



Pilot Profile: California

The Temporary Assistance for Needy Families (TANF) Data Collaborative Pilot Initiative is a component of the TANF Data Innovation project. The 30-month pilot offered technical assistance and training to support cross-disciplinary teams of staff at eight state and county TANF programs in the routine use of TANF and other administrative data to inform policy and practice.

RESEARCH QUESTIONS. The pilot team at the California Department of Social Services (CDSS) initially sought to develop a more complete, equitable, and holistic quantification of the wage outcomes of people who have participated in CalWORKs (California’s TANF program) from five specific ZIP Code Tabulation Areas (ZCTAs). This initial effort led the team to focus on developing a model to explore individual- and community-level characteristics associated with the achievement of stable wages at a level sufficient to cover the costs of raising a family in California. Wage progression of people who leave TANF is important because it is a measure of the program’s efficacy.



The pilot team at CDSS included a mix of staff with TANF policy, program, and data analytics expertise. Staff members also had varying years of employment with CDSS, bringing a diverse set of experiences and knowledge to the team.

DATA LANDSCAPE. The pilot team conducted new analyses on state administrative data, notably linking TANF and wage data to investigate the long-term earnings outcomes of TANF participants. The team drew longitudinal **TANF program data** from the Medi-Cal Eligibility Data System (MEDS), a statewide data hub serving a variety of eligibility, enrollment and reporting functions for California’s Medicaid program and other state and federal benefits. The MEDS files contained data that allowed the team to isolate its population of interest. MEDS also contained unique identifiers that allowed linkage of TANF data with **earnings data** from the California Employment Development Department at the individual and case level. In addition, for its analysis, the team worked with a series of **community variables** primarily drawn from the U.S. Census.

PILOT HIGHLIGHTS

The California TDC pilot team integrated TANF program and analytic staff to investigate important questions about the role of place in TANF participation and outcomes. They successfully advanced analytic work that created a linked TANF and wage analytic file, operationalized stable wage outcomes, and ran fixed and random effect models.

APPROACH AND RESEARCH METHODS. After building an analytic data set, the pilot team identified and isolated a cohort of people who had exited the TANF program during 2015, broken down by the particular quarter of the year in which they exited. The team chose this cohort for analysis because the scope of the data allowed for the examination of earnings for three years prior to participants exiting TANF (to the third quarter of calendar year 2012) and four years afterward (to the fourth quarter of 2019). The team filtered this cohort to five targeted ZCTAs and used various coding strategies to aggregate individual-level data to a case (family or household) level. While scrutiny at the case level allowed

analysts to learn important things about each household, it also made some aspects of coding variables and interpreting analyses difficult. In future iterations of this work, the team will conduct analyses at the individual level.

The team developed and performed two separate generalized logistic regressions. They defined a binary outcome (that is, one that had only two values) of “stable wages” to use in the logistic regression. They defined stable wages as an individual having eight consecutive quarters (two years) of earnings that exceeded one of two thresholds: (1) the official poverty measure (OPM), used in setting federal policy; or (2) the California poverty measure (CPM), which adjusts by location and better reflects the cost of living in California. The logistic regression identified characteristics associated with people who had a stable wage outcome (at or above one of these thresholds), compared with people who did not.

Two separate models were analyzed. In model one, only case-level variables were included, in addition to ZCTA as an indicator of location. Case-level independent variables included language, race, household composition, the presence of wages before TANF exit, and the presence of wages at exit. In model two, all the case-level variables from model one were included, but instead of using ZCTA, the team included two community-level variables: (1) proportion of individuals using public transportation to commute to work, and (2) proportion of individuals receiving Supplemental Nutrition Assistance Program (SNAP) benefits. In turn, for both model one and model two, the team tried two iterations: one using the OPM stable earnings outcome as the dependent variable, and one using the CPM stable earnings outcome.

California TANF Snapshot



\$ 1,539 Maximum Monthly Earnings Threshold for Family of 3^b

\$ 1,035 Monthly Cash Benefit for Family of 3 with No Income^c

\$ 6.7b TANF and State Maintenance-of-Effort Spending (FY 2020)^d

Average number of participants per month (FY2021)^a

152,193

Adults

608,351

Children

(a) California Department of Social Services, [CalWORKs Cash Grant Caseload Movement Report](#) (b) California Department of Social Services, [All County Letter No. 21-25](#) (c) California Department of Social Services, [All County Letter No. 21-27](#) (d) Office of Family Assistance, [TANF and MOE Spending and Transfers by Activity, FY 2020](#)

INITIAL FINDINGS AND NEXT STEPS. Key findings from the California team’s initial analyses include the following:

- On average, only about 10 percent of individuals who exited TANF achieved the stable earnings outcome at either threshold.

- The strongest predictor of stable wage outcomes (at both OPM and CPM thresholds) was *the presence of earnings* at the time of exiting TANF. This remained true in models 1 and 2.
- The California team gained valuable knowledge about the analytic decisions behind variable construction and how to conduct analyses that produce useful insights for both urban and rural communities.
- The California team began to use a higher wage threshold for program “success” than was used in the past by using both the OPM and the CPM. Using the CPM threshold, which adjusts by location and better reflects the cost of living in California, is intended to provide a more realistic view of the resources needed to raise a family there.



Prior to this project, our work was ad hoc in nature . . . But this was a fresh breath of new air: starting with a research question and taking time to answer the questions; having tools, learning those new tools, and relying on one another.



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Looking forward, the pilot team plans to track earnings for up to four years after TANF participants leave the program. The team will explore additional community-level variables such as commuting time and social determinants of health. Ultimately, the team plans to expand its analysis to every California ZCTA and examine whether outcomes differ for people who move from one area of the state to another.

This profile was based primarily on reports and presentations produced by the pilot team at the California Department of Social Services. For more information, contact Michael Billingsley (michael.billingsley@dss.ca.gov). The TANF Data Innovation (TDI) Project Team – which includes Chapin Hall at the University of Chicago, MDRC, the Coleridge Initiative, and Actionable Intelligence for Social Policy at the University of Pennsylvania – provided technical assistance and training. Emma Monahan of Chapin Hall was the California TDC pilot coach. This document was edited by MDRC and designed by Public Strategies.

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