

# **Does Making Work Pay *Still* Pay?**

**An Update on the Effects of  
Four Earnings Supplement Programs  
on Employment, Earnings, and Income**

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## Overview

This report describes recent results from four studies of programs that supplemented the earnings of low-income adults. The four studies, which took place beginning in the early 1990s, are the Canadian Self-Sufficiency Project (SSP), the Minnesota Family Investment Program (MFIP), Milwaukee's New Hope Project, and Connecticut's Jobs First program. The programs' supplements were intended to encourage work and to boost the income of adults who worked. Each was studied using a reliable research design that randomly assigned people to a program group that was eligible for earnings supplements or to a control group that was not. This report updates effects on economic outcomes after the earnings supplement programs ended.

### Main Findings

- **The programs increased employment, earnings, and income.** Adults who were offered earnings supplements were more likely to work, earned more, and had more income than control group members. In some cases, however, earnings supplements allowed parents to cut back their hours of work while maintaining their family's income.
- **Effects on welfare receipt varied with the structure of the earnings supplement offer.** For example, families in SSP had to leave welfare to receive the program's earnings supplement, and SSP reduced welfare use. Families in MFIP had to remain on welfare to receive its earnings supplement, and MFIP increased welfare use above what it would have been.
- **The effects of the programs diminished over time.** Some policymakers hoped that people who were encouraged by the supplements to work would gain skills that would permanently lift them to higher-paying jobs. That does not appear to be the case.
- **Effects of the policies on employment and earnings were larger and more persistent for a group of very disadvantaged families.** The effects of the policies were generally larger and longer-lived for long-term welfare recipients with limited education and work experience.

Although the programs had positive effects on work and income, those benefits came at a cost, ranging from about \$100 to about \$2,000 each year per family. These costs can be reduced, however, by paying supplements only to those who work full time and only to those who are least likely to work on their own, such as long-term welfare recipients and the long-term unemployed. Such targeting, however, also reduces the number of families who are likely to benefit from the earnings supplements.



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## Preface

The 1990s marked a period of progress for low-income families, temporarily reversing a trend that had persisted for several decades. The United States entered a long period of economic growth, culminating in rare gains for those at the bottom. It radically reformed its welfare system to provide temporary benefits as a way station on the hoped-for path to employment, marriage, and economic self-sufficiency. And it expanded a range of economic supports and financial work incentives — such as tax credits, child care subsidies, and other supplements to earnings — to encourage low-income parents to work and to support them and their families when they did work.

When these welfare and support changes were first being considered, a forward-looking group of policymakers and community activists sought to better understand the role that economic supports and financial work incentives might play in transforming the welfare system into one that also supported families when they worked rather than solely when they did not. In Connecticut, Milwaukee, Minnesota, and two Canadian provinces, they piloted policies that rewarded and encouraged work by supplementing the earnings of low-wage parents who worked. They also agreed to evaluate the effects of these policies rigorously, using random assignment. A few years ago, early results from those studies showed that such earning supplement policies were triple winners: They increased employment, reduced poverty, and benefited younger school-age children.

This report updates results on economic outcomes for these families several years after the earnings supplements had ended. It answers the question: Did the gains that accrued when the programs were operating continue after they ended, providing a permanent boost up the economic ladder? They did not: After five to seven years, the early economic gains had largely dissipated. Families who had not been offered the earnings supplements had generally caught up to those who had. They were equally likely to be working; their earnings were just as high; and they were as likely to have escaped poverty. Would the effects have been sustained if the supplement program had continued? The labor market gains probably would not have. The increased work in the first three or four years did not translate into wage gains. Eventually, most welfare recipients left the rolls for jobs, and, when they did, they got jobs comparable to those of recipients who were offered the supplement. In contrast, the income gains would likely have been sustained if the supplements had continued.

Despite these dissipating economic effects, families did have more financial resources for several years than they otherwise would have, and they were able to use those resources to buy such necessities as food, clothing, and high-quality child care. Some parents were also able to use the earnings supplements to work less and spend more time with their children. Did the programs benefit some groups more than others? The programs had more sustained effects for those participants who were least likely to work on their own. In some cases, the gains for this group appear to have persisted through the end of the six-year follow-up period, although the gains decreased in magnitude over time.

The studies offer some important lessons for policymakers. First, the basic approach that was used — earnings supplements either alone or combined with other policies — produced many good results in the short term, and their effects on income and poverty would likely have been sustained if earnings supplements had been offered for a longer period. This suggests that policies like the Earned Income Tax Credit (EITC) and child care subsidies are helping parents who have few job skills to escape poverty. Second, despite facing low wages and challenges to finding and keeping jobs, many economically disadvantaged parents can earn their fair share if they are encouraged and helped to work full time. This was not taken for granted when the studies began. Finally, although such earnings supplements increase costs to the government, those costs can be reduced by providing strong incentives to work full time and by targeting earnings supplements to groups that are least likely to work, such as long-term welfare recipients or the long-term unemployed. In short, earnings supplement policies increase the range of options that policymakers have to encourage work and combat poverty. Indeed, they are the only policies to consistently have had positive effects on both work and income.

Gordon L. Berlin  
President

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The Author



## Executive Summary

This report describes recent results from four studies of programs that supplemented the earnings of low-income adults. The four studies, which took place beginning in the early 1990s, are the Canadian Self-Sufficiency Project (SSP), the Minnesota Family Investment Program (MFIP), Milwaukee's New Hope Project, and Connecticut's Jobs First program. The programs' supplements were intended to encourage work and to boost the income of adults who worked. Each was studied using a reliable research design that randomly assigned people to a program group that was eligible for earnings supplements or to a control group that was not. This report focuses on the policies' effects on economic outcomes, such as employment, earnings, and income, and includes information on these effects after the programs ended. A separate policy brief describes recent findings on the programs' effects on children.<sup>1</sup>

### Main Findings

Here is a summary of the four programs' effects on economic outcomes:

- **The programs increased employment, earnings, and income.** Adults who were offered earnings supplements were more likely to work, earned more, and had more income than control group members. This stands in contrast to earlier policies that helped welfare recipients go to work without supplementing their earnings and that generally left families no better off financially.
- **Effects on welfare receipt varied with the structure of the earnings supplement offer.** The policies were designed to affect welfare receipt in different ways. Families in SSP had to leave welfare to receive the program's earnings supplement, and SSP reduced welfare use. Families in MFIP had to remain on welfare to receive its earnings supplement, and MFIP increased welfare use above what it would have been. Families in Jobs First also had to stay on welfare to receive the program's earnings supplement, but eventually they lost their eligibility for both the earnings supplement and welfare. As a result, Jobs First initially increased welfare use but later reduced it.
- **Earnings supplements might encourage some people to reduce how much they work.** Earnings supplements encourage some parents to cut back

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<sup>1</sup>Pamela A. Morris, Lisa A. Gennetian, and Greg J. Duncan, "Effects of Welfare and Employment Policies on Young Children: New Findings on Policy Experiments Conducted in the Early 1990s," *Social Policy Report* 19, 2 (2005).

their work effort while allowing them to maintain their family's income, and this effect was seen to some extent in MFIP, Jobs First, and New Hope. This is a feature especially of policies that supplement part-time work, such as Earned Income Tax Credits (EITCs) and welfare earnings disregards. Thus, work cutbacks can be reduced by making full-time work a condition of receiving a supplement, as New Hope and SSP did.

- **The effects of the programs diminished over time, in part because the programs ended and in part because the early employment effects did not lead to lasting wage gains.** Some policymakers hoped that people who were encouraged by the supplements to work would gain skills that would permanently lift them to higher-paying, more stable jobs. That does not appear to be the case. When families were last observed, four to seven years after they entered the studies, the programs' effects were close to zero. The pattern of impacts suggests, however, that offering the supplements for a longer period would have resulted in longer-term effects on income and welfare receipt but not employment. Eventually, most welfare recipients in the control groups took jobs, too. Because the employment gains of the supplement-takers did not lead to higher wages for them over time, the other welfare recipients "caught up" with the supplement-takers when they took jobs.
- **Effects of the policies on employment and earnings were larger and more persistent for a group of very disadvantaged families.** The effects of the policies were sometimes quite large for long-term welfare recipients who had not worked recently and who had not graduated from high school. The effects on employment and earnings were also longer-lived for this group, although these effects also diminished substantially over time.
- **Combining earnings supplements with employment services produced larger effects than supplements alone.** In addition to supplementing earnings, some of the programs required participants to look for work or provided services to help them find and keep jobs. Adding such requirements or services produced larger and longer-lasting effects on employment and earnings, although the programs' effects on income stemmed primarily from their earnings supplements.
- **Earnings supplements typically cost the government money.** Although the programs had positive effects on work and income, those benefits came at a cost, ranging from about \$100 to about \$2,000 each year per family. These costs can be reduced, however, by paying supplements only to those

who work full time and only to those who are least likely to work on their own, such as long-term welfare recipients and the long-term unemployed. Such targeting, however, also reduces the number of families who are likely to benefit from the earnings supplements.

## Policy Implications

If officials were going to increase resources to meet the needs of the working poor, what lessons can they learn from these studies to design earnings supplements that would maximize employment, income, and child well-being while minimizing unintended reductions in work effort among those who would have worked anyway? Here are several lessons for policymakers:

- **Combine earnings supplements with job search services.** Many economically disadvantaged adults may lack the skills required by most jobs. Others might have been away from work for so long that they are unaware of how to look for work or are daunted by the prospect of looking for work. Even if they want to take advantage of earnings supplements, they might be unable to do so. Combining earnings supplements with job search services can therefore boost both employment and income.
- **Help people keep their jobs and advance to better jobs.** Despite going to work earlier, people who were offered earnings supplements generally earned no more than their control group counterparts after five to seven years. They were not able to take advantage of their work experiences to climb the career ladder. Some findings suggest, however, that the short-term employment effects of earnings supplements could be prolonged by providing postemployment and job advancement assistance.
- **Maintain supplements to sustain income gains.** When earnings supplements were withdrawn, their effects on income also disappeared. Providing supplements on an ongoing basis is therefore likely to provide continued financial assistance to low-income families, helping to ensure that working parents do not raise children in poverty.
- **Provide generous, well-marketed incentives.** For people who would not work otherwise, earnings supplements can stimulate work and increase income. However, this group is unlikely to respond to the work incentive if the connection to work is not made explicit.
- **Targeted supplements can reduce costs but might be less equitable.** The findings presented in this report suggest a tradeoff between increased effi-

ciency for narrowly targeted programs (for example, those that are aimed at long-term welfare recipients) and increased equity for broadly targeted programs (for example, those that are aimed at the working poor). This provides policymakers with some options. If they want to reduce poverty and are not worried about whether earnings supplements encourage people to work or discourage people from working too much, they could offer their supplements broadly. If they are interested in maximizing the employment gains that their policies generate while keeping costs relatively contained, they could target supplements at those who are least likely to work, such as long-term welfare recipients or the long-term unemployed.

- **To reduce costs, tie earnings supplements to full-time work.** This strategy would limit the work-hour reductions among workers evident in some programs that provided supplements for part-time work, would contain the costs of additional incentives, and would make it more likely that families are self-sufficient. In addition, full-time work is more likely than part-time work to provide fringe benefits, such as health insurance, and to produce skills that would increase a person's chances of becoming self-sufficient.



## Introduction

Three decades of mostly stagnant wages have made it difficult for many parents, even working full time, to lift their families out of poverty through earnings alone. Many low-wage workers are also in part-time or temporary jobs that provide few opportunities to gain skills or develop careers. The 1996 federal welfare reform nevertheless was designed to move welfare recipients into the world of low-wage labor. Such a strong work focus is likely to increase earnings, reduce welfare payments, and save government funds, but it is unlikely to affect income or poverty.<sup>1</sup> This is in part because of welfare recipients' poor work prospects but also in part because the welfare system prior to 1996 did not reward work financially.

At the same time as welfare was being reformed, the federal and state governments used other means to reward and support low-income families who choose to work. They expanded child care subsidies, increased the amount that welfare recipients can earn before losing their eligibility for benefits, and increased the ability of working-poor families to receive health insurance. The federal government substantially increased the Earned Income Tax Credit (EITC), which is designed to supplement the earnings of working-poor families to help them escape poverty, and more than a dozen states have followed suit with their own EITCs.<sup>2</sup> Policymakers hoped that the combination of work incentives and requirements would encourage welfare recipients to work and eventually help them leave welfare.

While these work supports and earnings supplements were being developed and put into place, MDRC was studying similar policies in Minnesota, Connecticut, Milwaukee, and two Canadian provinces. The studies used a rigorous research method called "random assignment," whereby a lottery-like process was used to determine whether families would be assigned to a program group that would be offered earnings supplements or to a control group that would not.

Previously published results show that the policies increased employment and income and reduced poverty over a period of three years,<sup>3</sup> encouraged steady employment,<sup>4</sup> and benefited young school-age children.<sup>5</sup> Since those publications, the families in these studies were followed for several more years. This report describes the types of effects that financial incen-

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<sup>1</sup>Gueron and Pauly, 1991; Bloom and Michalopoulos, 2001.

<sup>2</sup>For more information on expansions of these programs, see U.S. House of Representatives (2004) for child care subsidies; Gallagher et al. (1998) for enhanced earnings disregards; Ullman, Hill, and Almeida (1999) for public health insurance; and Llobrera and Zahradnik (2004) for state EITCs.

<sup>3</sup>Berlin, 2000.

<sup>4</sup>Michalopoulos, 2001.

<sup>5</sup>Clark-Kaufmann, Duncan, and Morris, 2003; Morris et al., 2001.

tives and work supports have had over four to seven years. A separate report summarizes the longer-term findings for children and families.<sup>6</sup>

This report has three goals:

- **To describe the effects of the policies at their peak.** The studies used an unusually rigorous research design that provides credible estimates of the effects of the policies. In each case, the results show that the policies were a smashing success. They encouraged low-wage parents to work, and they increased families' income and reduced their poverty.
- **To investigate whether the policies had long-term effects.** In each study, families were eligible for extra earnings supplements for a limited time. An important question is whether the initial incentive would "inoculate" participants and help sustain increased work over a long period. This might have happened if participants went to work early on, gained skills through work experience, and were able to advance to higher-paying, more stable jobs later on. The results in this regard are not promising overall. By and large, the initial positive effects of the policies dissipated over time, suggesting that their effects on employment, earnings, and income were temporary. For a very disadvantaged group of families, however, the effects were somewhat larger and longer-lived.
- **To explore whether extending the earnings supplements might have generated longer-term effects.** It is possible that allowing families to receive the extra earnings supplements for a longer period would have encouraged more of them to continue working and would have produced long-term effects on their income. If it did, that suggests that policies like the EITC that are not time limited also produce long-term effects. Although the answer to this question is speculative, the results suggest that the effects of the incentives on welfare use and income would have been extended with a longer supplement period but that their effects on employment and earnings would not have been extended.

## Background on the Policies and the Studies

The programs and policies described in this report all supplemented the earnings of welfare recipients and other low-income workers, but they did so in different ways. Two sup-

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<sup>6</sup>Morris, Gennetian, and Duncan, 2005.

plemented earnings outside the welfare system, while two supplemented earnings for those who remained on welfare. Two supplemented only full-time work, while two also rewarded part-time work. One supported full-time workers with more generous child care subsidies and health insurance and helped parents make the transition to work through temporary community service jobs with nonprofit organizations. Another supported working parents by making it easier for them to use child care subsidies and by helping them find child care providers. Finally, several provided services — either required or voluntary — to help welfare recipients prepare for work and look for work. This section briefly describes the four programs' financial incentives, work supports, and policies, which are summarized in Table 1.

## **The Programs and Policies**

### **The Minnesota Family Investment Program**

A pilot version of the Minnesota Family Investment Program (MFIP) was begun in 1994 to test whether financial incentives would encourage welfare recipients to work.<sup>7</sup> MFIP provided its financial work incentive through an enhanced earnings disregard, which means that a welfare recipient in MFIP could earn more than under the old system before becoming ineligible to receive cash assistance. Under MFIP, a single parent could remain on welfare with earnings up to 140 percent of the poverty threshold. Put another way, a mother of two who worked 20 hours per week and earned \$6 per hour would receive almost \$250 more in income under MFIP than under the old Aid to Families with Dependent Children (AFDC) program in Minnesota. Box 1 describes the earnings disregards under these two systems.

This report describes results for two versions of MFIP: The *incentives-only* program supplemented working recipients' earnings as described above, whereas the primary version — here termed *full-services MFIP* — also required recipients to participate in a welfare-to-work program after they had received welfare for 24 months in a 36-month period. An alternative to participating in welfare-to-work services was to work 30 hours a week. In total, 9,217 single-parent welfare recipients and applicants participated in the MFIP study.

In January 1998, during the middle of follow-up for the pilot MFIP study, Minnesota adopted a less generous version of the program as its statewide policy. Families in the MFIP evaluation who were still on welfare were moved into this statewide program in June 1998, thus ending the experimental difference between the welfare policies experienced by families in the program group and by families in the control group. Under the statewide version of MFIP, parents could receive welfare as long as their earnings were no more than 120 percent of the poverty threshold, and work requirements happened sooner and were more focused on job search

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<sup>7</sup>Miller et al., 2000.

**Table 1**  
**Description of the Studies**

Study	Financial Work Incentives	Other Work Supports	Other Policies	Place	Participants
<b>MFIP</b>					
Full services	Enhanced welfare earnings disregard; provided greater incentives for part-time work than for full-time work	Provided child care subsidy payments to providers before care was provided, rather than after	Mandatory work preparation for those who received welfare for 24 months in a 36-month period	Urban and rural counties in Minnesota	Welfare recipients and applicants at the time of application or redetermination
Incentives only	Same as for full-services MFIP	Same as for full-services MFIP		Urban counties in Minnesota	Same as for full-services MFIP
<b>Jobs First</b>	Allowed working welfare recipients to keep their entire welfare check and food stamps benefit		Mandatory work preparation for all welfare recipients; 21-month time limit on welfare receipt	New Haven and Manchester, Connecticut	Welfare recipients and applicants at the time of application or redetermination
<b>SSP</b>					
Long-term recipient study	Earnings supplement for those who left welfare and worked 30 hours or more per week			New Brunswick and Vancouver area of British Columbia	Welfare recipients on the rolls for at least 11 of the previous 12 months
Applicant study	Same as for SSP for long-term recipients			Vancouver area of British Columbia	New welfare recipients
SSP Plus	Same as for SSP for long-term recipients		Voluntary services to help people find work and stay at work	Province of New Brunswick	Welfare recipients on the rolls for at least 11 of the previous 12 months
<b>New Hope</b>	Earnings supplement for those who worked 30 hours per week; designed to increase income to the poverty level	Child care subsidies and subsidized health insurance for those who worked full time	Temporary community service jobs provided to those who wanted to work full time but could not find jobs	Two low-income neighborhoods in Milwaukee	Any adults with income below 150 percent of the poverty line who were interested in working full time

## Box 1

### What Is a Welfare Earnings Disregard?

After the 1996 welfare reform, most states altered the financial work incentives faced by welfare recipients through a policy known as an *earnings disregard*. A family's earnings affect the welfare benefits that they can receive. In general, the more earnings that a family has, the lower their benefits will be. For any given level of earnings, a more generous earnings disregard reduces a family's benefits less.

Under the Aid to Families with Dependent Children (AFDC) system that was in place before 1996 in most states, a welfare recipient who had worked for more than four months could keep \$120 each month in earnings without having her welfare check reduced. For each dollar earned beyond \$120 per month, however, the welfare benefit would decrease by \$1. In essence, this was a 100 percent tax on additional earnings, and it provided a strong incentive *not* to work.

By comparison, a family in the pilot MFIP program could earn about one-third of the maximum welfare and food stamp benefits without having their benefits reduced. This meant that a single parent with two children could earn about \$250 per month without losing benefits. For earnings beyond that point, the MFIP policy reduced the public assistance benefit by 62 cents, rather than dollar for dollar. This provided a greater incentive to work, at least part time.

and quick employment. In addition, the statewide MFIP policy included a five-year time limit on welfare benefits — consistent with federal policy under Temporary Assistance for Needy Families (TANF).

### The Canadian Self-Sufficiency Project

The Self-Sufficiency Project, or SSP, offered a temporary earnings supplement to selected single-parent welfare recipients in the Canadian provinces of British Columbia and New Brunswick. The earnings supplement was a monthly cash payment that was available to single parents who had been on welfare for at least one year and who left welfare and worked at least 30 hours per week. The supplement was paid on top of earnings from employment for up to three years, as long as the person continued to work full time and remained off welfare. While collecting the supplement, the single parent received an immediate payoff from work; for a mother working full time at the minimum wage, total income before taxes was about twice her earnings.

SSP included three studies. In the *SSP recipient study*, about 6,000 single parents in British Columbia and New Brunswick were randomly chosen between November 1992 and March 1995 from welfare recipients who had had received welfare payments in the current

## Box 2

### Why Use Random Assignment?

Each of the policies discussed in this report was studied using the research design known as *random assignment*. Whether a person entered the program that included an earnings supplement or entered the existing program was determined at random and was not affected by the individual's characteristics.

Often considered the gold standard of policy analysis, random assignment ensures that all the observed and unobserved characteristics of sample members are about equally distributed between the program and control groups. As a result, any differences in outcomes that later emerge can credibly be linked to the policy being studied rather than to differences in the characteristics of program and control group members.

The benefits of random assignment can be seen in the following table, which shows that the average characteristics of the SSP recipients in the program group and in the control group were extremely close when the participants entered the study.

Characteristic	Program Group	Control Group
Percentage white	76.4	76.7
Number of children	1.68	1.69
Age (years)	32.3	32.3
Earnings in prior quarter (\$)	275	297

month and at least 11 of the prior 12 months.<sup>8</sup> This group was immediately eligible for the program's earnings supplement. Between November 1994 and March 1995, individuals who were recruited for the SSP recipient study in New Brunswick had a one-third chance of being chosen for *SSP Plus*, which, in addition to the earnings supplement, offered help finding and keeping jobs.<sup>9</sup> The *SSP applicant study* included 3,316 single parents who had just begun receiving welfare in British Columbia between February 1994 and February 1995;<sup>10</sup> to become eligible for the supplement, program group members had to stay on income assistance for one year and then

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<sup>8</sup>Michalopoulos et al., 2002.

<sup>9</sup>Michalopoulos et al., 2002.

<sup>10</sup>Ford, Gyamanti, Foley, and Tattie, 2003.

leave welfare for full-time work in the subsequent year. (Box 2 shows how random assignment ensured that the average characteristics of the program group and the control group were similar when participants entered the SSP studies.)

### Milwaukee's New Hope Project

The New Hope Project provided a monthly earnings supplement to low-income families in Milwaukee if one parent worked at least 30 hours per week.<sup>11</sup> The earnings supplement was designed to bring the family's income up to the poverty level. New Hope also offered public health insurance and child care subsidies for parents who worked full time. In addition, adults who wanted to work full time could be placed into community service jobs for up to six months. All benefits were available for up to three years after a family entered the study.

Families in two low-income Milwaukee neighborhoods were recruited into the New Hope study between August 1994 and December 1995. Adults were eligible to participate if their household income was less than 150 percent of the federal poverty threshold when they entered the study and if they indicated that they were interested in working 30 hours or more per week.

### The Connecticut Jobs First Program

Jobs First began operating in Connecticut in January 1996 and eventually became the state's TANF program.<sup>12</sup> A random assignment study of Jobs First was conducted with about 4,800 welfare recipients and applicants from welfare offices in New Haven and Manchester (which is east of Hartford). Like MFIP, Jobs First supplemented the earnings of welfare recipients by enhancing its earnings disregard. Recipients who were working could keep their entire welfare check and food stamp benefit — \$764 per month for a single parent with two children at the beginning of the study — as long as they were earning less than the federal poverty threshold. Jobs First also required welfare recipients to prepare for work either through job search classes or through adult basic education.

Although Jobs First contains a generous earnings supplement, it also includes a 21-month time limit on welfare benefits — perhaps the shortest time limit in the country. In practice, most families who reached the time limit while the program was being evaluated were granted an extension if they had earnings that were less than their welfare grant plus \$90. The Jobs First time limit makes it fundamentally different from the other three policies discussed in this report. When participants in the other programs reached the end of their eligibility for extra earnings supplements, they could still receive welfare benefits. In Jobs First, they could not.

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<sup>11</sup>Bos et al., 1999.

<sup>12</sup>Bloom et al., 2002.

## Financial Work Incentives

As summarized in Table 1, the four programs had quite different policies regarding financial work incentives, which had important implications for their effects on work behavior. While SSP and New Hope rewarded only full-time work, MFIP and Jobs First also rewarded part-time work. Thus, more families would be expected to benefit from MFIP and Jobs First, but working parents would likely earn more under SSP and New Hope. Likewise, policies that supplement the earnings of part-time workers might encourage more people to reduce their work effort while using the earnings supplement to maintain their overall family income.

For each incentives policy other than New Hope's, Figure 1 shows the difference in income between a program group parent and a control group parent who had two children and who earned \$5 per hour. "Income" includes payroll and income taxes, tax credits (such as the EITC in the United States and the Goods and Services Tax Credit in Canada), cash assistance, and the cash value of food stamps — all based on rules that were in effect at the beginning of each study. Because the incentives were somewhat different in the two Canadian provinces, they are presented separately in Figure 1.

The SSP earnings supplement equaled half the difference between someone's actual earnings and a target level of earnings if the person worked 30 or more hours per week. At the beginning of the study, the target level of monthly earnings was \$2,343 in British Columbia and \$1,875 in New Brunswick.<sup>13</sup> Thus, if a parent earned \$5 per hour and worked 30 hours per week, she would earn \$650 per month and receive an earnings supplement of \$846 (or one half the difference between \$2,343 and \$650). To receive the earnings supplement, however, she would have to give up about \$500 each month in welfare benefits. In addition, she would have to pay federal and provincial taxes on the SSP supplement payments that she received. As a result, she would have about \$273 more in income each month under SSP than under the welfare system in British Columbia.

In Figure 1, this 30-hour minimum is indicated on the graphs for British Columbia and New Brunswick by showing an incentive of \$0 for fewer than 30 hours of work each week. A parent working fewer than 30 hours per week could receive welfare whether she was in the program group or control group, and her income would be the same in either case. A parent in the program group who worked 30 hours per week, however, would receive the SSP earnings supplement and would have about \$250 more income each month than a similar parent in the control group.

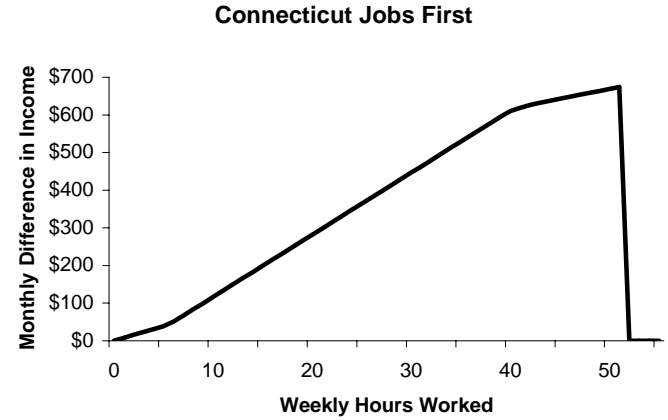
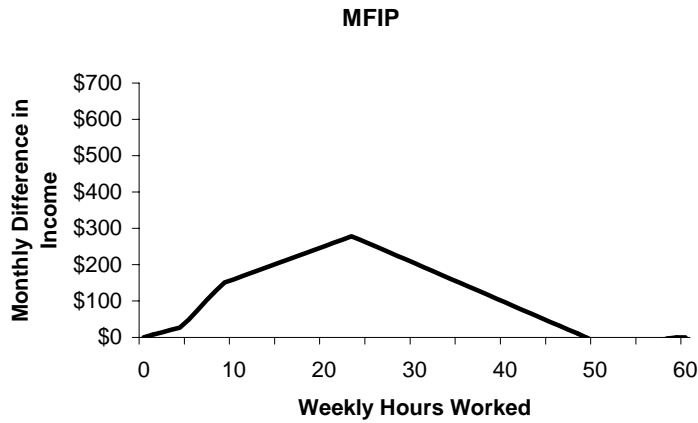
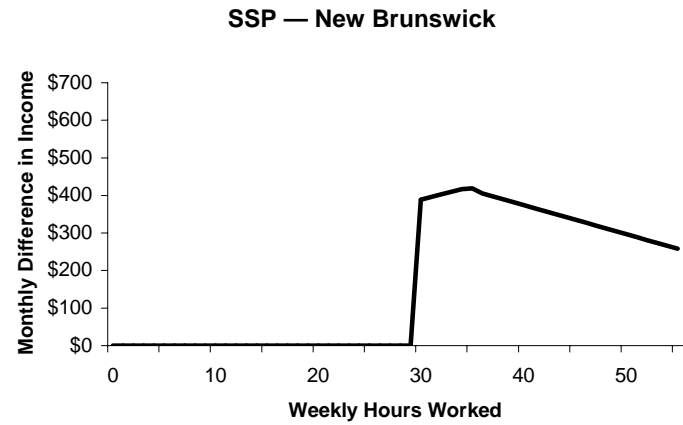
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<sup>13</sup>In Canadian dollars, the target earnings levels were \$Can 37,500 per year in British Columbia and \$Can 30,000 in New Brunswick at the beginning of the SSP study. With an exchange rate of 0.75 \$Canadian to 1.00 \$US, which is roughly the exchange rate at the beginning of the study, the target earnings levels were \$28,125 in British Columbia and \$22,500 in New Brunswick. These levels were adjusted over time to take into account inflation.



Figure 1

Hypothetical Effects of Earnings Supplement Programs on Income for a Single Parent with Two Children Who Earned \$5 per hour



6

Notes: Each figure shows the difference in income between a working parent in the program group and a working parent in the control group, taking into account payroll and income taxes and tax credits as well as potential transfer payments, such as cash assistance and food stamps.

If the parent in British Columbia increased her hours of work beyond 30 hours per week, the financial work incentive from the SSP earnings supplement increased. This is because the parent would have lost a dollar of welfare benefits with each additional dollar of earnings if she had been in the control group but would have lost only 50 cents of the SSP earnings supplement with each additional dollar of earnings. For this low-wage parent, the work incentive would have exceeded \$400 each month if she worked 55 hours each week. The pattern for British Columbia is similar, although the policy's incentive decreased slightly beyond 35 hours of work for this hypothetical parent.

The incentive under MFIP was quite different than the incentive under SSP. To begin with, income under the MFIP policy exceeded income under the preexisting AFDC system with the first hour of work. For this low-wage parent, the incentive would have continued to increase, peaking at \$278 dollars per month if the parent worked 23 hours per week. For these earnings levels, earnings reduced the welfare grant less under MFIP than under AFDC.

A low-wage parent in MFIP received less incentive to work full time than to work part time. It is instructive to consider why this was the case, because the policy is common to many states' earnings disregards. If the parent had been in the control group and worked 25 hours per week, she would have earned too much to continue receiving welfare. Each additional dollar she earned would go into her pocket, after she paid payroll and income taxes. If she were in the program group, by contrast, she would be able to combine work and welfare with that level of earnings. With each additional dollar of earnings, she would not only pay payroll and income taxes but would also have her welfare benefit reduced by 62 cents. Her income would be higher under MFIP than under AFDC, but it would go up less under MFIP with each hour of work past 24.

Although Jobs First also used an earnings disregard to encourage work, it provided a very different type of incentive than either SSP or MFIP. Under Jobs First, a welfare recipient who went to work could keep the family's entire welfare check and food stamp benefit as long as their earnings were below the federal poverty threshold, which was \$1,111 per month for a family of three at the beginning of the study. Like MFIP, the Jobs First enhanced earnings disregard rewarded both part-time and full-time work. Unlike MFIP, however, Jobs First rewarded full-time work more than part-time work because welfare benefits were not reduced at all, whereas MFIP reduced benefits by 62 cents with each additional dollar of earnings. The Jobs First incentive peaked at over \$600 per month when this low-wage parent worked 51 hours per week.

Once the parent's earnings reached the federal poverty line, however, the Jobs First incentive disappeared, as indicated by the sudden drop of the graph line to zero at 53 hours of work per week. This is because Jobs First cut a family's welfare check and food stamp benefit to zero if the parent earned one dollar more than the poverty threshold. In other words, with earnings one dollar less than the poverty level, the family could keep its entire welfare benefit and food stamp benefit. With earnings one dollar more than the poverty level, they would lose

their entire eligibility for benefits. It is unlikely, however, that families were affected in such a drastic and immediate way, since the welfare system would have found out about changes in earnings only when families filed for recertification for welfare benefits.

The earnings supplement in New Hope (not shown in Figure 1) followed a fairly complicated formula that was designed to lift a family's income above the poverty threshold if they were also receiving the federal EITC and if at least one parent was working 30 hours or more per week.<sup>14</sup> A single parent who earned \$5 per hour and had two children would receive about \$140 each month more than if she had been in the control group.<sup>15</sup> The amount of the incentive decreased if the parent worked more than 30 hours each week, and it reached zero when the parent worked about 220 hours in a month.

To summarize, SSP and New Hope provided incentives only for people to work full time (30 hours or more per week); MFIP provided incentives for people to work either full time or part time and, in fact, probably created strong incentives for people to cut back to part-time work; and Jobs First likewise rewarded both part-time and full-time work but had incentives that increased with hours of work for most workers.

## **Effects on Employment, Earnings, and Income**

The objective of each program's policy was to encourage welfare recipients or other low-wage adults to work and to increase their income when they did work. The policies were also designed to alter participants' welfare use — by requiring them to leave welfare in order to receive the earnings supplement, as in SSP; by requiring them to stay on welfare in order to receive the earnings supplement, as in MFIP and Jobs First; or by imposing a time limit on welfare benefits, as in Jobs First.

This section shows that the programs did increase employment, earnings, and income and that they had their expected effects on welfare use. In many respects, the effects follow the structure of the programs. For example, the effects of SSP peaked during the period when participants had to leave welfare for full-time work in order to begin receiving the program's earnings supplement. The effects of Jobs First on welfare receipt and income plummeted after families began reaching the program's time limit on welfare benefits.

By and large, the effects of the programs had disappeared by the end of the follow-up period in each study. Since each program's extra earnings supplement ended at some point — either by design or as part of a policy change — that might partly explain why the effects diminished so much. Box 3 describes how the programs' effects are measured and presented in this report.

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<sup>14</sup>Bos et al., 1999.

<sup>15</sup>Brock, Doolittle, Fellerath, and Wiseman, 1997, Appendix G.

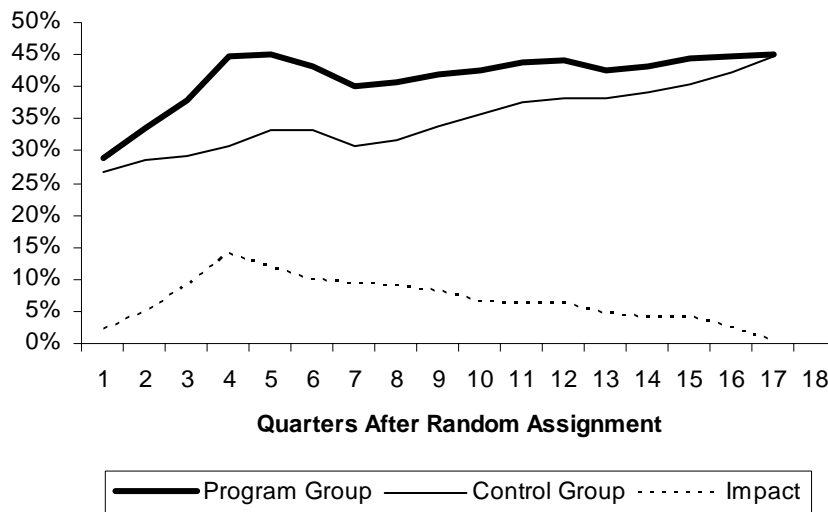
### Box 3

#### How the Programs' Effects Are Measured

Because each study in this report randomly assigned individuals to either the earnings supplement program or the existing program, the effects of the earnings supplement program can be estimated by the difference in outcomes between the two groups. This is illustrated by the figure below, which shows how effects were calculated in the SSP recipient study.

The heavier solid line shows employment for the program group, while the lighter solid line shows employment for the control group. Employment initially increased much faster for the program group, but it leveled out after the fourth quarter, and the two groups were about equally likely to work by the end of the follow-up period. The dashed line shows the estimated *impact*, or *effect*, of the program, measured as the difference between employment rates for the two groups. When the program group's employment increased quickly in the first year, the program's effect also increased quickly. As the control group's employment caught up to the program group's employment after the first year, the impact gradually declined, and it became close to zero by the end of the follow-up period.

**Quarterly Impacts on Employment of SSP**



Most figures in this report show only the estimated effects of the programs over time. Technical Resources available on MDRC's Web site show levels for the control groups and effects of the programs (measured as the differences between average outcomes for the program groups and the control groups) as well as the results of statistical tests of the likelihood that the measured effects could be due to chance. See [www.mdrc.org](http://www.mdrc.org).

## Employment

Figure 2 shows the effects of the four sets of policies on employment for each quarter after random assignment for which there are data.<sup>16</sup> In each case, the effect is calculated as the difference in the percentage of program and control group members who worked. Because SSP and MFIP had somewhat different policies for long-term welfare recipients than for new or recent applicants, results are shown separately for the two groups, with the solid lines representing long-term recipients and the dashed line representing new applicants (SSP) or recent applicants (MFIP).<sup>17</sup>

The details of SSP's earnings supplement offer show up clearly in Figure 2. During the year after random assignment, long-term recipients had to find full-time work and leave welfare in order to qualify for three years of subsidy receipt. During that year, the program's effect on employment gradually increased and peaked at 14 percentage points at the end of the year. After that point, the program's effects declined gradually, either because those who went to work lost their jobs or because control group members found jobs. By the time the supplement had ended for all participants (Quarter 16), the program's impact was close to zero, and it quickly fell to zero thereafter.

The SSP applicant sample faced slightly different rules, and the program's effects reflect those differences. SSP required this group to stay on welfare for a year before they could become eligible for the supplement. During that first year (through Quarter 4), 60 percent of the program group established eligibility for the supplement (not shown in Figure 2), but the program did not increase employment.<sup>18</sup> Those who established eligibility by staying on the rolls for a year then had to find full-time work and leave welfare in the second year to qualify to receive the supplement for three years. During that second year, the program's effects on earnings for new recipients increased steadily and reached 12 percentage points in Quarter 8 after random assignment. Its effect also gradually decreased over time but was still positive and statistically significant in Quarter 21 after the quarter of random assignment, the last period for which information is available.

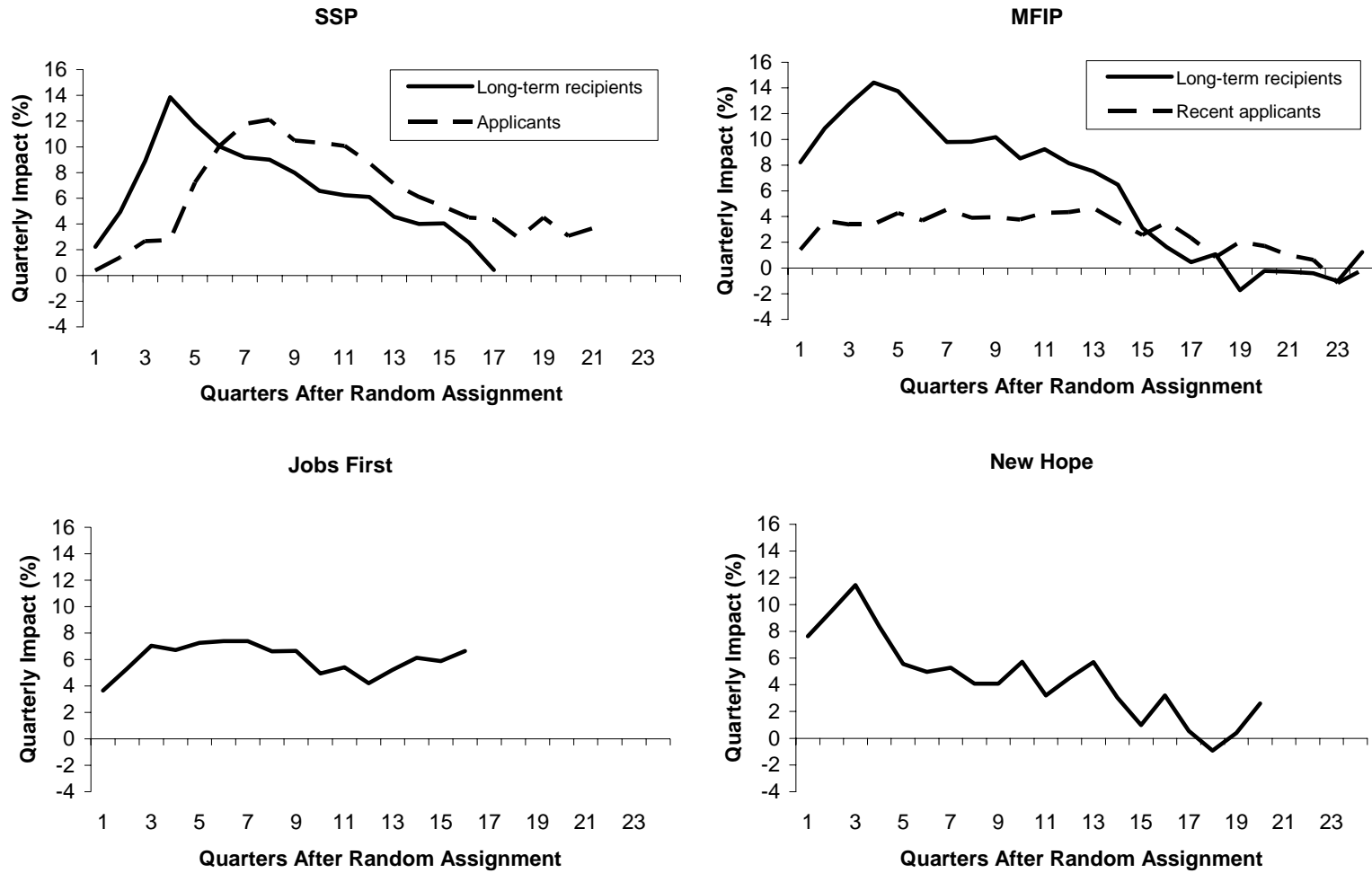
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<sup>16</sup>Detailed results are provided in this report's Technical Resources, which are available online at MDRC's Web site: See [www.mdrc.org](http://www.mdrc.org). [Technical Resource \(TR\) Table 1](#) shows results for SSP long-term recipients; [TR Table 2](#) shows results for SSP applicants; [TR Table 3](#) shows results for MFIP long-term recipients; [TR Table 4](#) shows results for MFIP recent applicants; [TR Table 5](#) shows results for New Hope; and [TR Table 6](#) shows results for Jobs First.

<sup>17</sup>The definition of "long-term recipient" is taken from each study. For SSP, a long-term recipient was on welfare at study entry and for at least 11 of the preceding 12 months, while new applicants were in their first month of receiving welfare after having been off the rolls for at least 6 months. For MFIP, a long-term recipient had been on welfare for at least 24 of the prior 36 months, while all other sample members were considered recent applicants.

<sup>18</sup>One purpose of the SSP applicant study was to determine whether welfare recipients would stay on welfare longer in order to qualify for the earnings supplement. According to Michalopoulos, Robins, and Card (2005), about 60 percent of the program group stayed on welfare for 11 of the 12 months in the first year, compared with 56 percent of the control group, indicating that the supplement did encourage a few new recipients to receive welfare longer than they otherwise would have.

**Figure 2**  
**Estimated Effects of Earnings Supplement Programs on Employment**



The results for MFIP's long-term recipients look similar to those for SSP's long-term recipients. Recall that long-term recipients in MFIP were not only offered the program's earnings supplement but also required to participate immediately in welfare-to-work activities. Perhaps because of that immediate requirement, MFIP's effect on employment for long-term recipients began strong and increased much less than in SSP in the first year, although both programs increased employment by about 13 to 14 percentage points by the end of the first year. MFIP's effects also declined over time — at first much more slowly than SSP's — and they also were close to zero by the end of the fifth year after random assignment.

In contrast to the early effects for long-term recipients, MFIP's effect on employment for recent applicants was modest, peaking at about 4 percentage points. The most likely explanation for the difference in impacts between long-term recipients and recent applicants in MFIP is that recent applicants were not required to participate in welfare-to-work activities until they had been on welfare for two years in a three-year period, and many never reached this threshold.<sup>19</sup> The most likely explanation for the difference in impacts between applicants in SSP and MFIP was the greater generosity of SSP's financial incentive.

Impacts of Jobs First on employment also increased during the first year and were surprisingly stable throughout the follow-up period. Of the six results shown in Figure 2, Jobs First is the only program in which the employment gains did not substantially diminish after the first or second year. The effects of Jobs First were measured over a shorter period than the effects of the other programs, and it is possible that longer follow-up would have shown declining impacts. It is also possible that the time limit on welfare benefits — which families would have begun reaching in Quarter 7 — may have provided an additional impetus for Jobs First families to stay at work or find jobs.

New Hope's effects on employment resemble the effects of SSP and MFIP for long-term recipients. Impacts grew during the first year and peaked at about 12 percentage points. The large initial effects might reflect the short-term availability of community service jobs. About 32 percent of New Hope's program group took advantage of such jobs in the first two years, for an average of 6.1 months.<sup>20</sup> The dip in earnings in the second year might reflect a period when people stopped using such jobs. As in the other programs, the effects of New Hope on employment diminished over time, particularly after people lost their eligibility for the program at the end of the third year.

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<sup>19</sup>Although this explanation is plausible, results for long-term recipients and welfare applicants in Jobs First look similar to those from MFIP, even though Jobs First required all recipients to enroll immediately in welfare-to-work activities (Bloom et al., 2002).

<sup>20</sup>Bos et al., 1999.

## Earnings

Figure 3 shows the effects of the programs on quarterly earnings. In many respects, the effects on earnings mirror the effects on employment. In SSP, for example, effects for long-term recipients grew throughout the first year, peaked at about \$300 per quarter at the end of the first year, and declined thereafter. For SSP applicants, there was no effect in the first year; the effect grew during the second year and peaked at about \$500 near the end of the second year; and it declined thereafter, remaining substantial at the end of the follow-up period. For New Hope, impacts were at their highest during the first year and declined thereafter.

In other respects, impacts on earnings look somewhat different than impacts on employment. In particular, the effects of MFIP and Jobs First on earnings look proportionately smaller than their effects on employment. As described above, MFIP's incentive might be expected to encourage some people to cut back their work effort (for example, from 40 hours to 30 hours per week) because the incentive rewarded part-time work more than full-time work. Although Jobs First rewarded full-time work more than part-time work, it might also have encouraged some people to cut back from full time to part time, knowing they could receive an earnings supplement while working part time. Other analyses have indicated that Jobs First discouraged people from earning at the top range.<sup>21</sup>

## Welfare Receipt

The programs' policies differed with respect to whether they were designed to discourage welfare use. Those who received the SSP earnings supplement had to leave welfare to receive it, while the MFIP and Jobs First earnings subsidies were enhanced welfare earnings disregards that required people to stay on welfare to receive them. However, Jobs First limited welfare benefits to 21 months, so the effect of the enhanced disregard was likely to be temporary. Finally, New Hope was designed neither to explicitly encourage nor to explicitly discourage welfare receipt. Families could receive both welfare and the earnings subsidy, and working might have allowed some to receive welfare benefits by helping them fulfill Wisconsin's requirement that welfare recipients work.

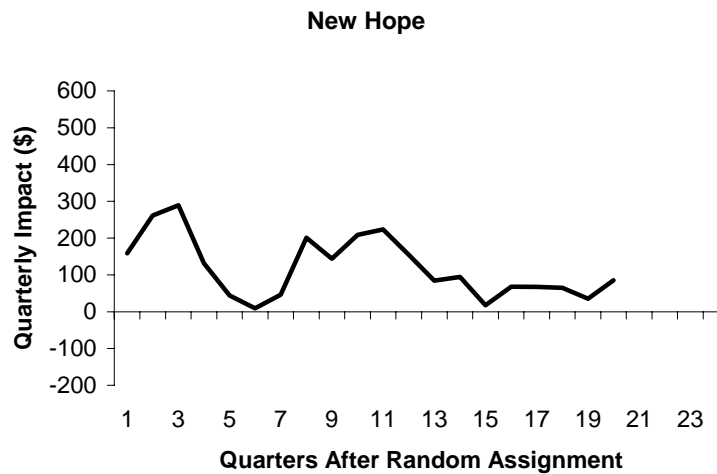
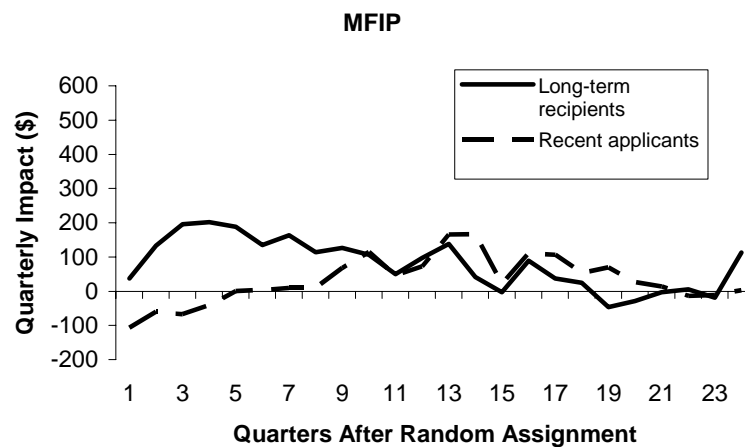
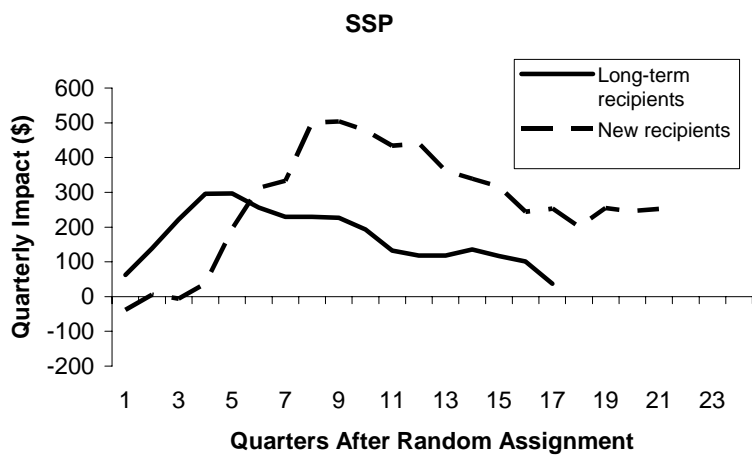
Figure 4 shows the effects of the policies on quarterly welfare receipt. The effects are largely in line with the expectations outlined above and with the policies' effects on employment and earnings. When SSP's effects on earnings increased early in the follow-up period, its effects on welfare receipt were at their largest. When the effects on earnings diminished, the effects of SSP on welfare receipt also diminished. The exception is seen in the first year for new recipients, when they were required to stay on welfare in order to establish eligibility for the

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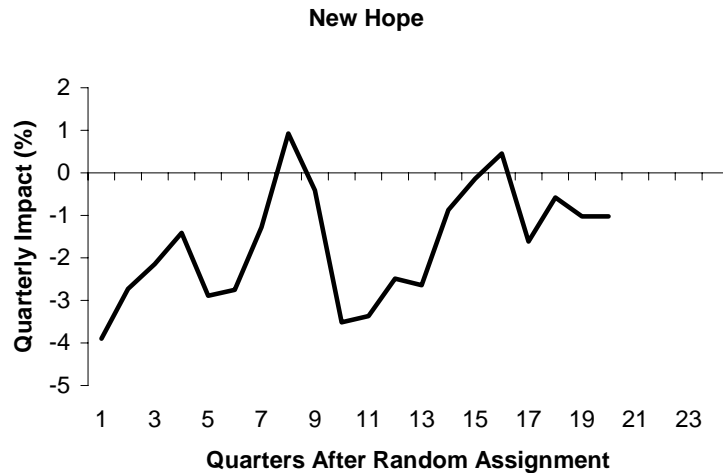
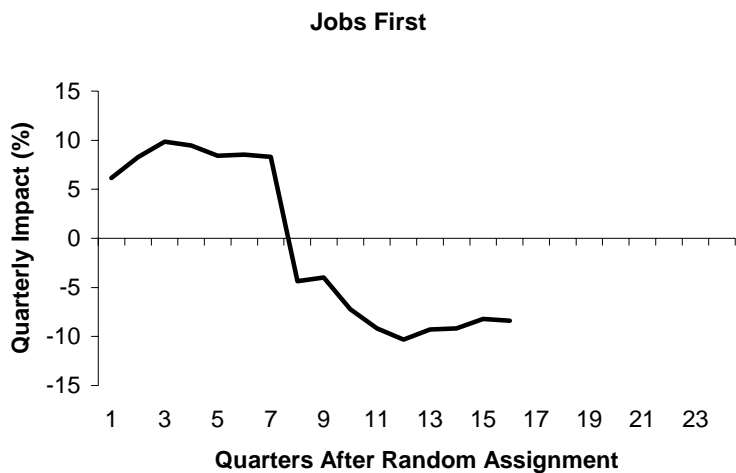
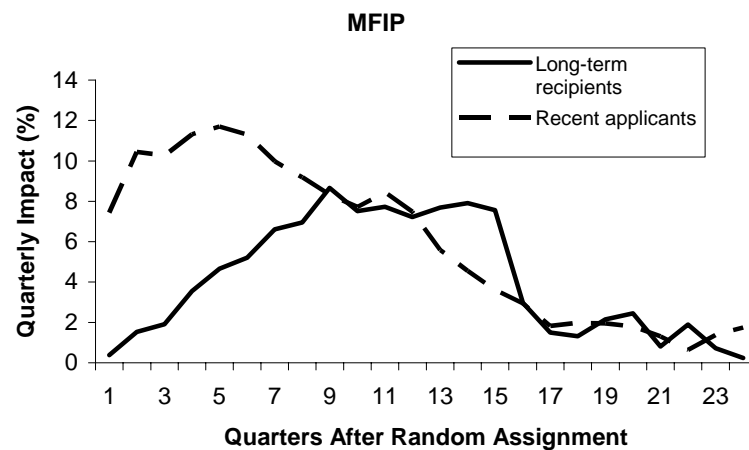
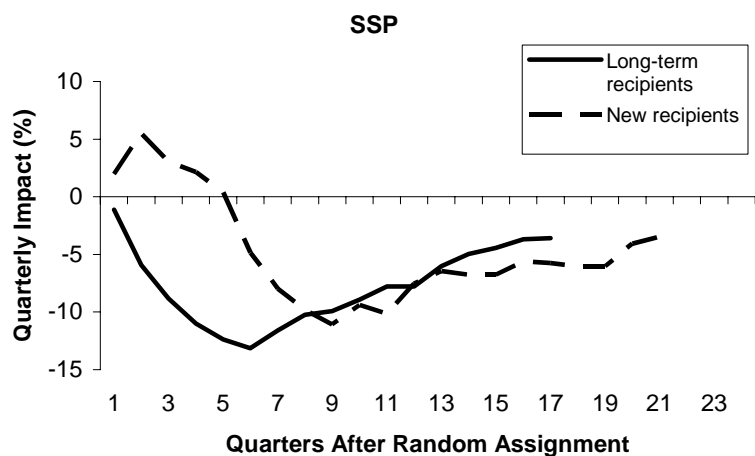
<sup>21</sup>Bitler, Gelbach, and Hoynes, 2003.



**Figure 3**  
**Estimated Effects of Earnings Supplement Programs on Earnings**



**Figure 4**  
**Estimated Effects of Earnings Supplement Programs on Welfare Receipt**



earnings subsidy. During this year, the program caused a slight increase in welfare use. Likewise, when the effects of MFIP on employment were strongest, it caused its largest increases in welfare receipt. As its effects on employment diminished over time, its effects on welfare receipt likewise diminished.

A different pattern is seen for Jobs First, reflecting its combination of a generous welfare earnings disregard combined with a 21-month time limit on welfare receipt. Before families began to reach the 21-month time limit, the earnings disregard helped people stay on welfare. After families began reaching the 21-month time limit, the program began to reduce welfare receipt.

Finally, New Hope generally reduced welfare receipt, but its effects were sporadic. This reflects the program's similarly sporadic effect on earnings, which might be a reflection of the relatively small number of families in the New Hope study.

## **Income**

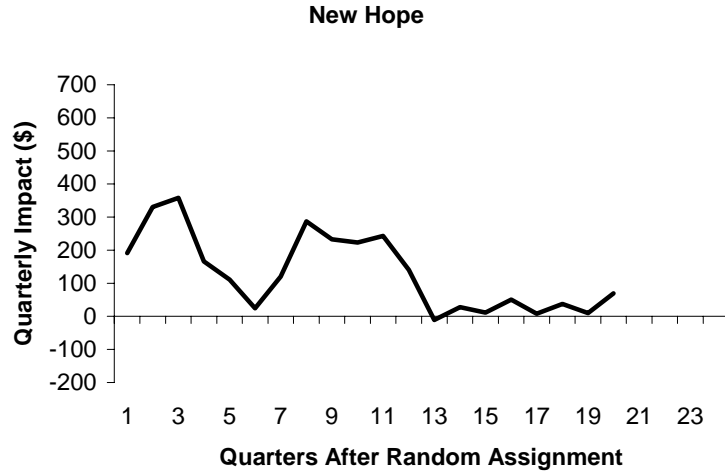
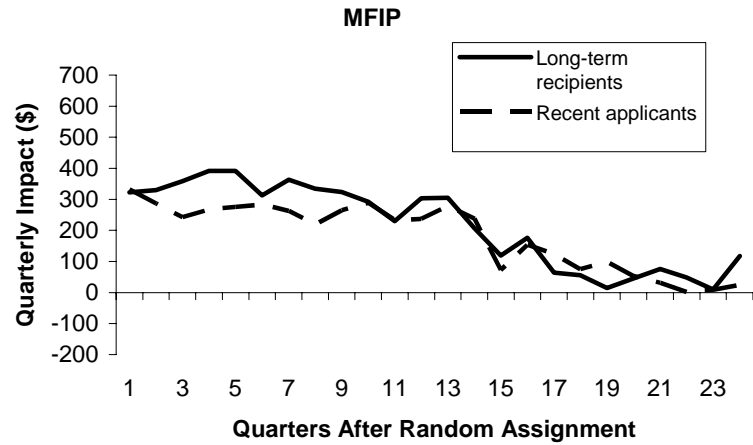
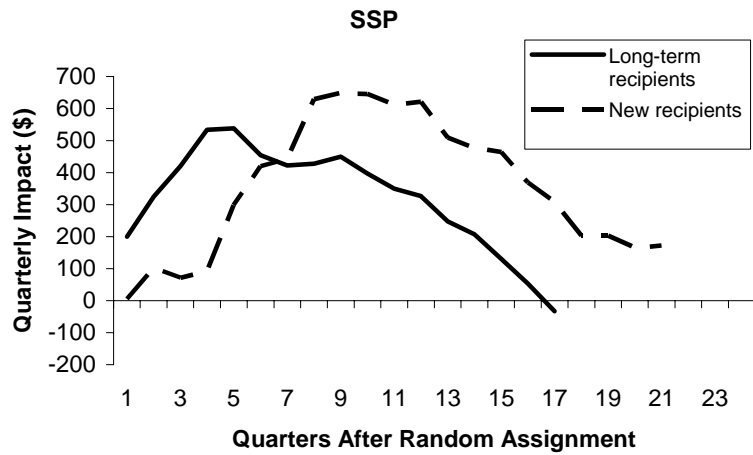
Each of the programs' policies was designed to increase income by supplementing the earnings of participants who went to work. To some extent, the programs would increase income when they increased employment, inasmuch as the earnings supplements would increase the income of most people who went to work because of the programs. Even if the policies had not increased employment, however, they would have increased income for the people who would have gone to work without the programs.

Figure 5 shows the effects of the programs on quarterly income. For SSP and New Hope, the effects on income do look similar to the effects on employment. SSP's impacts on income peaked at the end of the period for establishing supplement eligibility, and New Hope's impacts were at their greatest in the first year and declined thereafter.

For MFIP, by contrast, effects on income were similar for long-term recipients and recent applicants, while effects on employment and welfare receipt were somewhat different for the two groups. The groups' sources of income gains were also somewhat different. While MFIP substantially increased earnings for long-term recipients, it increased welfare receipt much more for recent applicants.

Jobs First had a consistent effect on employment throughout the follow-up period, varying between about 4 and 7 percentage points from the second quarter on. By contrast, the program's effect on income peaked at about \$400 in the second year and declined thereafter, particularly after Quarter 7. This probably reflects the program's time limit. Most families who were working and earning more than their welfare grant would have lost their welfare benefits

**Figure 5**  
**Estimated Effects of Earnings Supplement Programs on Income**



— and hence the earnings supplement — after Quarter 7 if they had been on welfare continuously since random assignment. At this point, the program would have ceased increasing income for them.

## **Did the Programs Have Larger Effects for the Most Disadvantaged?**

Although the effects of the earnings supplement policies had generally dissipated by the end of the various follow-up periods, perhaps the effects were longer-lasting for the more disadvantaged participants, who are the least likely to go to work on their own.<sup>22</sup> If the earning supplement policies were able to help them go to work, it is less likely that their control group counterparts would have returned to work in enough numbers to cause the effects to disappear.

Is it reasonable to expect effects to be larger among the most disadvantaged? This would be consistent with previously published results from MFIP and Jobs First, where effects on employment and earnings were concentrated among long-term welfare recipients and were small among recent welfare applicants.<sup>23</sup> By contrast, the effects of New Hope were largest among a moderately disadvantaged group who faced one of several barriers to work rather than among those who had either no barrier or more than one barrier,<sup>24</sup> and the effects of SSP were spread fairly evenly across a variety of subgroups.<sup>25</sup>

This section shows that the program effects were somewhat more persistent for a most disadvantaged group consisting of those who — prior to random assignment — had been on welfare for two or more years during their lives, did not have a high school diploma or a General Educational Development (GED) certificate, and had not worked in the preceding year. Even for the most disadvantaged, however, the effects diminished substantially over time.

Quarterly impacts on employment for the most disadvantaged are shown in Figure 6. More detailed results are presented in this report's [Technical Resources](#), which are available

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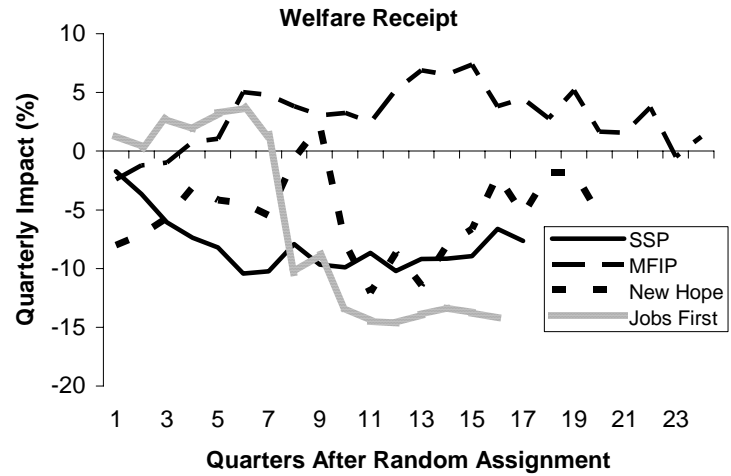
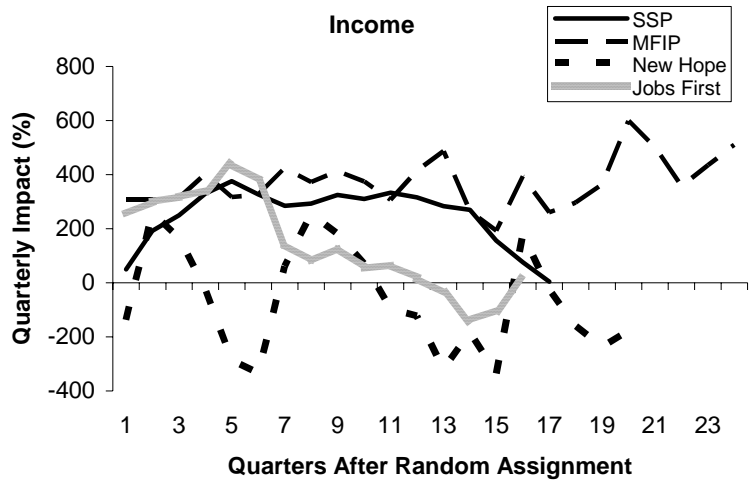
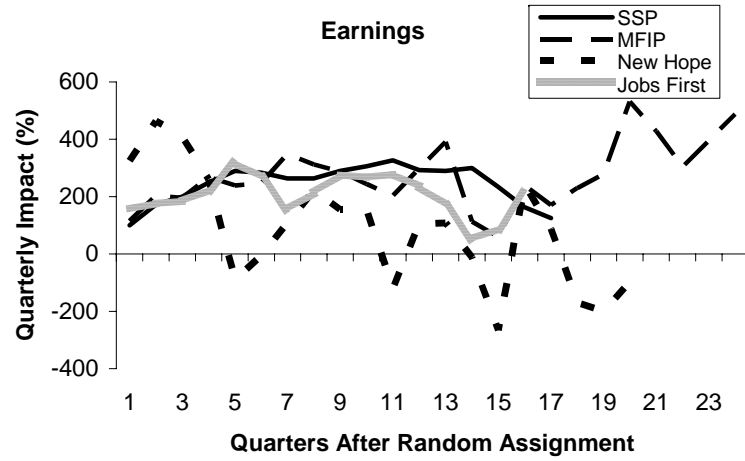
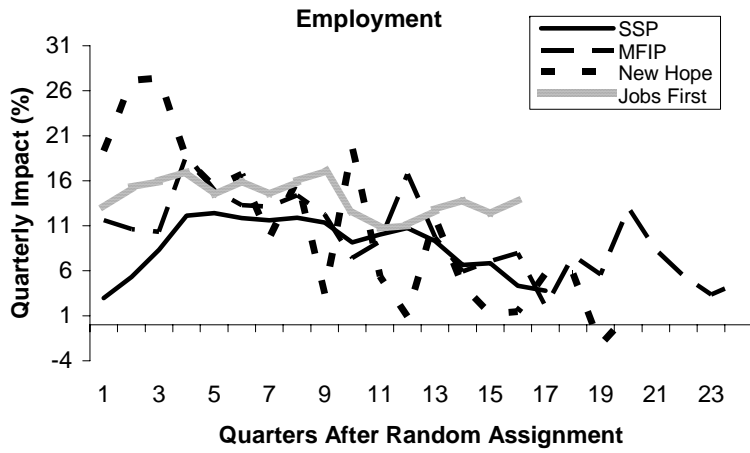
<sup>22</sup>Michalopoulos and Schwartz, 2000.

<sup>23</sup>Miller et al., 2000; Bloom et al., 2002.

<sup>24</sup>Bos et al., 1999.

<sup>25</sup>Michalopoulos et al., 2002. The most comprehensive looks at the effects of welfare-to-work programs on economic outcomes have not found systematically large effects for the most disadvantaged groups. Friedlander (1988) found that the earnings effects of a number of 1980s welfare-to-work programs were largest for moderately disadvantaged recipients, such as those with some but not a lot of recent work experience and those with some but not too much welfare history. Among more recent welfare-and-work programs, some had their largest effects for more disadvantaged groups, while others had their largest effects for less disadvantaged groups; there are no systematic patterns to explain these differences (Michalopoulos and Schwartz, 2000; Michalopoulos, 2004a, 2004b).

**Figure 6**  
**Estimated Effects of Earnings Supplement Programs on Employment, Earnings, Income, and Welfare Receipt for the Most Disadvantaged Sample Members**



online.<sup>26</sup> [Technical Resource \(TR\) Table 7](#) shows results for the most disadvantaged; [TR Table 8](#) shows results for the moderately disadvantaged (who met one or two of the criteria used to define the most disadvantaged); and [TR Table 9](#) shows results for the least disadvantaged (who met none of the criteria). To make the subgroups large enough to provide reliable estimates, the MFIP long-term recipient and recent applicant samples were combined, as were the SSP long-term recipient and applicant samples.

Early in the follow-up period, some of the policies had quite large effects on the employment of the most disadvantaged. New Hope, for example, increased employment by about 25 percentage points in the year after random assignment, while Jobs First consistently increased employment by 10 to 15 percentage points. In comparison, the effects of New Hope for its full sample never exceeded 12 percentage points, while the effects of Jobs First for its full sample was never greater than 8 percentage points. Jobs First likewise had much larger effects on earnings and welfare receipt for the most disadvantaged than for its full sample.

Although the effects for the most disadvantaged diminished substantially over time, they persisted longer than for the full sample. In the last quarter of follow-up, SSP increased employment by 3.8 percentage points among the most disadvantaged (significant at the 10 percent level), compared with 0.4 percentage point among long-term recipients more generally. Jobs First increased employment by 14.0 percentage points for this group (significant at the 1 percent level) but only by 6.6 percentage points overall. And MFIP increased their employment by 4.7 percentage points (significant at the 5 percent level), compared with 1.2 percentage points among long-term recipients overall. When results from the four studies are combined — or *pooled* — they indicate that the policies increased employment by about 6.7 percentage points and that they increased earnings by about \$179 per month in Quarter 16 after random assignment (the last quarter in which data are available for all four studies).<sup>27</sup>

## Understanding the Effects of Incentives and Employment Services

With the exception of SSP, each of the programs discussed above included other policies in addition to earnings supplements. MFIP required long-term recipients to participate in welfare-to-work services or go to work. Jobs First imposed time limits on welfare receipt in addition to requiring welfare recipients to prepare for work. New Hope provided community service jobs to participants who wanted to work full time but who could not find jobs on their own.

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<sup>26</sup>See [www.mdrc.org](http://www.mdrc.org).

<sup>27</sup>The pooled impact was calculated as the sum of the impacts of the individual programs, weighted by the inverse of the square of the standard error of the estimated impacts. This weighting produces the lowest-variance estimate of the mean effect of the programs (Hedges and Olkin, 1985).

For these programs, therefore, the effects presented thus far do not reveal the effects of the earnings supplements by themselves.

Fortunately, the MFIP and SSP studies were designed to isolate the effects of earnings supplements and the incremental effect of employment services on top of earnings supplements. In MFIP, sample members in urban counties were assigned at random to an incentives-only group, to a full-services group that was offered the program's earnings supplement but was also required to participate in welfare-to-work services after being on welfare for two years, or to a control group. In the SSP Plus study, a small sample of long-term recipients in New Brunswick was likewise assigned at random to a group that was offered the SSP earnings supplement, to a group that was offered both the earnings supplement and voluntary employment services, or to a control group.

Although both projects isolated the effects of earnings supplements and the added effects of employment services, the two sets of policies were quite different. While MFIP provided financial incentives for both part-time and full-time work, SSP provided somewhat more generous incentives but only for full-time work. MFIP *required* long-term welfare recipients to participate in welfare-to-work services or to work 30 hours each week, while SSP *offered* voluntary services to long-term recipients in the SSP Plus program. The welfare-to-work services in MFIP focused on helping participants find jobs but allowed the more unskilled participants to receive some education or training before looking for work. In SSP Plus, services were designed to help individuals find work, to help them stay at work once they were there, and to help them go back to work if they lost their jobs.

Here are the main findings of these comparisons:

- The programs' effects on income stemmed primarily from their earnings supplements.
- Adding services to earnings supplements strengthened the programs' effects on employment and earnings.
- The SSP earnings supplement had larger effects on employment and earnings than the MFIP earnings supplement, but its effects on income were less widespread.



## Employment

Figure 7 compares the effects on employment of financial incentives alone and of financial incentives plus employment services.<sup>28</sup> In each figure, the solid line shows the effect of the full-services program (that is, the one that included both earnings supplements and employment services), which is measured as the difference in outcomes between the group assigned to the full-services program and the control group. The dashed line shows the effects of the financial incentives alone, which are measured as the difference in outcomes between those randomly assigned to the incentives-only group and the control group.<sup>29</sup> The difference between these two lines indicates the effect of adding employment services to earnings supplements.

The SSP Plus employment services increased employment during the first year, when participants had to leave welfare for full-time work in order to begin receiving the program's earnings supplements. As described elsewhere, the employment services increased take-up of the supplement from 35 percent of those offered only the earnings supplement to 50 percent of those offered SSP Plus.<sup>30</sup> This difference peaked during the first year at about 10 percentage points.

The added effect of employment services in SSP declined in the beginning of the second year — as indicated by the intersection of the straight and dashed lines in Quarter 6 after random assignment. This suggests that the SSP Plus employment services might have helped some of the people who could not keep their jobs find work. However, the effect of the added employment services increased again and remained fairly steady through the remainder of the follow-up period. This might mean that the postemployment services that were offered to SSP Plus participants helped some stay at work longer. It might also mean that some people who qualified for the supplement but who lost their jobs quickly later returned to work, perhaps because of the help offered through employment services. These results should be interpreted with caution, however, since SSP Plus was tested with a fairly small sample of 300 people.

MFIP's mandatory employment services also encouraged a substantial number of people to work. In fact, employment gains in MFIP came primarily by adding mandatory employment services to the program's earnings supplement. By requiring long-term welfare recipients to prepare for and look for work, MFIP's employment services helped or encouraged some

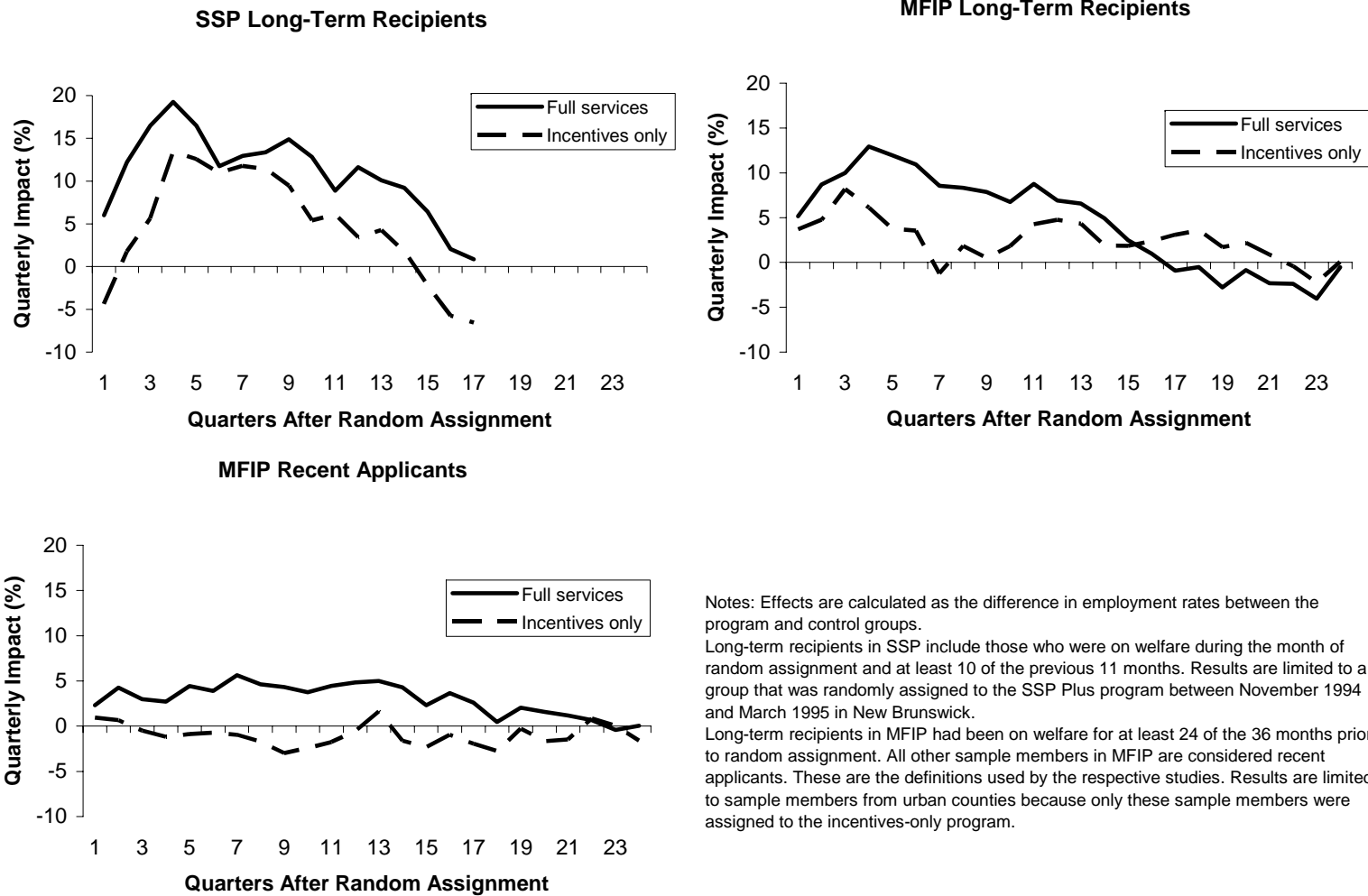
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<sup>28</sup>Detailed comparisons of results from the incentives-only and full-services versions of SSP and MFIP are available online in [Technical Resource \(TR\) Table 10](#): See [www.mdrc.org](http://www.mdrc.org).

<sup>29</sup>Results shown up to this point are for the incentives-only version of SSP and the full-services version of MFIP. However, those results are slightly different than the ones shown in Figure 7 and the ones that follow. In SSP, only a small group of long-term recipients in New Brunswick were randomly assigned to SSP Plus, so Figure 7 shows impacts for a small subset of the full SSP sample and only for those in one province. In MFIP, only sample members living in urban counties were assigned to the incentives-only group, so results in Figure 7 do not include results for those living in rural counties.

<sup>30</sup>Quets et al., 1999.

**Figure 7**  
**Estimated Effects on Employment of Earnings Supplements Alone and Earnings Supplements with Employment Services**



Notes: Effects are calculated as the difference in employment rates between the program and control groups.  
 Long-term recipients in SSP include those who were on welfare during the month of random assignment and at least 10 of the previous 11 months. Results are limited to a group that was randomly assigned to the SSP Plus program between November 1994 and March 1995 in New Brunswick.  
 Long-term recipients in MFIP had been on welfare for at least 24 of the 36 months prior to random assignment. All other sample members in MFIP are considered recent applicants. These are the definitions used by the respective studies. Results are limited to sample members from urban counties because only these sample members were assigned to the incentives-only program.

people to go to work and limited the ability of people to cut back their work effort. As a result, MFIP increased employment by almost 10 percentage points near the beginning of the second year, a time when its earnings supplement had virtually no effect on earnings.

## **Earnings**

Figure 8 compares the effects on earnings of earnings supplements alone and earnings supplements combined with employment services. The SSP Plus services resulted in larger earnings gains initially than incentives alone. While that difference dissipated somewhat in the second year, it later returned and persisted to some degree through the remainder of the follow-up period.

For MFIP, the effects of the earnings supplement on earnings are not as positive as its effects on employment. In fact, the MFIP earnings supplement alone reduced earnings somewhat. As discussed elsewhere, this is because MFIP's earnings supplement encouraged some parents to work less.<sup>31</sup> In general, financial incentives can encourage work cutbacks, if they allow families to achieve sufficient income with less work by replacing earnings with earnings supplements. This can have other benefits for families — for example, allowing parents to spend more time with their children and reducing work-related stress.

By contrast, the effect on earnings of adding mandatory employment services in MFIP increased to about \$400 per quarter in the second year, stayed at that level for several years, and then declined. MFIP's mandate could have had such large effects on earnings in two ways. First, the employment services themselves would have helped some people go to work, explaining part of the increase in earnings. Second, the requirement that people participate or work for 30 hours per week should have encouraged some people to work more hours and discouraged others from cutting back their work effort to part time.

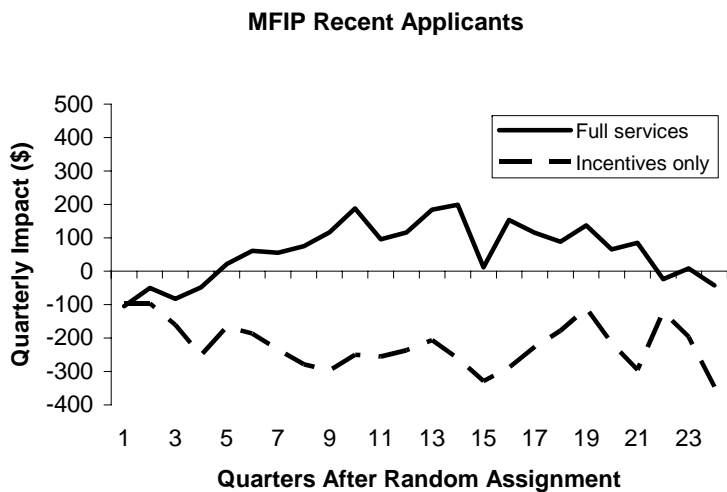
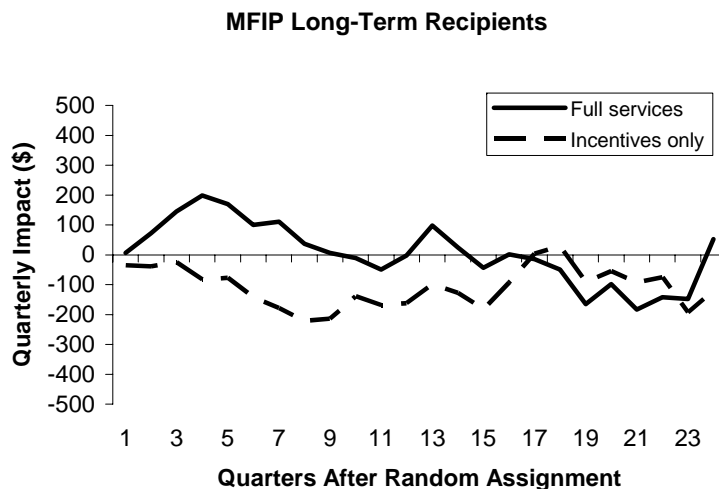
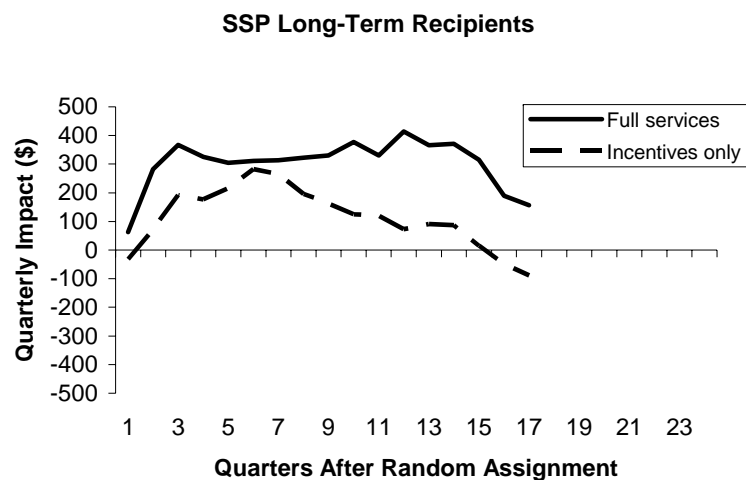
## **Income**

Figure 9 compares the effects on income of earnings supplements alone and earnings supplements combined with employment services. In each figure, the two impact lines are quite close to each other. This means that the combination of earnings supplements and employment services had about the same effect on income as earnings supplements alone. Put another way, earnings supplements were primarily responsible for the programs' effects on income.

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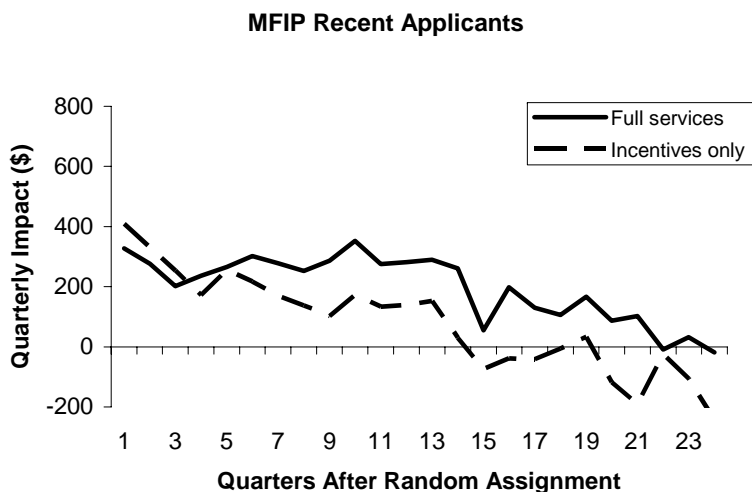
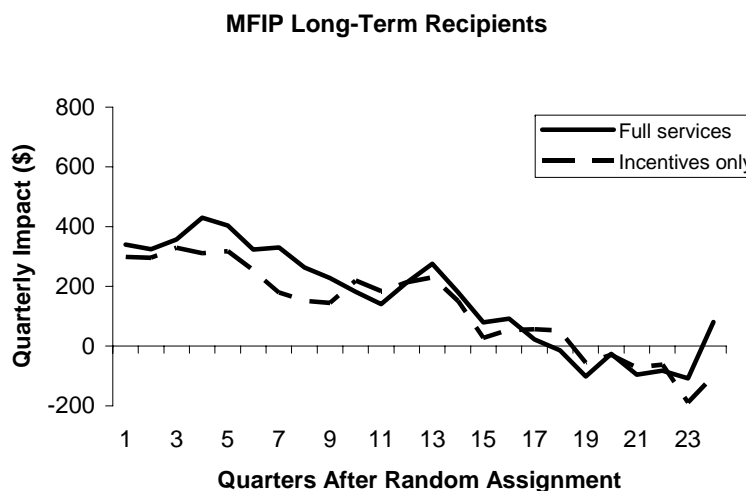
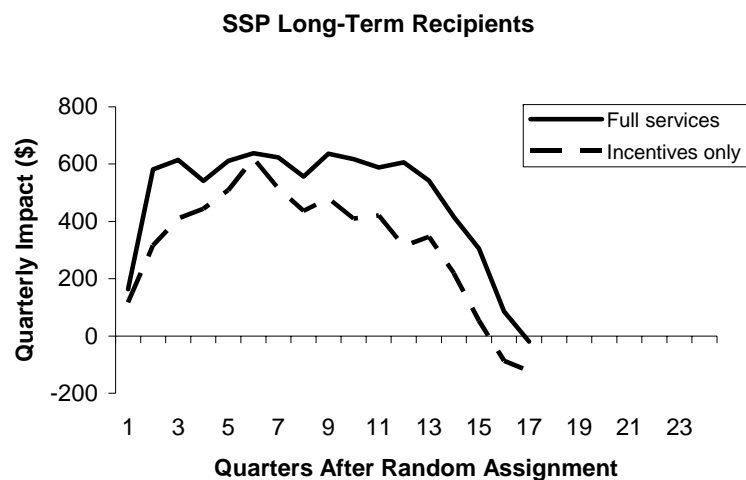
<sup>31</sup>Miller et al., 2000.

**Figure 8**  
**Estimated Effects on Earnings of Earnings Supplements Alone and Earnings Supplements with Employment Services**



Notes: Effects are calculated as the difference in employment rates between the program and control groups.  
 Long-term recipients in SSP include those who were on welfare during the month of random assignment and at least 10 of the previous 11 months. Results are limited to a group that was randomly assigned to the SSP Plus program between November 1994 and March 1995 in New Brunswick.  
 Long-term recipients in MFIP had been on welfare for at least 24 of the 36 months prior to random assignment. All other sample members in MFIP are considered recent applicants. These are the definitions used by the respective studies. Results are limited to sample members from urban counties because only these sample members were assigned to the incentives-only program.

**Figure 9**  
**Estimated Effects on Income of Earnings Supplements Alone and Earnings Supplements with Employment Services**



Notes: Effects are calculated as the difference in employment rates between the program and control groups.  
 Long-term recipients in SSP include those who were on welfare during the month of random assignment and at least 10 of the previous 11 months. Results are limited to a group that was randomly assigned to the SSP Plus program between November 1994 and March 1995 in New Brunswick.  
 Long-term recipients in MFIP had been on welfare for at least 24 of the 36 months prior to random assignment. All other sample members in MFIP are considered recent applicants. These are the definitions used by the respective studies. Results are limited to sample members from urban counties because only these sample members were assigned to the incentives-only program.

## Why Did Impacts Fade?

The effects of the programs could have dissipated for several reasons. The programs drew into the labor market a group who otherwise would not have worked, and some in this group might have lost their jobs quickly or been ill-prepared to face the challenges of work. There is some evidence in SSP and SSP Plus that this was the case.<sup>32</sup> Many in the control group eventually left welfare and returned to work, and those changes would have cut into the programs' effects. This seems to explain much of what happened later in the supplement period in SSP.<sup>33</sup> A third possibility is that people who were receiving a supplement lost some of their incentive to work when they could no longer receive it and that they consequently stopped working.

This section explores the third possibility by examining the pattern of impacts over time to gain insight into whether the programs' effects would have been sustained if earnings supplements had been offered for a longer period. The results imply that extending the eligibility for extra earnings supplements would have prolonged the programs' effects on welfare use and income but not their effects on employment and earnings. Because no experiment was explicitly designed to answer this question, the methods used to address it are more speculative than the rigorous random assignment methods that were used to answer the more basic questions about whether the policies increased employment, earnings, and income. Therefore, the results should be viewed more cautiously.

This section provides a brief description of the methods and results. More detailed descriptions are available in a technical paper that is available on request from the author.

For each experiment, the pattern of impacts before and after supplements were available provides some information about the likely effect of extending the supplement period. On the one hand, a sharp drop-off in employment or the impact on employment immediately after the end of the supplement period would indicate that ending the supplement was important; a continuation of ongoing trends, on the other hand, would imply that it was not.

Each experiment differed slightly in how the extra supplements ended:

- **MFIP.** In June 1998, program and control group members became subject to the same statewide welfare policy, which provided a less generous earnings disregard for those in the program group but a more generous earnings disregard for those in the control group. This change would therefore be expected to reduce any differences in outcomes between the two groups. In that case,

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<sup>32</sup>Michalopoulos et al., 2000; Quets et al., 1999.

<sup>33</sup>Michalopoulos et al., 2002.

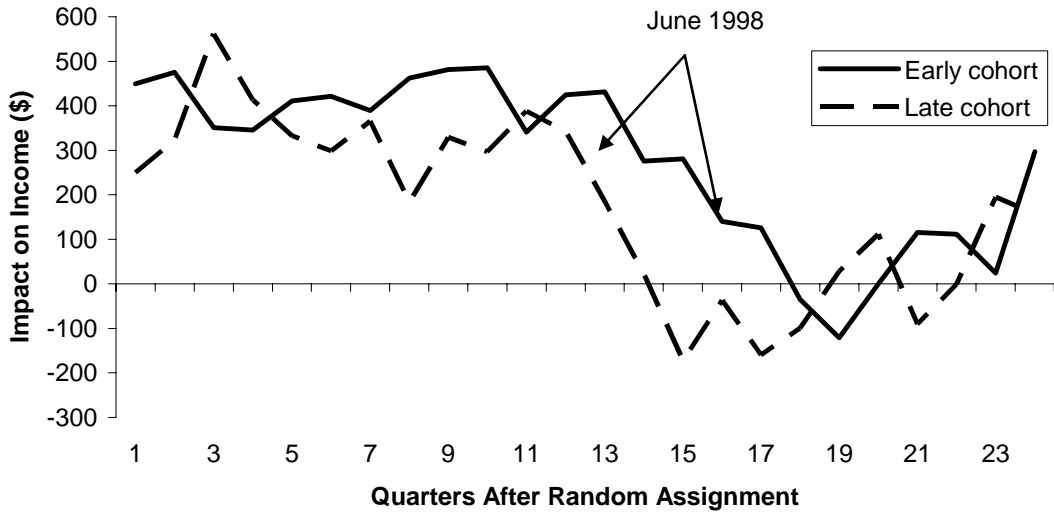
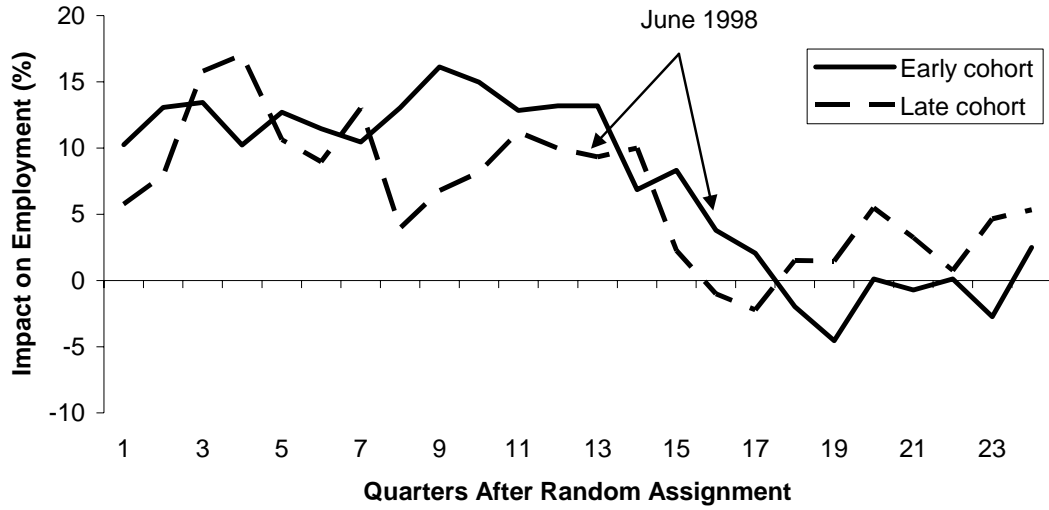
there should be sudden changes in employment, welfare use, and income after the middle of 1998.

- **New Hope.** Families in the New Hope program group could receive its package of earnings supplements and work supports for three years from the time they entered the study. If losing the supplement package changed the behavior of program group members, this should show up as a change in the trend of their outcomes and a change in the trend of the program's effects after the third year.
- **Jobs First.** In Jobs First, welfare recipients could receive the program's earnings supplement until they reached the policy's 21-month time limit. As in New Hope, evidence of the direct effect of reaching the time limit might first show up 21 months after random assignment.
- **SSP.** In SSP, program group members who initiated supplement payments could receive a supplement payment for the 36 months, whenever they worked 30 hours per week and remained off welfare. Long-term recipients who took up the supplement immediately could use it until the end of the third year after they entered the study, while long-term recipients who did not take up the supplement until the end of the first year could use it until the end of the fourth year after they entered the study. This difference in timing provides a means of examining the effect of losing the earnings supplement.

Consider Figure 10, which shows MFIP's effects on employment and income for two groups of long-term welfare recipients. The solid line shows effects for an early cohort of recipients who were randomly assigned in April, May, or June 1994. The dashed line shows the program's effects for those who were randomly assigned in January through March 1995, which is the last quarter during which long-term recipients entered the study. Because the two groups entered the study at different times, they reached June 1998 at different times relative to random assignment. The early cohort reached June 1998 in Quarter 16 after random assignment, while the late cohort reached June 1998 in Quarter 13 after random assignment. If the change to the statewide policy resulted in smaller effects, the effects should have declined faster in Quarters 14 through 16 for the late cohort than for the early cohort.

If the statewide policy change had an effect on employment, this is not obvious from Figure 10. In Quarters 14 through 16, MFIP's effects on employment for the late cohort at first remained steady at about 10 percentage points and then declined. The program's effects on employment for the early cohort look similar in Quarters 14 through 16: They remained steady for a quarter and then declined.

**Figure 10**  
**Effect of MFIP on Employment and Income of Long-Term Recipients,**  
**by Time of Study Entry**



Notes. The lines show the effect of MFIP on employment for two groups of long-term welfare recipients. The early cohort entered the study in the second calendar quarter of 1994, while the late cohort entered the study in the third calendar quarter of 1995.



The bottom half of Figure 10, however, suggests that the statewide policy change had a substantial effect on income. For the late cohort, MFIP's effect on income was fairly stable at about \$300 per quarter before June 1998. It then plummeted in Quarters 14 and 15 and was close to zero from that point on. By contrast, MFIP's effect on income for the early cohort was substantial in Quarters 14 and 15 but fell dramatically after June 1998 and was close to zero in the last few quarters of follow-up.

A systematic comparison of impacts before and after June 1998 for different cohorts of study participants suggests that the statewide policy change reduced MFIP's effects on welfare use and income but not its effects on employment and earnings. Results of similar comparisons in New Hope, Jobs First, and SSP generally imply that ending the eligibility for extra earnings supplements did not coincide with a drop in the programs' effects on employment and earnings but did coincide with a drop in their effects on welfare use and income. This suggests that a policy like the Earned Income Tax Credit can provide some initial motivation for low-wage parents to work but, in the long run, will primarily affect their income and whether they are poor.

## Costs

It is important not to lose sight of what is impressive about these earnings supplement policies: They increased both work and income, whereas other types of welfare-to-work policies have increased work without increasing income. Even if these effects were temporary, families benefited during the supplement period, and there is evidence that younger school-age children benefited as well.<sup>34</sup>

But this benefit came at a cost. MFIP spent about \$1,900 more per year over a five-year period for each family in the program group — over and above what was spent on the control group. The costs came primarily from the program's more generous earnings disregard and the ability of families to continue receiving Medicaid while receiving welfare. As in other programs described elsewhere, the mandatory welfare-to-work services largely paid for themselves.<sup>35</sup>

New Hope spent about \$4,000 per program group member on its services and work supports, net of savings to various public assistance programs.<sup>36</sup> About a quarter of the cost was for child care subsidies, and another quarter was for case management, administrative costs, and developing and managing community service jobs. The costs were high in part because many of the low-income families who were served by New Hope would not have received welfare and, therefore,

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<sup>34</sup>Morris, Gennetian, and Duncan, 2005.

<sup>35</sup>See, for example, Gueron and Pauly, 1991; Bloom and Michalopoulos, 2001.

<sup>36</sup>Bos et al., 1999.

would not have received similar services in the absence of the program, and in part the costs were high because New Hope provided work supports that were not provided by the other policies.

Costs of the other policies were less, and it is instructive to consider why this is the case. In SSP, government agencies spent only about \$400 per year on extra transfer payments — in the form of SSP supplement payments and other transfers, less savings in welfare benefits and increased tax revenues — over and above what was spent for the control group.<sup>37</sup> The cost of administering SSP added about \$200 more per year per program group member (again, over and above what would have been spent administering the usual welfare program for them). Despite its lower costs, SSP achieved effects on employment, earnings, and income for long-term welfare recipients that were as large as MFIP's effects.

SSP made up for its generous supplement offer in part by requiring those who received it to work at least 30 hours per week. This ensured that family earnings were relatively high and that supplement payments were correspondingly low. It also limited the extent to which families could receive earnings supplements without increasing the hours they worked. By limiting such “windfall,” however, SSP also limited the number of families who received any benefit from the program, while providing greater benefit to the fewer families who did participate.<sup>38</sup>

The cost of SSP for new welfare recipients was even more modest.<sup>39</sup> The total cost of SSP for new recipients — including supplement payments and operating costs — was nearly offset by increased tax revenues and decreased welfare benefits. Overall, the net cost to the government budget was less than \$110 per year per program group member over the six-year follow-up period. Costs were low for two reasons. First, requiring new recipients to stay on the rolls for a year limited windfall: Those who were most likely to return to work did so too before becoming eligible for supplement payments. Second, even those new welfare recipients who did receive supplement payments were among the more employable of welfare recipients and consequently had fairly high earnings. Since SSP supplement payments were smaller for parents who earned more, this meant that supplement payments were small for many families who were motivated to return to work and that these families paid relatively high amounts in taxes.<sup>40</sup>

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<sup>37</sup>Michalopoulos et al., 2002.

<sup>38</sup>The costs of SSP were also lower than the U.S. programs because SSP payments incurred income taxes.

<sup>39</sup>Ford, Gyamarti, Foley, and Tattrie, 2003.

<sup>40</sup>These costs are probably lower than could be expected in an ongoing program (Michalopoulos, Robins, and Card, 2005). There are two reasons for the low costs. First, earnings in the study of new recipients appear to have been higher than earnings for a corresponding group of participants in the study of long-term recipients, suggesting that the new-recipient sample was an unusual sample of its population. Second, the new-recipient study did not factor in the costs of encouraging some people to begin receiving welfare in order to eventually establish their eligibility for the supplement, although this cost is likely to be small.

Finally, Jobs First did not incur additional transfer payment costs (although the net cost of employment services and related support services in Jobs First — that is, the cost over and above what was spent on the AFDC program — was about \$450 per person per year over five years, especially for child care subsidies). This is because the additional welfare payments that were made to families before they reached the program's time limit were made up by eliminating welfare payments for some families after this point.

## **Concluding Comments**

How should we judge whether these programs were successful? Should we focus on the impressive early gains in employment, earnings, and income or on the small effects later on? Should the government pursue similar programs, and what lessons can we learn to help policy-makers shape financial work incentives? This section addresses these questions, first by asking whether the programs achieved the goals they originally laid out and whether it was reasonable to expect either short-term or long-term success and then by discussing some ways to make earning supplements more effective.

### **Goals, Expectations, and Results**

#### **Goal 1: Increased Income**

One goal of each policy was to increase the income of parents who worked. As mentioned earlier, under the rules of welfare in both the United States and Canada, many parents who went to work lost one dollar of welfare benefits for each extra dollar that they earned. As a result, earlier efforts to help welfare recipients go to work generally made families no better off financially even when they did increase employment.<sup>41</sup> New Hope took this goal one step further by trying to ensure that parents who worked full time were able to pull their family out of poverty.<sup>42</sup>

It was certainly reasonable to expect the programs to achieve this goal in the short run, because each program supplemented the earnings of working parents even if it encouraged no additional people to work. And each program succeeded in meeting the goal of increasing income.

#### **Goal 2: Increased Employment**

A second goal of the programs was to encourage people to work. Most welfare recipients could expect to earn close to the minimum wage — because of poor skills, limited work experience, lack of education, or other, similar reasons. Moreover, as discussed above, those

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<sup>41</sup>Bloom and Michalopoulos, 2001.

<sup>42</sup>Bos et al., 1999.

who were on welfare had limited ability to benefit financially from work because welfare rules took away one dollar of welfare benefits with each additional dollar of earnings. Finally, few welfare recipients in these jurisdictions were required to prepare for work and, thus, might not have felt an impetus to go to work.

When the programs were being designed, there was some concern that earnings supplements alone would not be enough to help the most disadvantaged parents work. Economically disadvantaged parents might have difficulty finding work, and those who did find work might lose their jobs quickly if they were not as prepared for work as they should be or if they could only find short-term jobs.

In part for this reason, several of the programs encouraged work through other means. MFIP required long-term welfare recipients to participate in its welfare-to-work program or work full time. Jobs First required all welfare recipients to participate in its welfare-to-work program and placed a time limit on welfare benefits to provide a different type of financial incentive to work. In New Hope, parents who wanted to work full time were offered short-term community service jobs if they could not find work on their own. In SSP Plus, long-term welfare recipients were offered voluntary services designed to help them find work and stay at work.

Each of the programs succeeded at increasing employment. SSP showed that earnings supplements alone are enough to encourage work — even full-time work — when they are generous and well marketed. By contrast, MFIP showed that financial incentives by themselves, if they are not very generous for the first few months of work, might not be enough for most people. Both studies showed that combining earnings supplements with work requirements or voluntary employment services increase the supplements' overall effects, particularly on employment and earnings.

### Goal 3: Long-Term Effects

A third goal of some of the policies was to increase employment and income over the long term. This was clearly the goal of SSP and New Hope, which limited their earnings supplements to three years. By contrast, it was not clear that this was a goal of MFIP — since, in theory, individuals could have continued receiving the enhanced earnings disregard as long as they remained eligible for welfare benefits — or of Jobs First.

Why might these programs generate long-term effects on employment and earnings? People who worked because of the programs might learn valuable skills and earn more over time through raises and job promotions or by finding better jobs. This is more likely to happen for those working full time than for those working part time,<sup>43</sup> so this effect is expected to be

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<sup>43</sup>Gladden and Taber, 1999.

larger for SSP and New Hope, the two programs that required full-time work. Incentives might also help overcome such inertial forces as the cost of looking for work and unfamiliarity with the workplace. Once people had gone to work, inertia might then encourage them to stay there, as they formed a network of friends at work, changed their tastes about work, and overcame preconceptions that might have made work seem daunting.

Jobs First's combination of an enhanced earnings disregard and a time limit provided a different means of encouraging long-term work and shows that Connecticut policymakers hoped to accomplish a slightly different goal than the other programs. The enhanced earnings disregard provided an initial financial incentive to find work, while time-limited welfare later provided a financial incentive for families to stay at work and to increase their earnings in order to replace lost welfare benefits.

Perhaps for this reason, only Jobs First succeeded in increasing employment at the end of its follow-up period. Even that success has to be tempered, however, because some individuals remained eligible for the program's earnings supplement at that point and because Jobs First had the shortest follow-up period, at four years, while some of the other studies followed families for as long as six or seven years.

Promoting long-term gains in employment and earnings might have been an unrealistic goal of programs like SSP and New Hope. In order to counter the work disincentives of welfare, hourly wages would have had to grow by about 20 percent each year,<sup>44</sup> while they actually grew by only about 5 percent per year<sup>45</sup> — a rate that is consistent with evidence about wage growth among full-time workers.<sup>46</sup>

Moreover, many parents in the studies had substantial work histories, and most could be expected to work in the future. In order to generate long-term effects on employment, the programs would have had to encourage some people to work who otherwise would not have worked for the next four to seven years.

Results for the most disadvantaged participants show some room for hope. Among control group members, this is a group that was unlikely to return to work, even within six or seven years. This is therefore the group for which the programs had room to exceed control group levels. As was shown, this is the group for which effects on employment and earnings were sustained somewhat longer.

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<sup>44</sup>Greenberg et al., 1995.

<sup>45</sup>Michalopoulos et al., 2000.

<sup>46</sup>Gladden and Taber, 1999.

Finally, it is important to remember that the pattern of impacts suggests that the programs probably would have longer-term effects on income and welfare use if their earnings supplements had continued throughout the follow-up period.

### **Lessons for Shaping Earnings Supplements**

If officials were going to increase resources to meet the needs of the working poor, what lessons can they learn from these studies to design supplements that would maximize employment, income, and child well-being while minimizing unintended reductions in work effort among those who would have worked anyway? Here are several lessons for policymakers:

- **Help people find work.** Many economically disadvantaged adults may lack the skills required by most jobs. Others might have been away from work for so long that they are unaware of how to look for work or are daunted by the prospect of looking for work. Even if they want to take advantage of earnings supplements, they might be unable to do so. Combining earnings supplements with job search services can therefore boost both employment and income.
- **Help people keep their jobs and advance to better jobs.** Despite going to work earlier, people who were offered earnings supplements generally earned no more than their control group counterparts after five to seven years. They were not able to take advantage of their work experiences to climb the career ladder. Results from SSP Plus suggest, however, that the short-term employment effects of earnings supplements could be prolonged by providing postemployment and job advancement assistance.
- **Maintain supplements to sustain income gains.** When earnings supplements were withdrawn, their effects on income also disappeared. Providing supplements on an ongoing basis is therefore likely to provide continued financial assistance to low-income families, helping to ensure that working parents do not raise children in poverty.
- **Provide generous, well-marketed incentives.** Earnings supplement programs can benefit two different groups. For people who would not work without the supplements, earnings supplements can stimulate work and increase income while reducing welfare receipt. For people who would have worked regardless, earnings supplements increase income but might actually encourage them to work fewer hours. Although earnings supplements are valuable to both groups, if they are not well understood, their effects will be limited primarily to providing a windfall to those who would have worked anyway.

- **Targeted supplements can reduce costs but might be less equitable.** The findings presented in this report suggest a tradeoff between increased efficiency for narrowly targeted programs (for example, those like SSP that are aimed at long-term welfare recipients) and increased equity for broadly targeted programs (for example, those like New Hope that are aimed at the working poor). This provides policymakers with some options. If they want to reduce poverty and are not worried about whether earnings supplements encourage people to work or discourage people from working too much, they should offer their supplements broadly. If they are interested in maximizing the employment gains that their policies generate while keeping costs relatively contained, they should target supplements at those who are least likely to work, such as long-term welfare recipients or the long-term unemployed.
- **To reduce costs, tie earnings supplements to full-time work.** This strategy would limit the work-hour reductions among workers evident in programs like MFIP and New Hope, would contain the costs of additional incentives, and would make it more likely that families are self-sufficient. In addition, full-time work is more likely than part-time work to provide fringe benefits, such as health insurance, and to produce skills that would increase a person's chances of being self-sufficient.

For more ideas on how to structure and implement earnings supplements and other work supports, please see MDRC's how-to guide *Making Work Pay: How to Design and Implement Financial Work Supports to Improve Family and Child Well-Being and Reduce Poverty*.<sup>47</sup>

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<sup>47</sup>Greenberger and Anselmi, 2003.





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*Making Work Pay:*

*Final Report on the Self-Sufficiency Project for Long-Term Welfare Recipients* (SRDC).

2002. Charles Michalopoulos, Doug Tattrie, Cynthia Miller, Philip Robins, Pamela Morris, David Gyarmati, Cindy Redcross, Kelly Foley, Reuben Ford.

*When Financial Incentives Pay for Themselves:*

*Interim Findings from the Self-Sufficiency Project's Applicant Study* (SRDC).

2001. Charles Michalopoulos, Tracey Hoy.

*SSP Plus at 36 Months:*

*Effects of Adding Employment Services to Financial Work Incentives* (SRDC).

2001. Ying Lei, Charles Michalopoulos.

*The Self-Sufficiency Project at 36 Months:*

*Effects of a Financial Work Incentive on Employment and Income* (SRDC).

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2000. Pamela Morris, Charles Michalopoulos.

*Does SSP Plus Increase Employment?*

*The Effect of Adding Services to the Self-Sufficiency Project's Financial Incentives* (SRDC).

1999. Gail Quets, Philip Robins, Elsie Pan, Charles Michalopoulos, David Card.

*When Financial Work Incentives Pay for Themselves:*

*Early Findings from the Self-Sufficiency Project's Applicant Study* (SRDC).

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### **Connecticut's Jobs First Project**

*Final Report on Connecticut's Welfare Reform Initiative.*

2002. Dan Bloom, Susan Scrivener, Charles Michalopoulos, Pamela Morris, Richard Hendra, Diana Adams-Ciardullo, Johanna Walter.

*Jobs First: Implementation and Early Impacts of Connecticut's Welfare Reform Initiative.*

2000. Dan Bloom, Laura Melton, Charles Michalopoulos, Susan Scrivener, Johanna Walter.

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2000. Laura Melton, Dan Bloom.

*Connecticut Post-Time Limit Tracking Study: Six-Month Survey Results.*

1999. Jo Anna Hunter-Manns, Dan Bloom.

## **Milwaukee's New Hope Project**

### *New Hope for Families and Children:*

#### *Five-Year Results of a Program to Reduce Poverty and Reform Welfare.*

2003. Aletha C. Huston, Cynthia Miller, Lashawn Richburg-Hayes, Greg J. Duncan, Carolyn A. Eldred, Thomas S. Weisner, Edward Lowe, Vonnie A. McLoyd, Daniella A. Crosby, Marika N. Ripke, Cindy Redcross.

### *New Hope for People with Low Incomes*

#### *Two-Year Results of a Program to Reduce Poverty and Reform Welfare.*

1999. Hans Bos, Aletha Huston, Robert Granger, Greg Duncan, Tom Brock, Vonnie McLoyd with Danielle Crosby, Christina Gibson, Veronica Fellerath, Katherine Magnuson, Rashmita Mistry, Susan Poglinco, Jennifer Romich, Ana Ventura.

### *An Early Look at Community Service Jobs in the New Hope Demonstration.*

1998. Susan M. Poglinco, Julian Brash, Robert C. Granger.

### *Creating New Hope:*

#### *Implementation of a Program to Reduce Poverty and Reform Welfare.*

1997. Thomas Brock, Fred Doolittle, Veronica Fellerath, Michael Wiseman with David H. Greenberg, Robinson G. Hollister, Jr.

### *Who Got New Hope?*

1997. Michael Wiseman.

### *The New Hope Offer:*

#### *Participants in the New Hope Demonstration Discuss Work, Family, and Self-Sufficiency.*

1996. Dudley Benoit.

## **Minnesota Family Investment Program**

### *Turning Welfare into a Work Support:*

#### *Six-Year Impacts on Parents and Children from the Minnesota Family Investment Program.*

2005. Lisa A. Gennetian, Cynthia Miller, Jared Smith.

### *The Long Term Effects of the Minnesota Family Investment Program on Marriage and Divorce Among Two-Parent Families.*

2003. Lisa Gennetian.

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## **Other Relevant Publications**

### *Encouraging Work, Reducing Poverty:*

#### *The Impact of Work Incentive Programs.*

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2005. Pamela Morris, Lisa A. Gennetian, and Greg J. Duncan.

## About MDRC

MDRC is a nonprofit, nonpartisan social policy research organization dedicated to learning what works to improve the well-being of low-income people. Through its research and the active communication of its findings, MDRC seeks to enhance the effectiveness of social and education policies and programs.

Founded in 1974 and located in New York City and Oakland, California, MDRC is best known for mounting rigorous, large-scale, real-world tests of new and existing policies and programs. Its projects are a mix of demonstrations (field tests of promising new program approaches) and evaluations of ongoing government and community initiatives. MDRC's staff bring an unusual combination of research and organizational experience to their work, providing expertise on the latest in qualitative and quantitative methods and on program design, development, implementation, and management. MDRC seeks to learn not just whether a program is effective but also how and why the program's effects occur. In addition, it tries to place each project's findings in the broader context of related research — in order to build knowledge about what works across the social and education policy fields. MDRC's findings, lessons, and best practices are proactively shared with a broad audience in the policy and practitioner community as well as with the general public and the media.

Over the years, MDRC has brought its unique approach to an ever-growing range of policy areas and target populations. Once known primarily for evaluations of state welfare-to-work programs, today MDRC is also studying public school reforms, employment programs for ex-offenders and people with disabilities, and programs to help low-income students succeed in college. MDRC's projects are organized into five areas:

- Promoting Family Well-Being and Child Development
- Improving Public Education
- Promoting Successful Transitions to Adulthood
- Supporting Low-Wage Workers and Communities
- Overcoming Barriers to Employment

Working in almost every state, all of the nation's largest cities, and Canada and the United Kingdom, MDRC conducts its projects in partnership with national, state, and local governments, public school systems, community organizations, and numerous private philanthropies.





## **Does Making Work Pay *Still* Pay?**

**An Update on the Effects of  
Four Earnings Supplement Programs  
on Employment, Earnings, and Income**

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# Technical Resources





**TR Table 1**  
**Quarterly Impacts on Employment, Earnings, Welfare Receipt, Welfare Benefits, and Income for SSP Long-Term Recipients**

Outcome	Employment (%)			Earnings (\$)			Cash Assistance Receipt (%)			Cash Assistance Payments (\$)			Pretax Income (\$)		
	Control			Control			Control			Control			Control		
	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value
Quarter 1	26.6	2.2	0.082	454	62	0.061	97.2	-1.1	0.033	2,203	-11	0.668	2,658	200	<0.001
Quarter 2	28.5	4.9	<0.001	513	139	<0.001	93.3	-5.9	<0.001	2,107	-120	<0.001	2,624	324	<0.001
Quarter 3	29.1	8.9	<0.001	534	222	<0.001	89.5	-8.8	<0.001	1,982	-180	<0.001	2,524	420	<0.001
Quarter 4	30.9	13.9	<0.001	574	296	<0.001	86.7	-11.0	<0.001	1,881	-233	<0.001	2,465	534	<0.001
Quarter 5	33.3	11.8	<0.001	615	297	<0.001	83.0	-12.4	<0.001	1,815	-287	<0.001	2,436	538	<0.001
Quarter 6	33.2	10.0	<0.001	650	257	<0.001	81.2	-13.1	<0.001	1,742	-275	<0.001	2,396	454	<0.001
Quarter 7	30.9	9.2	<0.001	658	229	<0.001	78.6	-11.6	<0.001	1,662	-244	<0.001	2,328	422	<0.001
Quarter 8	31.8	9.0	<0.001	672	229	<0.001	76.4	-10.2	<0.001	1,574	-221	<0.001	2,253	428	<0.001
Quarter 9	33.9	8.0	<0.001	699	227	<0.001	74.5	-9.9	<0.001	1,500	-189	<0.001	2,210	450	<0.001
Quarter 10	35.8	6.6	<0.001	752	193	<0.001	72.6	-8.9	<0.001	1,453	-187	<0.001	2,218	397	<0.001
Quarter 11	37.7	6.2	<0.001	819	132	0.006	71.4	-7.8	<0.001	1,398	-164	<0.001	2,233	350	<0.001
Quarter 12	38.1	6.1	<0.001	845	118	0.012	70.2	-7.8	<0.001	1,346	-153	<0.001	2,203	327	<0.001
Quarter 13	38.0	4.6	0.001	891	118	0.015	67.9	-6.0	<0.001	1,268	-134	<0.001	2,173	247	<0.001
Quarter 14	39.2	4.0	0.005	917	135	0.007	65.7	-4.9	<0.001	1,184	-104	<0.001	2,119	207	<0.001
Quarter 15	40.2	4.1	0.004	962	116	0.022	63.5	-4.4	0.002	1,113	-96	<0.001	2,091	130	0.004
Quarter 16	42.1	2.6	0.071	986	101	0.045	61.9	-3.7	0.009	1,065	-88	0.001	2,065	53	0.228
Quarter 17	44.6	0.4	0.762	1,046	37	0.468	60.7	-3.6	0.011	1,028	-68	0.013	2,089	-33	0.457
Sample size	4,733														

Notes: All estimates are calculated as the difference in outcomes between program and control group members.  
In SSP, long-term recipients were on welfare at the time they were selected for the study and for at least 11 of the prior 12 months.  
P-values are based on two-tailed t-tests.

**TR Table 2**  
**Quarterly Impacts on Employment, Earnings, Welfare Receipt, Welfare Benefits, and Income for SSP Applicants**

Outcome	Employment (%)			Earnings (\$)			Cash Assistance Receipt (%)			Cash Assistance Payments (\$)			Pretax Income (\$)		
	Control			Control			Control			Control			Control		
	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value
Quarter 1	36.0	0.4	0.843	938	-38	0.644	83.4	2.0	0.191	1,917	44	0.370	2,855	6	0.940
Quarter 2	38.5	1.4	0.485	1,044	6	0.948	71.2	5.5	0.002	1,644	97	0.063	2,688	103	0.220
Quarter 3	40.4	2.7	0.189	1,159	-6	0.949	68.4	3.1	0.104	1,547	77	0.144	2,706	72	0.394
Quarter 4	41.4	2.7	0.176	1,243	37	0.691	65.6	2.1	0.270	1,517	21	0.694	2,760	92	0.275
Quarter 5	40.3	7.2	<0.001	1,289	194	0.041	61.4	0.4	0.853	1,429	-66	0.215	2,718	298	<0.001
Quarter 6	41.5	10.1	<0.001	1,327	312	0.001	57.5	-4.9	0.018	1,331	-165	0.002	2,657	420	<0.001
Quarter 7	43.1	11.8	<0.001	1,430	333	0.001	54.9	-8.0	<0.001	1,199	-221	<0.001	2,629	442	<0.001
Quarter 8	46.0	12.1	<0.001	1,434	500	<0.001	52.2	-9.8	<0.001	1,077	-274	<0.001	2,511	629	<0.001
Quarter 9	48.3	10.5	<0.001	1,534	504	<0.001	47.5	-11.1	<0.001	933	-248	<0.001	2,467	649	<0.001
Quarter 10	47.6	10.3	<0.001	1,641	478	<0.001	43.3	-9.4	<0.001	825	-227	<0.001	2,466	645	<0.001
Quarter 11	47.7	10.1	<0.001	1,709	434	<0.001	41.4	-10.2	<0.001	758	-195	<0.001	2,467	612	<0.001
Quarter 12	49.6	8.7	<0.001	1,738	440	<0.001	38.9	-7.5	<0.001	720	-170	<0.001	2,458	621	<0.001
Quarter 13	51.5	7.1	<0.001	1,798	362	0.001	36.7	-6.4	<0.001	673	-168	<0.001	2,471	509	<0.001
Quarter 14	54.3	6.1	0.003	1,818	339	0.002	34.9	-6.8	<0.001	621	-165	<0.001	2,438	477	<0.001
Quarter 15	55.9	5.3	0.008	1,841	317	0.003	33.6	-6.8	<0.001	582	-139	<0.001	2,423	465	<0.001
Quarter 16	55.6	4.5	0.026	1,878	244	0.023	32.6	-5.6	0.003	554	-124	<0.001	2,431	369	<0.001
Quarter 17	54.4	4.3	0.033	1,900	253	0.022	30.7	-5.8	0.002	512	-113	<0.001	2,412	308	0.003
Quarter 18	56.4	2.9	0.152	1,973	200	0.073	29.7	-6.0	<0.001	489	-115	<0.001	2,462	203	0.055
Quarter 19	57.1	4.5	0.026	1,989	255	0.022	28.7	-6.0	<0.001	475	-126	<0.001	2,464	203	0.054
Quarter 20	59.1	3.1	0.126	2,031	246	0.029	26.7	-4.1	0.022	435	-101	<0.001	2,466	165	0.120
Quarter 21	59.7	3.7	0.067	2,087	252	0.026	25.4	-3.5	0.046	413	-81	0.007	2,499	172	0.108
Sample size	2,371														

Notes: All estimates are calculated as the difference in outcomes between program and control group members.  
In SSP, applicants were beginning a new welfare spell when they were chosen for the study.  
P-values are based on two-tailed t-tests.

**TR Table 3**  
**Quarterly Impacts on Employment, Earnings, Welfare Receipt, Welfare Benefits, and Income for MFIP Long-Term Recipients**

Outcome	Employment (%)			Earnings (\$)			Cash Assistance Receipt (%)			Cash Assistance Payments (\$)			Pretax Income (\$)		
	Control			Control			Control			Control			Control		
	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value
Quarter 1	32.2	8.2	<0.001	494	38	0.412	96.5	0.4	0.611	2,274	285	<0.001	2,768	323	<0.001
Quarter 2	34.5	10.9	<0.001	624	133	0.017	92.2	1.5	0.144	2,142	197	<0.001	2,766	330	<0.001
Quarter 3	32.0	12.8	<0.001	666	196	0.001	88.3	1.9	0.133	2,012	163	<0.001	2,678	359	<0.001
Quarter 4	33.9	14.4	<0.001	788	202	0.002	84.3	3.5	0.013	1,871	190	<0.001	2,659	392	<0.001
Quarter 5	37.3	13.7	<0.001	904	188	0.008	79.2	4.7	0.004	1,767	203	<0.001	2,671	391	<0.001
Quarter 6	39.0	11.8	<0.001	1,030	134	0.079	76.6	5.2	0.002	1,690	178	<0.001	2,719	313	<0.001
Quarter 7	42.1	9.8	<0.001	1,093	163	0.038	73.3	6.6	<0.001	1,596	200	<0.001	2,689	363	<0.001
Quarter 8	43.7	9.8	<0.001	1,277	114	0.186	70.7	7.0	<0.001	1,479	220	<0.001	2,756	335	<0.001
Quarter 9	45.0	10.2	<0.001	1,374	127	0.145	65.5	8.7	<0.001	1,391	196	<0.001	2,765	323	<0.001
Quarter 10	46.3	8.5	<0.001	1,454	107	0.244	63.1	7.5	<0.001	1,310	185	<0.001	2,763	292	<0.001
Quarter 11	46.2	9.2	<0.001	1,538	50	0.595	59.6	7.7	<0.001	1,240	180	<0.001	2,778	230	0.008
Quarter 12	48.4	8.1	<0.001	1,615	97	0.318	57.0	7.2	<0.001	1,144	206	<0.001	2,759	303	<0.001
Quarter 13	49.1	7.5	<0.001	1,660	138	0.162	53.8	7.7	<0.001	1,092	167	0.001	2,752	305	<0.001
Quarter 14	51.2	6.5	0.002	1,818	41	0.689	51.1	7.9	<0.001	1,024	166	0.001	2,842	207	0.029
Quarter 15	53.1	3.1	0.126	1,953	-3	0.980	49.0	7.6	<0.001	958	122	0.015	2,910	119	0.233
Quarter 16	54.7	1.6	0.424	1,984	89	0.412	48.0	3.0	0.147	891	88	0.072	2,875	176	0.076
Quarter 17	55.2	0.4	0.827	2,100	37	0.745	45.1	1.5	0.463	847	27	0.574	2,947	64	0.547
Quarter 18	55.8	1.1	0.597	2,167	25	0.828	43.4	1.3	0.519	795	31	0.508	2,962	56	0.601
Quarter 19	58.3	-1.7	0.394	2,306	-46	0.692	40.7	2.1	0.290	714	61	0.180	3,020	15	0.894
Quarter 20	58.0	-0.2	0.909	2,377	-28	0.812	38.5	2.4	0.224	663	74	0.098	3,040	45	0.686
Quarter 21	57.7	-0.3	0.884	2,414	-3	0.981	37.2	0.8	0.684	623	79	0.070	3,037	76	0.517
Quarter 22	58.4	-0.4	0.839	2,509	5	0.968	35.3	1.9	0.338	586	43	0.302	3,095	48	0.688
Quarter 23	58.5	-1.0	0.614	2,596	-18	0.887	34.5	0.7	0.712	556	28	0.488	3,152	10	0.938
Quarter 24	57.8	1.2	0.545	2,537	113	0.378	33.6	0.2	0.901	535	4	0.922	3,073	117	0.337
Sample size	2,704														

Notes: All estimates are calculated as the difference in outcomes between program and control group members.  
 In MFIP, long-term welfare recipients had been on welfare for at least 24 of the 36 months prior to random assignment.  
 P-values are based on two-tailed t-tests.

**TR Table 4**  
**Quarterly Impacts on Employment, Earnings, Welfare Receipt, Welfare Benefits, and Income for MFIP Recent Applicants**

Outcome	Employment (%)			Earnings (\$)			Cash Assistance Receipt (%)			Cash Assistance Payments (\$)			Pretax Income (\$)		
	Control			Control			Control			Control			Control		
	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value
Quarter 1	47.4	1.4	0.311	1,130	-106	0.039	77.5	7.4	<0.001	1,379	438	<0.001	2,509	332	<0.001
Quarter 2	48.6	3.7	0.009	1,383	-60	0.316	67.5	10.4	<0.001	1,221	346	<0.001	2,604	286	<0.001
Quarter 3	50.0	3.4	0.017	1,533	-68	0.286	60.7	10.3	<0.001	1,081	310	<0.001	2,615	242	<0.001
Quarter 4	52.2	3.4	0.016	1,661	-41	0.537	53.6	11.3	<0.001	939	308	<0.001	2,601	268	<0.001
Quarter 5	52.2	4.3	0.002	1,746	0	0.996	48.6	11.7	<0.001	867	275	<0.001	2,613	276	<0.001
Quarter 6	53.1	3.7	0.009	1,860	4	0.961	45.4	11.3	<0.001	802	281	<0.001	2,662	284	<0.001
Quarter 7	54.1	4.5	0.001	1,915	10	0.892	43.6	10.0	<0.001	756	253	<0.001	2,671	262	<0.001
Quarter 8	54.1	3.9	0.005	2,002	10	0.897	41.1	9.2	<0.001	717	210	<0.001	2,718	219	0.002
Quarter 9	55.2	4.0	0.005	2,132	68	0.391	38.4	8.3	<0.001	656	197	<0.001	2,788	265	<0.001
Quarter 10	55.8	3.8	0.007	2,208	115	0.153	35.7	7.7	<0.001	598	174	<0.001	2,807	288	<0.001
Quarter 11	55.5	4.3	0.002	2,288	47	0.571	33.0	8.4	<0.001	540	187	<0.001	2,828	233	0.003
Quarter 12	56.8	4.3	0.002	2,382	72	0.391	29.6	7.5	<0.001	495	165	<0.001	2,877	237	0.003
Quarter 13	56.8	4.7	<0.001	2,492	166	0.062	28.0	5.6	<0.001	472	113	<0.001	2,964	279	0.001
Quarter 14	57.9	3.6	0.010	2,579	167	0.065	26.5	4.5	<0.001	445	71	0.005	3,024	238	0.006
Quarter 15	58.7	2.6	0.065	2,713	22	0.812	25.2	3.6	0.004	411	51	0.036	3,124	72	0.408
Quarter 16	58.8	3.6	0.010	2,743	111	0.235	23.5	2.9	0.016	365	43	0.060	3,108	154	0.088
Quarter 17	59.6	2.3	0.092	2,885	106	0.270	21.5	1.8	0.121	334	18	0.402	3,219	124	0.182
Quarter 18	60.7	0.8	0.541	2,944	53	0.581	19.9	2.0	0.084	308	22	0.305	3,252	75	0.422
Quarter 19	59.6	2.0	0.142	2,965	69	0.479	18.8	2.0	0.082	284	29	0.151	3,249	99	0.298
Quarter 20	60.3	1.7	0.216	3,117	26	0.799	18.1	1.8	0.104	270	27	0.177	3,387	53	0.594
Quarter 21	59.9	1.0	0.471	3,197	13	0.898	17.4	1.3	0.230	255	18	0.361	3,452	31	0.761
Quarter 22	59.4	0.6	0.652	3,195	-14	0.897	16.7	0.6	0.545	242	15	0.432	3,436	1	0.991
Quarter 23	60.1	-1.2	0.403	3,201	-12	0.912	15.9	1.4	0.190	220	20	0.267	3,421	9	0.934
Quarter 24	59.8	-0.2	0.908	3,251	3	0.979	15.2	1.7	0.094	207	22	0.214	3,458	24	0.814
Sample size	4,698														

Notes: All estimates are calculated as the difference in outcomes between program and control group members.  
 In MFIP, recent applicants had been on welfare for fewer than 24 of the prior 36 months.  
 P-values are based on two-tailed t-tests.

**TR Table 5**  
**Quarterly Impacts on Employment, Earnings, Welfare Receipt, Welfare Benefits, and Income for New Hope**

Outcome	Employment (%)			Earnings (\$)			Cash Assistance Receipt (%)			Cash Assistance Payments (\$)			Pretax Income (\$)		
	Control			Control			Control			Control			Control		
	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value
Quarter 1	68.2	7.6	0.002	1,611	159	0.123	56.3	-3.9	0.150	878	-47	0.367	3,028	191	0.100
Quarter 2	65.4	9.5	<0.001	1,681	261	0.013	50.8	-2.7	0.315	765	-41	0.408	2,965	331	0.004
Quarter 3	62.6	11.4	<0.001	1,762	289	0.010	48.0	-2.1	0.430	676	-52	0.257	2,918	358	0.002
Quarter 4	65.7	8.4	<0.001	1,973	131	0.265	43.0	-1.4	0.599	615	-67	0.137	3,023	166	0.174
Quarter 5	68.3	5.6	0.024	2,103	44	0.712	38.6	-2.9	0.271	533	-56	0.185	3,031	111	0.364
Quarter 6	67.5	5.0	0.046	2,141	9	0.941	36.1	-2.7	0.288	479	-77	0.050	2,999	24	0.845
Quarter 7	67.2	5.3	0.035	2,169	47	0.702	31.1	-1.3	0.608	393	-41	0.263	2,885	120	0.338
Quarter 8	68.2	4.1	0.100	2,198	201	0.109	26.7	0.9	0.702	345	-30	0.396	2,840	287	0.025
Quarter 9	68.3	4.1	0.100	2,323	144	0.265	20.2	-0.4	0.849	255	-31	0.328	2,850	233	0.076
Quarter 10	67.3	5.7	0.022	2,281	208	0.103	16.6	-3.5	0.069	222	-69	0.017	2,775	223	0.083
Quarter 11	68.5	3.2	0.199	2,324	224	0.105	15.6	-3.4	0.073	212	-48	0.101	2,791	243	0.077
Quarter 12	65.7	4.5	0.074	2,371	154	0.259	13.5	-2.5	0.163	209	-42	0.163	2,834	140	0.301
Quarter 13	64.5	5.7	0.025	2,467	84	0.553	10.9	-2.6	0.099	167	-46	0.088	2,881	-11	0.939
Quarter 14	66.1	3.0	0.231	2,452	94	0.496	8.8	-0.9	0.563	148	-28	0.294	2,829	28	0.836
Quarter 15	65.7	1.0	0.703	2,564	17	0.904	8.4	-0.1	0.928	116	17	0.494	2,888	12	0.934
Quarter 16	66.3	3.2	0.208	2,567	68	0.645	7.2	0.5	0.751	102	4	0.873	2,882	50	0.731
Quarter 17	67.0	0.5	0.832	2,655	68	0.649	7.4	-1.6	0.231	115	-27	0.244	2,973	8	0.955
Quarter 18	67.7	-0.9	0.715	2,656	65	0.664	6.5	-0.6	0.658	92	-8	0.703	2,945	37	0.800
Quarter 19	65.8	0.4	0.879	2,647	35	0.815	6.3	-1.0	0.421	89	-15	0.437	2,921	10	0.947
Quarter 20	65.2	2.6	0.310	2,686	85	0.584	6.2	-1.0	0.416	80	-18	0.317	2,944	70	0.650
Sample size	1,357														

Notes: All estimates are calculated as the difference in outcomes between program and control group members.  
P-values are based on two-tailed t-tests.

**TR Table 6**  
**Quarterly Impacts on Employment, Earnings, Welfare Receipt, Welfare Benefits, and Income for Jobs First**

Outcome	Employment (%)			Earnings (\$)			Cash Assistance Receipt (%)			Cash Assistance Payments (\$)			Pretax Income (\$)		
	Control			Control			Control			Control			Control		
	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value	Group	Impact	P-value
Quarter 1	40.0	3.6	0.010	871	-53	0.245	84.3	6.1	<0.001	1,230	227	<0.001	2,651	244	<0.001
Quarter 2	42.6	5.3	<0.001	1,059	-12	0.838	75.7	8.3	<0.001	1,113	242	<0.001	2,690	299	<0.001
Quarter 3	44.1	7.0	<0.001	1,186	4	0.943	68.9	9.8	<0.001	1,017	250	<0.001	2,687	328	<0.001
Quarter 4	45.2	6.7	<0.001	1,260	43	0.467	64.4	9.5	<0.001	948	230	<0.001	2,670	341	<0.001
Quarter 5	46.6	7.3	<0.001	1,357	108	0.082	60.1	8.4	<0.001	898	207	<0.001	2,703	371	<0.001
Quarter 6	47.1	7.4	<0.001	1,463	78	0.280	56.9	8.5	<0.001	841	208	<0.001	2,727	351	<0.001
Quarter 7	49.1	7.4	<0.001	1,587	94	0.166	53.1	8.3	<0.001	775	126	<0.001	2,769	263	<0.001
Quarter 8	50.9	6.6	<0.001	1,698	144	0.045	50.3	-4.4	0.003	732	-33	0.167	2,821	128	0.060
Quarter 9	51.7	6.7	<0.001	1,758	173	0.017	46.5	-4.0	0.005	676	-52	0.026	2,812	134	0.053
Quarter 10	53.2	5.0	<0.001	1,875	78	0.345	43.4	-7.2	<0.001	622	-97	<0.001	2,859	-10	0.899
Quarter 11	53.3	5.4	<0.001	1,968	103	0.183	40.8	-9.2	<0.001	567	-103	<0.001	2,876	11	0.878
Quarter 12	54.1	4.2	0.003	2,093	17	0.831	36.6	-10.3	<0.001	518	-122	<0.001	2,936	-103	0.171
Quarter 13	54.3	5.2	<0.001	2,216	1	0.996	33.7	-9.3	<0.001	475	-120	<0.001	3,000	-116	0.218
Quarter 14	54.0	6.1	<0.001	2,288	-39	0.681	31.4	-9.2	<0.001	443	-121	<0.001	3,023	-155	0.090
Quarter 15	54.4	5.9	<0.001	2,245	66	0.433	29.1	-8.2	<0.001	400	-100	<0.001	2,920	-26	0.744
Quarter 16	53.6	6.6	<0.001	2,254	45	0.599	27.6	-8.4	<0.001	369	-100	<0.001	2,887	-46	0.570
Sample size	4,803														

Notes: All estimates are calculated as the difference in outcomes between program and control group members.  
P-values are based on two-tailed t-tests.



**TR Table 7**  
**Monthly Impacts by Program, Most Disadvantaged**

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Earnings (\$)														
Quarter 1	73	100	<0.001	109	115	0.017	498	325	0.105	132	157	0.003	114	0.007
Quarter 2	113	172	<0.001	144	203	0.001	706	464	0.072	224	176	0.009	182	0.001
Quarter 3	140	200	<0.001	196	195	0.006	794	409	0.146	316	184	0.048	200	0.001
Quarter 4	173	248	<0.001	247	268	0.002	1,025	260	0.408	358	223	0.014	248	0.000
Quarter 5	194	290	<0.001	324	238	0.009	1,284	-91	0.785	429	317	0.003	280	0.000
Quarter 6	216	284	<0.001	354	247	0.009	1,394	-5	0.989	467	267	0.011	271	0.001
Quarter 7	219	263	<0.001	355	349	0.001	1,451	107	0.769	563	155	0.197	263	0.002
Quarter 8	227	264	<0.001	379	311	0.003	1,486	220	0.547	601	213	0.066	264	0.002
Quarter 9	235	290	<0.001	509	287	0.013	1,589	155	0.684	625	276	0.023	286	0.001
Quarter 10	272	305	<0.001	528	243	0.038	1,764	154	0.712	663	267	0.028	289	0.002
Quarter 11	280	326	<0.001	578	203	0.099	1,930	-119	0.774	763	278	0.040	296	0.002
Quarter 12	298	292	<0.001	652	297	0.029	1,716	105	0.807	823	235	0.091	283	0.004
Quarter 13	335	290	<0.001	665	391	0.007	1,883	108	0.803	851	170	0.208	283	0.005
Quarter 14	375	300	<0.001	842	113	0.436	1,874	-13	0.976	1,015	52	0.726	239	0.025
Quarter 15	420	234	<0.001	964	60	0.699	2,101	-266	0.545	1,054	88	0.561	187	0.082
Quarter 16	464	163	0.010	904	239	0.133	1,909	242	0.606	982	215	0.179	179	0.102
Quarter 17	485	125	0.042	1,019	170	0.306	2,096	87	0.849					
Quarter 18				1,053	230	0.187	2,280	-170	0.724					
Quarter 19				1,131	279	0.121	2,232	-201	0.677					
Quarter 20				1,032	531	0.004	2,268	-97	0.843					
Quarter 21				1,150	428	0.025								
Quarter 22				1,215	303	0.117								
Quarter 23				1,266	394	0.051								
Quarter 24				1,313	488	0.021								

(continued)

TR Table 7 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Employment (%)														
Quarter 1	8.2	3.0	0.040	12.8	11.6	<0.001	35.6	19.3	0.040	11.6	12.9	<0.001	6.0	0.013
Quarter 2	10.8	5.3	0.001	16.2	10.6	0.002	35.6	27.2	0.003	13.5	15.3	<0.001	8.4	0.002
Quarter 3	11.8	8.3	<0.001	15.8	10.3	0.003	37.3	27.4	0.003	15.2	15.9	<0.001	10.5	0.000
Quarter 4	14.0	12.1	<0.001	13.2	18.8	<0.001	42.4	18.4	0.052	17.8	17.0	<0.001	14.5	0.000
Quarter 5	15.0	12.4	<0.001	18.0	14.9	<0.001	47.5	15.3	0.107	20.8	14.4	<0.001	13.3	0.000
Quarter 6	13.9	11.9	<0.001	21.4	13.3	<0.001	44.1	16.7	0.079	21.5	16.0	<0.001	13.0	0.000
Quarter 7	12.1	11.6	<0.001	22.9	13.2	0.001	49.2	9.7	0.313	24.8	14.4	<0.001	12.3	0.000
Quarter 8	13.8	11.9	<0.001	20.7	14.4	<0.001	52.5	16.1	0.085	26.7	15.9	<0.001	13.1	0.000
Quarter 9	15.5	11.3	<0.001	25.6	12.2	0.002	59.3	3.4	0.716	26.7	17.1	<0.001	12.3	0.000
Quarter 10	17.8	9.1	<0.001	25.6	7.4	0.054	50.8	19.7	0.033	29.4	12.7	0.001	9.8	0.002
Quarter 11	19.2	10.0	<0.001	28.2	9.3	0.020	59.3	5.4	0.565	31.4	10.7	0.005	9.9	0.002
Quarter 12	18.9	10.7	<0.001	25.2	16.7	<0.001	55.9	0.9	0.923	31.0	11.1	0.003	11.5	0.000
Quarter 13	19.2	9.3	<0.001	30.5	9.8	0.016	50.8	11.9	0.210	31.4	12.7	0.001	10.1	0.002
Quarter 14	22.2	6.6	0.002	35.0	5.9	0.150	52.5	4.3	0.653	31.7	13.8	<0.001	7.8	0.019
Quarter 15	23.0	6.8	0.001	33.8	7.1	0.085	57.6	1.2	0.900	32.7	12.3	0.001	7.8	0.021
Quarter 16	24.6	4.3	0.046	35.3	8.0	0.055	59.3	1.5	0.877	31.7	14.0	<0.001	6.7	0.047
Quarter 17	25.8	3.8	0.082	36.5	2.0	0.623	61.0	5.6	0.542					
Quarter 18				34.6	7.7	0.063	61.0	5.6	0.542					
Quarter 19				39.1	5.6	0.183	61.0	-2.2	0.816					
Quarter 20				36.8	13.0	0.002	57.6	1.2	0.900					
Quarter 21				39.5	8.3	0.048								
Quarter 22				40.6	5.4	0.195								
Quarter 23				41.0	3.4	0.425								
Quarter 24				41.7	4.7	0.269								

(continued)

TR Table 7 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Cash assistance payments (\$)														
Quarter 1	2,434	-92	0.021	2,391	193	0.023	1,708	-282	0.132	1,620	58	0.294	-18	0.758
Quarter 2	2,353	-127	0.004	2,265	104	0.278	1,430	-108	0.576	1,506	98	0.081	-27	0.671
Quarter 3	2,230	-151	0.001	2,113	119	0.241	1,219	-189	0.309	1,437	104	0.077	-40	0.548
Quarter 4	2,136	-174	<0.001	2,028	134	0.193	1,161	-202	0.311	1,374	107	0.076	-46	0.503
Quarter 5	2,069	-221	<0.001	1,987	79	0.460	995	-213	0.260	1,330	83	0.207	-92	0.206
Quarter 6	2,028	-248	<0.001	1,922	80	0.459	957	-239	0.180	1,287	76	0.251	-108	0.145
Quarter 7	1,937	-238	<0.001	1,865	75	0.488	753	-111	0.520	1,207	-17	0.791	-126	0.083
Quarter 8	1,867	-218	<0.001	1,794	61	0.577	726	-143	0.400	1,139	-130	0.060	-157	0.034
Quarter 9	1,811	-208	<0.001	1,692	126	0.259	648	-109	0.520	1,065	-164	0.016	-154	0.037
Quarter 10	1,754	-215	<0.001	1,609	131	0.242	555	-237	0.122	1,010	-229	0.001	-185	0.011
Quarter 11	1,715	-210	<0.001	1,547	104	0.352	534	-87	0.605	927	-217	0.001	-175	0.013
Quarter 12	1,678	-202	<0.001	1,449	117	0.299	600	-200	0.235	862	-212	0.002	-172	0.016
Quarter 13	1,593	-197	<0.001	1,392	96	0.399	486	-320	0.020	798	-209	0.001	-181	0.009
Quarter 14	1,513	-171	<0.001	1,316	151	0.175	392	-108	0.447	739	-205	0.001	-147	0.030
Quarter 15	1,436	-161	<0.001	1,240	133	0.233	262	-23	0.844	706	-199	0.002	-134	0.043
Quarter 16	1,368	-133	0.003	1,137	155	0.161	193	16	0.890	654	-205	0.001	-117	0.071
Quarter 17	1,338	-130	0.003	1,089	91	0.410	289	-110	0.389					
Quarter 18				1,039	66	0.542	208	-2	0.986					
Quarter 19				956	85	0.430	181	32	0.762					
Quarter 20				930	68	0.516	214	-42	0.689					
Quarter 21				860	72	0.483								
Quarter 22				809	55	0.577								
Quarter 23				787	41	0.677								
Quarter 24				734	23	0.807								

(continued)

TR Table 7 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Received cash assistance (%)														
Quarter 1	99.3	-1.7	0.005	95.9	-2.4	0.211	86.4	-8.0	0.269	94.1	1.3	0.448	-1.5	0.171
Quarter 2	97.7	-3.7	<0.001	90.2	-1.2	0.638	79.7	-7.1	0.384	90.4	0.3	0.879	-2.9	0.086
Quarter 3	96.0	-6.1	<0.001	87.2	-1.0	0.738	76.3	-5.7	0.503	85.5	2.7	0.308	-4.0	0.054
Quarter 4	93.9	-7.4	<0.001	83.1	0.8	0.808	67.8	-3.1	0.734	83.2	1.8	0.521	-4.6	0.053
Quarter 5	91.2	-8.2	<0.001	79.7	1.1	0.755	61.0	-4.2	0.661	78.9	3.3	0.295	-4.7	0.075
Quarter 6	90.9	-10.4	<0.001	77.4	5.0	0.138	59.3	-4.4	0.643	75.9	3.6	0.266	-5.3	0.050
Quarter 7	89.0	-10.2	<0.001	76.3	4.8	0.168	52.5	-5.5	0.569	75.2	1.4	0.675	-5.5	0.051
Quarter 8	86.6	-7.9	<0.001	75.6	3.8	0.281	45.8	-0.7	0.945	72.6	-10.4	0.005	-6.1	0.039
Quarter 9	86.7	-9.7	<0.001	72.6	3.0	0.413	39.0	2.2	0.816	67.0	-8.8	0.021	-7.1	0.018
Quarter 10	86.0	-9.9	<0.001	70.3	3.2	0.396	37.3	-7.9	0.386	64.4	-13.3	0.001	-8.2	0.007
Quarter 11	84.9	-8.7	<0.001	67.7	2.4	0.536	35.6	-12.1	0.169	62.0	-14.5	<0.001	-8.0	0.010
Quarter 12	85.0	-10.2	<0.001	63.5	5.2	0.195	32.2	-8.7	0.315	56.4	-14.6	<0.001	-8.5	0.007
Quarter 13	83.2	-9.2	<0.001	59.8	6.9	0.091	27.1	-11.4	0.148	53.1	-13.9	<0.001	-7.6	0.017
Quarter 14	82.1	-9.1	<0.001	60.2	6.5	0.110	23.7	-8.0	0.295	48.5	-13.4	0.001	-7.4	0.021
Quarter 15	79.9	-8.9	<0.001	58.3	7.4	0.073	20.3	-6.6	0.363	47.2	-13.8	<0.001	-7.1	0.029
Quarter 16	77.5	-6.6	0.002	55.6	3.8	0.364	11.9	-2.1	0.732	45.3	-14.2	<0.001	-6.1	0.062
Quarter 17	76.7	-7.6	<0.001	51.9	4.5	0.290	15.3	-5.5	0.395					
Quarter 18				51.5	2.8	0.510	13.6	-1.8	0.780					
Quarter 19				47.7	5.2	0.222	13.6	-1.8	0.780					
Quarter 20				48.5	1.7	0.693	15.3	-5.5	0.395					
Quarter 21				45.9	1.6	0.713								
Quarter 22				44.7	3.7	0.380								
Quarter 23				45.5	-0.5	0.911								
Quarter 24				41.7	1.2	0.770								

(continued)

TR Table 7 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Income, pretax (\$)														
Quarter 1	2,509	50	0.272	2,499	307	0.001	3,149	-138	0.691	2,475	254	0.004	123	0.095
Quarter 2	2,469	193	<0.001	2,409	307	0.005	3,044	258	0.476	2,443	301	0.002	233	0.007
Quarter 3	2,374	250	<0.001	2,309	315	0.006	2,829	165	0.629	2,438	318	0.006	269	0.003
Quarter 4	2,315	331	<0.001	2,274	402	0.001	2,926	-25	0.952	2,402	341	0.003	339	0.000
Quarter 5	2,267	375	<0.001	2,311	317	0.011	2,924	-286	0.466	2,392	439	0.001	366	0.000
Quarter 6	2,245	327	<0.001	2,276	327	0.009	3,028	-334	0.384	2,369	379	0.003	324	0.001
Quarter 7	2,160	285	<0.001	2,220	424	0.001	2,717	62	0.869	2,372	141	0.291	281	0.006
Quarter 8	2,101	294	<0.001	2,173	373	0.005	2,691	255	0.514	2,322	79	0.551	273	0.008
Quarter 9	2,052	325	<0.001	2,201	413	0.003	2,672	181	0.655	2,248	129	0.342	305	0.004
Quarter 10	2,032	310	<0.001	2,137	374	0.007	2,744	71	0.870	2,221	54	0.688	277	0.009
Quarter 11	2,001	333	<0.001	2,125	307	0.035	2,887	-96	0.817	2,210	65	0.651	287	0.007
Quarter 12	1,983	316	<0.001	2,101	414	0.006	2,714	-123	0.780	2,189	18	0.900	282	0.009
Quarter 13	1,934	284	<0.001	2,058	487	0.002	2,853	-318	0.474	2,140	-39	0.781	252	0.020
Quarter 14	1,897	270	<0.001	2,158	265	0.088	2,673	-184	0.679	2,218	-140	0.363	212	0.051
Quarter 15	1,866	157	0.009	2,205	193	0.236	2,728	-337	0.427	2,212	-101	0.517	123	0.243
Quarter 16	1,840	76	0.190	2,041	393	0.017	2,525	179	0.690	2,070	15	0.926	103	0.319
Quarter 17	1,830	4	0.944	2,108	261	0.132	2,769	-26	0.954					
Quarter 18				2,093	296	0.095	2,848	-160	0.733					
Quarter 19				2,087	363	0.044	2,829	-237	0.614					
Quarter 20				1,962	599	0.001	2,864	-175	0.711					
Quarter 21				2,009	500	0.009								
Quarter 22				2,024	357	0.066								
Quarter 23				2,054	435	0.030								
Quarter 24				2,047	511	0.014								
Sample size		1,675			557			110			650			2,992

Notes: Impacts are calculated as the difference in outcomes between program and control group members. Outcomes for program group members are not shown. The most disadvantaged had all three of the following characteristics at the time of random assignment: (1) had been on welfare for at least two years during their lifetime, (2) had neither a high school diploma nor GED certificate, and (3) had not worked in the year prior to random assignment. P-values are based on two-tailed t-tests.

**TR Table 8**  
**Monthly Impacts by Program, Moderately Disadvantaged**

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Earnings (\$)														
Quarter 1	590	51	0.220	714	-9	0.833	1,481	194	0.108	847	-39	0.461	15	0.763
Quarter 2	662	125	0.007	897	36	0.461	1,604	239	0.056	1,011	-24	0.747	75	0.209
Quarter 3	698	190	<0.001	975	115	0.029	1,640	291	0.025	1,098	26	0.679	133	0.026
Quarter 4	758	255	<0.001	1,100	117	0.041	1,866	123	0.369	1,178	77	0.255	166	0.009
Quarter 5	814	292	<0.001	1,192	102	0.092	1,992	112	0.423	1,241	167	0.018	197	0.003
Quarter 6	871	276	<0.001	1,330	40	0.520	2,063	33	0.819	1,366	121	0.170	161	0.023
Quarter 7	925	245	<0.001	1,364	100	0.117	2,117	16	0.913	1,509	120	0.124	160	0.025
Quarter 8	945	297	<0.001	1,517	72	0.283	2,141	205	0.167	1,633	197	0.020	204	0.006
Quarter 9	1,013	278	<0.001	1,616	104	0.139	2,238	231	0.139	1,675	257	0.002	220	0.004
Quarter 10	1,067	242	<0.001	1,693	120	0.097	2,207	288	0.062	1,807	131	0.199	191	0.017
Quarter 11	1,143	181	0.003	1,787	58	0.443	2,238	276	0.095	1,893	111	0.219	137	0.089
Quarter 12	1,173	197	0.001	1,874	106	0.177	2,292	229	0.156	2,022	46	0.623	144	0.079
Quarter 13	1,241	145	0.018	1,947	130	0.109	2,393	90	0.604	2,162	66	0.592	127	0.148
Quarter 14	1,258	154	0.011	2,061	105	0.207	2,447	56	0.735	2,195	40	0.732	118	0.177
Quarter 15	1,296	166	0.007	2,202	12	0.887	2,506	-8	0.963	2,133	154	0.115	113	0.188
Quarter 16	1,309	157	0.010	2,228	90	0.288	2,579	18	0.919	2,135	147	0.141	130	0.132
Quarter 17	1,372	113	0.072	2,361	28	0.755	2,641	37	0.835					
Quarter 18				2,412	15	0.869	2,663	5	0.978					
Quarter 19				2,493	-35	0.697	2,662	9	0.959					
Quarter 20				2,582	-20	0.826	2,596	168	0.364					
Quarter 21				2,641	-34	0.727								
Quarter 22				2,661	-3	0.972								
Quarter 23				2,709	-52	0.596								
Quarter 24				2,668	104	0.294								

(continued)

TR Table 8 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Employment (%)														
Quarter 1	31.6	1.6	0.240	37.6	4.3	0.002	65.0	9.0	0.003	40.4	3.7	0.029	3.6	0.031
Quarter 2	33.1	4.2	0.003	39.6	6.3	<0.001	63.2	8.8	0.004	42.9	4.7	0.006	5.4	0.001
Quarter 3	33.9	7.5	<0.001	38.7	8.8	<0.001	59.7	11.7	<0.001	43.5	7.1	<0.001	8.2	0.000
Quarter 4	35.8	11.1	<0.001	41.1	8.4	<0.001	64.3	8.4	0.006	44.5	6.9	<0.001	8.9	0.000
Quarter 5	37.8	10.4	<0.001	42.6	8.2	<0.001	67.4	6.4	0.034	45.2	8.5	<0.001	8.9	0.000
Quarter 6	38.5	9.7	<0.001	43.5	7.7	<0.001	67.0	5.3	0.083	46.4	7.6	<0.001	8.2	0.000
Quarter 7	38.0	9.0	<0.001	45.7	7.4	<0.001	67.2	5.3	0.083	48.8	7.5	<0.001	7.8	0.000
Quarter 8	39.4	9.1	<0.001	47.4	6.8	<0.001	68.5	5.1	0.092	50.4	6.6	<0.001	7.4	0.000
Quarter 9	41.3	8.1	<0.001	48.5	6.7	<0.001	67.4	6.2	0.041	51.4	6.6	<0.001	7.1	0.000
Quarter 10	42.2	7.3	<0.001	49.4	6.7	<0.001	66.1	6.8	0.025	52.8	4.7	0.006	6.4	0.000
Quarter 11	43.5	6.7	<0.001	48.7	7.2	<0.001	67.6	4.0	0.194	52.7	5.6	0.001	6.4	0.000
Quarter 12	44.6	6.4	<0.001	51.3	5.0	0.001	65.0	5.7	0.064	53.7	4.2	0.013	5.3	0.002
Quarter 13	45.5	4.5	0.002	51.5	5.7	<0.001	63.9	5.7	0.067	54.3	5.2	0.002	5.2	0.002
Quarter 14	46.9	4.4	0.003	52.8	4.5	0.002	66.1	1.8	0.573	53.5	6.6	<0.001	4.8	0.005
Quarter 15	48.0	4.1	0.005	54.3	3.1	0.034	65.2	-0.2	0.945	53.9	6.6	<0.001	4.1	0.017
Quarter 16	49.5	3.4	0.021	55.9	1.6	0.272	66.7	3.3	0.285	53.7	6.9	<0.001	3.6	0.032
Quarter 17	51.1	1.4	0.331	56.4	1.2	0.406	67.0	0.0	1.000					
Quarter 18				57.0	0.7	0.636	67.6	-1.8	0.573					
Quarter 19				57.2	0.3	0.836	65.9	1.8	0.573					
Quarter 20				57.4	0.2	0.893	65.0	3.5	0.260					
Quarter 21				57.0	0.2	0.878								
Quarter 22				57.5	-1.0	0.496								
Quarter 23				57.7	-1.9	0.196								
Quarter 24				56.9	0.2	0.905								

(continued)

TR Table 8 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Cash assistance payments (\$)														
Quarter 1	2,120	28	0.345	1,788	392	<0.001	926	11	0.865	1,229	240	<0.001	210	0.000
Quarter 2	1,943	-31	0.355	1,638	282	<0.001	836	-45	0.455	1,118	251	<0.001	167	0.000
Quarter 3	1,833	-109	0.002	1,495	254	<0.001	744	-57	0.322	1,023	251	<0.001	135	0.000
Quarter 4	1,747	-169	<0.001	1,346	269	<0.001	681	-81	0.141	953	234	<0.001	110	0.002
Quarter 5	1,669	-223	<0.001	1,249	287	<0.001	586	-60	0.255	898	203	<0.001	89	0.012
Quarter 6	1,578	-242	<0.001	1,176	277	<0.001	522	-95	0.052	839	205	<0.001	76	0.032
Quarter 7	1,481	-241	<0.001	1,106	267	<0.001	435	-53	0.251	778	119	<0.001	45	0.199
Quarter 8	1,372	-246	<0.001	1,032	253	<0.001	374	-39	0.376	736	-47	0.099	-23	0.500
Quarter 9	1,257	-196	<0.001	958	222	<0.001	253	-24	0.531	680	-67	0.017	-24	0.456
Quarter 10	1,191	-184	<0.001	888	193	<0.001	227	-49	0.170	621	-109	<0.001	-49	0.125
Quarter 11	1,127	-158	<0.001	823	203	<0.001	217	-39	0.279	568	-113	<0.001	-41	0.195
Quarter 12	1,074	-145	<0.001	760	187	<0.001	203	-21	0.565	522	-144	<0.001	-49	0.112
Quarter 13	1,008	-133	<0.001	726	143	<0.001	166	-22	0.526	475	-141	<0.001	-58	0.050
Quarter 14	933	-117	<0.001	678	113	<0.001	146	-17	0.610	445	-140	<0.001	-60	0.036
Quarter 15	872	-101	<0.001	630	76	0.012	123	15	0.629	393	-111	<0.001	-46	0.090
Quarter 16	836	-97	<0.001	579	40	0.165	119	-4	0.893	362	-109	<0.001	-55	0.036
Quarter 17	800	-86	0.002	539	0	0.998	118	-14	0.622					
Quarter 18				500	14	0.597	100	-2	0.954					
Quarter 19				452	24	0.353	91	-11	0.646					
Quarter 20				425	32	0.219	80	-17	0.438					
Quarter 21				407	21	0.407								
Quarter 22				385	4	0.876								
Quarter 23				361	1	0.963								
Quarter 24				350	-6	0.800								

(continued)



TR Table 8 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Received cash assistance (%)														
Quarter 1	93.6	0.0	0.957	86.8	5.1	<0.001	61.0	-2.4	0.457	85.2	6.0	<0.001	2.7	0.007
Quarter 2	85.7	-2.3	0.031	79.6	6.6	<0.001	55.7	-2.2	0.505	76.3	8.8	<0.001	3.4	0.009
Quarter 3	81.8	-5.6	<0.001	73.7	6.9	<0.001	52.6	-2.4	0.466	70.1	9.7	<0.001	2.5	0.080
Quarter 4	78.9	-7.6	<0.001	68.5	7.9	<0.001	48.0	-2.2	0.506	64.9	9.8	<0.001	2.2	0.158
Quarter 5	75.0	-8.8	<0.001	63.5	9.2	<0.001	43.0	-4.0	0.225	60.9	7.8	<0.001	1.6	0.314
Quarter 6	72.0	-10.8	<0.001	60.3	9.5	<0.001	39.4	-3.5	0.273	57.7	7.9	<0.001	1.1	0.486
Quarter 7	69.2	-10.9	<0.001	57.6	9.2	<0.001	34.6	-2.2	0.482	53.7	7.4	<0.001	1.0	0.563
Quarter 8	66.9	-10.8	<0.001	55.2	8.4	<0.001	29.5	0.2	0.942	51.1	-5.8	0.001	-2.2	0.185
Quarter 9	63.6	-10.3	<0.001	51.1	9.0	<0.001	20.7	0.7	0.807	47.1	-5.4	0.002	-1.7	0.306
Quarter 10	60.2	-8.4	<0.001	47.9	8.6	<0.001	17.4	-2.6	0.279	43.5	-8.3	<0.001	-2.3	0.167
Quarter 11	58.9	-8.1	<0.001	44.9	9.0	<0.001	16.1	-1.5	0.519	40.9	-10.1	<0.001	-2.4	0.139
Quarter 12	56.7	-6.9	<0.001	42.4	7.2	<0.001	13.9	-1.5	0.492	36.8	-11.5	<0.001	-3.1	0.056
Quarter 13	54.4	-5.1	0.001	39.9	5.7	<0.001	11.2	-1.8	0.384	34.0	-10.9	<0.001	-2.9	0.070
Quarter 14	52.3	-4.9	0.001	37.6	5.8	<0.001	8.6	-0.2	0.905	31.8	-10.6	<0.001	-2.5	0.110
Quarter 15	50.1	-4.1	0.005	36.4	4.3	0.002	8.4	0.7	0.724	29.4	-9.4	<0.001	-2.3	0.135
Quarter 16	49.1	-4.2	0.005	34.8	2.2	0.126	7.9	0.7	0.718	27.6	-9.4	<0.001	-2.9	0.052
Quarter 17	47.9	-4.1	0.005	32.2	0.8	0.551	7.7	-0.7	0.704					
Quarter 18				30.2	1.4	0.293	6.6	0.2	0.895					
Quarter 19				28.5	1.1	0.400	6.4	-0.2	0.891					
Quarter 20				27.0	1.1	0.398	6.6	-1.1	0.487					
Quarter 21				26.2	0.0	0.999								
Quarter 22				25.1	-0.5	0.691								
Quarter 23				24.2	0.4	0.758								
Quarter 24				24.2	0.0	0.986								

(continued)

TR Table 8 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Income, pretax (\$)														
Quarter 1	2,710	208	<0.001	2,502	383	<0.001	2,981	327	0.021	2,626	275	<0.001	292	0.000
Quarter 2	2,606	341	<0.001	2,534	319	<0.001	3,004	315	0.025	2,646	303	<0.001	325	0.000
Quarter 3	2,536	385	<0.001	2,470	369	<0.001	2,905	370	0.010	2,606	356	<0.001	372	0.000
Quarter 4	2,511	477	<0.001	2,447	386	<0.001	3,025	147	0.309	2,593	386	<0.001	411	0.000
Quarter 5	2,486	541	<0.001	2,441	389	<0.001	3,014	186	0.206	2,593	420	<0.001	447	0.000
Quarter 6	2,451	490	<0.001	2,505	317	<0.001	3,000	46	0.760	2,631	390	<0.001	390	0.000
Quarter 7	2,411	461	<0.001	2,470	367	<0.001	2,914	83	0.584	2,697	280	<0.001	372	0.000
Quarter 8	2,318	523	<0.001	2,549	325	<0.001	2,840	298	0.053	2,766	159	0.051	374	0.000
Quarter 9	2,272	547	<0.001	2,574	326	<0.001	2,793	337	0.035	2,739	190	0.021	393	0.000
Quarter 10	2,261	501	<0.001	2,581	314	<0.001	2,738	326	0.037	2,793	15	0.879	356	0.000
Quarter 11	2,274	447	<0.001	2,611	260	<0.001	2,738	298	0.074	2,804	2	0.985	294	0.000
Quarter 12	2,249	451	<0.001	2,634	293	<0.001	2,779	251	0.120	2,870	-100	0.262	286	0.000
Quarter 13	2,253	323	<0.001	2,674	273	<0.001	2,819	35	0.836	2,948	-81	0.500	241	0.004
Quarter 14	2,199	271	<0.001	2,739	218	0.006	2,836	17	0.916	2,933	-103	0.365	191	0.021
Quarter 15	2,175	241	<0.001	2,832	88	0.275	2,851	1	0.997	2,800	43	0.652	152	0.061
Quarter 16	2,152	169	0.003	2,807	130	0.108	2,922	8	0.966	2,761	40	0.680	128	0.116
Quarter 17	2,180	80	0.164	2,900	28	0.746	2,970	-5	0.978					
Quarter 18				2,912	29	0.733	2,963	-3	0.986					
Quarter 19				2,945	-11	0.900	2,930	11	0.950					
Quarter 20				3,007	11	0.899	2,856	171	0.348					
Quarter 21				3,048	-13	0.891								
Quarter 22				3,046	0	0.997								
Quarter 23				3,071	-51	0.592								
Quarter 24				3,018	98	0.308								
Sample size	4,583			4,641			908			3,359			13,491	

Notes: Impacts are calculated as the difference in outcomes between program and control group members. Outcomes for program group members are not shown. The moderately disadvantaged had one or two of the following characteristics at the time of random assignment: (1) had been on welfare for less than two years during their lifetime, (2) had a high school diploma or GED certificate, and (3) had worked in the prior year. P-values are based on two-tailed t-tests.

**TR Table 9**  
**Monthly Impacts by Program, Least Disadvantaged**

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Earnings (\$)														
Quarter 1	1,660	-188	0.224	1,604	-223	0.011	2,364	-64	0.780	1,504	-150	0.286	-189	0.143
Quarter 2	1,810	-170	0.304	1,915	-121	0.228	2,240	192	0.400	1,855	49	0.770	-67	0.643
Quarter 3	1,983	-144	0.390	2,116	-226	0.030	2,441	175	0.481	2,169	-50	0.779	-141	0.352
Quarter 4	2,052	-65	0.692	2,271	-221	0.041	2,604	46	0.863	2,242	-62	0.730	-135	0.383
Quarter 5	2,075	73	0.661	2,387	-121	0.283	2,698	-156	0.557	2,497	-120	0.513	-80	0.615
Quarter 6	2,027	257	0.133	2,474	-55	0.644	2,619	-103	0.702	2,576	-49	0.799	14	0.931
Quarter 7	2,063	342	0.057	2,578	-137	0.251	2,566	60	0.823	2,644	160	0.432	41	0.811
Quarter 8	2,041	514	0.004	2,650	-114	0.346	2,607	135	0.626	2,758	88	0.665	87	0.612
Quarter 9	2,104	538	0.002	2,767	22	0.864	2,818	-140	0.609	2,912	-40	0.850	126	0.470
Quarter 10	2,324	444	0.014	2,854	68	0.595	2,668	-25	0.925	3,027	-64	0.757	122	0.488
Quarter 11	2,455	300	0.106	2,926	8	0.949	2,698	154	0.605	3,142	178	0.428	122	0.507
Quarter 12	2,476	226	0.212	3,025	-10	0.941	2,821	-78	0.792	3,300	-31	0.891	39	0.828
Quarter 13	2,469	263	0.160	3,161	154	0.267	2,877	19	0.948	3,424	-153	0.501	115	0.544
Quarter 14	2,497	247	0.184	3,273	163	0.247	2,670	190	0.518	3,585	-183	0.435	130	0.496
Quarter 15	2,510	171	0.343	3,373	36	0.802	2,887	133	0.654	3,559	-64	0.793	69	0.721
Quarter 16	2,586	67	0.715	3,432	106	0.477	2,768	110	0.727	3,651	-266	0.273	33	0.868
Quarter 17	2,614	36	0.846	3,568	198	0.194	2,893	105	0.737					
Quarter 18				3,655	66	0.667	2,771	270	0.385					
Quarter 19				3,639	133	0.389	2,755	148	0.642					
Quarter 20				3,878	-56	0.731	3,079	-114	0.737					
Quarter 21				3,937	41	0.807								
Quarter 22				3,949	7	0.968								
Quarter 23				3,961	-1	0.995								
Quarter 24				4,096	-180	0.278								

(continued)

TR Table 9 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Employment (%)														
Quarter 1	57.4	0.1	0.986	61.1	-0.1	0.944	88.6	-1.8	0.606	59.1	0.2	0.950	-0.3	0.912
Quarter 2	61.3	-0.4	0.904	61.2	3.8	0.062	81.9	4.2	0.292	62.4	4.6	0.178	3.1	0.273
Quarter 3	63.4	2.1	0.499	63.6	1.0	0.637	79.5	4.3	0.307	67.5	4.6	0.158	2.3	0.424
Quarter 4	62.0	3.7	0.226	66.0	0.9	0.665	77.7	3.8	0.387	67.9	2.0	0.543	2.0	0.483
Quarter 5	60.5	6.6	0.031	65.8	2.5	0.208	78.3	-0.9	0.850	71.1	1.0	0.750	2.8	0.328
Quarter 6	61.5	9.1	0.003	66.9	0.6	0.754	77.1	-0.8	0.861	68.4	3.9	0.228	3.0	0.296
Quarter 7	59.5	12.6	<0.001	66.9	1.6	0.437	73.5	2.8	0.552	68.2	5.5	0.089	4.8	0.088
Quarter 8	61.7	11.4	<0.001	66.2	1.5	0.447	72.9	-2.9	0.549	70.1	3.0	0.343	3.7	0.197
Quarter 9	65.7	8.3	0.005	66.1	3.4	0.091	74.1	-1.8	0.703	71.1	2.6	0.411	3.9	0.165
Quarter 10	65.5	8.3	0.005	67.2	2.5	0.210	76.5	-2.5	0.592	71.8	3.8	0.230	3.6	0.198
Quarter 11	66.5	7.6	0.009	67.8	1.7	0.397	74.1	-0.1	0.982	71.5	4.3	0.174	3.4	0.225
Quarter 12	68.4	3.7	0.208	68.4	3.7	0.055	71.1	1.7	0.721	72.0	2.5	0.435	3.3	0.230
Quarter 13	68.0	3.3	0.266	67.6	4.1	0.038	71.1	2.9	0.550	71.3	2.9	0.359	3.6	0.198
Quarter 14	68.8	3.3	0.262	68.3	4.2	0.031	71.1	5.2	0.276	72.0	1.4	0.660	3.5	0.200
Quarter 15	71.5	2.4	0.393	69.0	1.5	0.433	69.9	3.5	0.472	72.0	1.1	0.722	1.8	0.509
Quarter 16	70.7	0.8	0.784	67.4	4.8	0.014	67.5	3.1	0.545	68.8	3.0	0.360	3.4	0.221
Quarter 17	70.3	0.0	0.994	68.4	3.7	0.056	69.3	0.1	0.986					
Quarter 18				70.3	0.8	0.664	70.5	-1.1	0.823					
Quarter 19				69.1	2.2	0.263	67.5	-2.7	0.597					
Quarter 20				69.8	1.0	0.605	68.7	0.1	0.982					
Quarter 21				69.3	0.7	0.715								
Quarter 22				67.8	2.9	0.143								
Quarter 23				68.8	0.1	0.943								
Quarter 24				69.0	-0.2	0.910								

(continued)

TR Table 9 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Cash assistance payments (\$)														
Quarter 1	1,498	72	0.333	1,216	444	<0.001	451	-73	0.368	950	251	<0.001	269	0.000
Quarter 2	1,323	0	0.997	1,050	397	<0.001	335	39	0.596	811	254	<0.001	242	0.000
Quarter 3	1,195	58	0.444	924	341	<0.001	298	41	0.548	690	291	<0.001	233	0.000
Quarter 4	1,181	-26	0.735	789	335	<0.001	243	51	0.425	621	243	<0.001	206	0.000
Quarter 5	1,119	-169	0.025	723	258	<0.001	222	34	0.575	585	254	<0.001	152	0.007
Quarter 6	1,015	-214	0.004	658	269	<0.001	194	50	0.367	523	252	<0.001	150	0.006
Quarter 7	905	-215	0.002	610	247	<0.001	151	37	0.442	449	201	<0.001	117	0.020
Quarter 8	804	-241	<0.001	562	212	<0.001	128	53	0.274	418	35	0.471	60	0.219
Quarter 9	724	-269	<0.001	515	188	<0.001	121	-2	0.956	379	37	0.424	30	0.514
Quarter 10	628	-246	<0.001	466	169	<0.001	89	-48	0.125	346	6	0.890	-6	0.881
Quarter 11	565	-184	0.001	414	172	<0.001	84	-40	0.219	305	-23	0.594	4	0.914
Quarter 12	523	-146	0.006	362	164	<0.001	88	-28	0.476	248	-16	0.697	19	0.636
Quarter 13	480	-114	0.027	335	105	0.002	54	-9	0.765	238	-12	0.761	10	0.786
Quarter 14	420	-77	0.111	316	64	0.052	67	-18	0.593	222	-19	0.617	-1	0.976
Quarter 15	393	-64	0.173	288	48	0.126	45	43	0.242	206	-17	0.648	13	0.721
Quarter 16	371	-54	0.237	252	53	0.072	24	27	0.266	192	-20	0.575	16	0.611
Quarter 17	305	13	0.773	230	33	0.230	43	-24	0.324					
Quarter 18				212	24	0.368	31	-19	0.267					
Quarter 19				197	40	0.131	51	-34	0.175					
Quarter 20				176	43	0.078	30	-5	0.820					
Quarter 21				151	43	0.065								
Quarter 22				150	34	0.131								
Quarter 23				126	41	0.050								
Quarter 24				107	42	0.032								

(continued)

TR Table 9 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Received cash assistance (%)														
Quarter 1	76.5	2.6	0.327	73.7	7.8	<0.001	32.5	-4.2	0.401	73.4	8.7	0.003	6.0	0.018
Quarter 2	67.4	1.2	0.681	62.4	12.8	<0.001	27.1	-0.5	0.914	62.9	10.0	0.003	8.6	0.002
Quarter 3	62.8	0.2	0.941	55.5	12.6	<0.001	25.3	1.9	0.697	51.9	13.2	<0.001	9.0	0.002
Quarter 4	59.3	-1.4	0.659	47.2	14.6	<0.001	20.5	3.2	0.477	48.3	11.0	0.002	9.2	0.002
Quarter 5	53.6	-5.5	0.087	42.0	14.2	<0.001	18.7	2.1	0.623	43.3	12.0	0.001	8.2	0.006
Quarter 6	49.9	-8.8	0.006	38.9	12.4	<0.001	18.7	1.6	0.718	40.0	11.6	0.001	6.5	0.028
Quarter 7	46.6	-8.3	0.009	36.7	11.6	<0.001	13.9	4.1	0.307	34.9	14.0	<0.001	6.8	0.018
Quarter 8	43.9	-10.4	0.001	33.5	11.8	<0.001	12.0	4.7	0.217	30.9	2.6	0.425	4.5	0.110
Quarter 9	38.7	-11.2	<0.001	31.1	10.7	<0.001	12.0	-2.8	0.404	29.2	2.5	0.452	2.5	0.368
Quarter 10	36.2	-10.8	<0.001	29.9	8.4	<0.001	7.2	-3.2	0.203	27.8	-0.9	0.779	0.4	0.875
Quarter 11	33.7	-10.5	<0.001	27.4	9.1	<0.001	7.2	-4.3	0.067	24.6	-4.2	0.162	-0.3	0.907
Quarter 12	31.4	-7.0	0.015	23.3	8.8	<0.001	6.0	-2.0	0.405	21.3	-5.1	0.068	0.8	0.721
Quarter 13	28.9	-5.8	0.041	22.0	6.6	<0.001	4.2	-1.3	0.510	18.7	-1.9	0.484	0.8	0.722
Quarter 14	25.4	-2.4	0.378	20.3	5.1	0.004	4.2	0.4	0.856	17.5	-2.6	0.327	1.2	0.579
Quarter 15	25.4	-3.7	0.179	17.6	5.5	0.001	4.2	0.4	0.856	15.1	-1.5	0.546	1.4	0.508
Quarter 16	23.3	-1.0	0.720	17.1	4.2	0.011	3.6	1.0	0.641	14.9	-2.1	0.394	1.4	0.505
Quarter 17	20.2	0.7	0.788	15.4	3.4	0.032	3.6	-2.5	0.136					
Quarter 18				14.7	2.7	0.088	3.6	-1.9	0.282					
Quarter 19				14.0	2.6	0.085	3.6	-2.5	0.136					
Quarter 20				13.1	3.4	0.023	1.8	1.1	0.512					
Quarter 21				12.5	2.8	0.059								
Quarter 22				11.2	2.9	0.040								
Quarter 23				10.4	2.7	0.049								
Quarter 24				9.0	3.3	0.012								

(continued)

TR Table 9 (continued)

Outcome (Monthly Average)	SSP			MFIP			New Hope			Jobs First			Pooled	
	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Control Group	Impact	P-value	Impact	P-value
Income, pretax (\$)														
Quarter 1	3,155	-51	0.727	2,820	220	0.005	3,114	-65	0.791	2,877	141	0.277	143	0.227
Quarter 2	3,128	-58	0.709	2,965	276	0.002	2,830	402	0.090	3,048	347	0.020	240	0.066
Quarter 3	3,177	39	0.799	3,041	115	0.214	2,985	377	0.131	3,195	296	0.066	151	0.267
Quarter 4	3,233	72	0.629	3,060	114	0.232	3,055	265	0.320	3,175	227	0.167	135	0.331
Quarter 5	3,188	220	0.153	3,110	137	0.174	3,116	25	0.925	3,373	196	0.239	158	0.275
Quarter 6	3,042	423	0.008	3,131	214	0.044	2,985	76	0.777	3,376	260	0.138	258	0.089
Quarter 7	2,972	529	0.002	3,188	110	0.308	2,867	228	0.399	3,350	406	0.030	261	0.095
Quarter 8	2,846	715	<0.001	3,212	98	0.374	2,895	259	0.347	3,405	156	0.408	258	0.106
Quarter 9	2,833	700	<0.001	3,282	210	0.072	3,069	-43	0.876	3,514	34	0.862	281	0.084
Quarter 10	2,961	667	<0.001	3,320	237	0.045	2,889	-8	0.977	3,584	-29	0.880	263	0.109
Quarter 11	3,026	571	0.001	3,340	180	0.140	2,900	200	0.498	3,653	167	0.430	275	0.112
Quarter 12	3,005	482	0.005	3,387	154	0.205	3,029	-86	0.772	3,744	-53	0.803	182	0.289
Quarter 13	2,954	464	0.009	3,496	258	0.050	3,062	-49	0.866	3,829	-150	0.486	211	0.243
Quarter 14	2,919	457	0.010	3,589	227	0.092	2,865	111	0.701	3,969	-202	0.364	204	0.264
Quarter 15	2,903	386	0.024	3,660	84	0.542	3,047	130	0.660	3,915	-73	0.751	152	0.412
Quarter 16	2,953	242	0.162	3,684	159	0.270	2,901	107	0.731	3,983	-273	0.236	106	0.579
Quarter 17	2,914	205	0.245	3,798	231	0.117	3,055	40	0.899					
Quarter 18				3,868	90	0.545	2,929	197	0.523					
Quarter 19				3,836	173	0.249	2,926	75	0.814					
Quarter 20				4,054	-12	0.938	3,213	-140	0.677					
Quarter 21				4,088	83	0.609								
Quarter 22				4,099	41	0.800								
Quarter 23				4,087	40	0.806								
Quarter 24				4,203	-138	0.397								
Sample size		965			2,204			339			794			4,302

Notes: Impacts are calculated as the difference in outcomes between program and control group members. Outcomes for program group members are not shown. The least disadvantaged had the following characteristics at the time of random assignment: (1) had been on welfare for less than two years during their lifetime, (2) had a high school diploma or GED certificate, and (3) had worked in the prior year. P-values are based on two-tailed t-tests.

**TR Table 10**  
**Impacts of Full-Services and Incentives-Only Versions of SSP and MFIP**

Outcome (Monthly Average)	SSP						MFIP Long-Term Recipients						MFIP Recent Applicants					
	Control Group	SSP Plus		Incentives Only		Control Group	Full MFIP		Incentives Only		Control Group	Full MFIP		Incentives Only				
		Impact	P-value	Impact	P-value		Impact	P-value	Impact	P-value		Impact	P-value	Impact	P-value			
Earnings (\$)																		
Quarter 1	388	63	0.384	-32	0.660	638	7	0.905	-35	0.532	1,110	-105	0.087	-96	0.211			
Quarter 2	439	282	0.001	73	0.403	797	72	0.265	-39	0.556	1,365	-50	0.486	-96	0.284			
Quarter 3	484	367	<0.001	192	0.048	858	145	0.039	-25	0.723	1,528	-83	0.279	-160	0.094			
Quarter 4	570	325	0.001	176	0.072	953	199	0.009	-83	0.283	1,662	-48	0.541	-251	0.011			
Quarter 5	584	304	0.002	216	0.028	1,053	170	0.035	-77	0.346	1,743	22	0.796	-166	0.111			
Quarter 6	635	311	0.003	282	0.007	1,192	100	0.237	-142	0.097	1,856	61	0.482	-187	0.086			
Quarter 7	661	314	0.004	265	0.015	1,263	111	0.205	-178	0.044	1,921	55	0.532	-234	0.035			
Quarter 8	675	322	0.004	196	0.076	1,415	36	0.690	-221	0.017	2,012	75	0.409	-278	0.014			
Quarter 9	691	331	0.004	162	0.150	1,551	6	0.948	-214	0.027	2,158	117	0.222	-297	0.013			
Quarter 10	757	377	0.002	125	0.299	1,633	-11	0.912	-139	0.168	2,236	188	0.053	-251	0.039			
Quarter 11	801	331	0.008	120	0.332	1,741	-49	0.634	-168	0.111	2,298	95	0.339	-256	0.040			
Quarter 12	784	414	0.001	73	0.552	1,815	-2	0.983	-162	0.136	2,403	116	0.249	-236	0.061			
Quarter 13	775	366	0.004	91	0.469	1,850	99	0.371	-99	0.376	2,532	184	0.084	-206	0.122			
Quarter 14	874	371	0.005	87	0.506	1,987	24	0.832	-128	0.271	2,597	199	0.065	-262	0.052			
Quarter 15	971	316	0.018	15	0.913	2,129	-44	0.713	-182	0.129	2,753	12	0.915	-329	0.017			
Quarter 16	1,033	190	0.148	-49	0.707	2,141	1	0.992	-93	0.437	2,794	153	0.171	-289	0.039			
Quarter 17	1,071	157	0.238	-88	0.506	2,239	-15	0.906	3	0.981	2,953	115	0.321	-226	0.120			
Quarter 18						2,348	-49	0.694	28	0.825	2,989	89	0.448	-178	0.222			
Quarter 19						2,487	-165	0.195	-91	0.480	3,010	137	0.250	-111	0.458			
Quarter 20						2,571	-98	0.459	-55	0.682	3,185	66	0.596	-216	0.163			
Quarter 21						2,677	-183	0.178	-92	0.503	3,239	85	0.503	-296	0.064			
Quarter 22						2,745	-143	0.304	-75	0.594	3,260	-23	0.853	-122	0.441			
Quarter 23						2,789	-148	0.288	-192	0.174	3,269	8	0.949	-197	0.218			
Quarter 24						2,709	52	0.708	-121	0.393	3,355	-43	0.738	-346	0.030			

(continued)



TR Table 10 (continued)

Outcome (Monthly Average)	SSP						MFIP Long-Term Recipients					MFIP Recent Applicants				
	Control Group	SSP Plus		Incentives Only		Control Group	Full MFIP		Incentives Only		Control Group	Full MFIP		Incentives Only		
		Impact	P-value	Impact	P-value		Impact	P-value	Impact	P-value		Impact	P-value	Impact	P-value	
Employment (%)																
Quarter 1	32.3	6.0	0.149	-4.4	0.294	36.4	5.2	0.013	3.7	0.081	46.4	2.3	0.171	1.0	0.650	
Quarter 2	34.7	12.2	0.005	1.8	0.681	38.0	8.7	<0.001	4.8	0.026	48.0	4.3	0.012	0.7	0.749	
Quarter 3	35.9	16.5	<0.001	5.6	0.198	36.3	10.0	<0.001	8.2	<0.001	49.8	3.0	0.077	-0.5	0.807	
Quarter 4	35.1	19.2	<0.001	13.4	0.002	37.0	12.9	<0.001	6.1	0.004	52.6	2.7	0.106	-1.2	0.576	
Quarter 5	37.1	16.5	<0.001	12.6	0.004	39.6	11.9	<0.001	3.8	0.079	52.2	4.4	0.009	-0.9	0.680	
Quarter 6	39.4	11.7	0.008	10.9	0.013	41.6	10.9	<0.001	3.6	0.099	52.7	3.9	0.021	-0.7	0.732	
Quarter 7	37.5	12.9	0.003	11.8	0.008	44.6	8.6	<0.001	-1.2	0.566	53.4	5.6	0.001	-0.9	0.651	
Quarter 8	36.3	13.4	0.002	11.4	0.009	45.4	8.3	<0.001	1.8	0.396	53.8	4.6	0.006	-1.7	0.418	
Quarter 9	37.8	14.9	0.001	9.4	0.032	47.0	7.9	<0.001	0.5	0.805	55.0	4.3	0.010	-3.0	0.157	
Quarter 10	43.0	12.8	0.004	5.4	0.220	48.0	6.7	0.002	1.8	0.398	55.8	3.8	0.025	-2.4	0.248	
Quarter 11	46.2	8.9	0.046	6.1	0.168	47.9	8.7	<0.001	4.3	0.049	55.1	4.5	0.008	-1.8	0.399	
Quarter 12	45.0	11.6	0.009	3.4	0.438	49.0	6.9	0.001	4.8	0.028	56.9	4.8	0.004	-0.6	0.786	
Quarter 13	43.4	10.1	0.023	4.2	0.337	49.9	6.6	0.002	4.3	0.046	56.6	5.0	0.003	1.6	0.430	
Quarter 14	49.0	9.2	0.038	1.8	0.689	52.1	4.9	0.021	1.9	0.376	57.4	4.3	0.010	-1.6	0.435	
Quarter 15	51.0	6.4	0.148	-2.2	0.626	53.5	2.5	0.243	1.9	0.390	58.7	2.3	0.165	-2.3	0.267	
Quarter 16	54.6	2.1	0.642	-5.7	0.194	54.7	1.0	0.643	2.4	0.269	58.9	3.7	0.027	-1.0	0.641	
Quarter 17	56.2	0.9	0.847	-6.6	0.138	55.7	-0.9	0.663	3.1	0.152	59.4	2.6	0.115	-2.0	0.342	
Quarter 18						56.7	-0.5	0.809	3.6	0.095	60.8	0.5	0.773	-2.8	0.182	
Quarter 19						58.6	-2.8	0.189	1.7	0.424	59.4	2.0	0.220	-0.3	0.898	
Quarter 20						58.4	-0.9	0.685	2.2	0.305	60.2	1.6	0.343	-1.7	0.425	
Quarter 21						59.0	-2.3	0.270	0.9	0.683	59.3	1.2	0.479	-1.5	0.479	
Quarter 22						59.1	-2.4	0.257	-0.4	0.849	58.7	0.7	0.694	0.8	0.690	
Quarter 23						59.7	-4.1	0.055	-2.2	0.296	59.4	-0.4	0.801	0.1	0.980	
Quarter 24						58.4	-0.5	0.797	0.1	0.974	59.4	0.0	0.976	-1.6	0.448	

(continued)

TR Table 10 (continued)

Outcome (Monthly Average)	SSP						MFIP Long-Term Recipients						MFIP Recent Applicants					
	Control Group	SSP Plus		Incentives Only		Control Group	Full MFIP		Incentives Only		Control Group	Full MFIP		Incentives Only				
		Impact	P-value	Impact	P-value		Impact	P-value	Impact	P-value		Impact	P-value	Impact	P-value			
Cash assistance payments (\$)																		
Quarter 1	1,696	-45	0.381	27	0.593	2,160	333	<0.001	334	<0.001	1,333	432	<0.001	506	<0.001			
Quarter 2	1,586	-98	0.117	-69	0.270	1,997	252	<0.001	334	<0.001	1,204	326	<0.001	427	<0.001			
Quarter 3	1,536	-289	<0.001	-209	0.004	1,870	212	<0.001	354	<0.001	1,069	285	<0.001	413	<0.001			
Quarter 4	1,455	-347	<0.001	-227	0.003	1,719	230	<0.001	394	<0.001	926	285	<0.001	423	<0.001			
Quarter 5	1,375	-337	<0.001	-219	0.005	1,640	234	<0.001	395	<0.001	847	244	<0.001	421	<0.001			
Quarter 6	1,292	-296	<0.001	-199	0.011	1,551	223	<0.001	396	<0.001	793	241	<0.001	405	<0.001			
Quarter 7	1,246	-266	0.001	-190	0.018	1,486	220	<0.001	357	<0.001	739	223	<0.001	404	<0.001			
Quarter 8	1,242	-318	<0.001	-209	0.009	1,393	227	<0.001	374	<0.001	697	177	<0.001	416	<0.001			
Quarter 9	1,224	-334	<0.001	-169	0.033	1,306	221	<0.001	359	<0.001	638	170	<0.001	399	<0.001			
Quarter 10	1,213	-355	<0.001	-165	0.040	1,228	192	0.001	359	<0.001	582	164	<0.001	423	<0.001			
Quarter 11	1,152	-305	<0.001	-119	0.140	1,166	190	0.001	353	<0.001	521	180	<0.001	389	<0.001			
Quarter 12	1,118	-327	<0.001	-131	0.092	1,085	215	<0.001	376	<0.001	474	165	<0.001	376	<0.001			
Quarter 13	1,047	-307	<0.001	-61	0.422	1,037	177	0.001	330	<0.001	449	106	0.001	359	<0.001			
Quarter 14	1,016	-289	<0.001	-65	0.381	971	156	0.004	279	<0.001	434	62	0.048	291	<0.001			
Quarter 15	932	-222	0.003	-56	0.451	904	123	0.018	209	<0.001	401	43	0.154	254	<0.001			
Quarter 16	909	-207	0.005	-73	0.323	834	91	0.071	146	0.004	355	45	0.119	250	<0.001			
Quarter 17	874	-201	0.005	-36	0.608	791	37	0.455	53	0.283	324	14	0.598	185	<0.001			
Quarter 18						753	35	0.458	23	0.632	293	17	0.504	172	<0.001			
Quarter 19						676	63	0.173	36	0.446	271	30	0.235	143	<0.001			
Quarter 20						619	73	0.107	25	0.577	266	21	0.380	99	0.001			
Quarter 21						577	87	0.048	20	0.652	256	17	0.489	106	0.001			
Quarter 22						537	61	0.148	13	0.760	239	15	0.521	97	0.001			
Quarter 23						518	40	0.330	3	0.948	212	24	0.274	91	0.001			
Quarter 24						504	28	0.493	20	0.622	194	25	0.253	103	<0.001			

(continued)

TR Table 10 (continued)

Outcome (Monthly Average)	SSP					MFIP Long-Term Recipients					MFIP Recent Applicants				
	Control Group	SSP Plus		Incentives Only		Control Group	Full MFIP		Incentives Only		Control Group	Full MFIP		Incentives Only	
		Impact	P-value	Impact	P-value		Impact	P-value	Impact	P-value		Impact	P-value	Impact	P-value
Received cash assistance (%)															
Quarter 1	97.2	-1.9	0.256	-0.7	0.675	94.3	1.0	0.290	1.9	0.040	76.1	7.9	<0.001	9.5	<0.001
Quarter 2	93.6	-7.3	0.007	-4.9	0.072	88.2	3.0	0.018	5.1	<0.001	67.0	10.3	<0.001	11.1	<0.001
Quarter 3	88.0	-13.8	<0.001	-11.7	0.001	83.6	3.2	0.029	5.7	<0.001	60.3	9.5	<0.001	11.1	<0.001
Quarter 4	84.1	-17.7	<0.001	-14.7	<0.001	78.5	4.9	0.003	8.2	<0.001	53.2	10.5	<0.001	14.6	<0.001
Quarter 5	79.7	-19.9	<0.001	-11.5	0.005	73.7	6.0	0.001	9.2	<0.001	48.0	10.7	<0.001	14.1	<0.001
Quarter 6	77.7	-19.9	<0.001	-13.0	0.002	70.6	7.6	<0.001	10.2	<0.001	45.3	9.4	<0.001	13.7	<0.001
Quarter 7	74.1	-18.2	<0.001	-10.9	0.010	67.8	8.2	<0.001	10.2	<0.001	43.5	8.3	<0.001	13.5	<0.001
Quarter 8	74.5	-20.2	<0.001	-13.6	0.001	65.7	8.5	<0.001	10.4	<0.001	40.7	7.7	<0.001	14.3	<0.001
Quarter 9	74.9	-21.4	<0.001	-12.9	0.002	60.7	10.1	<0.001	12.0	<0.001	38.0	6.5	<0.001	13.4	<0.001
Quarter 10	71.3	-20.5	<0.001	-9.7	0.023	58.7	8.5	<0.001	11.6	<0.001	35.2	6.4	<0.001	15.2	<0.001
Quarter 11	68.9	-17.8	<0.001	-8.1	0.061	55.9	8.1	<0.001	12.6	<0.001	32.0	7.9	<0.001	14.2	<0.001
Quarter 12	68.9	-21.3	<0.001	-7.7	0.074	53.3	7.5	<0.001	11.6	<0.001	28.4	7.4	<0.001	14.7	<0.001
Quarter 13	66.1	-19.7	<0.001	-4.5	0.297	49.9	9.0	<0.001	12.2	<0.001	27.1	5.2	0.001	13.5	<0.001
Quarter 14	65.3	-18.1	<0.001	-2.2	0.617	48.1	7.4	0.001	11.1	<0.001	25.6	4.7	0.003	12.1	<0.001
Quarter 15	61.4	-16.8	<0.001	-2.1	0.639	46.1	8.1	<0.001	9.2	<0.001	24.3	3.2	0.037	11.1	<0.001
Quarter 16	60.6	-16.0	<0.001	-3.2	0.467	44.7	3.7	0.083	7.7	<0.001	22.6	2.9	0.052	10.5	<0.001
Quarter 17	60.2	-16.0	<0.001	-1.6	0.709	42.0	1.6	0.445	5.8	0.007	21.2	1.4	0.345	8.1	<0.001
Quarter 18						40.8	1.4	0.511	3.2	0.132	19.1	1.5	0.279	8.0	<0.001
Quarter 19						37.9	3.2	0.124	4.5	0.035	18.1	1.5	0.282	7.0	<0.001
Quarter 20						36.2	2.0	0.326	3.9	0.067	17.3	2.2	0.099	6.4	<0.001
Quarter 21						34.4	1.0	0.616	2.7	0.197	17.0	1.6	0.232	5.9	<0.001
Quarter 22						33.5	1.4	0.492	1.7	0.413	15.9	1.1	0.384	5.3	0.001
Quarter 23						32.7	0.9	0.648	0.3	0.875	14.8	1.6	0.219	5.8	<0.001
Quarter 24						31.6	1.6	0.412	1.5	0.450	14.1	1.6	0.198	6.3	<0.001

(continued)

TR Table 10 (continued)

Outcome (Monthly Average)	SSP					MFIP Long-Term Recipients					MFIP Recent Applicants				
	Control Group	SSP Plus		Incentives Only		Control Group	Full MFIP		Incentives Only		Control Group	Full MFIP		Incentives Only	
		Impact	P-value	Impact	P-value		Impact	P-value	Impact	P-value		Impact	P-value	Impact	P-value
Income, pretax (\$)															
Quarter 0	2,080	164	0.045	117	0.152	2,797	340	<0.001	298	<0.001	2,443	327	<0.001	410	<0.001
Quarter 1	2,021	582	<0.001	316	0.002	2,794	325	<0.001	295	<0.001	2,569	276	<0.001	331	<0.001
Quarter 2	2,018	615	<0.001	410	<0.001	2,728	356	<0.001	329	<0.001	2,597	202	0.004	253	0.004
Quarter 3	2,024	541	<0.001	443	<0.001	2,672	429	<0.001	311	<0.001	2,588	236	0.001	172	0.058
Quarter 4	1,955	611	<0.001	509	<0.001	2,693	404	<0.001	318	<0.001	2,590	266	0.001	255	0.007
Quarter 5	1,933	638	<0.001	621	<0.001	2,743	323	<0.001	253	0.002	2,649	302	<0.001	218	0.030
Quarter 6	1,912	624	<0.001	515	<0.001	2,749	330	<0.001	179	0.033	2,660	278	0.001	170	0.095
Quarter 7	1,922	557	<0.001	437	<0.001	2,807	263	0.002	153	0.079	2,709	252	0.003	137	0.192
Quarter 8	1,919	636	<0.001	481	<0.001	2,856	227	0.011	145	0.113	2,796	287	0.001	103	0.356
Quarter 9	1,985	618	<0.001	409	0.001	2,861	181	0.050	219	0.020	2,818	352	<0.001	172	0.128
Quarter 10	1,964	589	<0.001	421	0.001	2,907	140	0.148	184	0.062	2,819	275	0.003	133	0.252
Quarter 11	1,916	606	<0.001	314	0.009	2,900	212	0.033	214	0.035	2,876	282	0.003	139	0.240
Quarter 12	1,842	543	<0.001	346	0.006	2,887	276	0.007	231	0.026	2,981	290	0.004	152	0.229
Quarter 13	1,903	416	0.001	219	0.065	2,958	181	0.089	151	0.161	3,031	261	0.011	30	0.817
Quarter 14	1,901	305	0.009	54	0.646	3,033	80	0.469	27	0.812	3,154	55	0.600	-75	0.568
Quarter 15	1,946	86	0.445	-87	0.439	2,976	92	0.403	54	0.632	3,149	198	0.066	-38	0.775
Quarter 16	1,947	-19	0.858	-122	0.260	3,030	22	0.850	56	0.632	3,278	129	0.248	-41	0.768
Quarter 17						3,100	-14	0.905	51	0.669	3,282	106	0.347	-6	0.965
Quarter 18						3,163	-101	0.400	-55	0.652	3,280	167	0.147	33	0.821
Quarter 19						3,190	-26	0.838	-30	0.816	3,451	87	0.469	-117	0.437
Quarter 20						3,254	-96	0.458	-72	0.582	3,494	102	0.410	-190	0.221
Quarter 21						3,282	-82	0.535	-62	0.644	3,499	-9	0.945	-25	0.873
Quarter 22						3,307	-108	0.417	-190	0.160	3,481	32	0.796	-106	0.497
Quarter 23						3,214	80	0.547	-100	0.457	3,550	-18	0.884	-243	0.120

Notes: Impacts are calculated as the difference in outcomes between program and control group members. Outcomes for program group members are not shown. P-values are based on two-tailed t-tests.