

Analysis of Reentry into Income Support Program in Alberta **Project Phase One**

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An Analysis of Income Support Reentry in Alberta, Phase I

Alberta Human Resources and Employment (HRE) administers Alberta Works to help unemployed people find jobs and keep jobs, help employers meet their need for skilled workers and help low-income Albertans cover their basic costs of living.

The following programs and services fall within the umbrella of Alberta Works:

- Employment and Training Services (ETS)
- Income Support (IS)
- Health Benefits
- Child Support Services

While there are some mechanisms in place to measure utilization rates within each of these programs and services, there is no existing statistically valid or reliable way to measure reentry rates between each of these programs and for extended periods of time.

Moreover, there is limited information available on:

- Rates of reentry to Income Support and Employment Training Programs and Services
- Client characteristics and reasons why some HRE client groups may experience higher reentry rates than others
- What supports, programs and services may reduce reentry rates
- What barriers low-income working people face to maintaining self-sufficiency

There are a number of limitations that prevent HRE from tracking and reporting reentry rates. Currently there is no one tracking mechanism in place to capture reentry rates for clients in general or to measure pre and post intervention reentry rates to determine the extent to which Income Support, or an intervention provided through Employment Training and Services assisted a client in obtaining employment and becoming self-sufficient. As a result, we do not know what programs or services HRE offers that could help to reduce reentry to our programs and services.

Additionally, current client tracking systems for training (tuition based and contracted training) and Income Support are not integrated and therefore limit the amount of information that can be cross referenced to determine reentry rates for pre and post-intervention training.

There are no mechanisms in place to track outcomes over a long period of time (3-5 years) once clients have left Income Support or have gone to employment or training.

Furthermore, based on the information available we do not know the causal factors behind a client's return to Income Support or employment training programs and other services. This information is not mandatory for staff to collect and report.

While some reentry is inevitable due to catastrophic events and personal crises, information about factors that heighten the likelihood of a return to welfare are

potentially very useful to front-line staff, managers and policy planners. Also, there is a distinct difference between clients who have a significant change in life circumstances and those clients whose Client Investment Plan indicates sequential training interventions as opposed to those who are “program hoppers”.

We do not know characteristics of groups experiencing different reentry rates (such as family composition, marital status, age, literacy level, job skills and experience, social cognitive skills, addiction issues, involvement with justice system, local economy and employment situation in the community, etc.).

Through anecdotal discussions with HRE staff, it is estimated that approximately one-third of clients will return to income support within a twelve-month period, but the reasons for their return are unknown. While clients are asked about their reasons for reentry to Income Support, the specific reasons are not tracked. Additionally, the Northeast region has done some work and analysis on the number of cases reopened for each of their worksites.

HRE’s Management Information Reports (MIR) provides the following information related to Income Support clients and caseloads:

- Duration on assistance
- Cost per case
- Income Support cases still closed after twelve months off assistance

Conceptually, reentry analysis is complex and requires an examination of factors including:

- Number of clients who are frequent users of programs and services
- Duration: the length of time clients utilize services
- Frequency: the number of times a client has accessed a service
- The combination and/or evolution of program/service usage type

There is currently no one mechanism within HRE that can measure and coordinate all of these factors in a way that is comprehensive or easily accessible.

Project Scope and Overview

This project is comprised of two phases.

The first phase of this project, and the subject of this report, focuses on the following activities:

- Defining reentry for the purpose of the project
- Determining how reentry rates will be measured
- Extracting and analyzing information related to the frequency that clients return to Income Support
- Examining duration of spells on and off Income Support
- Examining client characteristics of reentrants compared to other Income Support clients

To better understand reentry, a review of relevant literature was conducted and government officials from other provinces in Canada were interviewed to determine if and how other provincial jurisdictions measure and report income support reentry rates.

While we are interested in examining the reentry rates of other HRE's programs and services (such as ETS), the scope of this phase of the project will be Income Support. The specific population within Income Support that we will be examining is detailed in a latter section.

The second phase of this project will focus on the causal factors contributing to a client's return to Income Support, and will be completed in the next fiscal year. An examination of the causal factors and their correlation with each other to impact reentry rates could include but is not limited to:

- Life circumstances- what is the relationship between personal factors and reentry (including changes in marital status or family size)
- Economic issues- examine reentry rates in comparison to market circumstance and jurisdiction
- Health and social issues- the impact if any, of physical and mental health issues including addictions, on the ability to become self-sufficient
- The adequacy of current support programs and services, post-employment supports, and the barriers low-income working people face towards maintaining self-sufficiency (including health coverage, child care, cost of going to work, child support payments, emergencies, etc). This would also include the impact of any policy changes within these programs and services on reentry rates.

The second phase will also include interviews with clients who have been identified as reentrants and will culminate with recommendations to review any gaps in programs or services geared towards individuals identified as being at risk to reenter Income Support.

Review of Relevant Literature

Why Study Reentry?

Welfare reentry research is a fairly new area of inquiry to which little academic research attention was paid until Ellwood's landmark studies in the mid-1980's (Born, Caudhill, Ovwigho & Cordero, 2002). While more attention has been focused towards this area recently, the literature on income support reentry analysis is still relatively sparse. Despite the lack of inquiry into this area, examining reentry rates is important and worthwhile because reentry is a program activity that consumes resources in the process of case closings and re-openings and does not achieve the desired outcomes for individuals, families or the program (Born et al., 2002).

One motivation to study returns to income support is to eventually be able to better determine which cases or client types are the most likely to return to a program in the future. If an individual is identified to be at risk of reentry upon initially leaving income support, additional programs or services could be offered to this group in hopes of preventing their need to return. Also, the programs and services that are currently offered towards an at-risk group could be assessed for their efficacy.

Targeting at-risk individuals could prove to be an efficient way of reducing the administrative costs associated with reopening Income Support client files. Research shows that from an administrative perspective, when clients reenter the income support system within a few months of leaving, including clients who are medically unemployable, there is a substantial duplication of work, and increased costs, as departmental resources must be directed to re-verifying the eligibility of these individuals and families (Toronto CNS, 2002).

Definition and Terminology

Reentry to income support is most often viewed as a negative phenomenon. This is evidenced by the frequent use of the word "recidivism" to denote a return to income support. As this term is most commonly used to describe repeat criminal offenders, throughout this report, wherever possible the term "reentry" will be utilized¹.

Despite its connotation, according to some researchers, "recidivism" or reentry is not necessarily an unfavorable occurrence. Barbour, Bruce and Thacker (2001), state that reentry demonstrates a recipient is motivated and making a legitimate attempt to leave the program. A temporary return to assistance might provide the extra support that an individual or family needs to become completely self-sufficient (Barbour et al., 2001). Furthermore, some researchers have stated that policy makers need to view an individual's move towards complete self-sufficiency as a continuum with families

¹ Other terms emerging in the literature used to describe the study of recidivism and clients who return to income support include, but are not limited to, repeat dependency (Harris, 1996), cyclers (Richburg-Hayes & Freedman, 2004), repeated welfare spell analysis (Nam, 2005) and welfare reentry analysis (Barbour, Bruce & Thacker, 2001).

passing through a number of stages that could include repeatedly accessing income support before finally exiting income support permanently (Born et al., 2002)

Previous Studies of Income Support Reentry

To gain a perspective on the changes in reentry rates over time, it is useful to examine previous research on the topic. Though there are published reports on reentry analysis within British Columbia and the city of Toronto, none have focused exclusively on income support reentry within the province of Alberta. The closest study that we are aware of on the topic was a survey of 768 former Income Support clients (or at that time Supports for Independence or SFI) conducted by Elton, Siepert, Azmer and Roach (1997) on behalf of the Canada West Foundation (Frenette & Picot, 2003).

The results of the survey indicated that between 15 and 20% of those who left SFI between 1993 and 1996 returned at least once (Elton et al., 1997). Of those who returned, 33.2% of respondents indicated that their reentry was due to unemployment, 19% said that it was because their income from employment was insufficient, but the majority of respondents reported that their return to SFI was due to personal problems such as stress, physical and mental health issues, substance abuse and family issues (Elton et al., 1997)

As shown in Appendix A, Summary of Reentry Rates, the literature on reentry reports that depending on the study, between 8.5 and 52 per cent of individuals who leave income support return at some point during their lifetime. This table provides a summary of reentry rates, sample size, data source, and definitions of reentry used in the studies.

Invaluable as they are, many of these studies have significant limitations. A review of the literature reveals a wide variety of methodology, measures and outcomes in terms of defining and counting reentry. As is evident in the chart, researchers have notably defined reentry quite differently. Given the statistics utilized in the reviewed studies, the definitions of welfare exits and reentries are often restricted by the lengths or frequencies of their observations (Nam, 2005). As there is no reason to expect income support turnover to move in accordance with their imposed observation periods, these estimations may lack validity.

The large variations in reentry rates can be accounted for almost entirely by the varying data sources used by the researchers. Data that includes shorter time-frames tend to measure lower reentry rates than those that include longer periods of time. This is due to the inability to observe individuals for a sufficient period of time following their exit from income support. For example, studies that use tax data are limited by the inability to measure returns to income support within the year or month to month and therefore their measures will undoubtedly underestimate reentry because exit and reentry within a given year would not be included. Additionally, tax data is not able to take advantage of knowing the precise length or duration of a spell to the month.

Furthermore, a number of American studies on reentry rates focus exclusively on welfare use by single mothers. Since Canada's income support programs are universal and not limited by family composition, conclusions drawn from these studies, which are categorically targeted to single mothers, can provide at best only an incomplete picture. In Canada, single men and women without children are able to receive income support in and the Canadian welfare system is overall more generous than the American system (Barrett & Cragg, 1998). In the United States, under the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) there is also an imposition of limits on receipt of social assistance in many states, which will subsequently impact case-load numbers and reentry rates².

Despite the wide dispersion of eventual reentry rates, one area of consistency reported in the literature is that reentry tends to occur within a year of leaving income support (Barbour et al., 2001). This suggests that the first few months off income support seem to be the most crucial in determining which individuals will return.

² The PROWA established Temporary Assistance to Needy Families (TANF), through which using federal funds provided in block grants, states have the ability to design their own cash assistance programs within generally accepted guidelines. PRWORA limits cumulative cash assistance receipt to five years or sixty months during adulthood. Once these limits are reached, individuals can only obtain cash assistance if their state supplements the payments. States also have mandate to set the time limits less than the five-year federal maximum. Connecticut for example has set a 21-month maximum and Arkansas and Idaho have 24-month maximums. Michigan however does not impose a time-limit and continues to provide financial support after the 60-month federal limit. British Columbia has imposed a time-limit that will be described within the paper, Alberta however does not have time-limits for Income Support.

Tracking Reentry Rates in Other Canadian Provinces

As stated previously, reentry research is a relatively new area of study, however many jurisdictions in Canada and the United States have been examining the phenomena for some time. HRE interviewed provincial government staff from Ontario and British Columbia about their methods for defining, tracking, and analyzing reentry to their respective income support programs. Each of these provinces however is at vastly different stages of data collection and analysis. Ontario, much like Alberta is only beginning to formally track and examine reentry rates, while B.C has been tracking, analyzing and using reentry rates to impact policy formation since the 1990's. Newfoundland is also reportedly tracking reentry to income support within the province, however due to their differences between their local economic conditions and those in Alberta, individuals from Newfoundland were not interviewed at this time.

The questions that provided a basis for the interviews are found in Appendix B: Reentry Questions for Other Jurisdictions. A summary of the answers to the questions as well as a short synopsis of each province's equivalent to HRE's Income Support program is provided below.

Ontario

Ontario has two programs that provide financial assistance for individuals. Ontario Works provides supports for individuals who are able to work and individuals are expected to participate in employment and training programs that assist participants in obtaining and maintaining employment. Ontario Works is offered through the Ministry of Community and Social Services.

Their other financial support program is the Ontario Disability Supports Program (ODSP). This program provides income support and health-related benefits to people with disabilities who are in need of financial assistance. The employment supports component of the program offers a range of services to help people with disabilities to look for, obtain or maintain jobs on a volunteer basis.

Ontario is currently engaged in a two-part research project examining reentry rates for the income support portion of Ontario Works. For their research project, they are defining reentry as any return to income support, regardless of the time on or off between spells. However, they are not including individuals who access emergency financial assistance which in Ontario is sixteen days worth of financial assistance and therefore clients are not considered to be in receipt of benefits for a full month.

At present, Ontario is examining their reentry rates in terms of geography and family composition and is looking for emerging patterns or trends in rates of return. They are not planning to examine seasonal variations in reentry rates and at the time of the interview were starting to research best practices utilized in other jurisdictions. In their

analysis, Ontario will be looking at the impacts of local economic conditions and policy changes (such as their 1998 implementation of Ontario Works) on reentry rates. In another phase of the project, Ontario hopes to examine the interactions between income support and their employment and training programs and reentry rates within that particular program.

While Ontario has been tracking trends in client files since 1995 through service delivery technology on a monthly basis, they do not have easy access to the data that will provide the required information to calculate reentry rates. Staff stated that they can request ad hoc reports that include reentry information but that this process is onerous and challenging due to the size of their case management system. Ultimately, they would like to create a longitudinal data base where reentry rates and other information can be readily accessed.

Some of their challenges with the process are that while the data related to entry and reentry to income support are collected, it is not mandatory to query clients for their reasons for leaving and returning to income support. In their database, when this information is recorded, it can be overridden and so the available data regarding reentry is not reliable because it does not track the client's history accurately.

The Ontario provincial representatives we spoke with reported to have some preliminary data indicating that the more times an individual returns, the longer they stay on income support.

British Columbia

Through the Ministry of Employment and Income Assistance (MEIA), British Columbia (B.C.) provides services to individuals requiring assistance with income and employment. The goal of MEIA is to assist individuals in need obtain stable housing, to increase their self-reliance and to help them obtain long-term employment.

The B.C. government has extensive client data and has been tracking reentry rates since 1990. They have a comprehensive system as well as having easy access to the information needed to track these rates.

There is a team designated specifically for tracking and analyzing re-entry data, which is collected in snap-shot form each month and used for forecasting and program analysis. Also included in B.C.'s reentry analysis, is a client's history to Employment Insurance (EI) claims, seasonal fluctuations, employment history and industry of each client.

The MEIA has administrative data which allows us to determine which clients come back onto assistance. Data is available through their Management Analysis and Reporting System (MARS) and can also be produced through ad hoc requests for customized one-off reporting.

The MEIA tracks the following:

- Starting Cases: defined as cases that receive support and shelter assistance for the month reported, but do not receive support and shelter assistance for the previous month. Starting cases include new starts and cyclers.
- New Starting Cases: defined as cases that receive support and shelter assistance for the month reported, but have not received support and shelter assistance at any point during the previous 12 months.
- Cyclers: defined as cases that receive support and shelter assistance for the month reported and do not receive support and shelter in the previous month, but have received assistance at some point during the previous 12 months.

B.C. reported that they struggled with determining what to track as a “reentry” and have subsequently used the same principle as is found in the American research models, defining a “stop” as 2 months off. In their reentry rates, B.C. does not count administrative errors as a “return” because a client’s file will not close for one month due to an administrative oversight, but will show on their system as “no income” for a particular case. This is usually because a client may have received an extra pay check for that month, thus rendering them ineligible for supports. Any administrative oversights are adjusted and corrected in the database the next month.

B.C. tracks continuous time on assistance (i.e., length of the spell) as well as total time on assistance in a given period (e.g., total time on assistance in the previous 24 months). They also collect client characteristics that include family type, region, program, age, number of dependants, age of youngest child and declared income. The ministry does not track reasons for returning to welfare.

In terms of collecting and storing data, unlike Alberta, B.C. case client characteristics are not overwritten when they change because the reentry analysts take a snap shot at the end of each month for analysis purposes. This makes it easier to look back to see family composition and education changes that may affect a client’s return to support.

Trends in reentry to income support noted by B.C. government staff include:

- An average of 39% of clients return to income assistance within 12 months of leaving.
- “New Starts” tend to stay on income support for a shorter duration and after 12 months, their behavior is the same.
- There is seasonal movement with peak start times in December, January, and February. B.C. has access to compare their data with E.I. claims and they can also find the employment history and industry that clients are otherwise employed in.

- In B.C. it has been found that recycling rates rise during good economic times because when there are more opportunities, people are willing to take the chance of leaving supports.
- Trends show that as clients continue to return to income support, they stay on longer and leave for shorter periods of time.
- Single men have been found to recycle more frequently and stay for shorter lengths of time when compared to reentrants of other family compositions
- Single parents do not return to income support as quickly as single men
- To view reentry patterns, the B.C. government takes a snap-shot of the case file each month, and builds a “pattern file” as below. This file holds up to 170 characters for each case file and helps identify duration and seasonal patterns.
 - Example: (“0” for off support, and “1” for on support)

J F M A M J J A S O N D J F M A M J J A S O N D
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The MEIA monitors interactions between ministry programs but does not routinely track client access/interaction with non-ministry programs. B.C. does however track employable clients’ participation in training for work programs or Alberta’s equivalent to Employment and Training Services (ETS) within MEIA. Participation in employment programs is mandatory and a client is given credit for past participation. Because client participation in these programs is monitored, recorded and accessible, when a client returns, he/she starts at the next level of training where they last left off prior to leaving.

The MEIA utilizes closed codes to indicate why a client leaves welfare, but it was reported that using this data to determine the reasons why clients leave assistance is problematic. Similar to Alberta, most clients who leave welfare do so without reporting the reason, so there are no codes for many of the file closures. Of the cases where a file closure code is obtained, some have multiple closure codes. As there is no assigned hierarchy for use of closure codes it is difficult for B.C. staff to determine the main reason for a file closure.

Tracking and analyzing reentry rates has led B.C. staff to make changes to their income support policies that they say limit income support usage. For example, policies on time limits and exemption rules have been developed based on re-entry data analysis.

According to B.C. staff, time limits were implemented based on studies that show that a client is more likely to look for work as they see their time on welfare expiring. These same studies have also found that once clients are on supports for a lengthy period of time, they become accustomed and stop looking for work. B.C. staff noted that exemptions to the province’s time limit on welfare are considered on a case by case basis by reviewing a client’s job search history if the client demonstrates that they have been putting forth an honest effort to find work.

According to B.C. staff, in a broad sense the MEIA’s “2 in 5 years” rule acts to remind people that it is to their advantage to remain off income assistance and that it is a last

resort³. While in practice very few individuals are affected by this rule, it is likely that it discourages reapplication or reentry for some.

According to B.C. staff, the required three-week job search before acceptance onto welfare was implemented based on research showing that people are more apt to look for a job right after initial job loss, while their enthusiasm tends to wane as time goes by.

The required three-week waiting period was reported to have had a significant effect on B.C.'s reentry rates, with half as many clients returning after their wait period because of the strong economy. These numbers are tracked through the comparison of the pre-application (pre-job search) forms, to those that return after the three-week wait period to finalize their application process.

Similarly, according to B.C. government staff, the three-week work search period acts to remind individuals that it is their obligation to seek employment and explore alternative resources before receiving income support. By not providing immediate assistance some individuals find other resources and do not complete the application process and thus break the cycle of dependence.

The MEIA also utilizes a wide range of programs to train clients for employment and to assist them in finding employment when they are job ready.

The contracted agencies that deal with the ministry for some programs operate under an incentive system based on milestones whereby they are paid partial payment for initial job placement and subsequent payments when various milestones are reached-e.g.4 months, 12 months 18 months. These agencies also assist clients if they lose their placement to find another placement. Thus the agency, not the MEIA, becomes the client's first point of contact following loss of a job.

When asked about causal factors that contribute to reentry to Income Support, B.C. staff cited the following examples:

- the person found a job but it did not work out;
- there was a change in family composition; and/or
- the client went off assistance because they received a lump sum of income resulting in income in excess and making them ineligible for assistance that month but the cases comes back onto assistance in the following month when they are eligible again.

According to the B.C. staff interviewed, the key to tracking reentry rates and clients is their user-friendly data system, the use of pattern analysis, and having a team of dedicated research and policy staff to collect and analyze the data.

³ New welfare legislation made effective in B.C. in 2002 through the *Employment and Assistance Act* introduced a number of policy changes including a two-year time limit rule limiting "employable" welfare recipients without children to two years of support during any five year period.

Project Definition and Process

An examination of definitions for reentry used in other research projects and jurisdictions indicated that there are a variety of ways to measure reentry and no one widely accepted definition (Richburg-Hayes & Freedman, 2004). In order to be meaningful and informative, the definition utilized in this project must consider and reflect the unique mix of benefits provided by HRE, as well as the methods used to collect and store client data.

After consultation with various HRE internal informants and a literature review, the following definition was developed to measure reentry for the purpose of this research project. To be considered a “reentrant”:

- A client must have received Income Support core benefits for two consecutive months, then not be in receipt of core benefits for the following two consecutive months (“leavers”) before once again returning to the program to receive core benefits⁴

The rationale behind this definition is to avoid counting clients who receive “one-time issues”, utility arrears, or those clients who have had their core benefits removed and re-instated due to administrative or client oversight (e.g. if a client forgot or was unable to submit their Client Investment Plan or CIP and their file is subsequently closed). It is a generally accepted research convention to disregard gaps in income support receipt of less than 30, 60 or 90 days due to “administrative churning”, benefit non-receipt caused by missed appointments or non-compliance with administrative deadlines (Nam, 2005; Born, Caudhill Ovwigho & Cordero, 2002). Furthermore, the decision to include individuals who returned within less than three months, as opposed to a longer time-frame was supported by research that indicated that a significant number of returns to income support are “early” returns, within three months (Born et al., 2002).

The limitation of this definition is that it may result in the inclusion of Income Support Learners who are not in training over the summer break. The Income Support Learners can later be separated from clients who recycle on and off Income Support without participating in training.

⁴ This definition includes both Expected to Work (ETW) and Not Expected to Work (NETW) clients. “Core” benefits consist of Core Essentials (meant to cover the costs of food, clothing, transportation etc), Core Shelter and actual electricity costs.

The Data

This report looks at Alberta's Income Support caseload by examining the characteristics and circumstances of people who intermittently cycle on and off Income Support. Data for this project was extracted from HRE's Career Assistance Information System (CAIS) by data development and system's staff after consultations with the project team and other personnel. Information was also obtained from the Local Income Support Application (LISA).

The data used for analysis in this project consists of Income Support adult beneficiaries who received core benefits between April 1997 and February 2006. The data includes variables like client type, family composition, age, gender, level of education, number of children, and region of residence. Observations for each month a client was receiving income support are examined. No observations are available for months when a client was off income support.

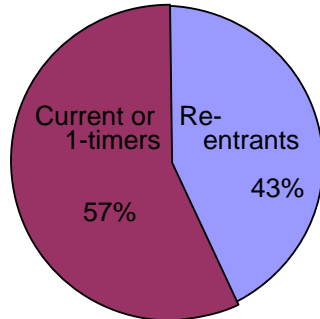
Overall, between 1997 and 2006 the number of adult beneficiaries on Alberta's Income Support caseload decreased by about 38%. In other words, about 15,000 fewer adults are receiving income support now than 10 years ago. There were a total of 214,009 clients who received IS core benefits in the above noted time period.

For each client, a continuous stretch of consecutive months on IS will be called a "spell". Some clients had more than one spell in the studied period- these clients are "reentrants". The maximum number of spells was 30 and the maximum number of consecutive months on IS was 107 or the complete length of the studied period. On average, during the observed time-frame the average spell on Income Support was 8.6 months.

The following tables and figures provide characteristics of Income Support beneficiaries on their first month on Income Support. Some characteristics (such as gender, age, region of services, education level) apply to each adult in the household while others (such as number of dependents, family composition) apply to only the head of the household, this difference will be indicated on the figures.

Reentry Rates and Frequency

Figure 1: All IS Clients 1997-2006



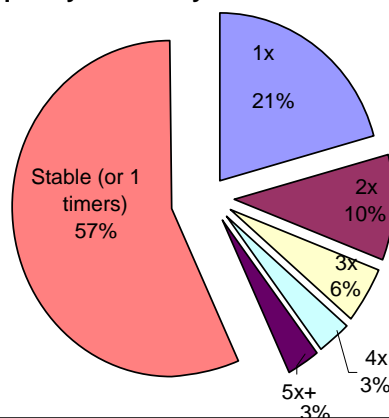
For the studied period, between April 1997 and February 2006, approximately 92,200 clients had at least two spells on Income Support for a reentry rate of 43.1%. 57% of IS clients examined were either on IS for the first time during the observation period (“current”) or had received IS once and had not returned within the observation period (“1-timers”).

Table 1: Number of Reentries to Income Support

Number of Reentries to Income Support	Percent of Total Reentrants
Once (1X)	48.1%
Twice (2X)	23.8%
Thrice (3X)	13.0%
Four times (4X)	7.4%
Five times or more (5+X)	8.0%

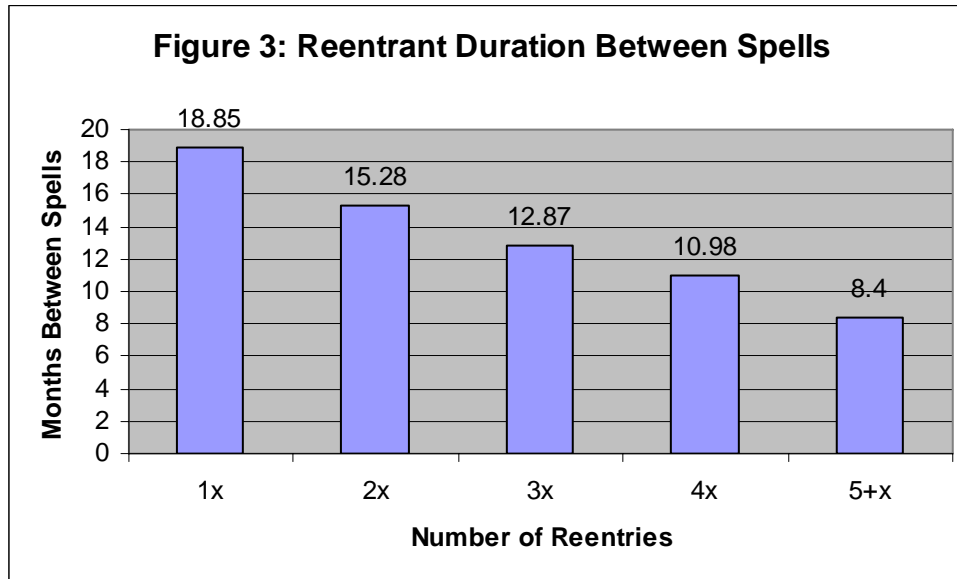
As Table 1 indicates, when frequency is examined, the majority of reentrants in the observed client groups return to Income Support one time (48.1%), 23.8 % of clients returned twice to IS, 13% returned at least three times to IS and a significantly smaller group at 7.4% return four times to IS. Individuals who reenter five or more times, represent 8% of the group.

Figure 2: Frequency of Reentry All IS Clients



When the frequency rates of all the reentrants are examined within the context of the entire IS caseload it can be noted that clients who return once represent 21% of the overall caseload, clients who return twice represent 10%, clients returning three time represent 6%, and clients who return four times and those who return five more times represent 3% each of the entire caseload.

Reentrant Duration Between Spells



In Figure 3, the average duration of an HRE client's time off of IS before returning, is broken down by the client's frequency of return (whereas "1X" is one return or two spells on IS and "2X" is two returns and three spells, etc).

The results on this graph indicate that individuals with the most reentries to Income Support tend to have on average the shortest duration between spells. Furthermore, as the number of spells increase, the times between spells decreases. Individuals who returned to IS once had an average duration between spells on IS of 18.85 months whereas individuals who returned five or more times had an average duration between spells of 8.4 months.

While we are able to determine the average duration between spells of IS, we were unable at this time to calculate the duration of the spells on IS and how it compares to changes in frequency.

Gender

Figure 4: Gender of Reentrants

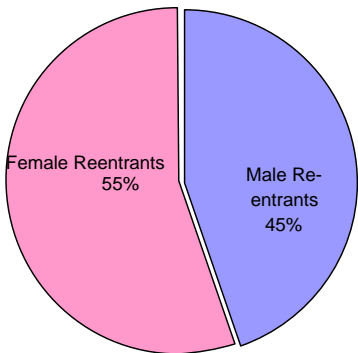


Figure 4 indicates that the majority of reentrants are female at 55% and 45% of the reentrants are male. When the gender of the reentrants are compared to the gender of all IS clients in our sample, the breakdown is similar with 54% of the sample being female and 46% being male. Due to the similarity between the two groups, it appears that gender is not a predicting factor to determine which client would reenter IS.

Figure 5: Gender of Female Reentrants

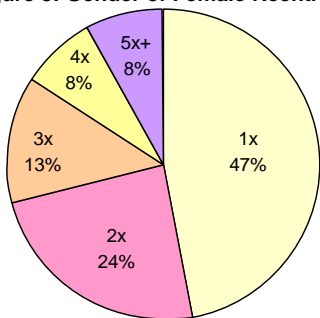
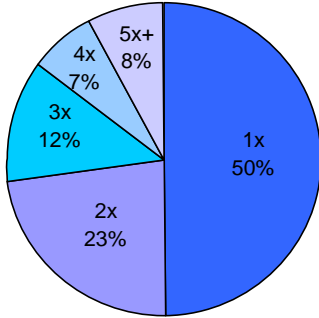


Figure 6: Gender of Male Reentrants



Furthermore when the genders of reentrants are compared with the frequency that they return to IS in Figures 5 and 6, there appears to be little difference between males and females.

Family Composition and Number of Dependants

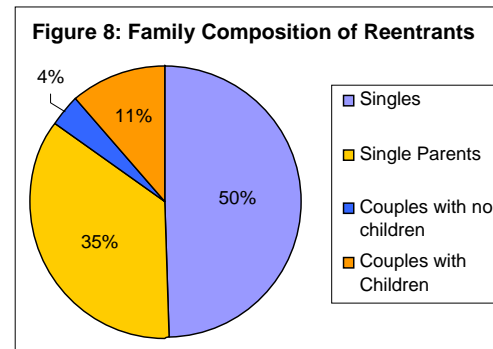
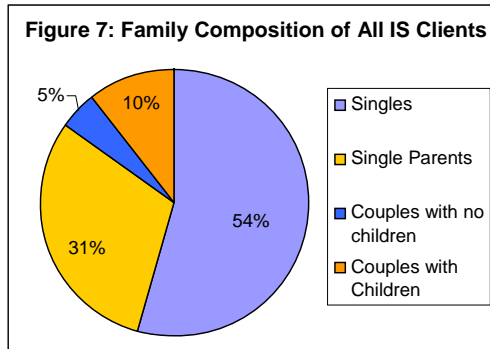


Figure 7 indicates that the majority of IS recipients observed are single at 54%, while 50% of the reentrants (Figure 8) are single. The number of single parents observed on the IS caseload was 31%, while 35% of reentrants were single parents. Comparing the couples on the caseloads with and without children indicate that the proportion between these two groups barely differ. Overall, it appears that family composition does not predict whether an individual will reenter IS though there is a small correlation with single parents.

Table 2: Percentage of Reentrants with Dependents By Frequency					
Frequency of Reentries	Number of Dependents				
	0	1	2	3	4+
1x	61.2	18.3	12.4	5.4	2.7
2x	57.4	19.8	13.3	6.2	3.3
3x	55.7	20.3	14.1	6.4	3.4
4x	53.8	21.0	14.1	7.0	4.1
5x+	55.3	19.3	14.4	6.9	4.1

It was also observed that the number of dependants do not impact whether a client recycles once or multiple times. For example, 59% of all Income Support clients do not have any dependents, Table 2 shows that 62% of individuals with no dependents have reentered once and 56% of these clients have reentered five or more times. More of our total IS clients and our reentrants had no kids at their first time on IS.

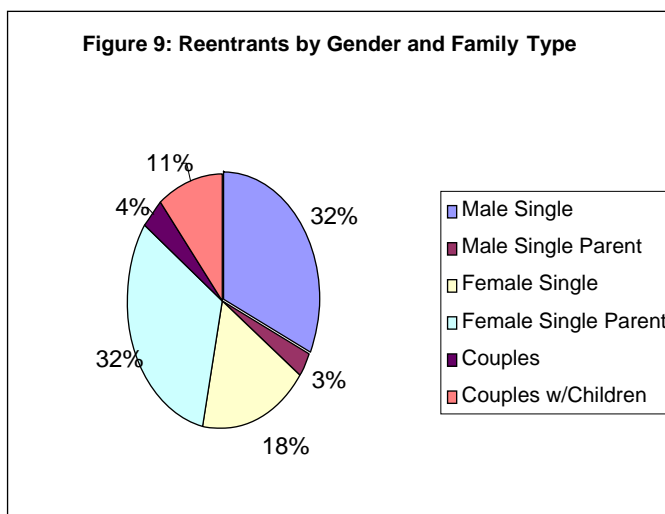


Figure 9 combines gender with family type and shows that single males at 32% and female single parents also at 32% are the two most predominant groups of reentrants.

Age

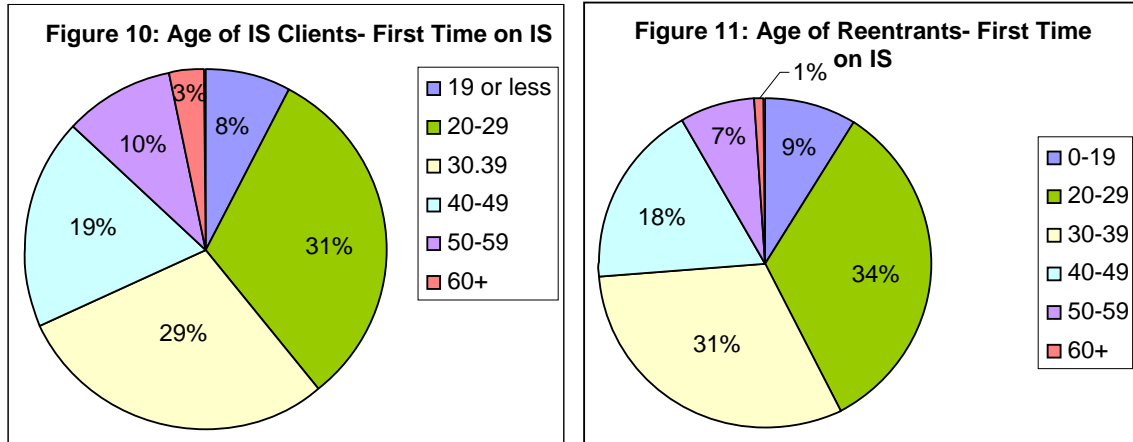


Figure 10 indicates that the predominant age of IS clients is 20-29 years old at 31%. The predominant age of IS reentrants on Figure 11, is also 20-29 years old at 34%. When the two graphs are compared, it shows that the proportion of ages for all IS clients and the reentrants is similar. This suggests that the age of a client's first time on IS does not appear to be a predictive variable for who will return to IS.

Education Level

Figure 12: Education level of All IS Clients

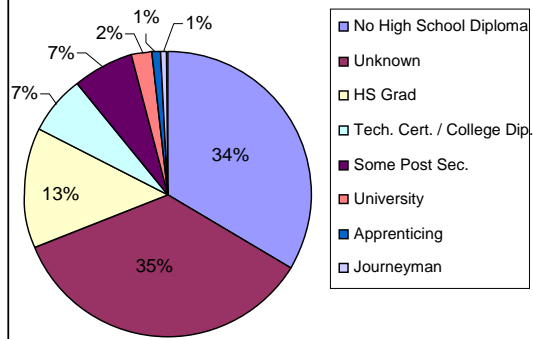
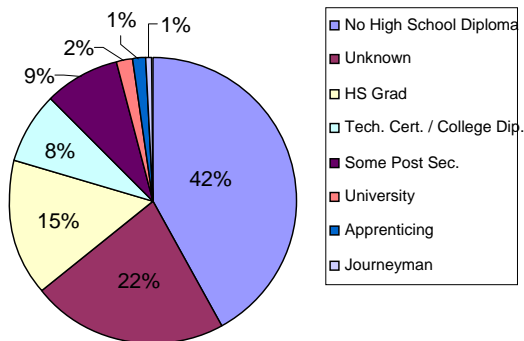


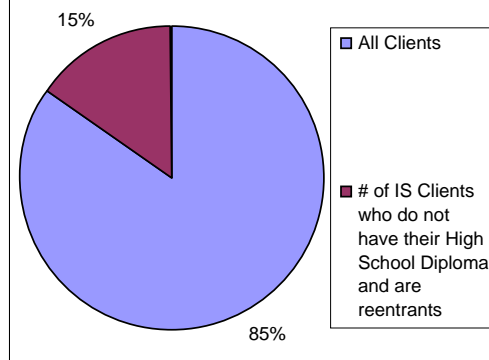
Figure 12 indicates that the largest portion of our IS clients have “unknown¹” education levels at 35% or do not have their high school diploma at 34%. 13% of IS clients have a high school diploma, 7% have a certificate/diploma from a college, 7% have some post-secondary education and the remaining 4% were apprentices, journeymen or had a university degree.

Figure 13: Education Level of Reentrants



According to Figure 13, the proportions of education levels of reentrants are similar with all IS clients. However, a higher proportion of reentrants have less than high school at 42%, so it appears that education level, and not having a high school diploma specifically, may be a factor to determine who will reenter. The frequency of those who cycle appears for the most part to be unrelated

Figure 14: Percent of Reentrants Without a High School Diploma



As indicated on Figure 12, 34% of all of the IS clients did not have a high school diploma. 15% of all IS clients are reentrants without their diploma. This means that when a client comes on IS without a high school diploma, then they appear to have almost a 50% chance of becoming a reentrant.

Client Codes

Table 3: Client Codes of Reentrants		
Client Category- First time on IS	Number of Reentrants	Percent
Available for work/training: Moderate Intervention Required	15, 966	17
Available for Rehab Services: Long-term Intervention Required	15, 007	16
Working F-T	12, 527	14
Unavailable for work/training: Temp disability/health	11, 594	13
Working P-T	8, 002	9
Medical or Multiple Barriers	4, 438	5
Avail for work/training: Receiving/Awaiting E.I.	5, 580	6
Unavailable for work/training: Family care responsibilities	5, 094	6
Avail for work/training: Minimal intervention required	4, 477	5
Unlikely to access employment: Age50+	1, 748	2
Attending Employment Preparation: 2-12 months	2, 794	3
Awaiting F-T funding from SFB	2, 274	2
Available for work/training	905	1
Temporarily unable to work/train: Health problems	891	1
Self-employed	525	1
Temporarily unable to work/train: Family Care	275	<1
Attending Non-Learner program	90	<1
Severe Handicap	12	<1

Client codes are another area that was examined. The information we were able to obtain was the client code the first time they entered IS and it is shown in Table 3. Therefore if a client returned to IS five times their code would be indicative of their very first time on IS.

The most predominate code for reentrants was: Available for work/training: Moderate Intervention Required at 17%, followed by Available for Rehab Services: Long-term Intervention Required at 16%, then Working F-T at 14% and then Unavailable for work/training: Temp disability/health at 13%.

We were unable to compare the percentages in these categories to the percentages of all IS clients due to some discrepancies in the data, however a cursory review by the project team indicates that the pattern for client codes is the same as other client characteristics (gender, family composition etc) indicating that we cannot predict whether a client will reenter IS based on their client code.

Region of Service

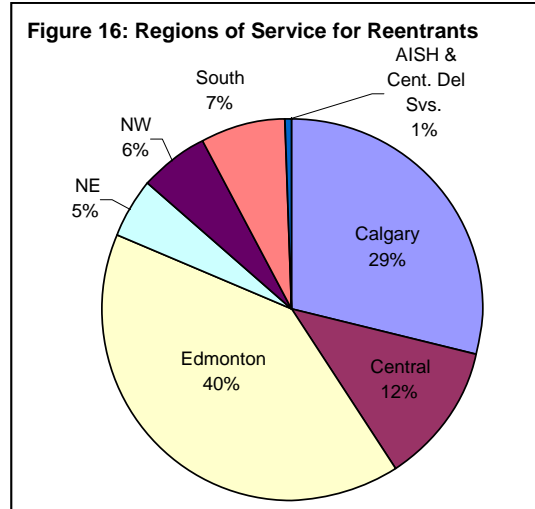
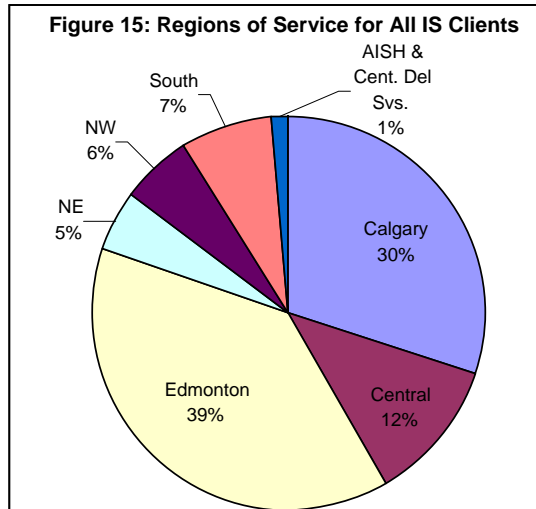


Figure 15 shows that the majority of IS recipients are in the Edmonton region at 39% and the Calgary region at 30%. When Figure 16 is examined, it indicates that the proportions are nearly the same with 40% of reentrants residing in the Edmonton region and 29% residing in the Calgary region. Remarkably, the proportions of all IS clients in the other regions is similar to the proportion of reentrants in the same regions.

The comparisons indicate that region where the IS client resides does not impact whether that client will reenter the number of dependents does not appear to impact the number of reentries to Income Support.

From the data available we were unable to ascertain whether clients resided in urban or rural communities and therefore cannot comment on whether these factors could be used to predict a return to IS.

Recommendations and Areas for Future Consideration

Overall, the preliminary observations from this phase of the project were that the characteristics of individuals that reenter Income Support resemble the characteristics of our Income Support clients who are not reentrants. From analyzing the data that HRE collects on Income Support clients (age, gender, family composition, etc) we are unable to predict whether a client will return to Income Support. The characteristics where there were exceptions, though it is unknown whether the difference was statistically significant, were the education level of the client and the family composition. Individuals with less than a high school diploma and single parents were more likely to return to IS than the other education and family composition types.

HRE needs to explore whether tracking reentry rates on a consistent basis is an informative and useful exercise that can help to inform policy. Extracting and analyzing the data for this project was a significant undertaking. If the process is seen as functional, then HRE should determine if the current data tracking and reporting mechanisms should be altered to facilitate access to the required information. For example, it is currently not mandatory for income support case workers to enter education level for client into CAIS; clients are only asked for their education level if it is directly related to their reason they entered IS. This is potentially informative and may provide a link to why certain clients reenter. When it is not mandatory to collect a client's education level, it appears that this characteristic is entered into the system as "unknown". Additionally, clients who are unsure of their education level are also entered as "unknown".

As stated previously, education was the only factor in the information analyzed that appears to have some correlation with reentry, a finding consistent with two separate reports of reentry rates completed in the city of Toronto in 1997 and 2001. The 2001 study for example found that twenty percent of clients with less than a high school diploma returned to IS while only 12% of respondents educated beyond high school had returned (Toronto CNS, 2002). Therefore, changing the way HRE gathers and tracks education levels may be beneficial in predicting reentry.

One limitation was that for many of the client characteristics, the first code was the only factor available for analysis. For example, if an individual returned to IS five times, the age of the client would only indicate their age their first time on IS. As a result, the changes in a client's life that have demonstrated a correlation with IS reentry (e.g. divorce or separation)

With the current data, we were also unable to track trends or changes within certain characteristics, for example education is a characteristic that is over-written if a client completes a higher level of education, therefore the data that we currently have on this characteristic is the most recent level of attainment and we do not have record of the level of education that the client had when they first came on assistance. B.C. for example tracks trends in client data using the snap-shot process described earlier.

Additionally and not surprisingly, studies have demonstrated that marriage and divorce play a strong role in economic well-being (Haris, 1996; Frenette & Picot, 2003) and it would therefore be worthwhile to explore the impact of these changes in family status on

Alberta's reentry rates. Also observed in HRE's findings was that single individuals without children, had a higher likelihood of reentry than singles with children. This finding was also consistent with the findings in the 2001 survey of former IS clients in Toronto (Toronto CNS, 2002). One possibly explanation for this difference could be that individuals with children may be eligible for supports that individuals without children may not have available to them such as child support payments and health benefits. The impact of these additional programs and services should be explored further in the second phase of this project.

One of the limitations of this project was the method used to track client reentry rates-tracking IS clients and any reentries from 1997 to the current caseload as of February 2006. As a result of this approach, if a client who met the criteria came onto Income Support two months prior to the time that the data collection period ended (December 2005) then they were categorized as a "current" client or "one-timer" and not as a "reentrant". There is the possibility however that this "one-timer" could leave IS and then reenter if they were observed further. As a result, it may be beneficial to tighten the criteria to only count individuals who have had a year elapse after the initial reentry, especially if this time-frame is supported by any cumulative reentry analysis. This would allow us to differentiate between clients who are currently on Income Support and those who are one-timers within the observation period.

Further exploration into cumulative reentry rates in Alberta could be beneficial and were not possible within the scope of this project. Literature shows and B.C. noted that reentry to Income Support tends to occur within a year and measuring cumulative reentry rate and differences between client types could further inform policy. If this is observation is made in Alberta, one approach could be for HRE to offer more supports and benefits to clients who have recently left IS, especially those with characteristics that are associated with a risk of return (Loprest, 2002).

Coordinating staff between the policy, data development and systems areas are also imperative should HRE determine the reentry rates continue to be tracked. According to staff from the MEIA in British Columbia, the key to success in income support reentry analysis is the existence of a consistent team of policy and data analysts committed to regularly reviewing the data, exploring emerging trends, conducting research, and making corresponding policy recommendations.

HRE should also examine if additional information should be collected at the delivery level to facilitate the analysis. As the results warranted only a small difference in characteristics between all IS clients and reentrants, in order to be able to more accurately predict reentry, we need to examine other client characteristics. Factors that have been linked to a greater likelihood of reentry though are not accurately and consistently tracked and monitored by HRE include substance abuse, domestic violence, mental health issues and children's health issues (Nam, 2005).

Another aspect requiring examination is whether accessing programs and services offered by HRE, other than Income Support, impacts a client reentry rate. For example, to determine if accessing child health benefits would prevent families with children from returning once or multiple times to Income Support.

If income support reentry analysis is pursued in any capacity, one recommendation is that all clients should be asked why they are applying for Income Support and if relevant, the reason that they left IS the previous time should be determined and recorded. If recorded and tracked consistently, this information could provide valuable insight into the specific factors that lead to reentry and allowing the opportunity to perhaps better prepare certain clients for independence from IS.

Furthermore, for the second phase of this project when clients are interviewed, questions about the reasons for reentry and exits can be helpful in predicting whether a client will return to IS (Born et al, 2002). For example, a study of former IS recipients in Toronto found a variation in reentry rates depending on the reason why individuals left IS. Recipients leaving IS for reasons other than employment had a reentry rate of 39%, whereas recipients who leaving IS for employment-related reasons only had a 10% reentry rate (Toronto CNS, 2002).

Other potential areas for future study include a comparison between clients identified as reentrants compared with those who are short-term term recipients and with individuals who have been identified as long-term IS recipients and the impact of generational factors on reentry.

This study also did not examine clients who received an emergency fund or one-time for utility arrears. Examining whether these one-time issues act as a buffer to prevent clients from reentering multiple times and what the differences are between clients who access the one-time fund and those who enter IS for short periods of time would be worthy.

Appendix B: Reentry Questions for Other Jurisdictions

1. Does your jurisdiction track and/or monitor returns to welfare programs or services?
 - If so, how?
 - What numbers specifically so you track?
 - In what time period? (How far back?)
 - Do you track duration on assistance?
 - Do you track client characteristics for those who continue to return?
2. Do you track client access/interaction with any other government programs and services (e.g. transitional supports, employment and training supports)?
3. Do you track reasons for leaving or returning to welfare?
4. If you do track recidivism rate, what is your current “rate” of recidivism?
5. What are you doing to address these returns to welfare?
6. Are you aware of any “best practices” in other jurisdictions or in the literature to address returns for service?
7. If you do not or have not measured recidivism, do you have a sense of what the rate may be or any anecdotal information about recidivism in your jurisdiction?
8. Do you have a sense of the causal factors that contribute to returns to welfare? (Administrative vs. situational)