

# Traditional Jobs Program: A Health Impact Assessment

## Executive Summary

University of Wisconsin

Population Health Institute

ELIZABETH FEDER AND COLLEEN E. MORAN

## Study Purpose

The Wisconsin legislature passed the Wisconsin Transitional Jobs Demonstration Project as part of the 2009-11 Biennial Budget Act. The project provides low-income Wisconsin residents with job training, experience and support in re-entering the workforce, and has assisted approximately 3,900 low-income people. The WI Department of Children and Families administers the program, and the \$28 million program budget comes from monies made available by the American Recovery and Reinvestment Act of 2009 (ARRA) through TANF and other TANF funds.

This Transitional Jobs program will expire on June 30, 2013.

The Wisconsin legislature will decide, in shaping the 2013-15 Biennial Budget during the spring 2013 session, whether to make the current, temporary WI Transitional Jobs Demonstration Project program permanent, eliminate it, or modify it in some way. This Health Impact Assessment was undertaken to help inform that decision.

Transitional Jobs programs are government-sponsored employment programs where the state subsidizes short-term work opportunities – which can include placement and training as well as pay -- to previously unemployed individuals in either the public, private, or non-profit sectors. State sponsored employment programs of the New Deal were designed to maintain employment and economic demand. The programs of the 1960s and 70s targeted those with substantial barriers to employment and were part of a larger anti-poverty policy. In the last twenty years, as part of an effort to shift from public assistance to work, programs have specifically focused on the goals of helping long-term welfare recipients establish financial independence, providing disadvantaged populations access to the labor market and, most recently, attempting to shrink the ranks of the unemployed.

## What is an HIA?

An HIA is “a systematic process that uses an array of data sources and analytic methods, and considers input from stakeholders to determine the potential effects of a proposed policy, plan, program, or project on the health of a population and the distribution of those effects within the population.” An HIA is intended to make health considerations part of the decision-making process in policy areas where health outcomes are not traditionally considered.

HIA provides recommendations intended to inform decision-makers and the general public about the health-related issues associated with the project. The recommendations provide practical solutions that seek to magnify positive health outcomes and minimize negative impacts.

## Major Steps in Conducting an HIA

**Screening** (identifying plans, projects or policies for which an HIA would be useful); **Scoping** (identifying which health effects to consider); **Assessment** of risks and benefits (identifying which people may be affected and how they may be affected); **Developing recommendations** (suggesting changes to proposals to promote positive health effects or to minimize adverse health effects); **Reporting** (presenting the results to decision-makers); and **Monitoring and evaluating** (determining the effect of the HIA on the decision).

From the National Research Council,  
<http://www.cdc.gov/healthyplaces/hia.htm>



UNIVERSITY OF WISCONSIN

**Population Health Institute**

*Translating Research for Policy and Practice*

Transitional Jobs programs, however, have not been analyzed for their effect on the health of program participants, their families, and their children. This question is pertinent: while health is a significant influence on workforce participation, employment can itself be a key determinant of health. The causes of poor health extend well beyond healthcare and personal health behaviors. The UW Population Health Institute model, among others, indicates socio-economic factors, including employment and income status, along with physical environments drive over half of health outcomes.<sup>1</sup> Improving health requires attention to these larger socio-economic factors.

Health Impact Assessment (HIA) offers an approach to looking at these potential relationships in a systematic way. The HIA of the Transitional Jobs program explores the relationship between health and employment for this population. This framework will support decision-makers' effort to both strengthen the workforce and improve the health of the population, ultimately promoting long-term employability and well-being among Wisconsin's residents.

\* \* \*

This Health Impact Assessment (HIA) was a Demonstration Project funded by the National Network of Public Health Institutes through support from the Health Impact Project (a collaboration of the Robert Wood Johnson Foundation and the Pew Charitable Trusts). The HIA was conducted during the period April 2012 through January 2013.

This HIA, under national sponsorship, has two distinct audiences:

- Those interested in the potential health impacts of Transitional Jobs programs,
- Those interested in methods for conducting HIAs, particularly in the area of economic or social policy.

A copy of the full report can be accessed at: <http://uwphi.pophealth.wisc.edu/publications/other/index.htm>

## Partner and Stakeholder Engagement

### Scoping Participants

Early in the process, a group of stakeholders was convened to assist with defining the scope of the project. People were chosen based upon their current or previous experience with Transitional Jobs (TJ) programs; expertise in poverty and social policy; or because they were in a position to affect the final decision about the program's future. Several participants met more than one of these criteria and all had a stake in the outcome of the decision. The research team also made attempts to include perspectives from the business community.

Participants attended a half-day meeting at which they engaged in a facilitated scoping exercise designed to identify health pathways and potential equity effects of TJ policies; assign priority to the research questions for the HIA; and identify sources of information and data. Through follow-up communications they were asked to review, inform, and finalize the HIA research questions. Figure 1 lists participants.

State agency personnel are not permitted to make political recommendations; they served in an advisory capacity only and the recommendations made in this report are not made in their name.

### Advisors

Our key partner groups, the Milwaukee TJ Collaborative and the Department of Children and Families, provided on-going consultation throughout the project. However, the Assessment was conducted independently by UW-PHI researchers.

### Figure 1: Scoping Process Participants

#### Advocacy Organizations:

- David Riemer, Community Advocates Public Policy Institute
- Raisa Koltun, Wisconsin Center for Health Equity
- David Liners, WISDOM
- Conor Williams, Community Advocates Public Policy Institute

#### Community Organizations:

- Nicole Angresano, United Way of Greater Milwaukee
- Ella Dunbar, Social Development Commission
- Nyette Ellis, YWCA of Milwaukee

#### Executive Agency Representatives:

- Lisa Boyd, WI Department of Workforce Development

## Scope and Method

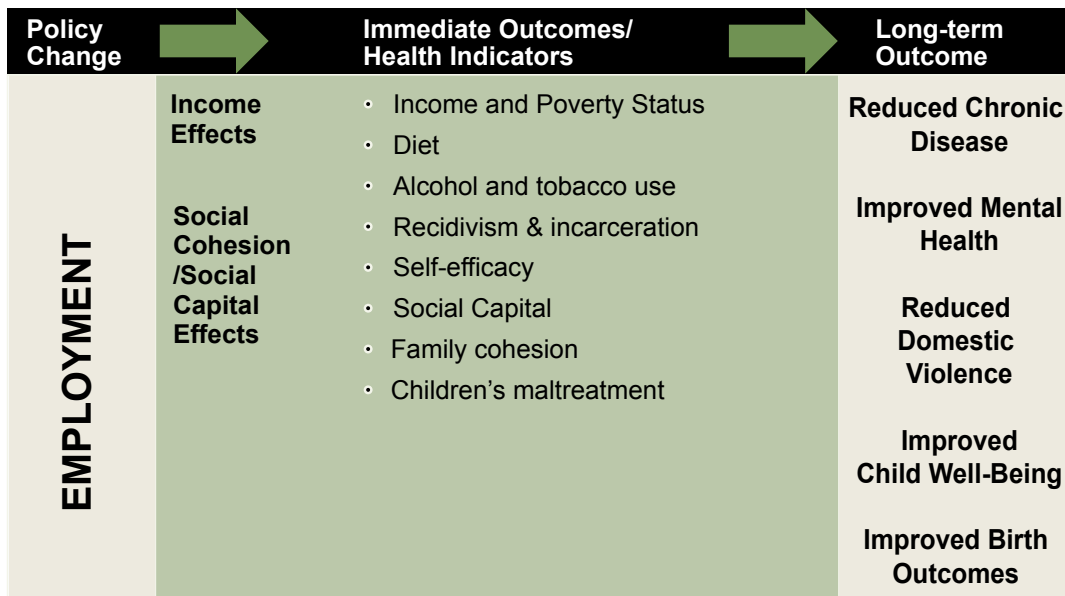
The health factors investigated can be viewed in the logic model below. Other effects -- “state and local fiscal effects” and “private sector effects” were considered, but dropped from analysis. In some cases it would have been too difficult to access administrative data, and others required economic modeling beyond available resources. Additionally, a survey of businesses participating in the program was already underway elsewhere. Beyond this, there remained high interest on the impact of the program on children and families and on mental health. This HIA would add value by focusing on the health effects of changes in income and of social capital/social cohesion.

A comprehensive literature review was conducted of both the academic literature on the health impact of employment and the grey literature evaluating transitional jobs programs. The review considered studies of the direct links between employment and health outcomes,

as well as those investigating partial pathways linking employment to immediate outcomes and then linking immediate outcomes to long-term outcomes.

The literature was augmented by survey data collected from individuals currently or previously enrolled in Wisconsin’s Transitional Jobs program. Survey questions were designed specifically to explore areas where, in the literature, links from employment to intermediate outcomes were weak, mixed, or absent. The Wisconsin survey data was also used, where possible, to identify specific populations for whom the effects of the program might prove stronger or weaker. Analysis was conducted by participants’ race, gender, education level, and former-offender status. This survey was fielded in partnership with the Wisconsin Department of Children and Families; DCF handled survey distribution and collection, UW-PHI conducted analysis of the data.

### Scope of Research: Project Logic Model



**Survey response:** Surveys were completed during the month of October. A total of 2,520 surveys were mailed, 587 were returned undelivered, and 141 surveys were completed, for a response rate of 7.3%. Two factors may have influenced the return rate: first, there could be up to a two-year lag time between participating in the TJ program and being surveyed and, second, the fairly high transiency of the surveyed population. Some demographic factors can be compared to the total population of TJ participants. The survey population is older, more female, and has a higher proportion of whites and Asians than the total population. Employment status offers another point of comparison. DCF's monthly October report shows 9% of the total TJ population in a subsidized job. The same percentage of survey respondents - 9% - reported that they were in a subsidized job. DCF reports also show that slightly less than 44% of all TJ participants to date had found unsubsidized employment.<sup>2</sup> Only 36% of the survey respondents reported they were *currently* employed. It is certainly possible that the survey could draw more heavily from those who remain unemployed as they may have had more time on their hands or could have been disgruntled. Alternatively, the DCF employment rate reflects those ever employed since leaving a subsidized job; if some percentage of the TJ participants didn't *maintain* employment, then this 8% difference could be overstated.

The survey reports self-perceived changes in various behaviors. Responses could be affected by the phase of the program respondents' were in when taking the survey. Respondents separated from the program for a significant time may have been subject to memory and recall bias. Others respondents still in the program are not fully in a position to know the outcome of their TJ experience.

Nonetheless, these responses help fill gaps in and provide insight beyond the literature. They provide valuable primary information about the impact of the TJ experience on self-reported indicators of personal health. The responses capture the voices of actual participants in Wisconsin's TJ program, providing a rich case history to round out other evaluative measures.

## Key Findings

Extensive literature has demonstrated that employment is a key determinant of health. It impacts health directly as well as indirectly by affecting other determinants of health.

### Impact on Immediate Health Indicators

The literature linking employment to immediate health indicators is either mixed or not extensive. The findings are summarized in Table 1, below. The survey conducted by our HIA provides a useful supplement and case reporting specific to Wisconsin's program.

**TABLE 1: Strength of Literature Linking Employment to Immediate Health Indicators and the Direction of Effect**

Health Indicator	Literature	Renew TJ Program at Current Level: Direction (effect on indicators)
A. Income	Scientifically Supported	+
B. Diet	Mixed Evidence	+/-
C. Alcohol/ Tobacco	Mixed Evidence	+/-
D. Incarceration/ Recidivism	Some Evidence	+
E. Self-efficacy/	Some Evidence	+
F. Social Capital	Some Evidence	+
G. Family Cohesion	Some Evidence	+
H. Child Maltreatment	Scientifically Supported	+

## Key Findings from Wisconsin’s TJ Participant Survey

**Diet:** 28% of respondents indicated an increase in fruit and vegetable consumption since starting in the TJ program; 52% reported a decrease in fast food consumption; and 44% reported an increase in exercise.

**Self-efficacy:** Self-efficacy refers to one’s confidence in handling a wide array of situations; it is especially important in the workplace where it translates to workers’ confidence in managing workplace experiences (especially for new or prospective workers).

- Respondents reported an increase in various measures of self-efficacy, with at least 46% and as many as 57% reporting increases in measures such as feeling more hopeful for the future, in control of their lives, more calm and peaceful, increased confidence in applying for jobs, or less depressed and anxious.

**Social Capital:** Theories of social capital maintain that workers with strong social networks benefit because of the job information and influence they receive from their social ties.

- Respondents indicated that they increased time spent in activities where they might reasonably be expected to improve their social ties with others. 14% attended religious

services more frequently and 22% spent more time going to community events such as neighborhood meetings, festivals, etc.

- Respondents also reported improved social skills: 39% indicated that they got along with others better and 45% said they communicated with others better since participation in the TJ program.

**Family Cohesion:** These indicators include time spent in family activities and children’s school performance.

- 27% of respondents said they spent more time eating meals with people in their house; 22% spent more time reading with their children; and 21% spent more time attending children’s school or sports events.
- The survey asked about the school performance of respondents’ youngest and oldest child. Regarding their oldest child, 15% of respondents reported improved grades; improved school attendance; and improved behavior in school. Results were only slightly lower for youngest children.

### Impact on Health Outcomes

The likelihood, direction and magnitude of impact on health outcomes under four different policy scenarios pertaining to the Transitional Jobs Program are summarized in Table 2 below.

**Table 2: Direction and Magnitude of Impact on Health Outcomes**

Health Outcome	Likelihood	Non-renewal of the TJ program	Contraction of the TJ program	Renewal (status quo) of the TJ program	Expansion of the TJ Program
Chronic Disease*	Likely	-	+/-	++/-	+++/-
Mental Health **	Likely	-	+/-	++/-	+++/-
Domestic Violence	Likely	-	+	++	+++
Birth Outcomes	Likely	-	+	++	+++
Child Physical Health	Likely	-	+	++	+++
Child Mental Health**	Likely	-	+	++	+++

\* Literature suggests that if employment involves occupational hazards physical health can be negatively impacted.

\*\* Literature suggests that unstable employment or employment that creates work/family imbalances may have a negative impact on mental health.

## Impacts on Sub-Populations

### Gender

- Both men and women reported improved health behaviors and improvements on indicators of family cohesion, but men more often reported improvements than did women.

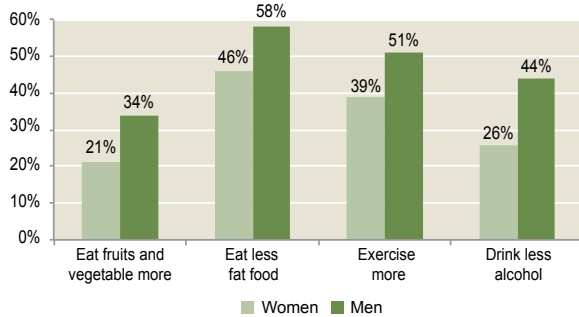
It is likely that more women engaged in family-cohesion activities before starting the TJ program and thus had less room for improvement. Nonetheless, the impacts for fathers (and the benefits for their families) are notable.

### Race

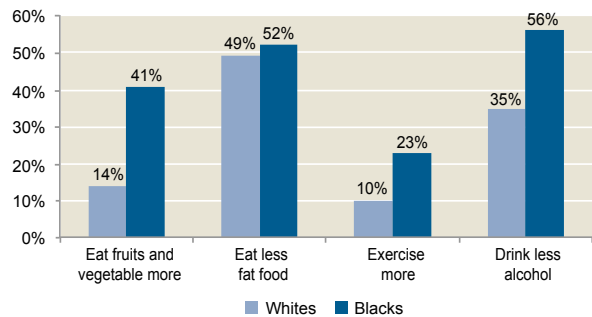
- Blacks, more often than whites, reported improved health behaviors and improvements on indicators of family cohesion and social capital.

Results are only reported for whites and blacks; other groups were too small to determine meaningful differences.

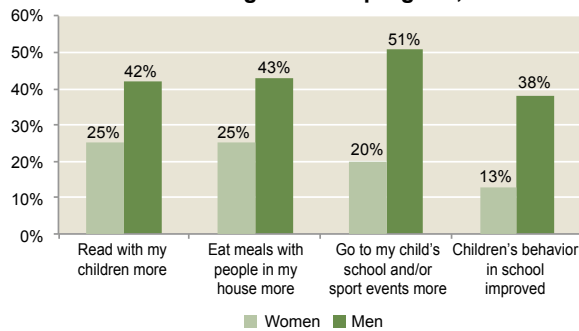
**Health Behaviors by Gender**  
Since starting in the TJ program, I....



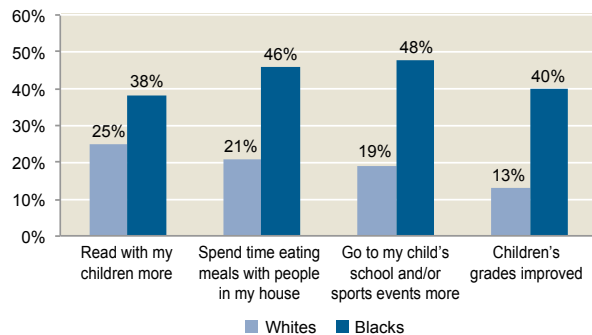
**Health Behaviors by Race**  
Since starting in the TJ program, I....



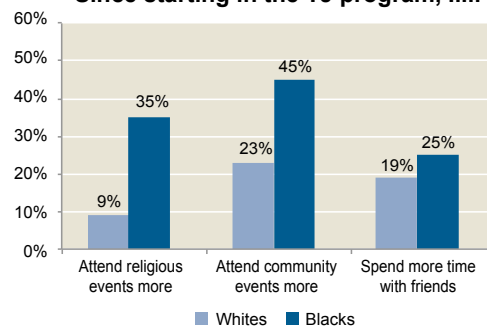
**Family Cohesion by Gender**  
Since starting in the TJ program, I....



**Family Cohesion Indicators by Race**  
Since starting in the TJ program, I....



**Social Capital Indicators by Race**  
Since starting in the TJ program, I....



## Education

The pattern is less distinct than in the cases of gender and race. There is not a linear relationship between those who graduated from high school and those who did not.

- Those with more than a high school education (an associates or college degree) reported the smallest improvements. Again, this may be because a high percentage of them were already engaging in the measured behaviors.

## Previously Incarcerated

- There were no noticeable differences in health indicators between those who had been incarcerated and the larger population.
- Those previously incarcerated were 9% more likely to be unemployed post-program than other survey respondents. However, this rate of 45% unemployed compares very favorably with a study finding 60% of recently incarcerated New Yorkers were unemployed in 2006.<sup>3</sup>

## Recommendations

The analysis revealed that employment can positively affect health. An important caveat, however, is that not all employment is equal. The literature also indicates that employment that is hazardous, unstable, demeaning, or creates work/life imbalance can negatively impact health.

### Process for formulating recommendations:

Three recommendations emerged directly from the analysis. Additionally, stakeholders and TJ program experts and advocates provided ideas for legislators, state agencies, and contractors for ways to implement these recommendations.

### Recommendation 1:

- *Extend opportunities for participation in the program to the largest potential pool of eligible persons.*

The analysis revealed a host of positive health impacts, suggesting that expanding the TJ program may increase the magnitude of these health benefits.

However, simply expanding the TJ program for more people is not alone sufficient to realize lasting health benefits. The literature suggests that many of employment's positive effects on stress, children's physical and mental health, and family cohesion are undermined or even reversed when employment is unstable (and income inadequate). The literature on TJ evaluations also shows that employment wanes over time.

### Recommendation 2:

- *Focus on creating lasting employment outcomes for participants after the subsidized employment ends.*

An important caveat to keep in mind: The two recommendations may, at some point become contradictory. Opening the program to the greatest number of people may draw in those with even greater barriers to long-term employment. Diminishing returns could result in a lower percentage of program recipients receiving long-term benefits, even as the absolute numbers of participants aided increases.

### Recommendation 3:

- *Assure priority in the TJ program to applicants with children, while not making parenthood an eligibility requirement of the program.*

Many of the positive health impacts stemming from participation in the TJ program actually accrue to participants' families, especially children. Current use of TANF funds to finance the program requires that all participants over age 25 are parents. An alternative funding source for the program could prompt reconsideration of this eligibility requirement. The program benefits for children support a policy that focuses on parents. Such a policy, however, clearly discriminates against childless adults who are otherwise suitable for the program. A policy that balances the needs of both groups is warranted.

## Implementation Ideas

### For Legislators

#### To impact the largest number of people:

- Increase the threshold household income from 150% FPL to provide a safety net for a wider group of needy families.<sup>4</sup>
- Eliminate the requirement that participants be ineligible for Unemployment Insurance (UI) benefits.
- Provide additional incentives to employers who can hire large groups of workers.

#### To improve the employability of participants past the subsidy period:

- Impose minimal expectations on employers regarding continued employment after the subsidy ends.
- Provide additional incentives for growing industries to accept TJ workers. These should be industries where participants are not in direct competition with large numbers of

displaced workers with more experience (e.g. workers from other industries, but with transferable skills).<sup>5</sup>

- Provide less than 100% subsidies (or phase them out over time) in order to target subsidies at employers that are more invested in workers and able to keep them at the end of the subsidy period. All attempts should be made to do this without increasing red tape for participating employers.
- Provide subsidies for higher maximum wages to open a larger pool of employment opportunities; these jobs are more likely to provide benefits and advancement opportunities.<sup>6</sup>
- In certain circumstances, consider providing incentives for placements that last beyond the subsidy period.

### For Implementing Agencies

#### Research needs:

- Direct contractors to collect data on key health indicators from TJ participants at the beginning and end of the program and after a suitable follow-up period.
- To assure data consistency and compatibility, require a single data collection instrument and software package.
- Conduct an evaluation of Wisconsin's program that stratifies outcomes based on sets of participant characteristics.

Lack of data, or of data compatible across programs, is a significant obstacle to understanding key factors of the current program that could be used in program improvement. Collecting this data is a priority recommendation. Additionally, the evaluation literature of other TJ programs as well as the survey participant data suggests programs may have different impacts on people based on different characteristics such as gender, previous employment history, incarceration history, etc.

#### To improve the employability of participants past the subsidy period:

Literature suggests that the income and employment benefits of TJ programs wane over time, but also suggest that this may vary depending upon the quality/relevance of training participants receive, and the likelihood that the subsidized worker will be incorporated into the employers' unsubsidized workforce.

- Require training in skills for which there is a demonstrated market demand.
- Evaluate the program outcomes for participants based job placement sector: for-profit, non-profit, and governmental.
- Select mature contractors with good connections to employers, social services, and training opportunities in the area.

### For Contractors

#### To improve the employability of participants past the subsidy period:

- Develop placement strategies that assure best matches between employers and employees.
- Target placements to employers that can 1): reasonably expect to continue jobs for participants, and ask for a commitment to do so, and/or 2): provide significant training opportunities for locally-needed skills.
- Identify ways to leverage TJ participants' work experience into credentials, references, and work-readiness certificates.

#### To mitigate negative health consequences:

- Check all employers participating in the TJ program for recent OSHA inspection.
- Include training and supports on work/family balance and stress management.

### Concluding Remarks

Transitional Jobs programs have the potential to improve the physical and mental health of participants and their families. Further evaluation is needed to determine how long these benefits last and if they persist only under conditions of stable and lasting employment. Implementing agencies should make a priority the on-going collection of participant data on key health indicators and health outcomes.

<sup>1</sup> County Health Rankings and Roadmaps, UW Population Health Institute, <http://www.countyhealthrankings.org/our-approach>

<sup>2</sup> Wisconsin Department of Children and Families, Transitional Jobs Report, October 2012

<sup>3</sup> New York State Independent Committee on Reentry and Employment, Report of Recommendations to New York State on Enhancing Employment Opportunities for Formerly Incarcerated People. [sentencing.nj.gov/downloads/pdf/articles/2006/.../document03.pdf](http://www.sentencing.nj.gov/downloads/pdf/articles/2006/.../document03.pdf)

<sup>4</sup> Ten states set income limits at or below 200% FPL and six states set limits above 200% FPL. Pavetti L, Schott L, Lower-Basch E. February, 2011. Creating Subsidized Employment Opportunities for Low-Income Parents: The Legacy of the TANF Emergency Fund. <http://www.cbpp.org/cms/index.cfm?fa=view&id=3400>

<sup>5</sup> For example, New York used the TANF EF to create training and employment opportunities for green jobs and health careers. Pavetti, Creating Subsidized Employment.

<sup>6</sup> Maryland created a career advancement program that uses wage subsidies for trainees in entry-level jobs with higher starting wages and potential for career growth. Pavetti, Creating Subsidized Employment.