



Welfare Caseloads Increased in Most States in the Last Quarter of 2001 *New DHHS data confirm earlier CLASP analysis*

May 23, 2002

The U.S. Department of Health and Human Services (DHHS) released figures on May 21 showing that *nationally* the number of families receiving Temporary Assistance for Needy Families (TANF) had remained essentially unchanged during the final three months of 2001. However, a more careful reading of this new data demonstrates that most states saw their caseloads increase during this period. This confirms a March 2002 analysis by CLASP, "Impact of Recession and September 11 Seen on Welfare Caseloads," which collected data from the states for the same time period.

During the recent debates over reauthorization of the TANF program, policymakers and others have highlighted the large declines in welfare caseloads in the 1990s. Indeed, since 1994, caseloads nationally have dropped by more than half. The figures DHHS released on May 21, however, confirm that most states are no longer experiencing large caseload declines.

The DHHS figures show that, while the total number of families receiving TANF across the nation remained virtually unchanged between October and December 2001, caseloads increased in 41 of the 54 states and territories. Thirteen states or territories saw caseload increases greater than 5 percent over the three months, while only 3 states or territories saw decreases of more than 5 percent over the same time period. The states showing increases of more than 5 percent are a diverse group, including Arizona, Colorado, Georgia, Idaho, Indiana, Massachusetts, Mississippi, Montana, Nevada, Oregon, South Carolina, South Dakota, and Washington.

Over the entire past year, from December 2000 to December 2001, the figures show a similar pattern. The caseload when summed nationally declined slightly, by 2.6 percent (the smallest annual decline since 1996). A majority of states and territories, however, experienced caseload increases — 30 out of 54 saw their caseloads rise over the past year. Caseload increases were generally larger than caseload decreases; the average annual increase among states and territories reporting an increase was 10.5 percent, while the average decrease among states and territories reporting a decrease was 7.6 percent.

The newly released data also highlight that more states are seeing consistent increases and small fluctuations in caseloads, as opposed to steady declines. From July through December 2001, 12 states and territories reported continually increasing caseloads. None reported a continually decreasing caseload in the same time period.

CLASP is in the process of collecting state caseload data from January through March 2002. We expect to release the data and associated analyses by early June. The previous CLASP data analysis and release are available at http://www.clasp.org/pubs/TANF/Final_2001_Q4_Caseload_discussion.htm. DHHS's latest official caseload figures are available at <http://www.acf.dhhs.gov/news/stats/tanf.htm>.

For more information, contact Elise Richer, Policy Analyst, at (202) 906-8015, ericher@clasp.org.