Brothers/Big Sisters: A Study of Program Practices (Kathryn Furano et al, Public/Private Ventures (P/PV), 1993)² Big Brothers and Big Sisters has been providing adult mentoring support to youth from single-parent households for 90 years. P/PV's initial conclusion is that structured support "is needed if mentoring is to play a key role in youth policy and programming." Structured support includes national standards regarding screening and training and professional staff who are responsible for making and supervising matches, recruiting, fundraising, and providing extra program services. They argue that low-cost interventions with little structure or staff support have difficulty establishing and maintaining effective, beneficial matches.

College Students as Mentors for At-Risk Youth: A Study of Six Campus Partners in Learning Programs (Joseph P. Tierney and Alvin Y. Branch, Public/Private Ventures, 1992)³ The major finding of this study is that mentoring programs that involve college students require additional administrative structure and substantive support to help them balance their community service with academic demands. Programs that provided significant support were more successful in establishing constructive relationships.

Overall, college students and at-risk youth formed what were considered successful relationships in 45 percent of matches. Attendance rates at program functions by college mentors varied between 35 to 95 percent. Responses to questionnaires showed that mentors showed improvements in self-esteem and perceived scholastic competence and that protégés' sense of control over their lives improved; however, mentors did not show improvements in communication skills, grade point averages, or the feeling that they could change the world and there were no behavioral changes or improvements in the academic performance of the protégés.

Mentoring in Action: The Efforts of Programs in New York City (Erwin Flaxman and Carol Ascher, 1992) In their evaluation of New York City mentoring programs, Drs. Erwin Flaxman and Carol Ascher reached the following conclusions:

¹In addition to the studies described here, an evaluation of the RAISE program in Baltimore was also recommended. As yet, however, we have been unable to obtain a copy of this study.

²Both the Big Brothers and Big Sisters and College Students as Mentors reports are part of a larger study conducted by Public/Private Ventures. In addition to programs in those two studies, P/PV examined pilot programs that matched adults with youth in the juvenile justice system, the "I Have a Dream" program in Washington, D.C., and a program developed by Temple University's Center for Intergenerational Learning.

- o Mentoring cannot go on without being institutionalized through legal mandates, public policies, and regular funding sources;
- o Efforts need to be made to better conceptualize which youth can be most helped by mentoring, and under what conditions;
- o Program directors need to learn more about what makes mentoring pairs work, and they should establish standards for selecting and training volunteer mentors;
- o To withstand fluctuations in funding and volunteer and staff availability, funding for mentoring programs should be stabilized and integrated into education and youth services; and
- o Because the pressure to evaluate mentoring programs is increasing, program administrators and funders need to support research with the greatest potential for upgrading the process of mentoring, as well as for improving our understanding of the impact of mentoring on youth.

Career Beginnings Impact Evaluation: Findings from a Program for Disadvantaged High School Students (George Cave and Janet Quint, 1990) The Career Beginnings program, funded by the Commonwealth fund with major support from the Gannett Foundation and the John D. and Catherine T. MacArthur Foundation, is a program designed to enhance the life options of urban high school students from low-income families through a combination of education and employment services. The program is operated in 24 sites. One common feature of the program is a strong mentoring component.

The rigorous methodology used in the evaluation included the random assignment of students to experimental or control groups. The findings are based on the experiences of the 1,233 students who responded to two follow-up interviews. The results showed:

- o Career Beginnings increased the rate of college attendance by experimentals in the post-high school year to 53.2 percent, an increase of 4.7 percent points (or 9.7 percent) over the 48.5 percent rate for controls;
- o Across the sites, 48.5 percent of the controls attended a two- or four-year college at some point during the year after high school;
- o Despite the relatively high level of college enrollment among controls, Career Beginnings led to an increase in college attendance and, more generally, to raised educational aspirations among experimentals; and
- o Experimental-control differences in college enrollment rates persisted throughout the post-high school year.



APR 29 1994

TO: Prevention Meeting Attendees

FROM: *David* Ellwood

SUBJECT: Materials for Monday's Meeting

On Monday morning we intend to spend the meeting looking hard at a set of approaches on teen pregnancy prevention. We will talk about the Teen Pregnancy Initiative for At-Risk Youth and the Comprehensive Adolescent Pregnancy Prevention Demonstrations. Our goal is to craft a powerful and coherent strategy for this area.

We have attached the following set of documents--

1. The prevention portion of the March 22nd Welfare Reform briefing book.
2. The sections of the legislative specifications that pertain to the national campaign and the comprehensive demonstrations.
3. A brief summary of the evaluation results of mentoring including a document from the Department of Education.

Also, on Monday morning a more detailed paper of the teen pregnancy initiative will be provided.

Attachments

(1)

PREVENTING TEEN PREGNANCY AND PROMOTING PARENTAL RESPONSIBILITY

Poverty, especially long-term poverty, and welfare dependency are often associated with growing up in a one-parent family. Although most single parents do a heroic job of raising their children, the fact remains that welfare dependency could be significantly reduced if more young people delayed childbearing until both parents were ready to assume the responsibility of raising children. Cases headed by unwed mothers accounted for about four-fifths of the growth of 1.1 million in the welfare rolls over the past ten years, from 3.86 million families in 1983 to 4.97 million families in 1993. Beginning in 1990, the proportion of children on AFDC born to never-married mothers accelerated dramatically.

Teenage pregnancy is a particularly troubling aspect of this problem. Teenage birth rates have been rising since 1986 because the trend toward earlier sexual activity has resulted in more pregnancies. According to the Annie E. Casey Foundation, almost 80 percent of the children born to unmarried teenage high school dropouts live in poverty. In contrast, the poverty rate is only 8 percent for children of young people who deferred childbearing until they graduated from high school, were twenty years old, and married. Teenage childbearing often leads to school drop-out, which results in the failure to acquire the education and skills that are needed for success in the labor market. The majority of these teenagers end up on welfare, and according to the Center for Population Options the annual cost to taxpayers is about \$34 billion to assist such families begun by a teenager.

Both parents bear responsibility for providing emotional and moral guidance, as well as economic support to their children. Teenagers who bring children into the world are not yet equipped to discharge this fundamental obligation. If we wish to reform welfare and put children first, we must find effective ways of discouraging pregnancy by young people who cannot provide this essential support. We must send a clear and unambiguous signal—you should not become a parent until you are able to provide for and nurture that child.

For those who do become parents, we must send an equally clear message that they will have to take responsibility, even if they do not live with the child. In spite of the concerted efforts of Federal, State and local governments to establish and enforce child support orders, the current system fails to ensure that children receive adequate support from both parents. Recent analysis by the Urban Institute suggest that the potential for child support collections exceeds \$47 billion per year. Yet only \$20 billion in awards are currently in place, and only \$13 billion is actually paid. Thus, we have a potential collection gap of over \$34 billion.

The current system sends unmistakable signals: all too often noncustodial parents are not held responsible for the children they bring into the world. Less than half of all custodial parents receive any child support, and only about one third of single mothers (mothers who are divorced, separated, or never married as opposed to remarried) receive any child support. Among never-married mothers, only 15 percent receive any support. The average amount paid is just over \$2,000 for those due support. Further, paternity is currently being established in only one third of cases where a child is born out of wedlock.

The child support problem has three main elements. First, for many children born out of wedlock, a child support order is never established. Roughly 57 percent of the potential collection gap of \$34

billion can be traced to cases where no award is in place. This is largely due to the failure to establish paternity for children born out of wedlock. Second, when awards are established, they are often too low, are not adjusted for inflation, and are not sufficiently correlated to the earnings of the noncustodial parent. Fully 22 percent of the potential gap can be traced to awards that were either set very low initially or never adjusted as incomes changed. Third, of awards that are established, the full amount of child support is not paid in half the cases. Thus the remaining 21 percent of the potential collection gap is due to failure to collect full awards in place.

For children to achieve real economic security and to avoid the need for welfare, they ultimately need support from both parents. Under the present system, the needs, concerns and responsibilities of noncustodial parents are often ignored. The system needs to focus more attention on this population and send the message that fathers matter. We ought to encourage noncustodial parents to remain involved in their children's lives—not drive them further away. The well-being of children who live only with one parent would be enhanced if emotional and financial support were provided by both of their parents.

The ethic of parental responsibility is fundamental. No one should bring a child into the world until he or she is prepared to support and nurture that child. We need to implement approaches that both require parental responsibility and help individuals to exercise it. To this end, we propose a multi-part strategy. We propose a number of changes to the welfare and child support enforcement systems to promote two-parent families and to encourage parental responsibility. Next, we seek to send a clear message of responsibility and opportunities and to engage other public and private sector leaders and institutions in this effort. We need to encourage responsible family planning. Government has a role to play, but the massive changes in family life that have occurred over the past few decades cannot be dealt with by government alone. We must not only emphasize responsibility; we must break the cycle of poverty and provide a more hopeful future to our communities.

PROPOSAL

We need a welfare reform strategy that goes beyond trying to move those already on welfare into employment or some work preparation activity. The best way to end welfare dependency is to eliminate the need for welfare in the first place. Our proposal to promote parental responsibility and prevent adolescent pregnancy has two major components:

Prevention and Reducing Teen Pregnancy

- A National campaign against teen pregnancy
- Responsibilities of school-age parents receiving cash assistance
- Encouragements for responsible family planning
- Learning from prevention approaches that promote responsibility

Supporting Two-Parent Families

- **End rules which discriminate against two-parent families**

Child Support Enforcement

- **Establish awards in every case**
- **Ensure fair award levels**
- **Collect awards that are owed**
- **Child support enforcement and assurance demonstrations**
- **Enhanced responsibility and opportunity for noncustodial parents**

PREVENTION AND REDUCING TEEN PREGNANCY

National Campaign Against Teen Pregnancy

It is critical that we help all youth understand the rewards of staying in school, playing by the rules, and deferring childbearing until they are married, able to support themselves and nurture their offspring. The President will lead a national campaign against teen pregnancy utilizing broad-based private support. This will bring together the broader themes of economic opportunity and personal responsibility to every family in every community. It will include a persuasive media campaign as well as a series of dramatic Presidential events.

Establish Individual and National Goals. Establish a not-for-profit, non-partisan entity to establish national goals and to assume responsibility for a national, State, and local mobilization in the media, schools, churches, communities, and homes. The goals established would focus on measurable aspects of the broader opportunity and responsibility message for teen pregnancy prevention, such as graduate from high school; defer pregnancy until finished with high school, married, and working; go to college or work; and accept responsibility for the support of your children.

Funds to support such a group would be raised privately. Its membership would be broad-based, including youth; elected officials at all levels of government; and members of the religious, sports and entertainment communities. In addition, a Federal interagency group would ensure that responsive information such as model programs is provided and would serve as a focal point for coordinating the range of federal programs across program and department lines.

Challenge Grants to Middle and High Schools in High Poverty Neighborhoods. Provide challenge grants to middle and high schools located in high poverty areas to develop a national network of school-linked, community-based teen resource and responsibility centers. The centers would focus on teen pregnancy prevention by funding family planning, including abstinence education, and other activities to develop mutual respect of peers of the opposite sex and parenting skills.

Targeted schools could use Federal "glue" money to form long-term, institutional partnerships with broad-based consortia of employers, community-based organizations, churches, colleges and universities. This would also encourage the development of targeted schools as broader community centers; establish long-term mentoring, tutoring, coaching and other youth-adult relationships; provide education, training and support to youth to take responsibility for their own lives; and provide information about educational, training, entrepreneurial and work opportunities.

These challenge grants can be used to leverage meaningful partnerships for targeted schools and community consortia across the country. In all of these targeted efforts, older teens and young adults who are succeeding in school, on the job or in business can be major participants and important role models for their younger peers.

Responsibilities of School-Age Parents Receiving Cash Assistance

Minor mothers, those under age 18, have special needs and deserve special consideration. They are a relatively small part of the caseload at any point in time, but a disproportionate contributor to long-term dependency. We have four proposals that affect minor and school-age parents:

Minor mothers live at home. We propose requiring that minor parents live in a household with a responsible adult, preferably a parent (with certain exceptions, such as when the minor parent is married or if there is a danger of abuse to the minor parent). Current AFDC rules permit minor mothers to be "adult caretakers" of their own children. We believe that having a child does not change the fact that minor mothers need nurturing and supervision themselves, and they should be considered children—not heads of household. Under current law, States do have the option of requiring minor mothers to reside in their parents' household (with certain exceptions), but only five have included this in their State plans. This proposal would make that option a requirement for all States.

Mentoring by older welfare mothers. We propose to allow States to utilize older welfare mothers to mentor at-risk school-age parents as part of their community service assignment. This model could be especially effective in reaching younger recipients because of the credibility, relevance and personal experience of older welfare recipients who were once teen mothers themselves. Training and support would be offered to the most promising candidates for mentoring.

Targeting school-age parents. We would ensure that every school-age parent or pregnant teenager who is on or applies for welfare enrolls in the JOBS program, continues their education, and is put on a track to self-sufficiency. Every school-age parent (male or female, case head or not) would be required to participate in JOBS from the moment the pregnancy or paternity is established. All JOBS rules pertaining to personal responsibility contracts, employability plans, and participation would apply to teen parents. We propose to require case management and special services, including family planning counseling, for these teens.

State options for behavioral incentives. We propose to give States the option to use monetary incentives combined with sanctions as inducements to remain in school or GED class. They may also use incentives and sanctions to encourage participation in appropriate parenting activities.

Encouragements for Responsible Family Planning

Responsible parenting requires access to information and services designed to discourage early sexual behavior and prevent pregnancy. We propose the following:

Increased funding for family planning services through Title X. Responsible family planning requires that family planning services be available for those who need them. A request for increased funding for Title X was included in the FY 1995 budget submission.

Family Caps. We would give States the option to limit benefit increases when additional children are conceived by parents already on AFDC, if the State ensures that parents have access to family planning services. Non-welfare working families do not receive a pay raise when they have an additional child, even though the tax deduction and the EITC may increase. However, families on welfare receive additional support because their AFDC benefits increase automatically to include the needs of an additional child.

Some States have requested waivers to implement this policy, arguing that they would reinforce parental responsibility by keeping AFDC (but not food stamps) benefits constant when a child is conceived while the parent is on welfare. The message of responsibility would be further strengthened by permitting the family to earn more or receive more in child support without penalty as a substitute for the automatic AFDC benefit increase under current law. Others argue that there is no evidence that such measure deter births, and that they deny benefits to needy children. The value of the benefit increase could be viewed as similar to the value of the tax deductions and EITC increase for a working family that has an additional child. (The tax deduction and EITC increase for the second child is worth \$1,241 at the \$20,000 income level; the tax deduction is worth \$686 at \$60,000. AFDC benefits increase \$684 per year for the second child in the median State; AFDC and food stamps together increase by \$1,584.)

Learning from Prevention Approaches that Promote Responsibility

Changing the welfare system by itself is insufficient as a prevention strategy. For the most part, the disturbing social trends that lead to welfare dependency are not caused by the welfare system but reflect a larger shift in societal mores and values. Teen pregnancy appears to be part of a more general pattern of high-risk behavior among youth.

The Administration is developing several initiatives that aim to improve the opportunities available to young people and to provide alternatives to high-risk behavior. The School-to-Work initiative, for example, would provide opportunities for young people to combine school with work experience and on-the-job training, as a way of easing the transition into the workplace. The Administration's crime bill focuses additional resources on crime prevention, especially on youth in disadvantaged neighborhoods. Initiatives like these are aimed at raising aspirations among young people who might otherwise become parents too early.

In addition, we ought to direct some attention specifically to preventing teen pregnancy. The basic issue in designing a prevention approach is to balance the magnitude of the problem with the paucity of proven approaches for dealing with it. We need a strategic approach that develops and funds some substantial demonstration programs, and evaluates them for their potential to be more broadly effective.

Demonstrations. Early childbearing and other problem behaviors are interrelated and strongly influenced by the general life-experience associated with poverty. A change in the circumstances in which people live, and consequently how they view themselves, is needed to affect the decisions young people make about their lives. To maximize effectiveness, interventions should address a wide spectrum of areas including, among others, economic opportunity, safety, health and education. Particular emphasis must be placed on the prevention of adolescent pregnancy, through measures which include sex education, abstinence education, life skills education and contraceptive services. Comprehensive community based interventions in this area show great promise, especially those efforts that include education.

We propose comprehensive demonstration grants that would try different approaches to changing the environment in which youth live and carefully evaluate their effects. These grants would be of sufficient size or "critical mass" to significantly improve the day-to-day experiences, decisions and behaviors of youth. They would seek to change neighborhoods as well as directly support youth and families and would particularly focus on adolescent pregnancy prevention. While models exist for this type of comprehensive effort, few have been rigorously evaluated. We propose a systematic strategy to learn from variations in different types of approaches. All demonstrations would include a strong evaluation component.

Rationale

We believe that very clear and consistent messages about parenthood, and the ensuing responsibilities which will be enforced, hold the best chance of encouraging young people to think about the consequences of their actions and defer parenthood. A boy who sees his brother required to pay 17 percent of his income in child support for 18 years may think twice about becoming a father. A girl who knows that young motherhood will not relieve her of obligations to live at home and go to school may prefer other choices.

The current welfare system sends very different messages, often letting fathers off the hook and expecting little from mothers. We hope and expect that a reformed system that strongly reinforces the responsibilities of both parents will help prevent too-early parenthood and assist parents with becoming self-sufficient.

Along with responsibility, though, we must support opportunity. Telling young people to be responsible will not be effective unless we also provide them the means to exercise responsibility and the hope that playing by the rules will lead to a better life. Both our child support proposals and our transitional assistance proposals are designed to offer opportunity to work and prepare for work, and are built on the experience of effective programs. However, the knowledge base for developing effective programs that prevent too-early parenthood is much less solid. Our strategy, therefore, emphasizes trying many approaches and learning about which are most effective.

SUPPORTING TWO-PARENT FAMILIES

End Rules which Discriminate against Two-Parent Families

In order to end rules which discriminate against two-parent families, we will remove the conditions on eligibility which require that the principal wage earner in a two-parent family have a recent work history and which deny eligibility if the wage earner works 100 hours or more in a month. By



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

April 29, 1994

MEMORANDUM FOR MARY JO BANE
DAVID ELLWOOD
BRUCE REED

FROM: Isabel Sawhill¹ and Richard Bavler^B

SUBJECT: School-linked mentoring initiative

A large-scale program of mentoring aimed at at-risk adolescents and pre-adolescents has been proposed as part of the prevention theme in welfare reform. At a recent specs meeting on prevention, it was argued that this proposal should not be included in welfare reform because we lack rigorous evidence of mentoring's effectiveness. Funding for the whole welfare reform initiative is tightly constrained. With mentoring, as with other proposed policies and programs, questions about evidence of effectiveness are completely in order when making difficult resource allocation decisions. However, the last discussion of the mentoring initiative was cut short before several relevant questions could be discussed: 1) Do we have proof that such programs are effective? 2) Is the proof-of-effectiveness test being applied consistently to all elements in the welfare reform package? 3) Are there good reasons that a large-scale initiative should not wait for proof of effectiveness from demonstration research?

1. Do we have proof that such programs are effective?

The proposal for a school-linked prevention initiative is still being fine-tuned. However, the role of participating adults is likely to be consistent with the serviceable definition of a mentor found in a 1993 report of the National Research Council panel on at-risk youth:

Mentors, in the traditional sense of the term, are adults, typically unrelated volunteers, who assume quasi-parental roles as advisers, teachers, friends, and role models for young people. Mentors are often expected to be confidants and advocates and, in some programs, to develop collaborative relations with parents and school staff.¹

¹ Joel F. Handler (chair), Losing Generations, Adolescents in High-Risk Settings, National Research Council, Washington DC, 1993, p.213.

The same report reaffirms the findings of an earlier panel on teenaged pregnancy.² Rigorous evaluations of mentoring programs have not been performed and their effectiveness has not been proven. Public/Private Ventures is in the midst of the most rigorous evaluation to date of a mentoring model, but results will not be available for another year.

The absence of rigorous evaluation does not mean that we have no clues about designing a good mentoring program:

- * Lack of permanence in the mentor's presence may be the most frequently mentioned source of problems. If adult volunteers don't have realistic expectations and determination to stick to it, the experience for the adolescent may amount to just one more rejection by adults.
- * On the other hand, when a volunteer adult does stick with it, his or her constancy tells the adolescent that he or she is valued in a way that the attention of a paid "service provider" probably cannot.
- * Matching individual adolescents and mentors is very difficult, and perhaps a majority fail. The greatest chance of success may be to expose adolescents in need of mentors to many adults and allow maximum self-selection.
- * Peer influence outside the program can undermine mainstream messages. Mentoring in groups and peer mentors may help.
- * Training and supervision of mentors is essential and not cheap.
- * A program of 1,000,000 mentors by the year 2000 may be unattainable.

2. Is the proof-of-effectiveness test being applied consistently to all elements in the welfare reform package?

By itself, undemonstrated effectiveness has not been a bar to inclusion in the package. For example funding for higher earnings disregards and child support pass-throughs was included to improve government assistance despite the lack of demonstrated effectiveness of the latter policy and considerable evidence that the

² Cheryl D. Hayes (ed), Risking the Future, Adolescent Sexuality, Pregnancy, and Childbearing, Volume I, National Research Council, Washington DC, 1987, p.178.

former does not do what its advocates hope.³ Similarly, shares of JOBS and WORK funds are to be available for working with non-custodial parents notwithstanding that we are still waiting for the Parents' Fair Share Demonstration to provide us our first rigorous test of whether such programs will increase child support.

Other considerations besides demonstrated effectiveness are thought to warrant inclusion of these policies. For example, despite the weight of evidence, interest in higher earnings disregards remains strong. Higher disregards are included in many demonstration waiver packages submitted by states, and high "tax" rates on the earnings of welfare recipients is often cited as a cause of low work effort. A similar argument can be made for responding to strong public interest in prevention of children having children, even if we do not have a response which will guarantee success.

3. Are there good reasons that a large-scale initiative should not wait for proof of effectiveness from demonstration research?

Advocates of a broad initiative are not opposed to concurrent rigorous research on the impact of mentoring on risk-taking behaviors of youth. However, on at least three grounds, a larger-scale initiative may be indicated even in the absence of such research.

First, a large scale effort may be a precondition of prevention impacts. The chief problem mentoring is intended to address is often termed "social isolation."⁴ William Julius Wilson's key formulation defines social isolation as "the lack of contact or of sustained interaction with the individuals or institutions that represent mainstream society."⁵

In Wilson's view, the current problem of social isolation resulted when the large numbers of middle-class families that were a norm in inner-city neighborhoods took advantage of new residential opportunities. It may not be reasonable to expect that a relatively few mentors will be able to make credible the mainstream behaviors and values that used to be, but no longer are, evinced in the every day behavior of majorities or large minorities in a neighborhood.

³ see, for example, Robert Moffitt, "Incentive Effects of the U.S. Welfare System: A Review," Journal of Economic Literature, March 1992.

⁴ The recent NRC report puts it this way: "Perhaps the most serious risk facing adolescents in high-risk settings is isolation from the nurturance, safety, and guidance that comes from sustained relationships with adults."

⁵ cited in Roberto M. Fernandez and David Harris, "Social Isolation and the Underclass," in Drugs, Crime, and Social Isolation, Urban Institute, Washington DC, 1992, p.257.

A second argument starts with differences between the "service" "delivered" by mentoring programs and the services delivered in other programs. A relationship with someone willing to make a voluntary commitment to your future welfare is more than an instrumental good, like typing skills. It is an intrinsic good, something of value in itself, in addition to whatever other benefits it may make possible.

If a mentoring program reduces a child's social isolation or increases his self-esteem, the program might be judged worthwhile even if the child's behavior did not change measurably for the better.

A third argument notes that, by its nature, mentoring brings some "haves" into contact with "have nots" and counteracts tendencies towards social polarization by promoting a sense of community.

cc: Gene Sperling
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WR-SPECS

CONFIDENTIAL

PARENTAL
RESP

[DRAFT - January 24, 10:00am]

**PROMOTE PARENTAL RESPONSIBILITY
AND PREVENT TEEN PREGNANCY**

DEMONSTRATION AUTHORITY

NOTE: In the last meeting, it was decided that the "Obligations and Case Management Demonstrations" were too narrow. This new demonstration authority allows States to create their own models.

Establish demonstrations targeted to youth ages 10 to 20 receiving benefits under AFDC, Food Stamps, and the Work Program, (both as case heads and as dependents). Demonstrations should seek to reduce teen pregnancy, improve school achievement and retention, and prevent substance abuse with improved access to treatment, and address the impact of these problems on welfare dependency. Demonstrations should work with the entire family.

The authority will be similar to section 1115 of the Social Security Act including allowing States to waive certain entitlement rules. The Secretary will approve a variety of different innovative models, but no more than 4 of any one model will be approved at a given time. An intensive evaluation would be required, and be funded separately at \$5 to \$10 million.

Models could include the use of sanctions, incentives, case management, and other mechanisms that dissuade welfare dependency. Examples include: (1) Ohio's Learning, Earning, and Parenting Program (LEAP), which combines monetary incentives and case management to encourage pregnant or custodial parents under the age of 20 and receiving AFDC to continue their educations; (2) the Teenage Parent Demonstration, a large-scale federal demonstration aimed at teen parents as they first begin to receive AFDC, combines services such as vocational training and job search assistance with financial incentives to continue education; (3) and Wisconsin's Learnfare which uses sanctions as a mechanism for encouraging all AFDC recipients between the ages of 13 and 19 (including those who are not parents) to attend continue their education.

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COMPREHENSIVE SERVICES TO HIGH RISK YOUTH

NOTE: At the last meeting, the discussion about a comprehensive youth services program focused on whether to have a demonstration or an entitlement program. Below is a description of an entitlement program. This is an additional option under "Engaging Every Sector of Society in Promoting Responsibility."

Background

Youth must make difficult decisions, often with considerable peer pressure, about sexual activity, illegal drugs, alcohol, smoking, school transition, and driving while intoxicated. Some also face parental divorce or separation, poverty, physical or sexual abuse, or discrimination at school or work. Often these circumstances are closely intertwined.

Given the interrelationship of youth's risky behaviors and the circumstances in which they live, programs to combat welfare dependency and its causes, particularly adolescent parenthood, must take into account the similar circumstances and factors influencing the decisions youth make about engaging in any of these risky behaviors. Traditional interventions such as sex education and contraceptive services alone are inadequate. These must be provided as part of a wide spectrum of areas needed to foster a healthy community: economic opportunity, safety, health, education, among others.

The decisions made by young people have a significant impact on their future. While teenage mothers constitute a small portion of the welfare population, teenage parenthood is the greatest indicator of long-term welfare dependency. Adolescents girls are becoming single parents in increasing numbers. While births to unmarried women made up only 15% of all births to adolescents in 1960, and 30% in 1970, by 1989 more than 67% of teen mothers were unmarried. The proportion of African-American teen mothers who were unmarried in 1989 was 92% (National Research Council, National Academy of Sciences, Losing Generations, 1993). Early initiation of sexual activity is a key factor behind this situation. Sixty-five percent (65%) of boys who become absent fathers started having sex before age 16 compared to 25% of childless teens. Females who first have intercourse at age 15 or below have been found to be nearly twice as likely to get pregnant in the first 1 to 6 months of sexual activity as adolescents who wait until they are 18 to 19 to have intercourse.

One reason for youth involvement in risky behaviors such as unprotected sexual activity is the large proportion of a teenager's time that is unsupervised. A 1992 Carnegie Corporation study found that 40% of the time adolescents are awake is discretionary time not taken up by school, homework, chores, meals or employment. Teenagers spend most of this time without positive adult companionship or supervision but alone, with peers, or with adults who may serve as negative or exploitive influences (Carnegie Corporation, A Matter of Time: Risk and Opportunity in the Non-School Hours, 1992).

The issue of unsupervised time is especially acute for youth who have dropped out of school, and for youth who are neither enrolled in school, employed nor serving in the military. These youth are

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especially in need of social supports and positive activities to prevent their involvement in risky behaviors. Approximately one quarter of all urban schools currently have dropout rates of around 50% (National Research Council), and one in three of the 400,000 youth who dropped out of school between October 1989 and October 1990 are now unemployed (Children's Defense Fund).

Finally, one must consider the communities in which youth live -- where they are influenced by their interactions with institutions, adults and peers. The vision youth have for themselves is shaped by their view of their community. The types of employment available, the penalties for illegal behavior and the rewards for hard work, the role models available, and their experience in school all have a significant impact on youth and their life choices. A successful program must address these broad circumstances particular to each community.

Interventions

Traditionally, efforts to combat youth's risky behavior have had a narrow focus on individual problems such as substance abuse, pregnancy, etc. The success of these programs is limited by the complexity of these problems and their causes, as discussed above. Currently, there is consensus in the youth serving field and the Congress that a comprehensive approach is necessary. Recent legislative proposals, such as the Ounce of Prevention Fund in the Senate Crime Bill and Comprehensive Services for Youth Act, utilize this approach.

Generally, there is a limited amount of data and evaluations on youth and youth programs. However, existing evaluations of youth programs and strategies support the need for comprehensive services. For example, while the evidence of effectiveness of adolescent pregnancy prevention programs and strategies is limited, some evaluated interventions have yielded promising results. Comprehensive curricula, combining sexuality education, social skills training, and practice in applying skills with comprehensive information about contraceptives have shown positive effects in the areas of delay of first intercourse, increase in the use of effective contraception at first intercourse and decrease in the frequency of unprotected intercourse. Along these lines, a school-linked clinic in Baltimore affiliated with the Johns Hopkins University, provided medical and contraceptive services, sexuality and contraceptive education, as well as individual and group counseling. Evaluation results indicate that, in addition to increasing contraceptive use and decreasing pregnancy, initiation of sexual activity was delayed an average of seven months.

While certainly not overwhelming, these results do point in the direction of a combined services approach for adolescents. Combining services related to reducing adolescent pregnancy with strong educational and social support components can reasonably be expected to reduce adolescent pregnancy where the population served is motivated to avoid pregnancy. By extension, if the adolescents being served are higher-risk--minority, poor, at risk of little or no belief in their future and little incentive to avoid early pregnancy and parenthood, the strength of the intervention will need to be increased further to account for the increased severity and intractability of the problems involved. In addition to health services and education, other services are necessary to begin to compensate for the inadequate socialization many of these children receive.

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Specifications

Establish a new section of Title XX of the Social Security Act specifically designed to improve comprehensive and coordinated services for youth. This would be a capped entitlement (separate from the block grant) funded at \$1 billion over 5 years. States will be required to provide a 25% match. The program will sunset after the 5th year; reauthorization will be tied to promising results. A portion of the first year funding (e.g., up to \$1 million) could be used for planning. [Note: This follows closely the Family Preservation and Support Act] Title XX is the best vehicle for this effort because: (1) it does not create an entirely new program; (2) funds flow through the State; (3) funding would not be under the discretionary caps.

The authority would require the development of a 5 year plan for providing comprehensive, integrated and community-based services for youth (those between the ages of 10 to 20). Funding and services provided under this program do not have to achieve this goal of comprehensiveness in and of themselves. Rather, this funding is meant to provide "glue money," fill gaps in services (as the dollar of last resort), ensure coordination of services, and other similar activities which will help a State achieve the overall goal of comprehensive integrated services to youth. Existing categorical programs, service programs established as part of health reform, programs targeted to youth that are included in the crime bill, or innovative community demonstrations focused on youth development are examples of the kinds of activities upon which these funds could build.

States may use funds for activities that focus on enhancing the life options of adolescents, including:

- enhancing the economic opportunities of disadvantaged youth.
- strengthening scholastic abilities; providing youth with support through mentors and tutors.
- delaying initiation of sexual activity among youth; encouraging contraceptive use and sexual responsibility by sexually active teenagers.
- altering the perception of adolescent pregnancy as a problem peculiar to teenage girls and recognize that the attitudes, motivations, and behaviors of boys are central to this issue; launch efforts to integrate male and couple service components into family planning clinics.
- promoting participation by youth in community service and civic, cultural, and recreational activities that value young individuals as resources and promote self-esteem; providing forums for youth leaders and encourage community programs to recruit youth volunteers.
- improving skills among youth; providing training and education on a spectrum of topics from parenting and life skills to job training.
- decreasing the use of drugs and alcohol among adolescents; launching efforts such as alternative "sober" entertainment activities and drug counselling.
- improving the health of adolescents; encouraging school-based clinics and health service outreach to youth.

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(a) Formula

Distribution of funds to each State will be based on the average monthly number of children receiving food stamp benefits in the State. Territories will also receive funds, and Indian Tribes will get a set-aside amount of 1%. [NOTE: This is similar to the Family Preservation and Support Act]

slush funds new addition

(b) State Plan

As part of its Title XX plan, each State would be required to develop a 5 year plan for providing comprehensive services to youth that includes: [Note much of this is similar to the Family Preservation and Support Act]

another bill for service providers

- (i) a description of how these funds will be used as a stimulus for providing comprehensive services to youth, assurances that these funds will be coordinated with other Federal or federally-assisted programs serving youth or funding services that are utilized by youth (e.g. family planning dollars through Title X, Maternal and Child Health Block Grant, Medicaid), and a description of the intervention/services planned and how these funds help to accomplish the overall goals of the 5 year plan for comprehensive services.
- (ii) The plan must be developed jointly by the Secretary and the State, after consultation by the State with youth leaders and appropriate public, private and non-profit community-based experts with experience in serving youth.
- (iii) Goals of the program and how the State plans to measure them. At a minimum, states must address teen pregnancy, school achievement and retention, and substance abuse. In addition, States are encouraged to include goals in other related areas of risk such as number of unsupervised hours, the proportion of youth who are neither in school nor working, misdemeanor and felony arrest rate, weapons carrying rate, physical fighting rate, suicide rate, and reduction of the rate of involvement in unintentional injuries (i.e., accidents).
- (iv) Assurances that funds are used for new activities or expansion of existing services; and funds are not used to supplant existing services.
- (v) Assurances that only 10% of the grant will be used for State administrative costs.
- (vi) States may choose to use these funds for:

Expansion of Existing Services

Funds could be added to existing program(s). For example, Title X funded family planning, if this is what is necessary in order to achieve the goal of the overall plan for comprehensive services to youth.

Community Demonstrations

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States could award funds to specific distressed communities to develop comprehensive service initiatives. Funds could be used to expand existing or create new services (e.g., job training, mentoring, family planning, substance abuse treatment) and provide necessary links between services (e.g., job training and family planning.) Also, funds could be used to expand existing demonstrations (e.g., Empowerment Zone, Enterprise Community, Healthy Start).

Comprehensive service centers

Comprehensive service centers located on or near school grounds. Such centers serve a "glue" function by bringing multiple service providers together in a coordinated delivery system that gives students access to a wide array of health, social and support services. They are most successful when sponsored by a school and at least one community-based service provider and when youth, parents and community groups are involved in program planning. Centers should be open before and after school, on weekends and during school vacations, and provide a set of core services that includes child care, health services and/or referrals, counseling, substance abuse counseling and treatment, pregnancy prevention, employment training, life skills training, tutoring, recreational activities, mentoring and general support.

School-linked health centers

School-linked health centers may be located at or near schools. While schools are highly involved in planning and operating the centers, schools must work closely with community-based agencies, youth, parents, government agencies and private funders to meet the needs of the youth in the community. Health centers can deliver services directly (health screening, immunization, health education, counseling), can refer youth for health and social services in the community, and can work with youth enrolled in school and youth who are not in school (dropouts, runaways, homeless). Services should be available to all youth in neighborhood, and should also link parents and families to needed services.

State-wide initiatives

States could develop organizations to coordinate and plan youth services on a state-wide level, fund additional services such as family planning or recreation programs or activities such as hotlines and outreach campaigns.

Management information systems

Management information systems to link existing youth-serving agencies and providers, or to enhance the operations of existing comprehensive service programs (such as school-linked health centers, community centers, or community-based coalitions).

(v) Reporting Requirements

- States will be required to collect data on funded services, and the characteristics of program participants at program enrollment and after program participation.

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- To the extent possible, efforts to collect data should be coordinated with existing Federal and State data collection efforts such as Healthy People 2000, National Education Goals 2000.
- Data gathered from required reports will be used for oversight of use of Federal funds and for Federally-funded evaluations of funded programs.

(d) Evaluation

The Secretary shall reserve 1% of the funding for research, training and technical assistance related to this program.

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MINOR PARENT PROVISION

NOTE: This is a brief paper prepared by ACF/OFA which discusses what State experience has been in their implementation of the Minor Parent Provision.

Rationale

Studies have shown that children growing up in single parent families are more prone to live in poverty. A minor parent attempting to raise a child on her own is certainly likely to become one of these statistics. Moreover, the minor parent under age 18 usually lacks the maturity to provide for the proper care of the dependant child since many of her own needs may not have been met. Many lack basic parenting skills and without the support of a parent or caretaker relative find it difficult to function adequately in the role of parent. To complete high school, they often need the support of family members to provide care of the child. Thus, if the family is to be strengthened, minor parents should remain in the home with and under the care and supervision of a parent or caretaker relative.

Absent such a provision, a minor parent who is simply unwilling to adhere to parental rules and guidance has the option of moving out of the home and living independently, whether they are ready for such responsibility or not. Permitting an unmarried, minor parent to apply for and receive financial assistance on her own undermines families and the authority and responsibility of the grandparent or caretaker relative.

Faced with a lack of parental guidance and direction and the overwhelmingly responsibility of establishing a home and assuming total care for a child (ren) in many instances has proven to be more than many minor parents have been able to deal with as evidenced by the growing number of dysfunctional families. Additionally, a minor parent living on her own without parental support is more likely to become a high school drop-out. Limited education in a world of increasing technology means that it is likely that minor parents will become dependent on welfare for a long time.

On the other hand, it is not in the best interest of all minor parents and their dependent children to live with a grandparent or adult relative because the family may be dysfunctional. In these instances, the statute and regulation provide adequate flexibility to permit alternative arrangements or independent living situations for the minor parent and the dependent child.

State Experience

While only four States and two of the territories have elected to adopt the minor parent provision, their experience has generally been positive, with few negative implications.

Michigan

Michigan implemented the minor parent policy because it was politically popular both among the general public and State legislators: children are children--and not prepared for parenthood. State staff have not performed any analysis or are not aware of any public interest expressed, litigation or other discussion about the policy since it was implemented

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Implementation was smooth. The minor parent grantee provision affects few children in Michigan—over the years this population hovers around 1500 children. Because procedures appear to work well, the State is unaware of any real problems.

The only statistic the State keeps is the number of independent grantees -- in September 1992 there were 1487 independent grantees, in November of 1993, 1417. The State doesn't know how many children have gone back to live with their parents but believes it to be very few, perhaps 5%. After investigation and determination, almost all of these children are granted "good cause" to remain independent. Many of these minors are protective services cases -- they would not be returning to a warm, welcoming family home but rather to a dysfunctional, marginal environment. And time shortly makes them AFDC eligible in their own right--they "age-out" of this group.

One goal of the State was to identify the minor parents living independently and provide them intensive services to help them along life's path -- most notably to provide them the support needed to graduate from high school. Since they are not tracked, it is uncertain whether this is, in fact, happening.

The State believes it is too early to tell whether they would recommend the policy to others. It appears that very few minors return to their parental families; the policy applies to minor parents only for a short period; and the actual number of minor parents who apply for assistance is very small. It appears to create an administrative burden on caseworkers without achieving the primary goal intended.

Delaware

Delaware believes minor parents are better off in the supportive, guiding and nurturing environment of their parents or relatives. When they adopted the minor parent provision, it was not a change in policy for them -- they had always strongly encouraged such policies. For economic and support reasons, almost all minor parents in Delaware are already living with their parents, another relative or an adult. The small number of minor parents in the State are all referred for social services to improve the family environment and encourage education, skills training or employment. State staff cannot recall a single case where adult supervision was not amicably arranged. Thus, no situations have developed where assistance would have been denied.

Puerto Rico

Originally, Puerto Rico chose the minor parent provision to limit the outlay of funds. But, both the policy staff and technical assistance staff agree that the provision has generally had a positive effect.

Culturally, minors tend to remain in the home of the parents even after they become minor parents. There is a very strong protectiveness in the Puerto Rican family. In the very few instances where minor parents do leave the home of their parents, they tend to go to a relative's house or the home of a neighbor.

In a very small number of cases, certain minor parents have chosen to give up the child to someone else, rather than live with a parent or relative. While they maintain a relationship with the child they relinquish parental responsibility.

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Thus, the positive effect is that the provision has helped to maintain the family unit and also limit expenditures of funds for those who do not adhere to the provision. The negative effect are those children given up by the minor parent.

Puerto Rico has not had any appeals filed pertaining to the minor parent provision, therefore, it is safe to say that the reaction from the clients has not been negative. No implementation problems have been noted and in most cases the parents allow the minor parent to remain in the household. Staff would recommend other states to adopt the option and include all the available exemptions.

Virgin Islands

In the Virgin Islands, there are only five minor parent cases. In all instances, the children were living with the parent when they became pregnant and continued to live with the family after the child was born. The economy is not conducive to children obtaining resources sufficient to enable them to live alone. Housing costs are high while assistance grants are low. Even if they had not adopted the provision, these economic factors would generally prevent minor parents from residing outside family, relatives or adult supervision. There have been no cases in which a minor parent has been required to return home.

Maine

The minor parent provision was implemented because of State legislation. The State agency was originally concerned about the provision, but there have been no major implementation problems. Since there have been few cases and no problems, the State has little information or analysis to offer.

Wisconsin, Connecticut

Conflicting schedules prevented us from getting information.

OPTIONS REGARDING AFDC POLICIES ON SUBSTANCE ABUSE

Background

Some AFDC recipients are substance abusers. According to the 1991 National Household Survey on Drug Abuse, among mothers who report AFDC receipt:

- 12.6% report having used an illicit drug in the past month (Note that this includes marijuana and the use of prescription drugs for non-medical reasons as well as cocaine, heroin, etc.)
- 3.8% report daily marijuana use over the past year
- 1.2% report weekly cocaine use over the past year
- 9.1% report binge alcohol use in the past month (5 or more drinks on at least 3 occasions)

Some of these individuals are addicted or are otherwise severely enough impaired that they need rigorous alcohol or drug treatment and are unlikely to become self sufficient without it. Others are not as impaired and may recover through self help groups or other less intensive measures. The figures above measure use only and do not necessarily indicate serious functional impairment.

The anecdotal experience of states under the JOBS program also indicates that substance abuse is an issue for many beneficiaries.

In the context of welfare reform there are several reasons why we might be concerned about beneficiaries' substance abuse problems:

- Substance abuse may be a barrier to self-sufficiency for the adult/family.
- The government and the taxpayers object to the possibility that AFDC payments could be used to buy drugs.
- When substance abuse is an issue, the AFDC payment may fail to serve its purpose to strengthen family life and enable parents to better care for their children.

Current Law

The current AFDC law does not mention substance abuse. Regulations under the JOBS program provide that a recipient whose only activity is drug treatment would not be counted toward a state's participation rate. Drug treatment may, however, be provided as a supportive service using JOBS funds should a state choose to do so.

One component of the Oregon JOBS waiver allows the state to require participation in substance abuse diagnostic, counseling and treatment programs if they are determined to be

necessary for self sufficiency. That effort has only recently begun and it is too early to have even preliminary data regarding their experience.

Approaches to Dealing with Substance Abuse in Welfare Reform

Fundamental to developing policy in this area is whether one treats addiction as a disease, or as an issue of misconduct. For the past two decades or more addiction has been defined as a disease in medical and legal contexts. According to standard medical diagnostic criteria, substance abuse is a chronic, relapsing disease characterized by symptoms including:

- tolerance to drug effects;
- withdrawal symptoms;
- pathological use; and
- impairments in social or occupational functioning.

Policies with a treatment emphasis build on this public health notion of addiction. More sanction-oriented policies would instead imply a backing-off from the disease concept and a substitution of the position that addiction is instead a problem of behavior and lack of will.

There are several possible approaches to addressing the problem of substance abuse among AFDC beneficiaries. These are:

1. Do nothing

As in the current AFDC program, one could ignore the issue of substance abuse. If no provisions regarding substance abuse are included in the welfare reform bill, there are several possible outcomes for substance abusing beneficiaries. At least some of these individuals are likely to drop out of training programs and be subject to penalties and eventual expulsion, without having addressed their substance abuse problems. Without income, they and their families are likely either to end up on the streets or seek income through prostitution, drug dealing, or other criminal activity. Alternatively, unless explicitly prohibited, some states might choose to classify substance abusers as disabled and not require their participation. Neither scenario would result in satisfactory outcomes for these families.

2. Encourage or mandate treatment participation

One could instead decide that because substance abuse disorders are a serious barrier to family self sufficiency, efforts should be made to encourage or require substance abusers to participate in alcohol and drug treatment programs. The more emphasis the AFDC program places on treatment, however, the more burden would be placed on welfare agencies to assure beneficiaries have access to treatment programs. This may or may not require direct payment through the AFDC program depending on other factors which are discussed below. Paying for substance abuse treatment could be a costly endeavor. Identifying substance

abusers and monitoring their treatment participation would also require resources. For more information see the sections below on identification, treatment, and monitoring.

3. Reduce or eliminate payments to substance abusers

Finally, one could decide that substance abusers should not be entitled to AFDC, whether or not they seek treatment. While resources would be required to identify substance abusers, reducing or eliminating payments to these individuals would reduce welfare costs. Doing so could prove harmful to these individuals and their children, however. It could also prompt those expelled from the program to seek income through criminal activity, or could cause their children to be placed in foster care. It should also be recognized that in past congressional efforts to eliminate benefits to substance abusers (during the 1980's) benefits (such as guaranteed student loans and other programs) were denied only to individuals convicted of drug related criminal offenses and not for drug use itself. In addition, at that time entitlement benefits were explicitly excluded from the list of programs to which drug offenders were denied access.

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Implementation of an Approach to Address Substance Abuse

There will be implementation choices to be made for any approach except "do nothing," particularly if encouraging or mandating treatment is considered. Options for setting up an intervention system to deal with substance abusing AFDC recipients involve alternatives in four areas:

- A. A way of identifying substance abusers
- B. An intervention (alcohol or drug treatment)
- C. Monitoring to assure compliance
- D. Sanctions for noncompliance and/or incentives for compliance

Combinations of different alternatives within each of these four items are possible. In some cases (e.g. sanctions) these items could parallel those planned in other parts of the welfare reform plan or could be different for this population. If reducing or eliminating benefits is chosen, only identification and sanctions would be necessary.

A. Options for Identification

- Conduct a substance abuse assessment uniformly as part of a job readiness assessment.
- Require a substance abuse assessment if an individual fails to participate or succeed in other mandated activities, or there are other indications that give the caseworker reasonable cause to suspect substance abuse.

- Remain silent on the issue and leave it to the states to decide what they want to do in terms of identification. (This option is chosen in the Republican proposal). ✓

Issues to consider:

Substance abuse assessments cost money, and the more you look for substance abuse the more cases you are likely to find. On the other hand, the more passive the system the more likely it is that individuals who are in fact in need of treatment services will not be identified. A passive system may also be biased toward looking for and finding substance abuse disproportionately among certain groups (e.g. inner city residents). Leaving the decision to the states would provide flexibility, but could lead to situations the Department might not be comfortable with (although these could be moderated either through regulation or in law). For instance, a state might choose not to conduct any identification of substance abusers (equivalent, in effect, to the "do nothing" approach above) or, conversely, might choose a potentially unconstitutional method of identification such as the universal drug testing of AFDC applicants.

B. Options for Intervention

- Mandate alcohol or drug treatment for those determined in need of it.
- Mandate alcohol or drug treatment, with an exception if treatment is unavailable. (This is the option chosen in the Republican plan.) ✓
- Make referrals to treatment programs but do not mandate treatment or take other follow-up measures.

Issues to consider:

Many substance abusing individuals are unlikely to recover without treatment, and even with treatment many are unable to remain drug free. Other programs give us some experience with mandatory treatment. Under SSI, the Social Security Administration requires that some of its beneficiaries participate in treatment, if available. In practice, SSA has found that in the absence of aggressive referral and monitoring systems they have been unable to enforce the provisions. The criminal justice system has had relatively good experience with mandatory treatment under its Treatment Alternatives to Street Crime (TASC) program. They have found that individuals coerced into treatment are no less likely to be successfully rehabilitated than individuals who enter treatment voluntarily, provided in each case that the individual remains in treatment at least three months. The TASC program has an aggressive monitoring system in place. ✓ good

A further issue is that treatment would need to be provided/paid for somehow. The following are among the possibilities:

- The proposed benefit plan under Health Care Reform includes limited substance abuse treatment. If enacted as proposed, most treatment for AFDC recipients could be provided through this mechanism.
- In the absence of Health Care Reform, Medicaid policies apply. State Medicaid programs currently vary widely in their reimbursement policies for alcohol in drug treatment, and in many cases would not cover appropriate services. One could require states to provide more extensive coverage through Medicaid for these services, but this option would be strenuously resisted by states. In some states Medicaid does provide adequate coverage for the treatment likely to be required by many substance abusing AFDC recipients.
- One could require states to give first priority to AFDC beneficiaries in treatment programs paid for through the federal drug treatment block grant or through other public funding mechanisms.
- The AFDC program could pay for drug treatment directly as it does for employment and training programs. (Under current regulation, substance abuse treatment can be paid for as a supportive service if a state so chooses, but cannot be considered the individual's primary activity.)

Finally, it should be recognized that because substance abuse is a chronic and relapsing disorder, individuals may need multiple treatment opportunities. Typically abusers are not able to remain clean immediately and even those for whom treatment is effective may have multiple relapses before entering a stable recovery. A proposal which does not provide for the possibility of relapse would be unrealistic.

The Republican welfare reform proposal remains silent about whether or how treatment services would be assured for those required to participate in them.

C. Options for Monitoring

- Conduct periodic or random drug screens on recipients identified as alcohol or drug abusers. (This is the option chosen in the Republican plan.)
- Require that the treatment program in which the beneficiary is participating certify periodically that the individual is making satisfactory progress. A treatment program that provides aftercare (follow-up services) could continue this function even after intensive services end.

Issues to consider:

Drug testing has been used in the past (primarily by employers) in order to provide treatment services and to discourage casual use of drugs. Neither is the case here where testing is instead used to impose sanctions. Such a policy would almost certainly be challenged

legally. In addition, these screens are not good indicators of alcohol use and so could only be used to monitor whether a recipient was using illicit drugs. The implementation of drug testing by local welfare agencies would be administratively difficult and expensive as well.

D. Options for Sanctions/Incentives

- Expel from the program (either permanently or for some time period) individuals who either refuse treatment or fail to make satisfactory progress. (This is the option chosen in the Republican plan.) ✓
- Use the same series of sanctions for unsatisfactory participation in drug treatment as would be used for individuals failing to participate in other activities required in their employability plans.
- In addition to one of the above, one might allow a substance abuser who satisfactorily completes treatment additional time (e.g. 6 - 12 months) beyond the two year time limit so that they can have both treatment and opportunities for education and training. (This approach was included at state option in an early draft of the Republican plan but was subsequently dropped.) No

Issues to consider:

Under the SSI program, SSA requires the termination of benefits to beneficiaries who refuse treatment. In practice, because treatment has been unavailable, the agency rarely moves to terminate benefits. It should be considered whether sanctions should be imposed for continued use of drugs even if the beneficiary is not provided with the opportunity for treatment.

OPTIONS SUMMARY

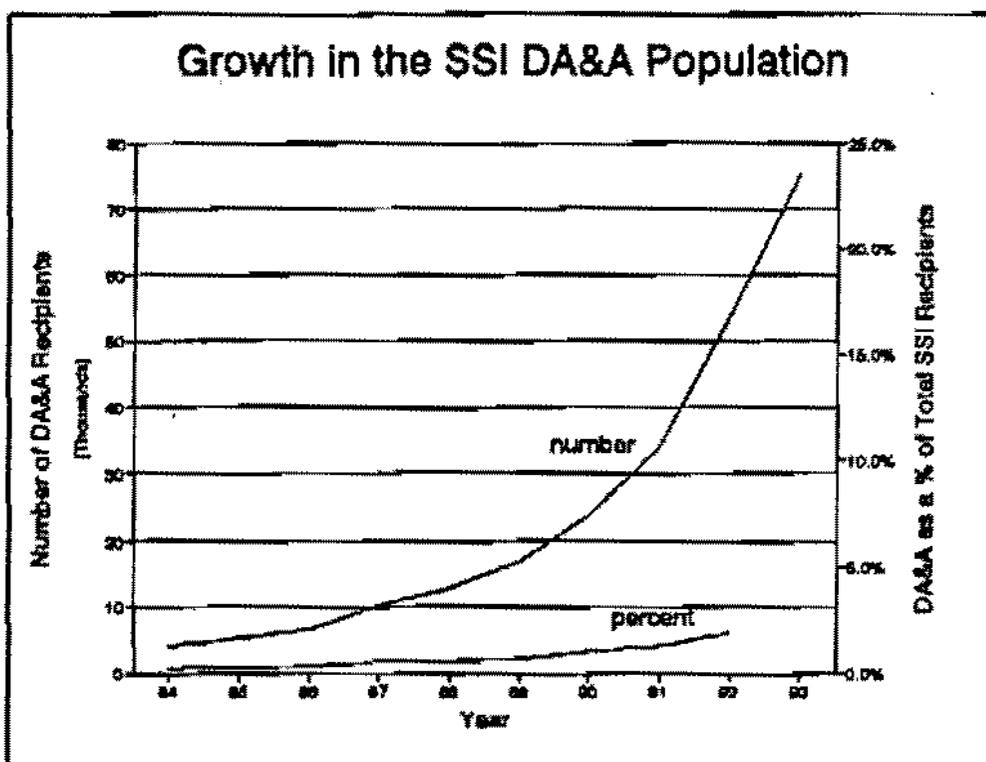
	OPTION	Staff ¹ Recommendation	Republican Proposal
ASSESSMENT	Universal assessment		
	Assess if there is cause to suspect abuse	✓	
	Let states choose if/when/how to assess		✓
INTERVENTION	Mandatory alcohol and drug treatment		
	Mandatory treatment with exception if unavailable	✓	✓
	Provide treatment referrals without follow-up		
MONITORING	Periodic or random drug testing		✓
	Assurance of progress from treatment facility	✓	
SANCTIONS/ INCENTIVES	Expel from program for refusal or failure		✓
	Use same sanctions as for non-participation in other activities	✓	
	Provide time extension for substance abusers who remain in treatment	✓	

1. "Staff" recommendations represent the opinions of ASPE analysts only and may differ from those of other agencies.

SSI AND ADDICTION

Background

The policy of making Supplemental Security Income (SSI) cash payments to drug addicts and alcoholics (DA&A) recently has come under scrutiny. Some concerns center around anecdotes about the ease with which DA&A claimants are able to establish disability. Other questions focus on the growth in the numbers of DA&A beneficiaries: 72,137 in September 1993, compared to 4,021 in December 1984. As a percentage of the total SSI disabled population, DA&A beneficiaries have grown proportionately from 0.2 percent in December 1984 to 1.9 percent in December 1992. The following graph reflects this growth.



However, an issue receiving equal attention is whether it is appropriate to make cash payments under SSI, which might be used to purchase drugs and alcohol, to drug addicts and alcoholics. It has been suggested that DA&As should instead receive services, including treatment.

Most SSI DA&A beneficiaries (67.5 percent) are between the ages of 30 - 49. Where race of DA&A beneficiaries is known, the number who are black and white is roughly equal, 40.3 and 39.2 percent respectively. Most (68.4 percent) have no income other than SSI.

However, 19.7 percent of SSI DA&A beneficiaries receive Social Security checks as well as SSI.

As shown in the above graph, the number of reported DA&A cases has grown significantly over the last five years. The number of reported cases, however, varies significantly by state. The following table reflects statistics by selected states as of December 1992.

	SSI disabled recipients age 18 - 64				
	Total blind and disabled (B/D)		Alcoholics and drug addicts		
	Number	%	Number	DA&A per State as % of all DA&A	DA&A as % of total State SSI B/D
Total	2,858,800	100.0	53,676	100.0	1.9
California	461,602	16.1	18,696	34.8	4.1
Illinois	136,000	4.8	9,406	17.5	6.9
Minnesota	100,200	3.5	3,764	7.0	3.8
New York	236,500	8.3	2,390	4.5	1.0
Wisconsin	55,300	1.9	2,257	4.2	4.1

Source: December 1992 SSI 10-percent sample file and the December 1992 DA&A file.

Current Law and Practices

The Federal SSI Program was implemented in 1974, replacing the State welfare programs for aid to the aged, blind, and totally and permanently disabled. SSI is a means-tested program that makes cash payments to eligible aged, blind and disabled beneficiaries. The primary purpose of SSI payments is to help meet basic subsistence needs for food, clothing, and shelter. While SSI eligibility may entitle beneficiaries to other benefits and/or services (e.g., Medicaid), SSI itself is not designed as a program of service provision.

Disability under the SSI Program follows the same definition used in Social Security disability insurance (DI) program: having a physical or mental impairment that is so severe that the individual cannot engage in substantial gainful activity anywhere in the economy, and the condition is expected to last at least one year or end in death. However, special restrictions have been placed on SSI beneficiaries who are identified as being DA&A. Unlike Social Security disability insurance (DI) beneficiaries, SSI DA&A beneficiaries were (and continue to be) required to have a representative payee. SSI cash payments should not be made directly to the DA&A beneficiary. Also, SSI DA&A beneficiaries are required to accept treatment for addiction, if available. Failure to comply results in suspension of benefits.

organic brain syndrome

Determining the precise history of how drug addiction and alcoholism has been considered within the context of Social Security disability programs (DI and SSI) is particularly difficult because official policy and actual practice seem to have diverged at different times. It appears that:

- When the SSI Program was originally implemented, regulations permitted consideration of drug addiction and alcoholism in determining whether an individual was disabled.
- However, this policy was not implemented consistently, and actual practice often denied benefits to DA&As who did not have another condition that, in itself, was so severe that benefits could be awarded based on the other condition alone, e.g., benefit claims were approved only if an advanced physical condition resulting in end organ disease (e.g., cirrhosis) supported the award without consideration of alcoholism.
- The 1983 McShea court case, affirmed in the 1989 Wilkerson court case affirmed Social Security policy as stated in the regulations: that alcoholism must be considered in determining whether an individual has a disability within the Social Security definition. As a result, the discrepancy between policy and practice seems to have been reduced, and benefits are no longer denied in the absence of another condition that is disabling in and of itself. Benefits are now awarded when the determination of disability is based on a combination of impairments with DA&A contributing, and even based solely on DA&A if the addiction is so severe that the applicant is unable to work.

The purpose of identifying cases as DA&A is to earmark those beneficiaries who are required to have a representative payee and to accept treatment. Since these requirements do not apply to beneficiaries who still would be found disabled even if substance abuse ceased, cases should only be identified and coded as DA&A if disability would cease if DA&A were to stop. Since DI beneficiaries are not required to have representative payees nor to accept treatment, they are not identified as DA&A.

A key element of the SSI program for substance abusers, referral for treatment and monitoring compliance, is an area that has been neglected in the past. SSA has a program in place to refer substance abusers for available treatment and to monitor compliance with the treatment program. SSA implements this program through agreements or contracts with a referral and monitoring agency (RMA). SSA has had agreements or contracts with RMAs covering 18 states (NY, NJ, MD, PA, TN, IL, MI, MN, OH, WI, MT, WA, MS, NE, NV, CA, HI, and AZ). In close collaboration with the Substance Abuse and Mental Health Services Administration (SAMHSA) and Health Care Financing Administration (HCFA), SSA has developed a standard model aimed at improving the effectiveness of referral and monitoring. SSA is currently negotiating and implementing contracts to establish RMAs in all States; the new standard model is being implemented through the RMA negotiations. However, a primary barrier to dealing effectively with DA&A beneficiaries may continue to

be the lack of available treatment. Treatment must involve no cost to the individual in order to be considered available by SSA.

Possible Approaches and Issues

An underlying premise in developing policy related to drug addiction and alcoholism is whether these conditions are characterized as disease or as misconduct. For the past two decades, addiction has been defined as a disease in medical and legal contexts, both in the U.S. and internationally (by organizations such as the World Health Organization). A number of court cases have held that addiction should be considered as a disease in benefit determinations and as a handicapping condition under the Americans with Disabilities Act.

Viewed as disease, addiction to alcohol or other drugs is a chronic, relapsing condition characterized by an individual's impaired ability to limit his or her use of the substance despite negative consequences. Social Security disability policy currently supports treatment of drug addiction and alcoholism as disease. Recognition of drug addiction and alcoholism as diseases is inherent in determining that disability exists in these cases.

The following is a range of options for consideration in developing an approach for addressing criticisms of and/or deficiencies in current SSI policy with respect to DA&As.

1. **Exclude all individuals who are determined to be DA&As from eligibility for SSI disability payments.** Many of the recent allegations about abuse of the SSI program by DA&As criticize the practice of making cash payments to this group of people. The publicity in this regard has suggested that vouchers for services are more appropriate. Since SSI is a program of cash assistance instead of services, another vehicle may be more appropriate for this population.

Issues to consider:

This approach directly responds to criticism that federal dollars are being used to purchase drugs and alcohol. However, since Social Security disability programs employ very strict eligibility criteria, and since by definition, beneficiaries of this program are unable to work, this approach may be seen more as treating the symptom instead of the core problem. Since 68.4 percent of SSI DA&A beneficiaries have no source of income other than SSI checks, and since the availability of treatment is limited, it is not immediately obvious that other vehicles exist to serve this population, and excluding them from eligibility may cause spill-over into other problem areas such as homelessness and/or crime.

Excluding DA&As from eligibility for disability payments may be inconsistent with treatment of these conditions as diseases. This would be inconsistent with the Public Health Service position, conventional medical practice, and a number of court cases.

However, this position is supported by the Veterans' Administration which treats drug addiction and alcoholism as willful misconduct.

This approach would create different definitions of disability for the DI and SSI programs, and would ignore the fact that substance abusers may have other severe physical and/or mental conditions that would support a finding of disability even in the absence of substance abuse; an unknown number in this category are currently receiving benefits.

2. **Limit eligibility for SSI disability payments only to those individuals who have another physical or mental impairment which is disabling in and of itself.** Under current policy, these individuals are not required to have a representative payee nor to undergo treatment. One could continue to exempt these individuals from the representative payee and treatment requirements, or extend these special requirements to this group.

Issues to consider:

The issues are the same as with the first approach, except that benefits would be paid to those individuals who are determined to be eligible for benefits without consideration of current substance abuse. If this population, which by definition has such severe disability, were required to accept available treatment as a condition of payment, limited treatment slots may be taken away from individuals who are more likely to become employed.

3. **Improve implementation of current policy.** Current SSI policy concerning DA&As is more restrictive than any other Federal program concerned with this population, although the policy has not been aggressively implemented. One might decide that the current policies are appropriate, but should be implemented more effectively. Current efforts are underway in SSA to establish referral and monitoring agreements in all States using improved treatment models, and to make other changes to improve practice in this area. SSA's current efforts could also be supplemented with demonstration projects seeking improvements in the representative payee system, and to design treatment specifically for the SSI population. Possibilities include:

- **Permit payments to social service agencies to act as representative payee for DA&A beneficiaries.** Family members and friends (generally the first choice as representative payees) may experience difficulty in properly disbursing funds because of pressure from the beneficiary. Social service agencies may be better able to properly exercise control over funds. Allowing SSA to purchase this service could make more payees available.
- **Conduct a waiver demonstration using SSA and HCFA funds.** A waiver demonstration could combine a structured residential setting paid for with SSI funds,

with a treatment program paid for with Medicaid funds. The program director would be representative payee, using the SSI cash assistance to pay for food & shelter. This should be a long term residential program. Waivers would be needed by HCFA and SSA to be able to conduct such a demonstration.

- **Adapt planned demonstration program for hard core addicts.** New funds will be requested in the FY95 budget to treat hard core drug addicts. This will include \$310 million in funds that will be distributed to states through the drug treatment block grant, and \$35 million in demonstration funding within the Center for Substance Abuse Treatment. One could make SSI beneficiaries a target population within this demonstration and encourage grantees to propose services designed for this population. States could be encouraged to use block grant funds for this purpose as well.

Issues to consider:

Issues around the effectiveness of alcohol and drug treatment arise because single, short term treatment episodes do not necessarily result in the complete cessation of drug use. Because alcohol and drug addiction are chronic, relapsing disorders, a single episode of treatment may not result in abstinence. Treatment research shows that treatment effectiveness improves with length of stay in treatment and that treatment reduces drug use, functional impairment, criminal activity and increases employment.

4. **Support the Republican plan which adds the requirement for random drug testing to current policies.** The Republican welfare reform proposal would require SSA to implement random drug testing for DA&A beneficiaries, and to suspend permanently beneficiaries found to be using drugs.

Issues to consider:

Alcohol and drug addiction are chronic, relapsing disorders. Being permanently terminated from the SSI program due to the nature of the disability for which you received benefits seems inconsistent with the award of benefits in the first place. Further, since by definition DA&A beneficiaries would not be disabled in the absence of alcohol or drug use, DA&A's found testing negative for drug use could also be suspended from the program.

It is also unclear what this is designed to accomplish. Current policy already requires an individual to be in treatment, if available. Congress is understandably frustrated by reports of untreated addicts receiving benefits. Yet suspending benefits without regard to treatment seems contrary to the program's purposes.

This approach would be very difficult to administer. Drug testing has been used in the past (primarily by employers) in order to provide treatment services and to discourage the casual use of drugs. Neither is the case here where testing would be used instead to impose sanctions. Such a policy would almost certainly be challenged legally. In addition, such testing, particularly on a random basis, would be difficult to administer.

5. Maintain the status quo in terms of entitlement, but enact provisions to time-limit benefits to this beneficiary population. Another way to address DA&A cases might be through emphasis of a temporary/short-term aspect of the existing disability program. As discussed earlier, part of the definition of disability is that the condition is expected to last at least one year. As part of the decision to allow claims, assessments are made concerning whether or not the individual is expected to improve, and these cases are flagged for an early continuing disability review (CDR). Under one concept of temporary disability, notification could be given along with award of benefits that payments will be terminated at the end of a specified time when the condition is expected to have improved. Many DA&A cases might be among those that could be handled in this manner. Time-limited benefits could be implemented in various degrees.

- Time limits when appropriate treatment is offered with provisions for relapse.
- Time limits for drug addicts only.
- Time limits for drug addicts and alcoholics.
- Strict time limits and then termination of entitlement.
- Reassessment after a given time period based on a determination of whether the individual may be reasonably expected to recover, or whether the individual is so disabled, either by their addiction or a combination of addiction and other impairments (e.g. a psychiatric disorder) that recovery is unlikely.

Issues to consider:

Assuring that treatment is available would be critical to the success of this approach; in the absence of viable treatment, many of the issues surrounding the first approach, deny benefits, would also apply here. Without a serious treatment component, time-limited benefits could also create a conflict by awarding benefits on the basis of the disease of addiction, but terminating them quickly on the basis of a behavioral characteristic of the disease.

Related considerations:

Policy development should also recognize existing discrepancies in treatment of DA&As between the DI and SSI programs. Are the "insurance" aspects of DI sufficient to justify less stringent treatment of beneficiaries who are substance abusers?

If the decision is made to place more weight on behavioral aspects of addiction, how far is one willing to go in addressing behavioral aspects of other medical conditions which are the basis of awarding disability benefits, e.g., the roles of eating in obesity (an automatic award of disability benefits when certain prescribed thresholds are exceeded), of smoking in lung and heart disease, and of diet and exercise in cancer and heart disease?

TERRITORIES

The U.S. territories operate AFDC programs as do the states. They are required to establish need and payment standards and submit state plans, and they share in the expenses of the program with the federal government.

Financing

The federal government matches 75 percent of benefit costs for AFDC and for cash assistance to persons who are aged, blind, or have disabilities. However, total federal expenditures are capped. Between 1979 and the present, the caps were increased once, by roughly 13 percent (in contrast, federal expenditures for AFDC benefits in the states have more than doubled, and federal SSI payments have nearly tripled).

Differences in Financing Compared to States

- o If match rates were determined by formula as they are in the states, the territories would be eligible for higher match rates (except perhaps in Guam).
- o The match rate and cap also apply to assistance to people who are aged, blind, or have disabilities. In the states, these people receive SSI, which is 100 percent federally funded.
- o The caps may limit the territories' abilities to increase benefits. Benefit payments above the cap are financed 100 percent by the territories. Because of the cap, the effective federal share in Guam is roughly 40 percent.

The territories would like to operate AFDC and SSI programs as if they were states. In the past, two barriers have prevented that from happening: 1) cost, particularly in Puerto Rico; 2) fears that enhancing benefits in Puerto Rico would jeopardize efforts to make Puerto Rico a state. While Puerto Rican statehood is probably no longer a concern, the cost concern still exists.

Option: Increase the Caps

Increase the caps, with a mechanism for regular increases.

Option: Extend SSI

It may be desirable to extend SSI to the territories, with a mechanism for reducing SSI benefits in territories where the income of the general population is much lower than in the states. Extending SSI would alleviate pressure on the entitlement caps, but the cost may be prohibitive.

FACT SHEET ON THE TERRITORIES

Citizens of the territories are U.S. citizens.
Residents of the Northern Mariana Islands can receive SSI.
American Samoa does not receive any federal assistance for cash assistance programs.

Caps:

Puerto Rico:	\$82 million
Guam:	\$ 3.8 million
Virgin Is.:	\$ 2.8 million

AFDC Caseloads, average monthly figures for 1991:

Puerto Rico:	61,000 units;	194,000 recipients
Guam:	1,200 units;	4,400 recipients
Virgin Is.:	1,500 units;	4,000 recipients

Average AFDC payment, 1991:

Puerto Rico:	\$102/family;	\$32/person
Guam:	\$368/family;	\$100/person
Virgin Is.:	\$183/family;	\$69/person
U.S. Avg.:	\$388/family;	\$135/person

Costs of Living:

There are no good measures of the cost of living that apply to the states and to the territories. In general, food prices in the territories are higher than in the states (territories have limited agricultural production abilities and have high shipping costs).

Attached is a table that shows Fair Market Rents for the largest metropolitan area in each state. The table shows that housing costs in Guam are exceeded only by those in Honolulu, and that housing costs in the Virgin Islands are well above those in the median state.

Tax Issues:

In the past, some policy makers have opposed enhancing the federal role in providing cash assistance to U.S. citizens in the territories on the grounds that federal taxes collected in the territories are returned to the territories. However, there are two good counter arguments to this: 1) It is inappropriate to hold up one facet of the complex relationship between the federal government and the territories as justification for limiting assistance to the poor; and, 2) Many low-income U.S. citizens in the territories do not pay federal taxes, just like low-income U.S. citizens in the states -- what happens to the taxes of higher income residents may not be relevant.

---FMR-2BR---

		1991	1992	1993
HAWAII	Honolulu	851	920	1069
✓Guam	Guam	739	909	909
CALIFOR	Los Angeles	804	822	864
DISTRICT	Washington DC	830	854	844
NEW YO	New York	659	681	819
MASSAC	Boston	902	809	809
NEW JER	Newark	740	765	765
CONNEC	Hartford	698	713	709
ILLINOIS	Chicago	663	692	692
PENNSYL	Philadelphia	610	634	688
NEW HA	Portsmouth	683	697	876
MAINE	Portland	716	731	676
ALASKA	Anchorage	680	656	656
WASHIN	Seattle	632	630	653
RHODE I	Providence	640	653	649
VERMON	Burlington	670	684	644
MINNES	Minneapolis	619	630	630
✓Virgin Isla	St. Thomas	669	694	629
DELAWA	Wilmington	622	648	628
NEVADA	Las Vegas	663	687	618
MARYLA	Baltimore	571	583	603
GEORGIA	Atlanta	576	580	589
MICHIGA	Detroit	516	522	582
NEW ME	Albuquerque	545	562	562
TEXAS	Houston	455	488	553
WISCON	Milwaukee	494	513	551
COLORA	Denver	508	522	544
WYOMIN	Cheyenne	518	537	537
VIRGINIA	Richmond	465	482	529
OREGON	Portland	516	512	522
ARIZONA	Phoenix	544	505	512
IOWA	Des Moines	492	509	509
INDIANA	Indianapolis	495	508	508
NORTH C	Charlotte	441	453	508
OHIO	Cleveland	480	505	503
FLORIDA	Jacksonville	484	497	498
SOUTH C	Columbia	455	467	486
NEBRAS	Omaha	449	464	471
MISSISSI	Jackson	492	506	491
IDAHO	Boise City	566	594	485
KANSAS	Wichita	488	503	481
NORTH D	Fargo	461	478	478
MISSOUR	St. Louis	498	503	468
TENNESS	Memphis	439	451	462
✓Puerto RI	San Juan	460	460	460
LOUISIAN	New Orleans	528	451	460
SOUTH D	Sioux Falls	443	459	459
ARKANS	Little Rock	464	467	452
ALABAM	Birmingham	417	423	440
OKLAHO	Oklahoma City	428	440	430
UTAH	Salt Lake City	429	429	429
KENTUC	Louisville	397	408	420
WEST VIR	Charleston	538	556	408
MONTAN	Great Falls	470	487	395

PROMOTING PARENTAL RESPONSIBILITY AND PREVENTING TEEN PREGNANCY

WR Speers
Parental
RESP.

The best way to end welfare dependency is to eliminate the need for welfare in the first place. Accomplishing this goal requires not only changing the welfare system, but also involving every sector of our society in this effort.

The ethic of parental responsibility is fundamental. No one should bring a child into the world until he or she is prepared to support and nurture that child. We must not only emphasize responsibility; we must break the cycle of poverty and provide a more hopeful future in low-income communities.

Those who became parents as teenagers are the most likely to spend long periods of time on welfare. This is particularly troubling as teenage birth rates have been rising since 1986. Teenage childbearing often leads to school drop-out, failure in the labor market, and subsequently, welfare dependency.

The following briefly summarizes the proposals to promote parental responsibility and prevent teen pregnancy under discussion in the Welfare Reform Working Group.

CHANGES IN THE WELFARE SYSTEM

Minor Mothers Live at Home. We propose requiring that minor parents live in a household with a responsible adult, preferably a parent (with certain exceptions such as when the minor parent is married or if there is a danger of abuse to the minor parent). Parental support could then be included in determining cash assistance eligibility. Current AFDC rules permit minor mothers to be "adult caretakers" of their own children. Under current law, States do have the option of requiring minor mothers to reside in their parents' household (with certain exceptions), but only five have included this in their State plan. This proposal would make that option a requirement for all States. We believe that having a child does not change the fact that minor mothers need nurturing and supervision themselves. The Senate Republicans have a similar proposal, however, they also give States the option of providing no AFDC to minors. The House Republicans make minor parents ineligible for AFDC.

Mentoring by Older Welfare Mothers. We propose to allow States to utilize older welfare mothers to mentor at-risk teenagers as part of their community service assignment. This model could be especially effective in reaching younger recipients because of the credibility, relevance and personal experience of older welfare recipients who were once teen mothers themselves. Training and experience might be offered to the most promising candidates for mentoring who are currently receiving welfare benefits.

Targeting Teen Parents. We will ensure that every teenage parent or pregnant teenager who is on or applies for welfare enrolls in the JOBS program, finishes their education, and is put on a track to self-sufficiency. Every teenage parent (male or female, case head or not, any age) will be mandated to participate in JOBS from the moment the pregnancy or paternity is established. All JOBS rules pertaining to social contracts, employability plans, and participation will apply to teen parents. We propose to require case management for these teens and to give States the option to use monetary incentives combined with sanctions as inducement to remain in school or GED class. Regarding school attendance, both Republican plans include sanctions for failure to attend school; the Senate Republicans also allow States to reward those with good school attendance.

Supporting Two-Parent Families

The Reinventing Government section includes provisions to end the current bias in the welfare system against two-parent families by: 1) eliminating the more stringent rules for two-parent families that exist in current law; and 2) allowing States to provide benefits to two-parent families continuously, instead of limiting provision of such benefits to 6 months.

Option Still Under Consideration: Allow States the option to limit benefit increases when additional children are conceived by parents already on AFDC if the State ensures that parents have access to family planning services. Non-welfare working families do not receive a pay raise when they have an additional child, even though the tax deduction and the EITC may increase. However, families on welfare receive additional support because their AFDC benefits increase automatically to include the needs of an additional child. This option would reinforce parental responsibility by keeping AFDC benefits constant when a child is conceived while the parent is on welfare. The message of responsibility would be further strengthened by permitting the family to earn more or receive more in child support without penalty as a substitute for the automatic AFDC benefit increase under current law. Both Republican plans have a provision to not pay additional AFDC for more children. Under the House Republican plan, States must pass legislation in order to pay additional benefits to children.

ENGAGING EVERY SECTOR OF SOCIETY IN PROMOTING RESPONSIBILITY

Solely changing the welfare system is insufficient as a prevention strategy. For the most part, the disturbing social trends that lead to welfare dependency are not caused by the welfare system but reflect a larger shift in societal mores and values. The following are our proposals that address this issue outside of the welfare system. Neither Republican plans have similar provisions. However, the House Republican plan allows State waivers for strengthening family relationships, promoting individual initiative and personal behavior, among other things.

National Campaigns. We propose that the President lead a national campaign against teen pregnancy, which involves the media, community organizations, churches and others in a concerted effort to instill responsibility and shape behavior. We also recommend working with the Corporation on National and Community Service to extend a wide variety of prevention-oriented programs employing volunteers--rather than paid employees--at the neighborhood and community level.

Demonstrations. Early childbearing and other problem behaviors are interrelated and strongly influenced by the general life-experience associated with poverty. Changing the circumstances in which people live and consequently how they view themselves is needed to affect the decisions young people make in regard to their lives. To maximize effectiveness, any effort must address a wide spectrum of areas including, among others, economic opportunity, safety, health and education. Particular emphasis must be paid to the prevention of adolescent pregnancy, through measures which include sex education, abstinence education, life skills education and contraceptive services. These interventions show great promise, but those efforts that combine education and services show the most promise.

Comprehensive demonstration grants are proposed that would seek to change the environment in which youth live. These grants must be of sufficient size or "critical mass" to significantly improve the day to day experiences, decisions and behaviors of youth. They would seek to change neighborhoods as well as directly support youth and families, particularly adolescent pregnancy prevention. While models exist for this type of comprehensive effort, few have been rigorously evaluated. All demonstrations will include a strong evaluation component.

CHILD SUPPORT ENFORCEMENT

The child support enforcement reform proposal has three major elements:

- ESTABLISH AWARDS IN EVERY CASE
- ENSURE FAIR AWARD LEVELS
- COLLECT AWARDS THAT ARE OWED

ESTABLISH AWARDS IN EVERY CASE

Our goal is to establish paternity for all out-of-wedlock births. This will be accomplished by offering states performance based incentives for all paternities established, whether or not the mother is currently on welfare; expanding the in-hospital paternity establishment provisions enacted as part of OBRA 1993; and expanding education and outreach efforts to stress that having a child is a two parent responsibility.

Under the proposal, paternity establishment requirements are strengthened significantly. First, the responsibility for paternity establishment will be clearly delineated. Mothers will be required to cooperate in paternity establishment as a condition of receipt of welfare under a very strict cooperation requirement. This requires the mother to provide both the name of the father and information sufficient to verify the identity of the person named. (Good cause exceptions would be granted only under narrow circumstances.) In turn, the states will have a clear responsibility to establish paternity when the mother has fully cooperated and the states are required to establish paternity within a strict time frame or face the loss of Federal funds.

The proposal also streamlines the legal process for establishing paternity, enabling states to establish paternity much more quickly. This will be accomplished through an "up front" cooperation requirement (prior to receipt of welfare benefits), clear responsibility for making the cooperation and sanctioning determination (IV-D, not IV-A), and streamlining the legal process.

While the proposal is very tough and strict in its approach to paternity establishment, it is balanced and sensible. Applicants must *meet the new stricter cooperation requirement prior to the receipt of benefits*, but when the mother has fully cooperated and provided complete information, the burden shifts to the state to establish paternity. In contrast, the present Republican proposal requires that the mother must *have paternity established prior to receipt of benefits*. Thus the mother who has done everything that can be expected of her is unfairly penalized for the state's inaction or inefficiency in getting paternity established. She could be denied benefits for a long time through no fault of her own - in some states it is presently not uncommon for the state agency to take two or more years to establish paternity.

ENSURE FAIR AWARD LEVELS

The proposal will establish a National Guidelines Commission to study and report to Congress on the adequacy of award levels, the variability of award levels and the desirability of national guidelines.

The proposal will also require the universal, periodic updating of awards so that all awards will closely

reflect the current ability of the noncustodial parent to pay support. States must establish simplified administrative procedures to update the awards.

In addition, present child support distribution rules will be changed to strengthen families and assist families making the transition from welfare to work.

COLLECT AWARDS THAT ARE OWED

The proposal seeks to develop a child support system for the 21st century. All states must maintain a central registry and centralized collection and disbursement capability. States must be able to monitor support payments and take appropriate enforcement actions immediately when support payments are missed. Certain routine enforcement remedies will be imposed administratively at the state level, thus taking advantage of computers and automation to handle these routine enforcement measures using mass case processing techniques. A higher federal match rate will be provided to implement new technologies.

To improve collections in interstate cases, a Federal Child Support Enforcement Clearinghouse will be created to track parents across state lines. This will include a National Directory of New Hires so that wage withholding could be instituted in appropriate cases from the first paycheck. The adoption of the Uniform Interstate Family Support Act (UIFSA) and other measures will make procedures in interstate cases more routine. In addition, the IRS role in full collections, tax refund offsets, and access to IRS income and asset information will be expanded.

States will also be provided with the tools they need, such as license revocations and access to other data bases, so that the child support enforcement system could crack down on those noncustodial parents who otherwise find ways to avoid payment of their support obligations. For instance, frequent and routine matches will be made against appropriate data bases to find location, asset, and income information on those who try to hide in order to escape payment.

The funding and incentive structure will be changed in order to provide the necessary resources for states to run good programs and it will employ performance based incentives to reward states for good performance.

OTHER ISSUES:

Providing Some Minimum Level of Child Support - Child Support Assurance

Even with the provisions above, enforcement of child support is likely to be uneven for some time to come. Moreover, there will be many cases where the noncustodial parent cannot be expected to contribute much because of low pay or unemployment. An important question is whether children in single parent families should be provided some minimum level of support even when the state fails to collect it. The problem is especially acute for noncustodial parents who are not on AFDC and are trying to make ends meet with a combination of work and child support.

A number of states have expressed a strong interest in implementing a Child Support Assurance program. Under such a program, an improved child support enforcement system would be coupled with the payment of a minimum insured child support payment and would also include additional work requirements for non-custodial parents. Under the proposal, up to six state demonstration projects of Child Support Assurance are authorized.

Enhancing Responsibility and Opportunity for Noncustodial Parents

Under the present system, the needs and concerns of noncustodial parents are often ignored. The system needs to focus more attention on this population and send the message that "fathers matter". We ought to encourage noncustodial parents to remain involved in their children's lives, not drive them further away. The well-being of children, who only live with one parent, would be enhanced if emotional and financial support were provided by both of their parents.

The child support system, while getting tougher on those that can pay but refuse to do so, should also be more fair to those noncustodial parents who show responsibility towards their children. Some elements above will help. Better tracking of payments will avoid build-up of arrearages. A simple administrative process will allow for downward modifications of awards when a job is lost. But other strategies would also be pursued.

Some parents have difficulties negotiating successful parenting partnerships once the family is no longer living together. Other parents have inadequate skills and resources to meet their financial responsibilities to their children. Some non-custodial parents have difficulty understanding their rights and responsibilities as parents, because they had missing or inadequate role models when they were children. States will be encouraged to utilize various approaches and services to address these multifaceted needs.

Ultimately expectations of mothers and fathers should be parallel. Whatever is expected of the mother should be expected of the father. And whatever education and training opportunities are provided to custodial parents, similar opportunities should be available to noncustodial parents who pay their child support and remain involved. If they can improve their earnings capacity and maintain relationships with their children, they will be a source of both financial and emotional support.

Much needs to be learned, partly because we have focused less attention on this population in the past and we know less about what types of programs would work. It is envisioned that new programs should be modest and flexible, growing only as evaluation findings begin to identify the most effective strategies. Still, a number of other steps will be taken.

- Grants to states for programs which reinforce the need for children to have continued access to and visitation by both parents. These programs include mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement including monitoring, supervision and neutral drop off and pick up and development of guidelines for visitation and alternative custody arrangements.
- Expanded authority and additional funding for the Commission on Child and Family Welfare to study access and visitation issues.
- A portion of JOBS and WORK program funding will be reserved for training, work readiness, educational remediation and mandatory work programs for noncustodial parents of AFDC recipient children who can't pay child support due to unemployment, underemployment or other employability problems.
- Demonstration grants to states and/or community based organization to develop and implement non-custodial parent (fathers) components for existing programs for high risk families (e.g. Head Start, Healthy Start, Family Preservation, Teen Pregnancy and Prevention) to promote responsible parenting, including the importance of paternity establishment and economic security for children and the development of parenting skills.

REINVENTING GOVERNMENT ASSISTANCE

The current welfare system is enormously complex. There are multiple programs with differing and often inconsistent rules. The complexity obscures the mission, frustrates people seeking aid, confuses caseworkers, increases administrative costs, leads to program errors and inefficiencies, and abets the perception of widespread waste and abuse.

The Working Group believes that reform should move the existing social welfare *non-system* toward one marked by rationality, coherence and simplicity. In addition, clearer Federal goals which allow greater State and local flexibility in managing programs and encouraging innovation is also critical. Finally a central Federal role in information systems development, technical assistance and technology transfer, and interstate coordination would improve the integrity of the current system by reducing waste and abuse, and by enhancing service delivery.

The three major themes of reinventing government are:

- DEVELOP A RATIONAL AND COHERENT INCOME SUPPORT SYSTEM THAT EMBODIES THE RIGHT INCENTIVES.
- REPLACE THE EXISTING RULES ORIENTED FEDERAL-LOCAL RELATIONSHIP WITH A OUTCOME BASED ALTERNATIVE.
- ENHANCE THE INTEGRITY OF THE SYSTEM.

RATIONALIZING AND SIMPLIFYING INCOME ASSISTANCE PROGRAMS.

This document focusses on the rationalization and simplification of income assistance programs. This process is something of the *holy grail* in welfare reform -- always sought, never realized. The reasons are many: different goals for different programs; the legitimate desire to treat distinguishable groups which evidence varied needs and circumstances differently; existing program constituencies; bureaucratic jurisdictional controversies; and the inevitable creation of winners and losers from changing the status quo.

The proposals discussed below are designed to streamline administrative processes by conforming program rules between the AFDC and Food Stamp programs; modify some existing rules that tend to create unnecessary complexity and confusion for program administrators and recipients; and attempt to strike a reasonable balance between and among traditionally competing ends, e.g., targeting benefits on the needy to restrain costs while creating rational incentives to play by society's rules.

Within this theme, we propose changes in four major components of the AFDC program:

- I) Filing units;
- II) The treatment of assets and resources;
- III) The treatment of income; and
- IV) Coordination of program rules.

I. Filing Unit Options

Several options exist to simplify the eligibility determination process for the transitional assistance program by modifying the AFDC *filing unit* -- the group of people to whom assistance is provided based on their collective income, resources, and needs.

Implications: Even small changes in the definition of the filing unit may have substantial effects on the size of the eligible population and average benefit levels -- caseloads and costs. Filing unit definitions also affect decision making among family and household members in a variety of ways by creating economic incentives -- household composition decisions, marriage decisions, and so forth. Most expanded versions of an expanded filing unit definition save money because they permit the consideration of the resources and income of the other household members in determining AFDC benefits. However, changes which make access to AFDC less restrictive in order to promote work among recipients result in larger AFDC costs.

Current law: Under current law, the basic AFDC filing unit consists of a needy dependent child (under age 18, or at State option under 19 if in school), the child's natural or adoptive parent(s), and all natural and adoptive brothers and sisters (including half brothers and sisters) who are living together and otherwise eligible. Others may be included in the unit if the State considers them essential to the well-being of the family.

AFDC benefits can be provided to two-parent families. However, there are additional eligibility requirements that must be met.

In general, grandparents, adult siblings, boyfriends and unrelated individuals living in the same household are not in the assistance unit. Further, SSI recipients are prohibited from receiving AFDC. Others who are excluded from the AFDC unit include: illegal and sponsored aliens, foster children, and stepparents in most states.

The AFDC and Food Stamp programs have very different filing units, primarily because AFDC benefits are centered around needy children and their siblings and caretakers, while the Food Stamp unit is generally defined as people who customarily purchase and prepare meals together.

Options: The options being considered expand the number of household members considered as being part of the AFDC filing unit. While increases the number potentially eligible persons tends to raise the economic need of the filing unit and would be expected to result in increased costs it also brings more resources and income to bear upon eligibility and benefit decisions. Depending upon the specifics of the option being considered, the latter effect can more than offset the former.

Option 1: Eliminate the additional eligibility rules for two-parent families

This option removes the additional eligibility requirements that are applied when a needy child lives with two parents rather than one or none. Current law requires that the principal wage earner in a two-parent family to have a recent work history (by requiring work in 6 or more quarters in a 13 quarter period, or eligibility for unemployment benefits). At the same time, labor force participation is limited by denying eligibility if the wage earner works 100 hours or more in a month. Eligibility can also be extended if the wage earner is temporarily incapacitated.

The combination of these rules that both require past and limit current labor force attachment substantially limits eligibility to two-parent families. Some of the arguments for removing the additional eligibility requirements are that:

- It removes remaining vestiges of the AFDC marriage penalty in which single-parent families have easier access to benefits than married couples;
- It improves horizontal equity by treating disadvantaged children the same irrespective of whether they live with one or two parents; and
- It would encourage labor market attachment by two-parent families in a new transitional welfare program that emphasizes work.

This option should better motivate recipients toward more significant labor market attachment by eliminating the arbitrary 100 hour rule; enhance the simplicity of the system, thereby removing some administrative complexity; and it reflects and supports the wishes of a number of States who have sought waivers to existing policy in this area.

Implications: Because these rules presently limit eligibility, eliminating them will increase caseloads and costs.

Option 2: Include SSI recipients in the AFDC unit

Currently, individuals who have had a work history and receive social security disability, retirement, or survivor's insurance are included in an AFDC unit and have their incomes and resources counted. However, SSI recipients who do not have such a work history are not. This option would expand the filing unit definition to include SSI recipients. This option would provide uniform treatment among people who are aged or have disabilities regardless of their work history. Therefore, this option eliminates the arbitrary inequity between SSI recipients and people who receive other Social Security benefits. It also limits the disparity in income received by AFDC families who also include an SSI recipient and those families who do not have an SSI recipient.¹

To account for some additional needs that families with a person with a disability may have, and to make an allowance for transfers that are made because someone had a work history and earned an insurance benefit, this option would disregard some fixed amount (i.e \$200 or \$350 per month) of income received from the Social Security Administration for the purposes of establishing income eligibility for AFDC. The amount disregarded varies depending on the generosity of other filing unit changes under consideration.

Implications: There may be some political objections to this option from the aging and disability communities.

1. Some witnesses testifying at public hearings of the working group noted that AFDC families that also had one or more SSI recipient received substantially more income than families without an SSI recipient, while families with income from DI were often ineligible for any benefits.

Option 3: Reduce the payment standard for certain AFDC units

This option adds a provision that the payment standard for an AFDC assistance unit would be reduced by one-third if the unit met one or more of the following conditions:

- (i) A grandparent of the child lives with the AFDC unit;
- (ii) There were no adults in the unit (i.e., it is a child-only case); or
- (iii) The filing unit also received a housing subsidy.

Some of the arguments for this option are:

- This option presumes that when grandparents are sharing housing with the AFDC unit they are providing some support to the needy child. Even if grandparents do not directly support the child, needs of the AFDC unit are lessened by sharing living quarters. However, reducing benefits when grandparents are present may result in changes in household composition, when in fact public policy may wish to encourage young parents to live with their parents.
- Under current law, income from adults in the household are not considered when there is a child-only unit. However, this option presumes that the child's caretaker does provide some support to the child.
- The AFDC benefit is intended to cover housing needs. When AFDC recipients receive housing assistance as well, it can be argued that they are receiving assistance from two sources for the same purpose.

This option is conceptually similar to a current law provision in the SSI program where the payment standard is reduced by one-third when an SSI recipient lives in the home of another.

Implications: This option would save a lot of money, therefore offsetting the costs of extending benefits to two-parent families.

Option 4: Conform the AFDC filing unit with the Food Stamp filing unit

This option would define the AFDC unit as a household with a needy child and all members of the household who purchase food and prepare meals together. This brings the AFDC filing unit in conformance with the Food Stamp program filing unit. In considering this option, one must assume that income and resources of persons who share food with the AFDC family are actually available to the children.

The primary argument for this option is that it enhances program coherence by bringing AFDC and Food Stamp rules into conformance. Further, presuming that income of others in the household is available to the needy children, the option appropriately considers that income which is presently not counted.

Implications: The filing unit under this option may include people in the unit who have no obligation to the child's social and economic well-being. This can be even more problematic when such people get a job via services provided by the welfare system, then leave the unit, leaving the mother and child no better off.

This option would save a lot of money, because people brought into the unit generally have income, this reducing AFDC benefits. Because fewer units would be eligible, fewer resources would be needed.

II. Asset and Resource Options

The options being considered under this component liberalize how assets and resources are treated for the purpose of determining eligibility for both AFDC and Food Stamps for the purpose of encouraging work and promoting self-sufficiency. The nominal effect is to increase the caseloads and costs in both programs. Yet the general arguments for the options described below are persuasive:

- Currently, asset and resource rules are not consistent across programs, creating confusion and administrative complexity; and
- The very restrictive asset rules across Federal assistance programs are perceived as significant barriers to families saving and investing in their futures.

Current Law: For AFDC, allowable resources are limited, by Public Law 97-35, to \$1,000 (or such lower amount as the state may determine) in countable assets not including an automobile. HHS regulations set \$1,500 or a lower value set by the state as the permitted equity value (i.e., market value minus any encumbrances) for one automobile. Regulations also permit states to exclude from countable resources "basic items essential to day to day living," such as clothing and furniture. Neither law nor federal regulation mention capital equipment as being exempt from the resource requirement.

The treatment of resources and assets in Food Stamps is more liberal: \$2,000 per filing unit for liquid assets, \$3,000 if the unit is headed by an elderly person. The allowable market value of an automobile is \$4,500 (see Leland Bill for pending adjustment to the value exclusion), although an auto of any value can be excluded in limited circumstances.

In both programs the automobile limitations can be a substantial barrier to both eligibility and independence. The value limits have not been adjusted since the 1970s. Current AFDC policy would prevent total exclusion of most cars less than eight to ten years old. Cars that meet that limit may not be sufficiently reliable for transportation to work or for meeting the needs of a family with children.

Options: The options being considered are designed to accomplish three objectives:

- To better empower recipients by permitting them to save and earn additional resources before finding them ineligible for benefits, thereby minimizing the effect of current rules which keep recipients impoverished;
- To simplify current rules by bringing AFDC and Food Stamp regulations into conformance; and

- To further empower recipients by permitting the accumulation of more generous levels of assets and resources if those resources are expended on certain purposes related to becoming self-sufficient.

Option 1: Change the asset/resource rules for both AFDC and Food Stamps as follows:

- Conform the AFDC liquid asset rules for AFDC to the Food Stamp levels (\$2,000 or \$3,000); and
- Allow the filing unit to keep one automobile of any value, and to maintain additional vehicles as long as the *net* value of these vehicles, when combined with other resources, does not exceed the asset limit described above.

The arguments for this option are:

- It enhances program coherence and coordination by bringing AFDC and Food Stamp rules into conformance;
- It acknowledges that asset rules in AFDC are overly restrictive, not having been adjusted for inflation for many years, and that such restrictions serve to keep recipients impoverished at levels that discourage self-improvement; and
- It recognizes that a decent vehicle often is necessary to seek and maintain employment and to conduct other necessary activities.

Option 2: Permit the accumulation of assets up to \$10,000 by the filing unit under certain guidelines to be established by the States

The additional allowable assets under this option must be expended for approved purposes and the use of those resources would be monitored by the agency. These resources must be kept in an account generally known as an *Individual Development Account* (IDA). The approved purposes are:

- (i) To offset the costs of further education, training, or activities which promote employability;
- (ii) To repair a household, purchase a house, or facilitate a change of residence; and
- (iii) To help start a business or become self-employed.

Policy Implications: While there is considerable support for this concept, there is sufficient concern about cost, administrative feasibility, and actual behavioral effects to raise a policy question as to whether IDAs should be pursued as national policy or a demonstration.

Clearly, this approach is intended to enable recipients to accumulate assets and resources that would be expended to help recipients become self-sufficient. This option explicitly recognizes that certain activities sanctioned by society as "playing by the rules" cost money. The rules governing welfare should recognize that reality and give recipients the ability to engage in these mainstream activities.

III. Treatment of Income/Earnings Options

The options being considered here are intended to reintroduce positive incentives for recipients to work. The existing set of AFDC rules regarding the treatment of earnings renders work an irrational option for recipients, particularly over time. In the long run, they can face marginal tax rates of 100%, expensive or inappropriate child care arrangements, and loss of good medical care for their children. We focus on the *tax rates* faced by recipients in this section.

Current Law: Federal AFDC law requires that all income received by an AFDC recipient or applicant be counted against the AFDC grant except income that is explicitly excluded by definition or deduction. States are required by Federal law to disregard the following income:

- For the first four months of earnings, working recipients are allowed a \$90 work expense disregard, another \$30 unspecified disregard, and one-third of remaining earnings are also disregarded.
- The one-third disregard ends after four months.
- The unspecified \$30 disregard ends after 12 months.

In addition, a child care expense disregard of \$175 per child per month (\$200 if the child is under 2) is permitted to be calculated after other disregard provisions have been applied. Currently, \$50 in child-support is passed through to families with established awards. States are now required to disregard the EITC in determining eligibility for and benefits under the AFDC program.

Options: The options proposed under this component are designed to:

- Make the treatment of income simpler for both recipients and welfare officials to understand;
- Make work a more attractive, rational option for those who would continue to receive assistance;
- Remove the time sensitivity of current rules (i.e., eliminate provisions which change the rules governing the treatment of income depending on how long the person has worked); and
- Improve the economic well-being of those who need to combine work and welfare.

There are many ways to meet these objectives, for example:

- Vary the flat disregard that is applied to applicable income (i.e., don't count the first *X* dollars in calculating countable income);
- Vary the percentage of applicable income that will be counted, or used to reduce benefits;
- Vary the definition of income against which the disregard policy is applied (e.g., typically earnings are included and non-earned income is excluded);

- Other variations such as different rules depending on the source of earnings (private vs. public job) or who earns the income (adult vs. teen worker) could be developed; and
- Vary whether disregard rules remain the same or change over time for the individual.

Option 1: Take what is (essentially) the existing set of disregard policies and make them time-invariant

Replace the current rules for treating earnings with the following: 1) the first \$120 of earnings each month will be disregarded; 2) one-third of remaining earnings will be disregarded; and 3) a \$50 per child disregard will be applied in the calculation of AFDC and Food Stamps.

In effect, this option extends indefinitely the current law disregards that apply in the first four months of earnings. Further, families would be allowed to keep more income from child support.

The arguments for this option are:

- It makes work more rational by reducing marginal tax rates on working recipients;
- It improves the economic well-being of those "playing by the rules,"
- It is easier for recipients to predict future income streams and understand the rules; and
- It is easier to administer.

Option 2: Establish a very simple minimum disregard policy at the federal level and then allow considerable state flexibility in establishing policies beyond the minimum

For example, a simple flat disregard of \$200 per month could be applied to income. States will be free to increase the generosity of the flat disregard and/or introduce a percentage of earned income disregard, subject to the approval of the Secretary of DHHS.

The arguments for this option are:

- It is extremely simple; and
- It maximizes state flexibility.

Option 3: [other options possible and under consideration]

[We need a section that says here are the results of three combinations of the various options. The combinations were selected in an effort to balance the positive and negative impacts of each option, particularly as they related to the impact on program caseloads and federal costs.]

IV. Coordination of Program Rules

The rationalization and simplification of income assistance programs can be achieved by making disparate Food Stamp and AFDC policy rules uniform or complimentary for related policy provisions. Current options under consideration include:

- Applicants will be provided with one, simple, easy to read and understand application form for AFDC and food stamps. Expedited processing will be provided for families in emergency need situations. Eligibility will be determined within identical time frames in both programs for both expedited and normal applications. Flexibility will be given to States for scheduling appointments and verifying information. Other administrative functions would be streamlined.
- States would be required to utilize prospective budgeting based on a fixed three-month accounting period. Adjustments to benefit levels resulting from changes in income during the current three-month period would be made in the next accounting period. States would be permitted the option to immediately recalculate benefits in cases where recipients report hardship circumstances due to a loss of employment. Recipients would still be required to report changes in income or other circumstances which may affect eligibility. A face-to-face redetermination would occur at least every 12 months.
- Lump sum payments, such as EITC or reimbursements, would be disregarded as resources for one year from the date of receipt. Considerable simplification for both the clients and workers can be achieved if the policies are consistent. Also, current AFDC policy can result in hardship for families since they are supposed to conserve the payments to meet future living expenses rather than to cover debts and other costs.
- Regarding self-employment expenses, AFDC and food stamp regulations would be changed to provide a deduction of the amount of depreciation or the actual cost of purchasing the asset, whichever is claimed for tax purposes. A compatible AFDC/food stamp exclusion for business expenses, including a deduction for depreciation or actual the actual expenses of necessary assets, would result in greater effectiveness, clarity and efficiency in the administration of both programs. The change would encourage self-employment, self-sufficiency and recognize the legitimate cost of doing business. Allowing the eligibility worker to recognize business deductions as claims by the individual for income tax purposes would simplify such calculations.
- Program rules between AFDC and food stamps regarding the treatment of other income would be conformed for consistency where it is feasible and beneficial to do so.

V. Combine Options Considered

Below are three options that combine the various choices discussed above. The combinations were selected in an effort to balance the positive and negative impacts of each choice, particularly as they relate to the impact on program caseloads and federal costs.

The combinations should be viewed as preliminary options which illustrate the general effects of changes in the area of reinventing government.

Three choices are common to all three options below. These can be viewed as a baseline change; the first priority of changes that would be desirable. These choices are:

- Eliminate special eligibility rules that currently apply to two-parent families;
- Increase the limit on countable resources to the limit established in the food stamp program, and exclude one automobile for both AFDC and Food Stamps; and
- Eliminate the provision that prevents SSI recipients from being included in an AFDC unit.

This last choice is combined in each option below with a policy to disregard some income received from programs administered by the Social Security Administration. The amount of income to be disregarded varies in each option.

Option 1:

In addition to the *baseline* changes discussed above, this option includes the following policy choices:

- The AFDC filing unit includes all people who purchase food and prepare meals together, so long as the unit includes a needy child;
- \$350 per month of income received from SSA is disregarded;
- The first \$120 per month of earnings are disregarded, and 1/3 of remaining earnings; and,
- The \$50 pass-through for child support is changed to \$50 per month per child. Further, this pass through is extended to the food stamp program.

would hurt
people in South

fill the gap

According to one model used to estimate costs, the independent effects of removing the special eligibility requirements for two-parent families would be to increase total AFDC costs by slightly less than \$1 billion per year when fully implemented in 1999. Excluding an automobile and increasing the AFDC asset limit would also increase program costs. However, the choice to include in the filing unit all people who purchase food together would offset those costs. The reason is, about half of AFDC units live in dwelling units that include non-AFDC recipients. Those people who are not in the AFDC unit tend to have income; including them (and thus, their income) in the AFDC unit makes many units either eligible for a lower benefit, or completely ineligible.

The relatively modest increase in the earnings disregard has some cost; those costs would increase as the number of AFDC recipients with earnings increases (presently, less than 10 percent of AFDC units have earnings).

The total impact of the combination of these choices is...

Option 2:

This option includes the "baseline" changes discussed above, plus the following policy choices.

- The payment standard is reduced by 1/3 if any of the following conditions are met:
 - The AFDC child and child's eligible parent live in the same dwelling unit with the child's grandparent;
 - There are no adults in the AFDC unit; and,
 - The AFDC unit lives in a dwelling unit that receives a housing subsidy.
- \$200 per month of income received from SSA is disregarded;
- All other disregards applied in option 1 are applicable here.

The most significant change from option 1 is that this option does not change the filing unit to include other members of the household. Instead, it reduces the payment standard to reflect the reduced need that AFDC units in these circumstances have. This savings from this choice partially offset the AFDC costs of eliminating the special rules for two-parent families and the costs of enhancing the income disregards.

Option 3:

This option is identical to option 2 above except that a different income disregard policy is applied. Under this option, states are required to disregard \$200 per month of income from child support and earnings combined. In addition, states would have the flexibility to disregard earnings and child support above the \$200 initial disregard.

This income disregard choice will advantage some AFDC units and have adverse affects on others, depending on their income and on whether or not a state allows for larger income disregards.

5 YEAR FEDERAL AND STATE COST ESTIMATES FOR REINVENTING GOVERNMENT

\$ IN BILLIONS

	1995	1996	1997	1998	1999	TOTAL
OPTION						
OPTION 1						
TOTAL (AFDC, FS, housing)	0	0	-1.4	-2.4	-3	-6.8
OPTION 2						
TOTAL (AFDC, FS, housing)	0	0	1.1	1.8	2.4	5.3
OPTION 3						
TOTAL (AFDC, FS, housing)	0	0	1	1.8	2.3	5.1
OTHER PROGRAM SIMPLIFICATION						
TOTAL (AFDC, FS, housing)	0	0	0.4	0.8	1.2	2.4

WR SPECS
(Parental
Resp)

PROMOTE PARENTAL RESPONSIBILITY AND PREVENT TEEN PREGNANCY

A. CHANGING THE WELFARE AND CHILD SUPPORT SYSTEMS

1. Minor Mothers Live at Home

Under current law, States have the option of requiring minor mothers to reside in their parents' household (with certain exceptions). Delaware, Maine, Michigan, Virgin Islands, and Puerto Rico have included this in their State plan. This proposal would require all states to adopt a similar policy. States can have the option of assisting mothers in finding a responsible adult to reside with if a State believes that she should not live with her parents.

Drafting Specs

- a. All minor mothers would be required to reside in their parents' household, with certain exceptions.
- b. A minor parent is an individual who (i) is under the age of 18, (ii) has never been married, and (iii) is either the natural parent of a dependent child living in the same household or eligible for assistance paid under the State plan to a pregnant woman.
- c. The following exceptions (now in current law) to living with a parent or legal guardian will be maintained:
 - (i) individual has no parent or legal guardian of his or her own who is living and whose whereabouts are known;
 - (ii) no living parent or legal guardian of such individual allows the individual to live in the home of such parent or guardian;
 - (iii) the State agency determines that the physical or emotional health or safety of the individual or dependent child would be jeopardized if the individual and dependent child lived in the same residence with the individual's own parent or legal guardian;
 - (iv) individual lived apart from his or her own parent or legal guardian for a period of at least one year before either the birth of any dependent child or the individual having made application for aid to families with dependent children under the plan; or
 - (v) the State agency otherwise determines (in accordance with regulations issued by the Secretary) that there is good cause for waiving the requirement. (In those States that have this policy, the following are examples of what they determine to be good cause exceptions: the home is the scene of illegal activity; returning home would result in overcrowding, violation of the terms of the lease, or violation of local health and safety standards; the minor parent is

actively participating in a substance abuse program which would no longer be available if she returned home; no parent or legal guardian lives in the State.)

- d. At State option, if the State determines that a minor mother should live apart from her parents or legal guardian, the minor mother must be assisted in obtaining an appropriate supportive alternative to living independently. (The types of living arrangements that States now use or are considering include living with an adult relative, a licensed foster home, in a group home for pregnant and parenting teens, and in an approved congregate housing facility.) If the State and the minor mother cannot find an alternative arrangement or she has to move to another setting, the State may grant eligibility for a specified time if a good faith effort is being made to locate appropriate living arrangement and additional time is needed. If no appropriate setting is found the State may grant eligibility, but must provide some type of monitoring and case management of the minor mother.

2. Obligations and Case Management Demonstrations

Under current law, section 1115 of the Social Security Act provides States with broad authority to waive rules under certain sections of the Social Security Act which "permit States to achieve more efficient and effective use of funds for public assistance, to reduce dependency, and to improve the living conditions and increase the incomes of individuals who are recipients of public assistance."

Develop a separate demonstration authority, outside of section 1115, which would make a portion of a person's AFDC benefits conditioned on her or him fulfilling a contract which would require that the person take proactive efforts to promote her or his self-sufficiency and of all adolescents and adults in the household. States would have to provide comprehensive case management that focuses on all family members in order to support recipients in meeting their contract obligations.

The goal of these demonstrations is to make all family members accountable for promoting their own futures and those of other family members.

Drafting Specs

The Secretary of the Department of Health and Human Services will award [] demonstrations on a competitive basis to States to implement such a program in at least [] sites under their jurisdiction and to develop a plan for expanding this model to a larger number of recipients. States would be given considerable flexibility to develop innovative demonstrations. A variety of approaches will be tested. Each State will submit a plan to the Department which will:

- a) Detail what would constitute proactive efforts on the part of recipients and their family members (e.g. what education, training, employment, and preventative services for them and their children would be required).
- b) Define exceptional cases that would receive exemptions.

- c) Describe what would constitute holistic case management. Broad parameters would be specified: case management should focus on all members of the household in the areas of health, mental health, education, training, and life skills.
- d) Define which services will be provided and by what means. Possibilities include education, job training, and job search; child care and transportation assistance; counseling; family planning; health care; and drug treatment. Encourage collaboration with other initiatives and demonstrations to maximize the type and availability of services provided in a coordinated and integrated approach.
- e) Describe the sanctions to be employed.
- f) Describe whether and how a recipient could earn back the sum withheld.
- g) Agree to participate in a federal evaluation.

3. Limiting Family Growth While on AFDC

Allow States the option to limit benefit increases when additional children are conceived by parents already on AFDC if the State ensures that parents have access to family planning services.

Currently, families on welfare receive additional support because their AFDC benefits increase automatically to include the needs of an additional child. This option would reinforce parental responsibility by keeping AFDC benefits constant when a child is conceived while the parent is on welfare. The message of responsibility would be further strengthened by providing the family an opportunity to earn back what they lost.

Drafting Specs

- a) Allow States the option of keeping AFDC benefits constant when a child is conceived while the parent is on welfare.
- b) States that take this option would be required to assure parents access to family planning services, including seeking family consultation within 30 days after delivery of their first child or their enrollment in AFDC.
- c) Under this option, if a parent has an additional child, the State must do at least one the following--
 - permit the family to earn more or receive more in child support;
 - permit recipients who have gotten jobs to keep their earnings and their AFDC up to the benefits they would have gotten for an additional child; and/or
 - some other approach whereby a recipient can earn back the increase in benefits lost that the State develops and is approved by the Secretary.

- d) Require States to develop exceptions to the rule for difficult circumstances. These would be developed by the State and approved by the Secretary.

B. ENGAGING EVERY SECTOR OF SOCIETY IN PROMOTING RESPONSIBILITY

1. Comprehensive Services to High Risk Youth

Early child-bearing and other problem behaviors are interrelated and strongly influenced by the general life-experience associated with poverty. Changing the circumstances in which people live and consequently how they view themselves is needed to change the decisions young people make in regard to their lives.

For any effort which hopes to have results that are large enough to be meaningful, attention must be made to circumstances in which youth grow up in. It should address a wide spectrum of areas associated with youth living in a healthy community: economic opportunity, safety, health, education, among others.

Particular emphasis must be paid to the prevention of adolescent pregnancy, including sex education, abstinence education, life skills education, and contraceptive services. These show great promise, but those efforts that combine education and services show the most promise. If adolescent pregnancy is a symptom of deeper problems, sex education and contraceptive services alone will be inadequate. It must be part of this wide spectrum of areas needed to foster a healthy community.

Interventions need to enhance education, link education to health and other services, help stabilize communities and families in trouble. This would provide a sense of rationality and order in which youth can develop, make decisions, place trust in individuals and institutions serving them, and have a reasonable expectation of a long, safe and productive life.

Comprehensive demonstration grants are proposed that would seek to change the environment in which youth live. These grants must be of sufficient size or "critical mass" to significantly improve the day to day experiences, decisions and behaviors of youth. Services should be non-categorical, integrated and delivered with a personal dimension. It would seek to change neighborhoods as well as directly support youth and families, particularly adolescent pregnancy prevention.

Grant Specifications

- a. These grants could be initiated now under current authority.
- b. We would propose that grantees would develop comprehensive integrated innovative approaches to educating and supporting youth in high risk situations through comprehensive social and health services, with an emphasis on pregnancy prevention.
- c. Health-related activities could include, but are not limited to, health education from K-12 (including age appropriate sexuality education), life skills, decision-making, ethics, substance abuse prevention, school health services (including, but going beyond, family planning), and family planning services. Family planning services should include the broad range of

approaches currently available (e.g. abstinence counseling, male and female contraceptives, including the voluntary use of Norplant.)

- d. Education, job training and social services would include, but are not limited to, activities similar to a life options component (e.g., academic tutoring and counseling, mentoring, job skills training, employment counseling, jobs program), a parent education component (e.g., communication and parenting skills), and family and community stability activities (e.g., violence reduction and community policing, family counseling, and community outreach using community residents).
- e. Communities would be required to address the issue of access in regard to all services they provide. Efforts would be made on an individual and community-wide level. For example, efforts to remove barriers to access to family planning could include individual measures such as waiving cost-sharing or providing for home visitation, as well as broader measures such as more transportation services to and from family planning services, opening more family planning sites in accessible locations and keeping them open for more hours.
- f. An intensive evaluation component would be conducted.
- g. Eligibility criteria would be determined by the Secretary of Health and Human Services, in consultation with the Secretaries of Education, HUD, Justice, and Labor. Criteria would include:
 - i) Geographic and Population Requirements -- Communities would have to be of a specified size and have a population that falls within a specified range. Requirements about the distribution of this population may also be set.
 - ii) Poverty Requirements -- Communities must meet requirements that identify them as concentrated areas of high poverty levels.
 - iii) Comprehensive commitment and collaboration -- Community commitment, involvement and planning, and inclusion of most community institutions (e.g., government, schools, churches, businesses) would be required. One example of this is a secondary school(s) that has instituted, in conjunction with other community institutions, an innovative education program for youth at-risk of dropping out of school or unique programs that serve adolescents in non-traditional ways.
- h) The size, scope, and approach of the grants is limited by the availability of new dollars. With minimal new funding (e.g., \$1 million per site), these demonstrations could build on existing comprehensive service initiatives, such as Empowerment Zones, Enterprise Communities, Youth Fair Chance, or other non-federally funded comprehensive initiatives. Designed as an enhancement of these comprehensive initiatives, new dollars could be used to improve adolescent health and support services. Alternatively, if significant new resources were available (e.g., \$10 million per site), communities that have undertaken planning for comprehensive initiatives but lack resources could be provided the necessary funding to fill service gaps and ensure that services are developed in an integrated fashion.

Nat. Service
Mentoring by AFDC mothers
LEAP

Broad state authority, from Murray to —

Marriage
Adoption
Family planning and Sex education

Family preservation
Guns for Condoms

Additional Options

Health Reform: ① P50m/yr for comp. health advc.
Allow pooling of drug + other money
② School health services - \$45m/yr. in last yr.
allows school to make referrals to provide prevention advice
③ Benefit package includes contraception
DRAFT—for discussion only

Four Ways

1. Delay sex
2. Female Control
3. Male Control
4. 2nd pregnancies

WR SPECS
(Parental Resp)

HealthyStart

New Options

- Create an adolescent pregnancy prevention program as a new section of the Title XX Social Services Block Grant Program, funded at \$1 billion phased in over 5 years. These monies could be used to provide a variety of interventions at State discretion and could be targeted to specific communities. States would be required to develop a five year plan which would include establishing measurable goals, describing how a State will ensure coordination of this program with other Federal or federally assisted programs serving youth, and how the program helps lead to a more comprehensive and integrated system. A strong evaluation component must be in place in order to measure the success of the intervention.

States would be encouraged to fully address the problem of increasing rates of teen pregnancy through approaches designed to educate and support youth in high risk situations which are comprehensive, holistic, and ensure early intervention in order to get to the symptoms of the problem. Transmitting positive values and providing encouragement, support and structure; being sensitive to the role of the peer group, family, culture and community; providing for positive images; offering challenging, educational and safe activities; and/or strong school and community service experiences are the types of approaches to be considered.

- ● Provide comprehensive services to youth who have been in the juvenile justice or foster care systems, as they are at high risk of welfare dependency. Youth would be provided support after they leave these systems in order to help them become self-sufficient.
- Expand all federally funded employment and training programs to include access to family planning services and comprehensive support services (e.g. counseling, life skills training, mentoring, etc.).
- ● Encourage youth (middle and high school age) to engage in responsible activities such as completion of school or vocational training, good school attendance, delay of pregnancy and parenthood, attendance in family planning and life skills training classes. A variety of incentives such as elective academic credit, gift certificates to local stores, passes to recreational and cultural events, etc. would be awarded to youth who succeed in meeting these goals. [NOTE: The Federal role in this is unclear.]
- ● Require all parents on AFDC to receive a personal family planning consultation with a health care professional within 30 days of delivery of their child or application for AFDC. The State would be required to provide or arrange and pay for this

consultation in order to ensure that all recipients have access to information on family planning. Recipients would be penalized if they do not meet this requirement. The penalty would end when they have had their consultation. Recipients would NOT be required to utilize any method of birth control in order to receive benefits.

- Require federally funded health care providers to serve adolescents on a confidential basis. [NOTE: Obviously this would raise significant concerns.]

Expansion of options in current paper

- Make the Obligations/Case Management Demonstrations into a State option for all AFDC recipients. (See page 2)
- Implement the comprehensive service demonstrations in every State. Each state would select a community in which to implement the demonstration. Funding levels would depend on availability of funds and would vary based on population of target area. (See page 4)

DRAFT

WR-SPECS
→ Teen Pregnancy
Campaign
(flash out)
(Parental
Resp)

PROMOTE PARENTAL RESPONSIBILITY
AND PREVENT TEEN PREGNANCY

DRAFTING SPECS

A. CHANGING THE WELFARE AND CHILD SUPPORT SYSTEMS

1. Support Two-Parent Families

Eliminate the current bias in the welfare system in which two-parent families are subject to much more stringent eligibility rules than single-parent families. Under current law, two-parent families are ineligible for assistance if the primary wage-earner works more than 100 hours per month or has not been employed in six of the previous thirteen quarters. In addition, States are given the option to provide only six months of benefits per year to two-parent families, whereas single-parent families must be provided benefits continuously. These disparities would be eliminated.

Drafting Specs – See Specs in "Reinventing Government" section.

2. Minor Mothers Live at Home

Under current law, states have the option of requiring minor mothers to reside in their parents' household (with certain exceptions). This proposal would require all states to adopt a similar policy.

Michigan, Wisconsin

Drafting Specs

- a. All minor mothers would be required to reside in their parents' household, or with another responsible adult, with certain exceptions.

ISSUE 1: This policy differs from the current State option in that in addition to a parent or legal guardian, a minor could live with a "responsible adult." What constitutes a "responsible adult"? Is the State responsible for finding a minor mother a "responsible adult"?

State
Option

- b. A minor parent is an individual who (i) is under the age of 18, (ii) has never been married, and (iii) is either the natural parent of a dependent child living in the same household or eligible for assistance paid under the State plan to a pregnant woman.

- c. The following exceptions (now in current law) to living with a parent or legal guardian will be maintained:
 - (i) such individual has no parent or legal guardian of his or her own who is living and whose whereabouts are known;

- (ii) no living parent or legal guardian of such individual allows the individual to live in the home of such parent or guardian;

(iii) the State agency determines that the physical or emotional health or safety of such individual or such dependent child would be jeopardized if such individual and such dependent child lived in the same residence with such individual's own parent or legal guardian;

(iv) such individual lived apart from his or her own parent or legal guardian for a period of at least one year before either the birth of any such dependent child or the individual having made application for aid to families with dependent children under the plan; or

(v) the State agency otherwise determines (in accordance with regulations issued by the Secretary) that there is good cause for waiving such subparagraph;

ISSUE 2: Given the potential of minor mothers living with a "responsible adult" rather than a parent or legal guardian, should the above exceptions be modified? Should there be exceptions to a minor mother having to live with a "responsible adult"?

3. Mentoring by Older Welfare Mothers

States would be allowed to utilize older welfare mothers to mentor at-risk teenagers as part of their community service assignment.

Drafting Specs

See Specs in "WORK" section.

ISSUE 1: Should women who participate in this type of community service assignment be allowed to continue as a paid "Work" assignment?

4. Obligations and Case Management Demonstrations

SEPARATE SECTION ON DEMOS
Learnfare; family-based comp. case mgmt.
- mutual obligation

These demonstrations would make a portion of AFDC benefits conditioned on fulfilling a contract requiring the proactive efforts of all adolescents and adults in the household to promote their self-sufficiency. States would provide comprehensive case management that focuses on all family members in order to support recipients in meeting their contract obligations. The goal of these demonstrations is to make all family members accountable for promoting their own futures and those of other family members.

ISSUE 1: How can this be different from demos that have been or are now funded? Could it be a state option? With a higher matching rate?

ISSUE 2: How many demonstrations will be awarded? Within each demonstration, how many sites must be included? How long should the demonstrations last? What type of evaluation is necessary?

ISSUE 3: How broad should the requirements on families be?

ISSUE 4: How should sanctions be developed? Should States have the option to determine them?

Req's for teen parents
* make case mgmt as part of TBBS

Drafting Specs

The Secretary of the Department of Health and Human Services will award [] demonstrations on a competitive basis to States to implement such a program in at least [] sites under their jurisdiction and to develop a plan for expanding this model to a larger number of recipients. States would be given considerable flexibility to develop innovative demonstrations. Each State will submit a plan to the Department which will:

- a) detail what would constitute proactive efforts on the part of recipients (e.g. what education, training, employment, and obtainment of preventative services for children would be required).
- b) define exceptional cases that would receive exemptions.
- c) describe what would constitute holistic case management. Case management should focus on all members of the household in the areas of health, mental health, education, training, and life skills.
- d) define which services will be provided. Possibilities include education, job training, and job search; child care and transportation assistance; counseling; family planning; health care; and drug treatment.
- e) describe the sanctions to be employed.
- f) describe whether and how a recipient could earn back the sum withheld.
- g) agree to participate in a federal evaluation using an experimental design and large samples.

5. OPTION: Limiting Family Growth While on AFDC

Allow States the option to limit benefit increases when additional children are conceived by parents already on AFDC if the State ensures that parents have access to family planning services.

Currently, families on welfare receive additional support because their AFDC benefits increase automatically to include the needs of an additional child. This option would reinforce parental responsibility by keeping AFDC benefits constant when a child is conceived while the parent is on welfare. The message of responsibility would be further strengthened by permitting the family to earn more or receive more in child support without penalty as a substitute for the automatic AFDC benefit increase under current law.

Overcome
Spinning
Barriers

Triplets

2 yr time limit?

Drafting Specs

No legislative specifications are needed. This would be treated like all other State options.

B. ENGAGING EVERY SECTOR OF SOCIETY IN PROMOTING RESPONSIBILITY

1. Community Support

Campaign to challenge all Americans, especially the most fortunate, to volunteer to work one-on-one with at-risk children and adults in disadvantaged neighborhoods.

Drafting Specs – No legislation is required for this effort.

2. National Campaign Against Teenage Pregnancy

A Presidential-led national campaign against teenage pregnancy, involving the media, community organizations, religious institutions, and others in a concerted effort to instill responsibility and shape behavior.

Drafting Specs – No legislation is required for this effort.

3. Neighborhood Demonstrations

Demonstrations for local communities to stimulate neighborhood-based innovation. The goal of the demonstration is to provide comprehensive services to children and youth in high-risk neighborhoods which could help change the environment as well as provide more direct support services for these children and youth. Communities can increase responsibility and opportunity through innovative new services, coordination between new and existing services, and the support of a range of community groups.

ISSUE 1: How many demonstrations will be awarded? How long should the demonstrations last?

ISSUE 2: Who will be eligible to receive the funding? Local governments, community organizations, local businesses, schools, State governments?

ISSUE 3: While considerable community flexibility is desired, how prescriptive should the legislation be?

ISSUE 4: How should leading experts in the field and recent scientific research be used?

Drafting Specs

in consultation w/E Board

The Secretary of the Department of Health and Human Services will authorize no more than [] demonstrations that provide comprehensive neighborhood-based approaches. A demonstration can be conducted for no longer than [] years.

The Secretary of the Department of Health and Human Services shall solicit communities with which to conduct demonstrations of the latest approaches. The Department will help bring together experts and community leaders to develop the best new approaches. The Department will provide technical

assistance and resources to the local communities. Communities will be given considerable flexibility in developing new innovative approaches. Collaboration with existing services and programs will be encouraged. Communities will submit a plan which includes:

- 1) details of the services and programs to be provided. Possible services include, but are not limited to, community redevelopment, community service projects, family planning, parenting education, mentoring/tutoring, drug and alcohol awareness, job training, and job search.
- 2) proposed efforts to coordinate existing services and programs with new ones. Community plans must document the ability to bring together a consortium of community organizations, businesses, colleges, religious organizations, schools, and State and local governments.
- 3) an agreement to participate in a federal evaluation using an experimental design and large samples.

4. Education Demonstrations

Conduct demonstrations that hold schools more accountable for early identification of students with attendance and behavioral problems and for referral to and cooperation with comprehensive service programs which can address the needs of the whole family, as appropriate. The goal is to develop collaborative efforts among families, the schools, and other service providers (including the local welfare office) to better address the needs of at-risk youth before they dropout of the educational system.

- ISSUE 1: Should these demonstrations be authorized under Chapter 1 or as part of the Elementary and Secondary School Education Act? Should there be joint administration by the Department of Education and the Department of Health and Human Services. How does this relate to the Department of Education's recent decision to end authorization of existing drop-out prevention demonstrations?
- ISSUE 2: Should incentives be included for schools participating in the demonstrations, such as enhanced funding for [] years following a successful demonstration?
- ISSUE 3: Should demonstrations be conducted only in high schools or should middle schools be included?
- ISSUE 4: How many demonstrations will be awarded? Within in each demonstration, how many sites must be included? How long should the demonstrations last?

Drafting Specs

The Secretary of the Department of Education, in collaboration with the Department of Health and Human Services, will authorize no more than [] demonstrations to States for schools in those States to develop innovative approaches to addressing the needs of at-risk and dropout youth and their families. A demonstration can be conducted for no longer than [] years. States will be given considerable flexibility in developing new innovative approaches. States must target school districts with high dropout rates.

Any State seeking to conduct a demonstration shall submit a plan to the Secretary of the Department of Education which includes:

- 1) details of the services and programs to be provided and how the needs of other family members will be addressed. Possible services include, but are not limited to, efforts to identify at-risk students, to provide early intervention strategies, to facilitate the collaboration between the schools and other service providers, to increase outreach to at-risk and dropout youth and their families, and to reintegrate these youth into education or training programs.
- 2) description of efforts to link school services and programs with those provided by other agencies, including the local welfare office.
- 3) criteria for "early warning signs" and their definition of "at-risk youth."
- 4) an agreement to participate in a federal evaluation using an experimental design and large samples.

C. ENCOURAGING RESPONSIBLE FAMILY PLANNING

1. Health Initiatives

In the President's health care reform proposal, family planning, including prescribed contraceptives, is part of the overall benefit package available to all Americans, regardless of income. However, insurance, while crucial, is not enough. Access and education must be improved. To this end, funding for Community Health Centers, a major source of primary care (including family planning and pre-natal care), is expanding. Also, traditional public health efforts through Title X and the Maternal and Child Health Block Grant will continue.

Drafting Specs

Any new legislation will be included in the Health Care Reform or other health related legislation.

2. Demonstrations

Conduct demonstrations to link family planning and other critical health care prevention approaches to welfare reform efforts by removing barriers to family planning for underserved and at-risk populations.

ISSUE 1: Should there be a specific legislation regarding family planning demonstrations or should they be implemented through other existing authorities?

ISSUE 2: How many demonstrations will be awarded? Within in each demonstration, how many sites must be included? How long should the demonstrations last?

ISSUE 3: Should this be tied into any of the above demonstrations as part of the collaborative efforts between parents, schools, and the government?

Drafting Specs

The Secretary of the Department of Health and Human Services will authorize no more than [] demonstrations that make family planning services more readily available. A demonstration would be conducted for no longer than [] years. States will be given flexibility in developing innovative approaches to insure that underserved and at-risk individuals (the daughters of AFDC recipients are a particularly vulnerable population), have access to the information they need to make educated choices about contraceptives and child bearing.

States may employ both individual measures and broader approaches:

- a) Individual measures may include waiving cost-sharing for family planning services and providing a home visitation option in order to remove barriers to these services.
- b) Broader approaches could include bolstering services to improve general access to family planning. This can be done by providing funds for transportation to and from family planning services, opening more family planning sites in accessible locations and keeping them open for more hours.

Each State will submit a plan to the Secretary of Health and Human Services for approval which includes:

- 1) details of the changes in family planning services to be made and a description of how they will be made.
- 2) an agreement to participate in a federal evaluation using experimental design and large samples.