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EVALUATING EFFORTS TO HELP FAMILIES SUPPORT THEIR CHILDREN AND ESCAPE POVERTY

HEARING

BEFORE THE

SUBCOMMITTEE ON HUMAN RESOURCES

OF THE

COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRTEENTH CONGRESS

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EVALUATING EFFORTS TO HELP FAMILIES SUPPORT THEIR CHILDREN AND ESCAPE POVERTY

WEDNESDAY, JULY 17, 2013

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
SUBCOMMITTEE ON HUMAN RESOURCES,
Washington, DC.

The Subcommittee met, pursuant to call, at 4:06 p.m., in room 1100, Longworth House Office Building, the Honorable Dave Reichert [Chairman of the Subcommittee] presiding.

[The advisory of the hearing follows:]

HEARING ADVISORY

Chairman Reichert Announces Hearing on Evaluating Efforts to Help Families Support their Children and Escape Poverty

1100 Longworth House Office Building at 4:00 PM
Washington, July 10, 2013

Congressman Dave Reichert (R–WA), Chairman of the Subcommittee on Human Resources of the Committee on Ways and Means, today announced that the Subcommittee will hold a hearing titled, "What Really Works: Evaluating Current Efforts to Help Families Support their Children and Escape Poverty." The hearing will review evidence about the effectiveness of programs designed to assist low-income families and individuals, how Congress can ensure these programs are evaluated effectively, and how funding can best be directed toward programs and services that have the greatest impact on reducing poverty. **The hearing will take place at 4:00 pm on Wednesday, July 17, 2013, in Room 1100 of the Longworth House Office Building.** This hearing is the second in a three-part series of hearings on welfare reform issues.

In view of the limited time available to hear from witnesses, oral testimony at this hearing will be from invited witnesses only. Witnesses will include experts on the evaluation of social programs, as well as experts who use high-quality evaluations to inform public policy decisions. However, any individual or organization not scheduled for an oral appearance may submit a written statement for consideration by the Committee and for inclusion in the printed record of the hearing.

BACKGROUND:

The Federal Government spends hundreds of billions each year on more than 80 programs for families and individuals with low income. While each of these programs is intended to alleviate poverty and improve the lives of those who receive these benefits, few programs have been rigorously evaluated to determine if they actually achieve their goals. According to social policy experts *writing* about the evaluation of Federal social programs in 2010, "[s]ince 1990, there have been 10 instances in which an entire Federal social program has been evaluated using the scientific 'gold standard' method" to determine whether the program really works, and "nine of these evaluations found weak or no positive effects."

Research has shown that dozens of specific interventions have demonstrated positive results in addressing various social problems, including by reducing child maltreatment, improving educational achievement, and increasing employment and earnings. However, in some cases, high-quality evaluations have revealed that some programs previously believed to be effective actually had *no impact*. In other cases, social programs expected to improve the lives of low-income adults or children actually *caused harm*—meaning those who did not receive the service or benefit avoided the detrimental effects caused by the program because they did not participate. In addition, many Federal social programs have never been rigorously evaluated to determine whether they effectively address the problem they were created to solve, and evidence of effectiveness is not routinely used by Congress to address program deficiencies or redirect funding to more effective programs and policies.

In announcing the hearing, Chairman Reichert stated, **"Americans have always been willing to help those in need. But when the American people are asked to fund programs to help those most in need, they should be assured that their tax dollars are really making a positive difference. Unfortunately, few of our Nation's social programs have been rigorously evaluated, and even fewer have shown that they are effective in addressing the problems they set out to solve. It is critical that we learn more about what works to help low-income families, that we ensure these programs are evaluated effectively, and that we focus taxpayer resources on those efforts that truly help families and children in need."**

FOCUS OF THE HEARING:

The hearing will review what we know about the effectiveness of current programs designed to assist low-income families and individuals, how Congress can ensure more social programs are rigorously evaluated to determine their impact, and how high-quality evidence can best be used to inform the design of social programs at the federal level.

DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:

Please Note: Any person(s) and/or organization(s) wishing to submit for the hearing record must follow the appropriate link on the hearing page of the Committee website and complete the informational forms. From the Committee homepage, *http://waysandmeans.house.gov*, select "Hearings." Select the hearing for which you would like to submit, and click on the link entitled, "Please click here to submit a statement or letter for the record." Once you have followed the online instructions, submit all requested information. Attach your submission as a Word document, in compliance with the formatting requirements listed below, **by Wednesday, July 31, 2013**. Finally, please note that due to the change in House mail policy, the U.S. Capitol Police will refuse sealed-package deliveries to all House Office Buildings. For questions, or if you encounter technical problems, please call (202) 225–1721 or (202) 225–3625.

FORMATTING REQUIREMENTS:

The Committee relies on electronic submissions for printing the official hearing record. As always, submissions will be included in the record according to the discretion of the Committee. The Committee will not alter the content of your submission, but we reserve the right to format it according to our guidelines. Any submission provided to the Committee by a witness, any supplementary materials submitted for the printed record, and any written comments in response to a request for written comments must conform to the guidelines listed below. Any submission or supplementary item not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee.

1. All submissions and supplementary materials must be provided in Word format and MUST NOT exceed a total of 10 pages, including attachments. Witnesses and submitters are advised that the Committee relies on electronic submissions for printing the official hearing record.

2. Copies of whole documents submitted as exhibit material will not be accepted for printing. Instead, exhibit material should be referenced and quoted or paraphrased. All exhibit material not meeting these specifications will be maintained in the Committee files for review and use by the Committee.

3. All submissions must include a list of all clients, persons, and/or organizations on whose behalf the witness appears. A supplemental sheet must accompany each submission listing the name, company, address, telephone, and fax numbers of each witness.

The Committee seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202–225–1721 or 202–226–3411 TTD/TTY in advance of the event (four business days notice is requested). Questions with regard to special accommodation needs in general (including availability of Committee materials in alternative formats) may be directed to the Committee as noted above.

Note: All Committee advisories and news releases are available online at *http://www.waysandmeans.house.gov/*.

Chairman REICHERT. Good afternoon, the Committee will come to order. This is the second in our series of three hearings on welfare reform. In our first hearing, we learned that programs designed to help low-income families often don't do enough to help recipients go to work and get ahead. Today we will explore what we

know about the effectiveness of such programs, how we can hold more programs accountable for their performance, and how we can ensure they provide real help so recipients can support their families and move up the economic ladder. Over one-third of American households receive low-income benefits today, and Federal spending alone on these programs equals $15,000 per individual below the poverty line each year. Yet few programs can show that they improve outcomes for those in need.

What we will hear today is that in many cases, these programs are either untested or have not been proven to work. According to program evaluation experts, "Since 1990, there have been 10 instances in which an entire Federal social program has been evaluated using the scientific gold standard method of randomly assigning individuals to a program or control group. Nine of the evaluations found weak or no positive effects."

In another example, a review of 13 rigorous studies on employment and training programs showed three-quarters of them had weak or no positive effects on those that they were supposed to be helping. All of this comes at a cost. The programs in question continued to spend literally billions of dollars every year without delivering the results promised to those in need.

We know many social programs lack meaningful outcomes, but some programs go further and can even be harmful. For example, Scared Straight—which I am familiar with as a former sheriff—organized visits to prisons by juvenile delinquents with the goal of deterring them from future offending. However, instead of reducing crime, these programs actually increased the odds that participants will find themselves in trouble in the future. In fact, a comprehensive review of research by Washington State Institute for Public Policy estimated that every dollar spent on the program actually creates $76 in additional cost for taxpayers, crime victims, and the participants themselves because the youth who go through these programs are more likely to commit crimes in the future.

This all suggests that more programs, including those in our jurisdiction, should be evaluated to ensure the families are receiving real help. Ultimately, Congress and the administration should fund what works so we can deliver better results to those in need. This is an issue that can and should be bipartisan as it is all about doing right by recipients and taxpayers alike.

Last week the Obama administration hosted a full-day conference on funding what works, highlighting how the private sector is willing to work with government to ensure that programs are really making a difference. Especially given our current fiscal climate, it is important to ensure our resources are focused on efforts that have the greatest impact on those in need, and I am proud to say that my home State of Washington is a leader in this regard, as Steve Aos of the Washington State Institute for Public Policy will shortly tell us. We will also hear from experts from Utah and Texas, as well as national leaders, about what is being done and what more can be done to ensure that these programs are held accountable for producing real results. I look forward to all of your testimony today.

Mr. Doggett, would you care to make an opening statement?

Mr. DOGGETT. Thank you very much, Mr. Chairman, and thanks to all of our witnesses. I welcome this opportunity to discuss the programs and strategies that have proven to be most successful in helping our families escape poverty. Federal initiatives help raised 40 million Americans above the poverty line in 2011 under a comprehensive measure that counts all assistance known as the supplemental poverty measure.

Taken as a whole, public policy is having an immense impact on the well-being of many of our least fortunate neighbors. This, however, still leaves the question of which specific approaches are most effective in achieving our objectives, and as we contemplate that question, I believe that the focus of this Subcommittee ought to be on the one program, the Temporary Assistance for Needy Families, that is within our jurisdiction. That ought to be our primary focus, especially since the TANF program is set to expire on September the 30th. We have very few legislative days prior to that time, with the Congress being out most of August and the beginning of September, and I would suggest we get about the work on that specific piece of legislation.

I voted for the 1996 welfare reform law myself because I believe that helping people find a job is the best strategy to reducing poverty. But this premise hinges on two very important principles. First, assistance has to be available when jobs are scarce, as they have been until very recently; and, second, a real effort has to be made to help people find, maintain, and advance in employment. Any fair reading of the last decade of the TANF program finds it lacking on both counts. The percentage of poor single mothers who are working has been dropping almost consistently for the past 12 years, after having made significant progress in the mid and late nineties.

Even more troubling, the percentage of poor mothers who are neither working nor receiving any assistance from TANF is more than twice as high as it was when TANF was established in 1996.

Some of our colleagues often complain that our Federal programs are allowed to drift on autopilot. That seems to me to be accurate as it relates to TANF. This program is in real need of a significant reevaluation rather than this stop-start for brief periods approach that has been taken in recent years. Instead of working toward that goal, we spent most of the last year in this Subcommittee debating whether the administration was giving the States too much flexibility in the TANF program.

For those who think that work requirements, stricter work requirements constitute a panacea on this issue, it is noteworthy that a number of States, including those that have Republican Governors, have complained that the current TANF work participation requirements really don't measure success. Rather than continue the same tired old arguments, our Committee can actively advance the debate on this issue by reviewing evidence on specific strategies that might help TANF recipients get and retain jobs. One promising approach is boosting both employment and earnings through sectoral training programs that target high-demand occupations and provide training and job search assistance to low-income individuals.

Unlike some past training programs, these efforts are squarely aimed at preparing folks for job opportunities that exist in their communities. I look forward especially to having a native from Austin, Tara Smith, with the Ray Marshall Center at the University of Texas offer comments about the success that is reflected in Capital IDEA in Austin and Project QUEST in San Antonio that have shown real promise in helping people find not only jobs, but lasting careers. The Alamo Academies in San Antonio have taken this same successful sectoral employment approach and have partnered with high schools, community colleges, aerospace companies at Port San Antonio to provide specialized advanced manufacturing training.

I have been out to meet with some of those students. They are impressive. They are high school students who complete the program and receive valuable credentials along with their high school diploma when graduating, and some are averaging a starting pay of over $30,000 out of school each year.

Mr. Chairman, I look forward to a productive discussion about how these and other proven strategies might help us to improve outcomes for TANF recipients and other struggling Americans. Let's find a path forward toward our common goal of increasing employment and reducing poverty. Thank you very much.

Chairman REICHERT. Thank you, Mr. Doggett. Without objection, each Member will have the opportunity to submit a written statement and have it included in the record at this point.

I want to remind our witnesses, please, to limit their oral statements to 5 minutes. However, without objection, all of the written testimony will be made a part of the permanent record.

On our panel this afternoon we will be hearing from Jon Baron, president, Coalition for Evidence-Based Policy; Kristen Cox, executive director, Utah's Governor's Office of Management and Budget; Steve Aos, director of Washington State Institute for Public Policy; David Muhlhausen, Ph.D. research fellow, Empirical Policy Analysis, The Heritage Foundation; and Tara Smith, research associate, Ray Marshall Center, Lyndon B. Johnson School of Public Affairs at The University of Texas.

Welcome to all of you. Thank you for taking the time to be with us today. I will just let you know that you see three Members in front of you. Others are on the floor speaking on a bill, which I just came back from. That is why we started a little bit late. So we will have some other Members joining us here shortly.

Mr. Baron, please proceed with your testimony.

STATEMENT OF JON BARON, PRESIDENT, COALITION FOR EVIDENCE-BASED POLICY

Mr. BARON. Thank you, Mr. Chairman. Chairman Reichert, Ranking Member Doggett, and Congressman Davis, I appreciate the opportunity to testify before the Subcommittee on behalf of the nonpartisan, nonprofit Coalition for Evidence-Based Policy. My testimony will address how evidence-based program reforms can greatly increase the effectiveness of government social spending in improving people's lives.

It is often assumed that the only way to increase government's impact on social problems such as poverty and educational failure

is to spend more money, an assumption that conflicts with the current national interest in reducing the deficit. Largely overlooked, however, are clear examples from welfare and other areas where rigorous randomized trials, which as you mentioned, are widely considered the strongest method of evaluating program effectiveness, have identified program reforms that produced important improvements in people's lives while simultaneously reducing government spending.

As an illustrative example in the eighties and nineties, government and foundations sponsored a large number of randomized trials of State and local welfare reforms. Three major reforms—two in California, one in Oregon—were found especially effective. They focused on moving welfare recipients quickly into the workforce through short-term job search, assistance, and training, and were found to produce gains in participants' employment and earnings of 20 to 50 percent sustained over several years.

Importantly, they also produced net savings to the government in reduced welfare and food stamps of between $1700 and $6,000 per person. These findings helped build the political consensus for the strong work requirements in the 1996 Welfare Reform Act.

A second example is in foster care where in the late nineties, HHS granted Illinois a waiver from Federal law to implement subsidized guardianship, which is an alternative to foster care in which the State pays a subsidy to the child's relative or foster parent to serve as their subsidized guardian, as their legal guardian.

Illinois evaluated subsidized guardianship in a large randomized trial which, over a 9-year period, found that the program increased children's placement in a permanent home by 8 percent, reduced their days in foster care by 16 percent, and produced net savings to the foster care system of about $2300 per child. Based on those findings, CBO scored savings of $800 million for Federal legislation that was enacted in 2008 to expand subsidized guardianship nationally. To identify enough of these reforms to generate broad-based improvement in government effectiveness will require strategic trial and error. In other words, rigorously testing many promising reforms to identify the few that are effective. The instances of effectiveness that I just described are exceptions that have emerged from testing a much larger pool.

More generally, most innovations, typically 80 to 90 percent, are found to produce weak or no positive effects when rigorously evaluated, a pattern that occurs not just in social spending, but in other fields where randomized trials are done, including medicine and business.

In my testimony, I offer concrete suggestions for the Subcommittee's consideration to greatly accelerate the rate of program innovation and rigorous testing in social spending so as to grow the number of proven cost saving reforms like those I discussed. I suggest, for example, authorizing greater use of Federal waivers to stimulate State and local innovation and evidence building, which was a tool deployed with great success in welfare reform under both Republican and Democratic administrations. I also suggest steps this Subcommittee can take to facilitate greater use of low cost randomized control trials, such as the subsidized guardianship trial that I described earlier, which cost just $100,000 to conduct, yet identi-

fied an innovation that CBO scored as saving $800 million. These suggestions are designed to catalyze evidence-driven improvements in a social spending system that, in many cases, has fallen well short of its intended goals.

The American poverty rate, for example, now at 15 percent, has shown little change, whether by official or the supplemental measures, the National Academy measures since the seventies. In K-12 education, reading and math achievement of 17-year-olds, who are the end product of our K-12 system, is virtually unchanged over the past 40 years according to official measures, even though there has been a 90 percent increase in public spending per student, adjusted for inflation, since that time. Evidence-based policy offers a demonstrated path to more effective, less expensive government. Thank you.

Chairman REICHERT. Thank you, Mr. Baron.

[The prepared statement of Mr. Baron follows:]

House Committee on Ways and Means, Subcommittee on Human Resources
Hearing on What Works / Evaluation, July 17, 2013

Statement of Jon Baron
President, Coalition for Evidence-Based Policy

Chairman Reichert, Ranking Member Doggett, and Members of the Ways and Means Subcommittee on Human Resources:

I appreciate the opportunity to testify on the evaluation of efforts to help families support their children and escape poverty. As brief background, the Coalition for Evidence-Based Policy is a nonprofit, nonpartisan organization, established in 2001. We work with federal officials to increase the effectiveness of government social spending through rigorous evidence about "what works," and the core ideas we have advanced have helped shape evidence-based reforms enacted into law and policy during both the Bush and Obama Administrations. We are not affiliated with any programs or program models, and have no financial interest in any of the policy ideas we support, so we serve as a neutral, independent resource to policy officials on evidence-based programs. Our work is funded primarily by national philanthropic foundations, including the MacArthur Foundation and the William T. Grant Foundation.

My testimony will first discuss how evidence-based program reforms can greatly increase the effectiveness of government social spending in improving people's lives. Then I will offer some suggested next steps that the Subcommittee might consider to advance such reforms in the programs within its jurisdiction.

I. Rigorous randomized studies have the ability to identify program reforms ("interventions") that increase the effectiveness of social spending while actually reducing its cost.

It is often assumed that the only way to increase government's impact on social problems such as poverty and educational failure is to spend more money – an assumption that conflicts with the current national interest in reducing the deficit. Largely overlooked, however, are clear examples from welfare and other areas where rigorous randomized trials – widely considered the strongest method for evaluating program impact – have identified program reforms that produced important improvements in people's lives, while simultaneously *reducing* government spending. These examples suggest that a systematic government effort to build a body of such proven reforms, and disseminate them widely in federal social programs, could improve life outcomes for millions of Americans without adding to – or while even reducing – the deficit.

Examples from programs within the subcommittee's jurisdiction:

- **Welfare-to-work strategies shown to produce sizable increases in participants' employment and earnings, and reductions in their use of government assistance.** In the 1980s and 1990s, government, foundations, and leading researchers sponsored or carried out a large number of randomized controlled trials of state and local welfare reforms. Three major reform efforts – two in California, one in Oregon – were found especially effective. Focused on moving welfare recipients quickly into the workforce through short-term job-search assistance and training (as opposed to longer-term remedial education), the initiatives produced gains in participants' employment and earnings of 20-50%. Remarkably, they also produced net savings to the government, in reduced welfare and food stamps, of $1,700 to $6,000 per person.[1]

These findings helped build political consensus for the strong work requirements in the 1996 welfare reform act, and shape many of the work-first state-level reforms that followed. The scientific rigor of the findings were critical to their policy impact.[2]

- **Subsidized Guardianship – an innovation in the foster care system shown to increase children's placement in a permanent home while reducing foster care spending.** In the late 1990s, the Department of Health and Human Services (HHS) granted Illinois a waiver from federal law to implement Subsidized Guardianship – an alternative to foster care in which the state pays a subsidy to a child's relative or foster parent to become the child's legal guardian. The approach is similar to adoption but, unlike adoption, does not require the termination of parental rights and so can be easier to achieve from a legal standpoint.

  As a condition of the waiver, Illinois evaluated Subsidized Guardianship in a large randomized trial.[3] Over a nine-year period, the study found that the program (i) increased children's placement in a permanent home by 8%; (ii) reduced average days in foster care by 16%; and (iii) produced net government savings of $2,300 per child (because subsidizing a guardian is administratively less costly than foster care). Based on these findings and successful replication trials in other states, CBO scored savings of $800 million for federal legislation, enacted in 2008, to expand Subsidized Guardianship nationally.[4]

- **Reemployment and Eligibility Assessments – an innovation in the Unemployment Insurance (UI) system shown to produce UI savings while increasing workforce earnings.** In 2009, the Department of Labor launched a four-state randomized trial of the Reemployment and Eligibility Assessment (REA) program for UI claimants.[5] The program includes a mandatory in-person review of the claimant's eligibility for UI, and personalized job-search and other reemployment assistance. Over a 12-18 month period, the study found: (i) $180 in net government savings per claimant from reduced UI payments; (ii) especially large savings in Nevada – $604 per claimant – possibly due to distinctive features of Nevada's REA program that could be replicated elsewhere; and (iii) an increase in job earnings of $2,600 (18%) per claimant in Nevada – the one site that obtained a reliable estimate of the effect on earnings. (The study also found a smaller – 5% – increase in earnings in Florida over a 12-month period, but the study's analysis suggests this finding may not be reliable.[6])

  These results suggest that nationwide implementation of REA for all eligible UI claimants could produce $1.5 billion in net government savings per year,[7] while increasing workers' earnings. If the larger Nevada effects could be reproduced nationally, the savings might be as high as $5 billion per year,[8] and the increase in workers' earnings could be substantial.

- **Nurse-Family Partnership – a home visiting program for low-income, first-time mothers shown to produce major improvement in participants' lives, while reducing their use of public assistance.** The Nurse-Family Partnership (NFP) is one of the main program models funded by HHS's Maternal, Infant, and Early Childhood Home Visiting program. NFP has been shown in three well-conducted randomized trials to produce major improvements in participants' life outcomes, such as: (i) 20-50% reductions in child abuse/neglect and injuries; (ii) 10-20% reductions in mothers' subsequent births during their late teens and early twenties; and (iii) sizable improvements in cognitive and educational outcomes for children of the most at-risk mothers. In addition to these benefits, newly-published reports from the ongoing trial in Memphis, Tennessee show, 12 years after the women gave birth, a $1,113 reduction in annual government spending per woman on welfare, food stamps, and Medicaid during the 12 years. As a result, the total discounted government savings over the 12 years ($13,350) more than offset the program's cost ($12,493).[9]

II. To identify enough of these reforms to generate broad-based gains in government effectiveness requires strategic trial-and-error – i.e., rigorously testing many promising interventions to identify the few that are effective.

Rigorous evaluations, by measuring programs' true effect on objectively important outcomes such as workforce earnings, college attendance, teen pregnancy, and child maltreatment, are able to distinguish those that produce sizable effects from those that do not. Such studies have identified a few interventions that are truly effective – such as those described above – but these are exceptions that have emerged from testing a much larger pool. Most, including those thought promising based on initial studies, are found to produce few or no effects – underscoring the need to test many. This is true not only in social spending, but in other fields where rigorous evaluations have been carried out. For example:

- **Education:** Of the 90 interventions evaluated in randomized trials commissioned by the Institute of Education Sciences (IES) since 2002, approximately 90% were found to have weak or no positive effects.[10]

- **Employment/training:** Of the 13 interventions evaluated in Department of Labor randomized trials that have reported results since 1992, about 75% were found to have found weak or no positive effects.[11]

- **Medicine:** Reviews have found that 50-80% of positive results in initial ("phase II") clinical studies are overturned in subsequent, more definitive randomized trials ("phase III").[12]

- **Business:** Of 13,000 randomized trials of new products/strategies conducted by Google and Microsoft, 80-90% have reportedly found no significant effects.[13]

III. The current pace of rigorous testing is far too slow to build a meaningful number of proven-effective interventions to address our major social problems. Of the vast array of ongoing and newly-initiated program activities in federal, state, and local social spending, only a small fraction are ever evaluated in a credible way to see if they work. For example, based on our careful monitoring of the literature, the federal government commissions randomized evaluations of only 1-2 dozen such program activities each year.

IV. The end goal – a sizable body of proven social interventions – is of critical importance. In recent decades, the U.S. has failed to make significant progress in key areas such as –

- **Poverty:** The U.S. poverty rate – now at 15% – reached its low in 1973. It has shown little change (whether by official or alternative National Academy measures) since the 1970s.[14]

- **K-12 education:** Reading and math achievement of 17-year-olds – the end product of our K-12 education system – is virtually unchanged over the past 40 years, according to official measures,[15] despite a 90% increase in public spending per student (adjusted for inflation).[16]

- **Well-being of low to moderate income Americans:** The average yearly income of the bottom 40% of U.S. households, now at $20,221, has changed little since the early 1970s.[17]

V. We therefore urge the Subcommittee to lead a bipartisan reinvention of U.S. social spending based on evidence about "what works," through steps such as the following:

A. Authorize and encourage the agencies to make maximum use of waivers from federal law and regulation to build credible evidence.

1. "Waiver-evaluations" were deployed with great success in 1980s/90s welfare reform, making a critical contribution to the body of welfare-to-work evidence discussed above. Specifically, in the years leading up to the 1996 welfare reform act – through both Republican and Democratic Administrations – OMB and HHS had in place a "demonstration waiver" policy, under which HHS waived provisions of federal law and regulation to allow states to test new welfare reform strategies, but only if the states agreed to evaluate their reforms in rigorous (usually randomized) studies.

This policy directly resulted in more than 20 large-scale randomized controlled trials that tested an important and diverse set of reforms, and thereby helped build the influential body of welfare-to-work evidence discussed above. These reforms that were tested include, for example, mandatory job search and employment activities (e.g., Vermont); employment subsidies for welfare recipients who left welfare for full-time work (e.g., New York, Minnesota); time limits on welfare (e.g., Florida, Connecticut); "family cap" policies designed to discourage additional births among women on welfare (e.g., Arkansas, New Jersey); and various combinations of the above reforms.

2. We encourage the Subcommittee to advance a similar waiver-evaluation concept approach across the broad range of programs within its jurisdiction, designed to:

a. Stimulate a robust array of state/local program innovations, aimed at (i) producing budget savings while improving program effectiveness, or (ii) improving participant outcomes without added cost; and

b. Require rigorous – preferably randomized – evaluations to determine which of these innovations really work.

For some programs, this would require legislation to expand the program's waiver authority and/or tie that authority to a requirement for rigorous evaluations wherever feasible. Other programs already have sufficient authority, and the Subcommittee could encourage them to use it more widely and strategically to stimulate state/local innovation and evidence-building. We would be pleased to work with the Subcommittee, if helpful, to explore how the waiver-evaluation concept might be operationalized across various programs within its jurisdiction.

B. Authorize and encourage agencies to allow greater researcher access to administrative data, with appropriate privacy protections, so as to facilitate low-cost rigorous evaluations.

1. Researchers have shown it is often possible to conduct randomized trials at low cost, by measuring study outcomes with administrative data already collected for other purposes. In a development that could revolutionize social policy and practice, researchers have shown it is often possible to conduct scientifically-rigorous evaluations of program effectiveness at low cost, addressing a major obstacle to their widespread use. Costs are reduced by measuring study outcomes using administrative data already collected for other purposes, such as child maltreatment rates, employment and earnings, student test scores, criminal arrests, receipt of government assistance, and health care expenditures. This eliminates what is typically the largest cost component of a rigorous study: locating each individual in the program and control group at various points in time after program completion, and administering interviews or tests to obtain their outcome data.

2. **It is now possible to rigorously test hundreds of social program models and strategies each year, rather than a select few (as is currently done).** As noted above, the government already funds a vast array of program models/strategies each year, but only a small fraction are rigorously evaluated. With impetus from policy officials, low-cost, rigorous evaluations could likely be embedded across a broad spectrum of such activities (recognizing that they may not be feasible in every area[18]).

3. **As illustrative examples –**

   - **The Subsidized Guardianship randomized trial, described above, cost a total of about $100,000 over nine years** – because outcomes for the 2,400 children in the sample were measured with administrative data on foster care outcomes (such as placement in a permanent home) that the state of Illinois already collected for other purposes.

   - **The Reemployment and Eligibility Assessment trial, described above, cost about $320,000 through the 12-18 month follow-up, based on the researchers' rough estimate.** Even though the study had a very large sample (135,000 UI claimants), it was conducted at modest cost by measuring all outcomes using administrative data on UI receipt and earnings that the participating states collect already for other purposes.

   - **We recently developed a brief with five additional examples of trials costing between $50,000 and $300,000 – a fraction of the usual multimillion-dollar cost for such studies.** These studies all produced valid evidence that is of policy and practical importance – and, in some cases, identified actionable strategies that generate budget savings.[19]

4. **We recognize that the Subcommittee has played a leadership role on this issue with its recent bipartisan approval of H.R. 1896 – increasing researcher access, with appropriate privacy protections, to HHS's National Directory of New Hires (NDNH).** We believe this legislation, if enacted, will greatly lower the cost and burden of conducting rigorous evaluations of employment programs, by enabling such studies to measure employment and earnings outcomes through NDNH data rather than engaging in costly new data collection (e.g., individual interviews).

5. **OMB is also seeking to advance greater use of low-cost rigorous evaluation methods, and could be a valuable partner to the Subcommittee in advancing such studies.** For example, OMB prominently featured the concept of low-cost RCTs in its May 2012 memo to the heads of the federal agencies on Use of Evidence and Evaluation, and cited the brief we developed on such studies. The President's FY 2014 budget does the same (link, page 94).

6. **Given the great potential, we encourage the Subcommittee to explore, through oversight hearings or other means, what more can be done by Congress and/or the agencies to build, integrate, and facilitate researcher access to administrative data,** so as to enable low-cost, rigorous evaluations across a broad range of program areas.

C. **Once an intervention has been proven through rigorous evaluations to improve participant outcomes and/or reduce cost, authorize agency programs to use waivers and other administrative actions to facilitate its widespread adoption with program funds** (while ensuring close adherence to the proven approach).

The reason we suggest this is that federal social programs generally do not have the statutory authority to use evidence of effectiveness as a key criterion for allocating program funds. (An important, but still relatively small, exception is the set of "tiered evidence" initiative that Congress has enacted in recent years.[20]) As a result, research-proven, cost-saving interventions such as Reemployment and Eligibility Assessments and Subsidized Guardianship, described above, may never be widely implemented unless Congress steps in to change the authorizing legislation for the UI program (in the case of Reemployment and Eligibility Assessments[21]) or the Title IV-E Foster Care program (in the case of Subsidized Guardianship). Congress did act in the case of Subsidized Guardianship, as noted earlier, but this can be an unusual occurrence and, when it does happen, it often takes years to achieve.

If Congress were to authorize programs such as UI and Foster Care to take *administrative* action to foster wide implementation of proven, cost-saving interventions, it would create a much more efficient mechanism for translating credible research findings into practice, so as to improve the lives of program participants and/or produce savings to the taxpayer. Doing so would inject a dynamic for evidence-driven improvements into a social spending process where evidence currently has little role.

Conclusion: Evidence-based policy offers a demonstrated path to more effective, less expensive government. As discussed in my testimony, we believe it could provide the basis for a bipartisan effort to reinvent U.S. social spending, so as to greatly increase its effectiveness in improving people's lives.

References

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[1] These are 2012 dollars. Examples include: (i) the Riverside Greater Avenues for Independence (GAIN) Program (Stephen Freedman, Daniel Friedlander, Winston Lin, and Amanda Schweder, *The GAIN Evaluation: Five-Year Impacts on Employment, Earnings, and AFDC Receipt*, Working Paper 96.1, MDRC, July 1996; James Riccio, Daniel Friedlander, and Stephen Freedman, *GAIN: Benefits, Costs, and Three-Year Impacts of a Welfare-to-Work Program*, MDRC, September 1994); (ii) Los Angeles Jobs-First GAIN (Stephen Freedman, Jean Tansey Knab, Lisa A. Gennetian, and David Navarro, *The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First Program in a Major Urban Center*, MDRC, June 2000); and (iii) Portland Job Opportunities and Basic Skills (JOBS) Training Program (Susan Scrivener, Gayle Hamilton, Mary Farrell, Stephen Freedman, Daniel Friedlander, Marisa Mitchell, Jodi Nudelman, Christine Schwartz, *National Evaluation of Welfare-to-Work Strategies: Implementation, Participation Patterns, Costs, and Two-Year Impacts of the Portland (Oregon) Welfare-to-Work Program, MDRC*, May 1998; Gayle Hamilton, Stephen Freedman, Lisa Gennetian, Charles Michalopoulos, Johanna Walter, Diana Adams-Ciardullo, Anna Gassman-Pines, Sharon McGroder, Martha Zaslow, Jennifer Brooks, Surjeet Ahluwalia, Electra Small, and Bryan Ricchetti, *National Evaluation of Welfare-to-Work Strategies: How Effective Are Different Welfare-to-Work Approaches? Five-Year Adult and Child Impacts for Eleven Programs, MDRC and Child Trends*, December 2001).

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[5] Eileen Poe Yamagata, Jacob Benus, Nicholas Bill, Hugh Carrington, Marios Michaelides, and Ted Shen, *Impact of the Reemployment and Eligibility Assessment Initiative*, Impaq International, June 2011. Marios Michaelides, Eileen Poe-Yamagata, Jacob Benus, and Dharmendra Tirumalasetti, *Impact of the Reemployment Eligibility Initiative In Nevada*, Impaq International, January 2012.

[6] The study measured the program's effect on job earnings in the Florida site, and found that it produced a statistically-significant $476 increase in earnings per claimant over a 12-month follow-up period, roughly offsetting claimants' loss in UI benefits. However, this was a regression-adjusted effect on earnings; the unadjusted effect was near zero and not statistically significant. Because the effect differed under these two different estimation approaches, we believe the positive findings for earnings in Florida are best viewed as tentative, and need corroboration in future studies before being accepted as valid.

[7] The $1.5 billion in net savings is calculated by multiplying the savings per claimant ($180) by the number of claimants potentially eligible for REA nationwide. We estimate that there are 7.8 million such claimants in the United States, based on (i) Department of Labor data showing a total of 19.4 million UI claims filed in 2012, and (ii) the study's finding that, on average, about 40% of UI claimants met the REA eligibility requirements in the states participating in the study. A per-claimant savings of $180 multiplied by 7.8 million claimants totals roughly $1.5 billion.

[8] Because of the initial positive findings in Nevada, the researchers conducted a longer-term follow-up, which found that the program produced $672 in per-person net savings during the 20-26 months after random assignment. We

estimated national savings of $5 billion by multiplying $672 (in per-person net savings) by 7.8 million (the number of claimants nationwide that we estimate are eligible for REA, as described in the previous endnote).

[9] A summary of the evidence on NFP, including citations to the original study reports, is linked here.

[10] Coalition for Evidence-Based Policy, *Randomized Controlled Trials Commissioned by the Institute of Education Sciences Since 2002: How Many Found Positive Versus Weak or No Effects*, July 2013, linked here.

[11] This is based on a count of results from the Department of Labor RCTs that have reported results since 1992, as identified through the Department's research database (link). We are preparing a short summary of these findings, to be released in the next few weeks.

[12] Ioannidis 2005, Zia et. al., 2005, Chan et. al., 2008 (see footnote 6 for full citations).

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[17] U.S. Census Bureau, Current Population Reports, 2012, op. cit., no. 1. This refers to inflation-adjusted income. It includes income from the economy (such as earnings) but not government transfers (such as Food Stamps). However, there is evidence to suggest that the overall story of income stagnation for the bottom 40% of households changes little even when one adjusts income for government transfers and other items that affect household living standards. Specifically, the Census Bureau's alternative, National Academy of Sciences-based poverty measures make adjustments for government transfers, as well as factors such as state and local taxes, work expenses such as child care, out-of-pocket medical expenses, and geographic differences in housing costs. These adjustments change the poverty rate in any given year, as well as the composition of those in poverty, but do not change the overall trend in the poverty rate over time – i.e., no overall progress since the 1970s. (The relevant citations are in endnote 11.) Although the National Academy-based poverty measures only apply to a subset of the bottom 40% of U.S. households, their corroboration of no meaningful improvement for that key subset suggest that similar findings would be obtained for the larger group.

[18] To do a low-cost randomized evaluation, certain conditions must exist, such as (i) low-cost access to administrative data of reasonable quality to measure key outcomes; (ii) a sizable number of individuals (or other units) available to participate in the study without special recruitment efforts; and (iii) the approval of key policy or program officials to do a randomized study. When carried out, such studies may not be able to examine all questions studied in a traditional, more comprehensive evaluation, such as the program's effect on outcomes other than those measurable with administrative data; the nature of any services received by the control group and how they differ from those delivered by the program; and possible reasons why a program has (or does not have) an effect. But,

increasingly, they can be used to answer the fundamental policy question: does the program actually improve people's lives?

[19] Coalition for Evidence-Based Policy, *Rigorous Program Evaluations on a Budget: How Low-Cost Randomized Controlled Trials Are Possible in Many Areas of Social Policy*, March 2012, link

[20] The tiered evidence initiatives are described in Ron Haskins and Jon Baron, *Building the Connection between Policy and Evidence: The Obama Evidence-Based Initiatives*, commissioned by the U.K. National Endowment for Science, Technology and the Arts (NESTA), September 2011, link.

[21] The REA program is currently implemented in 42 states but, due to limited program funding, only serves a small percentage of UI claimants who are eligible for REA in those states. For example, in the four states that participated in the REA randomized trial, the program served an average of about 10% of REA-eligible claimants. See Yamagata et. al., 2011 (endnote 5), page 16.

Chairman REICHERT. Ms. Cox, please.

STATEMENT OF KRISTEN COX, EXECUTIVE DIRECTOR, UTAH GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET

Ms. COX. Thanks for having me here, Chairman and Ranking Member Doggett. It is an honor to be here. I am the executive director of the Governor's Office of Management and Budget, and prior to this position, I was the executive director of the Department of Work force Services. We oversaw the implementation and administration of over 90 different Federal programs, which included everything from TANF and food stamps to child care to

housing, a plethora of services that impact low-income individuals. I come to this discussion with a real on-the-ground perspective in how you actually operationalize evidence-based practices and penetrate into the day-to-day work of our folks.

Let me go through some of what we do and some things for you to think about. First of all, our goal in Utah is to improve the operations of all of our systems in Utah State government by 25 percent over the next 3-1/2 years, the remainder of Governor Herbert's administration. It is a bold initiative, but we think there is ample capacity in all of our systems to do better, and in social services, it really resides on integrating evidence-based practices into the day-to-day work of our employees, so they are spending more and more of their time doing what works, and less time doing the things that don't or are wrapped up in compliance initiatives, which is part of the Federal bureaucracy.

A few things, just observations we have before we get into the evidence-based practices. One, there is significant goal disalignment against—across services that serve low-income individuals, so the ability to assess if a program has been successful or not is so dependent on the point and policy objective of the program that they are all over the place. For example, the Food Stamp Act 1964's intended policy objectives was twofold, to promote the agricultural economy, and to give nutritional sustenance to low-income individuals. With amendments, the ABAP program, employment and training services were offered, but really more as an eligibility criteria than a true strategy to move people to work. Add housing initiatives, TANF, Medicaid, across the board, the policy objectives are different, so when we really want to talk about the impact to low-income individuals, we need to be clear on what our intended purpose is, and we don't have that right now.

Second piece of concern is the ability of measurement. We have too many contradictory and conflicting measures out there in the public service arena. As an administrator of 90 different programs, trying to get clarity on how well I am doing is a challenge. We have created a very simple ratio, quality throughput divided by operating expense, which will baseline and drive all of our performance in State government in Utah. It is not so simple in the Federal navigation system of measurements, even in common core. In Utah, we were very aggressive about understanding how important evidence-based practices was. When I was executive director of Work force Services, we set up an evidence-based arm of our agency specifically to do randomized sampling, propensity scoring, everything we needed to know to analyze and assess TANF participation, job training, does it work or not, but what we found is what the national studies say on a very universal level aren't necessarily true for the unique demographics in Utah. Even within Utah, we saw variations from region to region.

So while evidence-based practices at the national scale are important to help direct Federal policy, the States need the ability, flexibility, and resources to create that same ability at the local level to really fine-tune and penetrate those evidence-based practices into our system.

The next piece is penetrating evidence-based practices into our operations. It is great to have theory, it is great to have tons of

data, you can Google and you can find hundreds of social service evidence-based practice reports, but why aren't they penetrating our system? Part of it is our folks are so heavily focused on compliance activities that they don't have the time to step back and think about what should we be doing. It is not an excuse, but it is a reality for people. Operationalizing takes the ability to translate global goals into the day-to-day work of our employees, it requires that we have clear policy objectives for them, it really requires that we stop doing the stuff that doesn't work and start doing what does. My hope is for every new policy initiative Congress puts out, they eliminate another one. There is only 8 hours in a day, it is the employee's biggest constraint. If you want them to really spend 80 percent, 90 percent of the time that makes the biggest difference, then we have got to strip away the 70 percent of the stuff that is junk.

A few suggestions or hopes or recommendations. A lot of demonstration projects are going on at the national level. Fantastic. Push some of those resources to the State level so we can customize our own practices that we need to make it relevant for us. Align the policy objectives, which is simple. Not simple, but critical. Simplify the measures, as you said so well, give States more flexibility in the ability to innovate, hold us accountable, but give us the ability to be innovative. Thank you very much.

Chairman REICHERT. Thank you, Ms. Cox.

[The prepared statement of Ms. Cox follows:]

July 17, 2013

PREPARED TESTIMONY FOR THE RECORD of the:
U.S. HOUSE COMMITTEE ON WAYS AND MEANS, SUBCOMMITTEE ON HUMAN RESOURCES
Offered by Kristen Cox, Executive Director
Governor's Office of Management and Budget, State of Utah

Thank you, Chairman Reichert, Ranking Member Doggett and Members of the Committee. I appreciate the opportunity to appear before you today to share my observations relative to the effectiveness of public assistance programs. I am Kristen Cox, Utah's Executive Director of the Governor's Office of Management and Budget.

In Utah, the Governor's Office of Management and Budget (GOMB) oversees the initiatives of the Governor regarding budgeting and planning across all state agencies. GOMB has recently been tasked by Governor Gary R. Herbert to improve state government operations and services by 25 percent by December 2016.

The Governor was clear in his directive that the 25 percent target is not an exercise in simply reducing budgets; rather the focus is on improving all aspects of operational performance.

In support of this goal, GOMB has developed a comprehensive set of operational excellence tools and principles—called the SUCCESS Framework. The SUCCESS Framework is grounded in seven fundamentals of high performing organizations:

- Set measureable goals and targets
- Use thinking tools
- Create your strategy
- Create your organization
- Engage staff at all levels
- Synchronize policy and projects
- Stay focused

Additionally, GOMB has developed a performance measurement system to track overall progress and recognize results—results that can be used for making better management decisions. Ultimately, the SUCCESS strategy will keep Utah on top as the best managed state in the nation, continually delivering value to customers and taxpayers.

In government, we know that evidence-based practices can be a solid foundation upon which to design and target resources. However, programs or services built upon evidence-based logic models do pose challenges. In many of these programs, the stated target is a longitudinal goal and it is not uncommon for many of them to lack sufficient control over the ultimate ends of their effort. They also tend to be measured at insufficient intermediate milestones, leaving proximate gaps of evaluation. These gaps make it difficult to manage the program, understand the core value of the investment or determine what adjustments (if any) are required. A few years ago,

when I served as the Executive Director of the Department of Workforce Services, we designed our Workforce Research and Analysis division to be the evidenced-based arm of our agency, supporting key decisions with real-time, measurable data.

In Utah, we are working on solutions to identify and close these proximate gaps in performance measurement. Some of our targets of consideration:

- Understanding that not all systems or programs are the same. If an effort has been proven by evidence-based research on a large scale then a similar pattern of milestones could, but not always will, be replicated in a smaller pool for implementation. These milestones would need to be developed generally and modified specifically.

- Developing measurement strategies that focus resources only on components of a service or program that actually achieve the end goal.

- Redefining the measurement of value delivery for some services that is sensible to stakeholders and to the taxpayer.

- Measuring Quality Throughput (accurate, timely, effective service) over Operating Expense, or QT/OE

Utah believes that measures should be simple and take into account quality, throughput/volume, and costs. We can't look at any one of these elements in isolation from the others. Improvements to quality and volume are relative to the cost of such improvements. Likewise, reducing costs may or may not be a good thing depending on the impact to quality and volume. In Utah, our performance management system is based on this very simple model that ensures we are looking at the elements in relationship to one another.

Using our management system, each cabinet agency is on target to achieve Governor Herbert's 25 percent improvement goal.

As we look across the federal programs that are managed by the State of Utah, it is clear that not all of them are planned or measured consistently. One of the largest agencies in Utah is the Department of Workforce Services, which manages over 90 federal programs designed to provide public assistance. If proper execution of these programs is truly to be defined by quality throughput (job attainment) then localized, evidence-based practices and strategies should drive federal policy.

Utah believes that all government programs should be structured in a manner that maximizes resources for participants and that requirements should be minimized and focused on developing a consistent and structured performance accountability system which measures evidence at designated milestones.

During my term as Executive Director at Workforce Services, I commissioned studies aimed at better understanding the outcomes associated with the Temporary Assistance for Needy Families

(TANF) work participation requirements, job training programs and intergenerational poverty in Utah. We have invested resources to quantify and evaluate programs designed to help parents and children to escape poverty. These studies assist lawmakers, executives and program managers to identify and implement effective strategies to serve these families. Utah understands that policy concentration must be centered on the attainment of economic self-sufficiency with results focused on employment outcomes. Notable studies in this regard include:

- TANF – *Meeting Welfare's Work Participation Requirements and Transitioning into the Labor Market*, (Krantz and Torosyan, DWS, September 2012): The longitudinal effects of activities associated with TANF work participation are estimated using ordinary least squares regression and include socioeconomic characteristics along with employment patterns. The paper explores services that correlate with successful participation in the TANF program and how services link with post-TANF earnings. The study shows that individuals with participation in employment related services are most likely to meet participation requirements and that those who meet participation most often have the greatest attachment to the labor market after TANF. The paper is available at: http://jobs.utah.gov/wi/pubs/specialreports/tanfreport092012.pdf

- Work Success – *Family Employment Program (FEP) Redesign Study of Utah 2012: Wave 1* (Vogel-Ferguson, Social Research Institute, College of Social Work, University of Utah, December 2012): This study examines outcomes of the Utah Work Success program using customer interviews and administrative data. "The Work Success Program was designed in response to customer requests for more help in finding and retaining employment. By far, most customers are very pleased with Work Success and have found it to be an effective program for filling this need. Most customers who are referred to Work Success are ready and available for work and are able to engage in and benefit from the services… Most participants have adequate skills for the level of computer skills needed, most are able to secure childcare and transportation, and … nearly half are employed when they leave the program." The paper is available at: http://www.socwk.utah.edu/sri/pdf/DWS_2012_FEPRedesignReport.pdf

- Job Training Programs – *Is Job Training Justified: An Analysis of Job Training Services as Administered by Utah's Department of Workforce Services*, (Krantz and Mayne, DWS, August 2011): This experimental study uses propensity score matching to analyze the treatment effects of job training services in Utah. Examining these issues helps guide DWS policy-makers to more effective budget and public service decision-making. Findings help identify specific job training services that with the most employment and the highest earnings. The paper is available at: http://jobs.utah.gov/wi/trainingstudy/trainingstudy.pdf

- Intergenerational Poverty – *Intergenerational Poverty in Utah 2012*, (Little, DWS, September 2012): This report uses administrative data to provide descriptive statistics of adults in Utah with public assistance (TANF, Food Stamps, and Medicaid) who also received public assistance as children. The report describes the demographic and

socioeconomic characteristics of these individuals including education and employment history. The paper includes demographic information for the children of these adults. The paper is available at: http://jobs.utah.gov/wi/pubs/Poverty_Report_web.pdf

In Utah, more than 70 percent of all people living in poverty receive some form of public assistance including financial aid, child care subsidies, SNAP, and/or Medicaid. One-third of adults in poverty in Utah have less than a high school diploma or GED. Most of the remaining population has no post-secondary education and limited work history. Our studies do show that recipients of job training programs are exponentially more successful when they successfully complete the training; yet less than 50% of all recipients of training actually complete the training. Programs such as completion incentives and intensive counseling and monitoring could prove to be worthwhile expenditures, but states must have the flexibility to execute strategies that work, rather than spend significant resources on administrative bureaucracy.

The current design of the public workforce investment system is a maze of individual programs and funding streams with various mandates attached to each program. It is the expectation of the states to manage through these mandates and bureaucracy and provide the employment and job training services needed by the workforce. This has proven to be a climate that is not always conducive to a customer's success in achieving self-sustainability. For example, translating evidenced-based practices into the day-to-day work of an employee takes considerable effort and focus. It starts with trying to eliminate the things that prohibit or distract the employee from spending time on the things that count the most. With only eight hours in a day, it is important for federal policy makers to be mindful of everything they are asking people to spend their scarce time and energy on. Our biggest constraint on the ground is time. Aligning our policies and laws around the reality of time and how we want people to use it is a much more realistic way to bring evidenced based practices into reality.

In addition, policy objectives of various federal programs are different and can be challenging to know which evidenced-based practice to apply when serving an individual who is receiving multiple services. Likewise, the customer receives mixed messages and finds navigating multiple programs difficult. For example, food and health care are both critical needs. However, the SNAP program requires, in certain cases, that people engage in work activities while Medicaid does not. Clarifying the policy objectives and rules across the spectrum of programs intended to serve a specific population would translate into a more focused use of resources and effort on the ground.

When properly aligned, program integrity efforts, re-employment initiatives, operational efficiencies, and trust fund management should ensure that limited resources are maximized and directed to those who are eligible for assistance and re-employment activities. Utah has an integrated model that captures over 90 different federal programs, giving us a unique and comprehensive perspective on employing individuals. In fact, a Government Accounting Office (GAO) report recently singled out Utah for our consolidation efforts and noted that "the consolidation allowed job seekers to apply for assistance they had not considered in the past."

In Utah, we are committed to assessing the quality of programs administered and are proactively reviewing services in order to ensure maximum value is provided to the public.

As this committee continues its important work, Utah respectfully suggests that the following core principles guide reform efforts focused on public assistance programs that lead to employment:

1. Programs should be structured in a manner that maximizes resources for participants;
2. Requirements should be minimized and focused on developing a consistent and structured performance accountability system;
3. States should be provided maximum flexibility to design the programs and initiatives best suited to its citizens, businesses, and workforce development partners;
4. Budget streamlining should not just penalize the states—federal agencies should be examined and unnecessary bureaucracy and processes should be eliminated;
5. Innovation and risk-taking in the design and delivery of employment and job training services should be encouraged rather than penalized;
6. Programming should be data-driven and evidence-based with tangible accountability measures; and
7. Congress must refrain from establishing parallel job training programs and/or discretionary grants that duplicate the existing workforce system.

A specific area where Congress can help promote efficiency, better serve job seekers, workers, youth and employers, and maintain a level of services with fewer financial resources is to provide states with a new Workforce Investment Fund which would be an integrated grant to states that combines the following current individual formulaic grants:

- Workforce Investment Act Adult
- Workforce Investment Act Dislocated Worker
- Workforce Investment Act Youth
- Wagner-Peyser Employment Service

These four funding streams provide the foundation for the Workforce Investment Fund because they provide the same or similar services which could be enhanced to populations needing employment and training assistance.

In addition and at the request of the Governor, the following programs could be delivered through a new Innovation Waiver process through the Workforce Investment Fund:

- Adult Education
- Vocational Rehabilitation
- Trade Adjustment Assistance (training)
- Veterans Employment and Training
- Food Stamp Employment and Training
- Temporary Assistance for Needy Families (employment/training)

The Innovation Waiver process would involve the appropriate Cabinet Secretary in charge of the program and would provide a state with an opportunity to demonstrate how delivery of the program would promote efficiency and improved services for customers and set a common standard for participation. Waiver requests would need to be responded to within 30 days or the waiver request would be automatically approved. In addition, the waiver process should also allow states to include strategies that would better integrate and align Unemployment Insurance (UI) customers into the broader workforce system. Traditionally, UI re-employment efforts are isolated from the broader system and are often nonexistent in many states.

Utah also believes that Congress should decrease the number and amount of discretionary grants overseen by DOL and opt for funds with clear accountability standards. State and local governments spend too much time and resources on "chasing" money in the form of grants that may not best be suited for their unique needs. With diminishing resources, it's unfortunate that state and local governments are increasingly faced with the dilemma of hiring full-time grant writers or bringing consultants on board who are well-versed in how to navigate the grant process. Consequently, grant awards can be made on how well the application is written rather than on the actual merits of the proposal. Grant writing has become its own cottage industry.

In addition, grants require separate budgeting, monitoring, and reporting—all of which take away money from customers and expand administrative overhead. Grants can take too much time to approve and often end up being one-time programs with no prospects of sustainability. States need resources they can count on to develop meaningful programs that can measurably move the needle over time and quickly respond to structural changes.

Discretionary grant programs such as the Workforce Innovation Fund would be eliminated in order to maximize funding to the states. Utah feels that directing any portion of federal funding currently set-aside as statewide activity funds for state-led innovations to a new federally dictated, controlled and prescribed program (such as the Innovation Fund) adds bureaucracy and defeats its intended purpose. I maintain that governors, not the federal government, are uniquely positioned to innovate and advance systemic workforce development initiatives. Washington, D.C. should not be determining what is or is not innovative in Utah – the decision should be made by Utah's Governor.

As our nation struggles with reducing its debt while providing critical services, we must ask ourselves how the taxpayer would define "value" and if they would be willing to pay for it. I suggest that many of the procedural aspects of federal policy could not pass this test. However, at its core, public assistance and employment strategies offer significant value to the customer and to our nation as it elevates the competitiveness and economic prosperity of our workforce.

The State of Utah stands ready to assist the Committee in its efforts to bring innovative policy answers that aggressively address the re-employment strategies. We believe that states are the appropriate starting point for these conversations and encourage you to maximize flexibility and allow states to focus on helping people find employment and then hold them accountable for doing so. Thank you for the opportunity to address the Committee and I look forward to answering any questions you may have.

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Chairman REICHERT. Mr. Aos.

STATEMENT OF STEVE AOS, DIRECTOR, WASHINGTON STATE INSTITUTE FOR PUBLIC POLICY

Mr. AOS. Mr. Chairman, Members of the Committee, my name is Steve Aos, and I am the director of the Washington State Institute for Public Policy. You asked me to come today and provide testimony on how the Washington State legislature, another legislative body, is using the Institute to try to reform public policies in the State of Washington, so I am going to give a little bit of an overview of the Institute and how the legislature uses it and then

talk about some of the specific applications of the approach in Washington.

The Institute was created 30 years ago in 1983. The legislature passed a joint resolution in that session and said we want to have an institute to help the legislative branch of government figure some things out. The key aspect of the Institute is that all of the assignments to us, including the ones I will talk about today, come to us because the legislature passes a study bill, goes through both Houses, passes both Houses, and is signed by the Governor. We don't respond to an individual Member's request, but a bill has to go through and pass for it to have a study undertaken. And in recent years what the legislature has been asking us to do, in about the last 15 years, is to find out what works and what doesn't work to achieve particular public policy outcomes. So we will get a direction that will say how can Washington public policy affect the crime rate in Washington State, or the rate of child abuse and neglect, or how can we get greater high school graduation levels in Washington State, and it will say to the Institute, tell us what works and what doesn't to achieve those outcomes.

It is a nonpartisan group, an equal number of Republicans and Democrats are on our board of directors, and they are cochaired by one Republican and one Democrat at all times, so it was set up to be a nonpartisan group, and that is how we operate.

What works and what doesn't work has been something that the legislature has been finding particularly attractive in learning how to do the numbers on the one hand and the legislative process has been learning how to use the numbers to actually craft budgets and policies in an increasing number of important areas. When we do this work, when we get that assignment to say what works, we are playing the role of the investment adviser, if you will. We make buy and sell decisions to our legislature, and we look all around the country and all around the world at all of the most rigorous evaluations on a given topic. We throw out evaluations that we think aren't rigorous enough to warrant any further consideration, and then we assess all that in a systematic way, and we do a cost-benefit analysis, and we come back to our legislature saying this thing looks like it is a winner, this thing is maybe iffy, and this thing looks like a loser in terms of benefit cost.

You mentioned the Scared Straight program in your opening remarks. We have got lots of losers. We love to find losers because then if we are already funding those kinds of programs in Washington, they have become things that we can then cut in terms of programs that are ineffective. So that is the role that the legislature has had us do consistently over time. The hallmark of our work has been to take not only what works but actually to do a benefit-cost analysis of each of those of that effort.

Crime policy has been the area where we have moved it the furthest, but we are moving ahead in K-12 education and child welfare and some of the topics that are directly before this Committee right now. We now actually can point to lower crime rates in the State of Washington and the reduced level of taxpayer spending in the State of Washington as a result of all that work and all the previous budgetary decisions that have been made from that work.

The latest approach in Washington, passed unanimously in the last two sessions, has been to take the Institute's list of what works and what doesn't work and send a message to the executive agencies saying align everything that you do and tell us what approximates the Institute's list and what isn't on the Institute's list, and those reports will then come back to the legislature from the executive agencies in about five or six different areas of public policy. So this is the legislature's attempt to try to take the information we have been doing and actually craft budgets around it by giving the executive branch a time to respond, saying are you doing things that the Institute has found to work or not work.

Mr. Chairman, I just wanted to give an overview today about how the legislature back in your home State has been using this information. By the way, it is 68 degrees back in your home State today, I just checked. I am happy to get back there in a few hours. It is real progress. Session by session, we get better and better at doing the work, the legislature gets used to asking the question and taking the information back, and it is a nonpartisan effort, that is the thing that is perhaps most encouraging. Thank you for allowing me to testify.

Chairman REICHERT. Thank you. I think 68 is the humidity level here in DC. if I am not mistaken. At least.

Thank you for your testimony, Mr. Aos.

[The prepared statement of Mr. Aos follows:]

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Testimony of
Steve Aos
Director, Washington State Institute for Public Policy

U.S. House Committee on Ways and Means, Subcommittee on Human Resources
July 17, 2013

Chairman Reichert and Members of the Committee, my name is Steve Aos and I am the Director of the Washington State Institute for Public Policy. You asked me to provide testimony today describing the nature of the Institute and how it is being used in Washington state.

Mr. Chairman, state policymakers in our home state have been engaged in a quite focused effort to make government better in a number of significant policy areas. In broad brush, the effort is to deliver to taxpayers better public policy outcomes and a more efficient use of their tax dollars. In business-like terms, policymakers are trying to provide taxpayers in Washington state with an improved return on investment in certain public programs and policies.

Structure of the Institute. Before I discuss the substance of the approach, you asked that I say a few words about the structure of the Institute. The Washington State Institute for Public Policy was created by the 1983 Legislature. The purpose is to carry out non-partisan research on studies assigned to the Institute by the legislature. All of the assignments that we undertake come to us because the legislature passes a bill, signed by the Governor, directing a particular study with specific study language along with an appropriation to carry out the study. This is a key feature of the Institute. Institute staff does not carry out studies at the request of individual Members of the legislature, nor does the staff undertake studies on their own volition. If the legislature passes a study bill and the Governor signs it, then the Institute carries out the research.

The Institute is governed by a sixteen-member Board of Directors. Ten of the members are from the legislative branch; four Senators and four House Members and there are an equal number of Republicans and Democrats from each body. In addition, the two non-partisan committee staff directors of the Senate and House round out the 10 Board members from the legislative branch. The Governor appoints two cabinet level members to Institute's Board, and the remaining four

Institute Board Members are from the public universities and colleges in Washington state. The Board is co-chaired by a two rotating Senate and House Members, one a Democrat and one a Republican.

The Institute's Board hires the Director. Additionally, when an outside non-legislative entity requests the Institute to undertake a study, the Board takes a vote. For example, sometimes a Washington State executive agency asks the Institute's Board to undertake a study. Occasionally an outside entity such as the MacArthur Foundation, the Pew Charitable Trusts, or the Gates Foundation makes a request to the Board to fund a particular study. The Board meets three times a year to vote on these requests.

Almost all of what we do, however, originates in study requests from the legislature itself.

Two Types of Studies. The legislature assigns two types of studies to the Institute: (a) reviews of research from around the country where the goal is to identify potentially effective policies that could be put in place in Washington state, and (b) specific outcome evaluations of programs operating in Washington. By way of analogy, for the first type of study, we play the role of an "investment advisor" where we make "buy or sell" recommendations to the legislature based upon our examination of the options that have been tried and rigorously tested somewhere in the United States or beyond. Then, for the second type of study, we evaluate specific outcomes of Washington programs that policymakers in our state have put in place.

We Focus on High-Quality Research and Benefits and Costs (Return on Investment). In the last fifteen years, the legislature has increasingly directed studies to the Institute of the first type. That is, we receive legislative assignments asking Institute staff to identify "what works?" and "what does not work?" to achieve particular public policy outcomes. We have, for example, carried out these "what works?" assignments in the areas of crime policy, juvenile justice, K-12 education, early education and preventative intervention, child welfare, and mental health and substance abuse. We are now conducting work on health care. We have examined a few of the early childhood options that are in the area of today's hearing.

When we carry out these "investment advisor" studies for the legislature, we follow three specific research steps.

First, we identify "what works" and "what does not work" by analyzing all of the most credible research studies that have been done on a particular policy-relevant topic. For example, when the Washington legislative has asked us to identify "what works" to reduce crime, we examine all of most credible studies that have evaluated sentencing, policing, adult corrections, juvenile justice, and preventative policy and program options.

I emphasize the words "all" and "most credible." When we conduct these reviews we do not cherry-pick studies. If one wants to find a study or two showing that something works or does not work, one can usually find at least some studies pointing to either result. We avoid this selective reading of the literature by including all of the studies on a topic. We then deliver to our legislature conclusions based on the weight of the evidence from all of the studies. The only requirement that we place on these reviews is that the studies included in our reviews must be based on credible scientific evidence. Sadly, a lot of research is done that does not pass our test of scientific rigor. Fortunately, however, for quite a number of public policy topics, there are enough credible studies from which reasonable conclusions can be drawn. As I noted, our goal is to provide the legislature with "buy and sell" information, so a finding that something doesn't work can be just as useful to policymaking as a finding that something works. In addition, when we discover that there is not enough credible research on a particular topic upon which we can draw a conclusion, we also provide that finding to the legislature.

Second, after we review the literature on what works and what does not, we then apply a benefit-cost test to the result to identify whether a policy option makes economic sense. Significantly, because we use a consistent way to measure benefits and costs across all policy options, all of our results can be ranked, based on comparative return-on-investment information. We then assemble the information in a "Consumer Reports" like listing of policy options. The reports have a consistent tabular structure—the same approach that Consumer Reports uses to evaluate products. This enables legislators on different policy committees to draw on a familiar looking analysis to help them make policy and budgetary decisions.

Our third research step involves assembling "portfolios" of options that legislators can use to address a particular outcome. Again, to use the crime example, if the legislature wants to reduce crime and do so in a cost-efficient manner, a number of policy options identified on our "Consumer Reports" like lists can be combined into a policy portfolio. Beginning in the late 1990s, the Washington legislature began using this information to assemble a crime-fighting portfolio and write budgets that involve a combination of sentencing, adult corrections, juvenile justice, and prevention policy options.

An underlying analytical theme of our work addresses the risk involved in our estimates. Virtually all of the single-point, bottom-line results on our lists are the product of a number of estimates and assumptions. The world is risky. We employ statistical techniques that allow us to assess the likely range of outcomes in the information we forward to the legislature. That is, we provide the legislature with two basic findings for each policy topic: (a) our best estimate of a specific benefit-cost result, and (b) the chance that a program or policy will not at least break even. This is the same sort of information that venture capitalists want when evaluating an investment: an expected return on investment, and the probability that the investment will fail. We attempt to provide the Washington legislature with this same sort of information.

Examples. I believe your staff has given you a copy of one of our reports to the legislature, "Return on Investment: Evidence-Based Options to Improve Statewide Outcomes, April 2012 Update." That report, along with all other Institute reports, can be downloaded from our website. http://www.wsipp.wa.gov/pub.asp?docid=12-04-1201

The legislature has been using the information for a number of years, most notably in the area of crime policy. Those crime-related assignments were the first ones directed to the Institute by the legislature, so we are farthest along, analytically, in that important public policy area. In particular, over the last fifteen years, the legislature has increasingly used the information to both stop funding some programs for which the evidence indicates a poor return on investment, and to implement a portfolio of evidence-based crime fighting strategies. One can examine the actual budgets that have been enacted in Washington in recent years and see the direct budgetary references to the Institute's lists for the specific funding levels. We estimate that crime is lower in Washington

because of it, and that there are about 1,200 fewer people in prison today in Washington (than there otherwise would have been) because of the lower crime.

Legislation enacted in more recent years from the Washington legislature is extending these sorts of initiatives to the areas of K-12 education and early education, children's mental health and child welfare, adult mental health and substance abuse. Members of the Washington legislature have expressed interest in early intervention as a way to promote positive outcomes such as increased human capital and economic productivity, and as a way to avoid undesirable outcomes such as child abuse, crime, and rapidly increasing health care costs.

In addition to these comments about this work going on in Washington State by the Institute, the Pew Charitable Trust and the MacArthur Foundation has an initiative named "Results First." That effort is designed to help other states assess the costs and benefits of policy options and use the information to help make decisions. The Results First project is using some of the analytical models created by the Washington State Institute for Public Policy. The Results First states currently include: Connecticut, Florida, Idaho, Illinois, Iowa, Kansas, Massachusetts, Mississippi, New Mexico, New York, Oregon, Rhode Island, Texas, and Vermont.

Conclusion. Mr. Chairman, you asked me today to speak generally about a process the Washington legislature is using to try to obtain more "bang for the buck" in policy making. Let me close by simply reiterating what I think we've learned in Washington state with this home-grown effort to try to improve public policy outcomes. We have learned that in some public policy areas, there is sufficient credible evidence from which reasonable "going-forward" conclusions can be drawn. We have found that this evidence indicates that some policies work to achieve outcomes; some policies do not work; and for some policy options, too little is presently known. We have also learned that it is possible to take a consistent business-like approach, using benefit-cost and risk analysis, to offer policymakers—state legislators in my case—with information to identify policies that are more likely to be successful.

Washington state embarked on this approach about fifteen years ago and it is now applying it to a growing number of policy areas, including some of those that are the subject of your hearing today. My comments today have been directed to the process that we are using to supply the information

to policymakers in Washington. We will be happy to share with your staff more detail on the specific findings to date.

Thank you for this opportunity to appear before your Committee.

Chairman REICHERT. Thank you, Mr. Muhlhausen, for being here, and you are up for 5 minutes.

STATEMENT OF DAVID B. MUHLHAUSEN, PH.D., RESEARCH FELLOW, EMPIRICAL POLICY ANALYSIS, THE HERITAGE FOUNDATION

Mr. MUHLHAUSEN. Thank you. My name is David Muhlhausen, I am a research fellow in empirical policy analysis in the Center for Data Analysis at The Heritage Foundation. I thank Chairman Reichert, Ranking Member Doggett, and the rest of the Committee for the opportunity to testify today on the need to evaluate Federal social programs. The views I express in this testimony are my own and should not be construed to represent any of-

ficial position of The Heritage Foundation. My testimony is based on my recently published book, Do Federal Social Programs Work?

My spoken testimony will focus on three points: First, the best method for assessing the effectiveness of Federal social programs is large-scale, multi-site experimental impact evaluations that use random assignment. Unfortunately, these scientific rigorous assessments are rarely done. From my count, only 20 large-scale multi-site experimental impact evaluations assessing the effectiveness of 21 Federal programs have been published since 1990.

The consequence of so few Federal social programs being rigorously assessed means that Congress has no credible information on the performance of the majority of social programs. To solve this problem, Congress should specifically mandate the multi-site experimental evaluation of these programs. When Congress creates social programs, the funding activities are intended to be spread out across the Nation. For this reason, Federal social programs should be assessed for national effectiveness. While an individual program operating at a single site may undergo an experimental evaluation, the small scale single site evaluation would not inform Federal policymakers of the general effectiveness of the broader national program.

The success of a single program that serves a particular jurisdiction or a population does not necessarily mean that the same program will achieve similar success in other jurisdictions or among different populations, thus small-scale evaluations are poor substitutes for large-scale multi-site evaluations. A multi-site experimental evaluation that uses the performance of a program operating in numerous and diverse settings will produce results that are more informative to policymakers.

Second, the Federal Government does not have a good record of replicating successful social programs on a national scale. Policymakers and advocates often assume that a social program that is effective in one setting will automatically produce the same result in other settings. This is a faulty assumption. For example, for the Center for Employment Training replication, the Federal Government attempted to replicate the successful outcomes of a youth job training program in San Jose, California, in 12 locations throughout the United States. A multi-site experimental evaluation found that the Federal Government was unable to replicate the successful outcomes in these other settings. Just because an innovative program appears to have worked in one location does not mean that the program can be effectively implemented on a larger scale.

Third, policymakers should be mindful that Federal social programs do occasionally produce harmful impacts on recipients. However, social program advocates too frequently ignore these findings. Nevertheless, Congress should be aware of these harmful impacts. Here are two examples. From the 3-year-old cohort of the Head Start Impact Study, kindergarten teachers report that the math abilities of children given access to Head Start were worse than similar children not given access to Head Start.

Students participating in educational, after-school educational activities under the 21st century Learning Centers Program, were more likely to have disciplinary and behavioral problems such as getting suspended from school. Further, they were less likely to

achieve at high levels in class and were less likely to put effort into English classes. With the Federal debt reaching staggering heights, the best method for assessing the effectiveness of social programs and making sure that money is spent wisely are large-scale multisite experimental evaluations, yet to date, this method has been used in only a handful of Federal programs. Congress needs to reverse this trend of not rigorously evaluating Federal social programs. Thank you.

Chairman REICHERT. Thank you, Mr. Muhlhausen.

[The prepared statement of Mr. Muhlhausen follows:]

Evaluating Federal Social Programs: Finding Out What Works and What Does Not

Testimony before
the Committee on Ways and Means
Subcommittee on Human Resources
United States House of Representatives

July 17, 2013

David B. Muhlhausen, Ph.D.
Research Fellow in Empirical Policy Analysis
The Heritage Foundation

My name is David Muhlhausen. I am a Research Fellow in Empirical Policy Analysis in the Center for Data Analysis at The Heritage Foundation. I thank Chairman Dave Reichert, Ranking Member Lloyd Doggett, and the rest of the committee for the opportunity to testify today on the need to evaluate federal social programs. The views I express in this testimony are my own and should not be construed as representing any official position of The Heritage Foundation.

My testimony is based on my recently published book, *Do Federal Social Programs Work?*[1] This is a simple question. While the question may be straightforward, finding an answer is complicated. As my book demonstrates, the best method for assessing the effectiveness of federal social programs is large-scale, multisite experimental impact evaluations. Unfortunately, these scientifically rigorous assessments are rarely done. By my count, only 20 large-scale, multisite experimental impact evaluations assessing the effectiveness of 21 federal social programs have been published since 1990:

- Early Head Start[2]
- Enhanced Early Head Start with Employment Services[3]
- Head Start[4]
- Even Start Family Literacy Program[5]
- 21st Century Community Learning Centers[6]
- Abstinence Education[7]
- Upward Bound[8]
- Food Stamp (renamed SNAP) Employment and Training Program[9]
- Welfare-to-Work[10]
- Employment Retention and Advancement (ERA) Project[11]
- Building Strong Families[12]
- Supporting Healthy Marriage[13]
- Moving to Opportunity and Section 8 Housing Vouchers[14]
- Job Training Partnership Act (JTPA) programs[15]
- Unemployment Insurance (UI) Self-Employment Demonstrations[16]
- Project GATE (Growing America Through Entrepreneurship)[17]
- Job Corps[18]
- JOBSTART[19]

- Center for Employment Training (CET) Replication[20]
- Quantum Opportunity Program Demonstration[21]

The results of these evaluations are summarized in *Do Federal Social Programs Work?*[22]

The consequence of so few federal social programs being rigorously assessed for effectiveness means that Congress has no credible information on the performance of the overwhelming majority of federal social programs. Faced with this lack of knowledge about the effectiveness of federal social programs, it is past time for Congress to devote serious attention and resources to finding out what works and does not work.

Can Effective Programs Be Replicated?

Policymakers and advocates often assume that a social program that is effective in one setting will automatically produce the same results in other settings. Some proponents of evidence-based policy even make this faulty assumption. For example, advocates of expanding early childhood education programs make scientifically unsupportable generalizations regarding effectiveness based on two small-scale evaluations—the High/Scope Perry Preschool and Carolina Abecedarian Projects[23]—that are nowhere near being the definitive studies on the subject.[24] Policymakers should be very skeptical about the speculated payoffs of implementing these programs on a national scale. The evaluation of the Perry program began in 1962. Despite all the hoopla, the results have never been replicated. In more than 50 years, not a single experimental evaluation of the Perry approach applied in another setting or on a larger scale has produced the same results. The same holds true for the Abecedarian program, which began in 1972. There is no evidence that these programs can produce the same results today.

Many advocates of social programs have adopted the language of the "evidence-based" policy movement. Under the evidence-based policy movement, programs found to be effective using rigorous scientific methods are deemed "effective" or "evidence-based" and held up as "model" programs. The assumption is that the same successful impacts found at a particular setting can be replicated in other settings or on the national scale.

However, many of the programs labeled as "evidence-based"—often by program advocates—have been evaluated in only a single setting, so the results cannot necessarily be generalized to other settings. In addition, these evidence-based programs have often been implemented by highly trained professionals operating under ideal conditions. In the real world, program conditions are often much less than optimal. For example, based upon the results of the Abecedarian Project, Congress created Early Head Start—a national program that serves low-income families with pregnant women, infants, and toddlers up to age three.[25] However, the results of a multisite experimental evaluation of the national program found few initial modest impacts that quickly faded way.[26]

Another excellent example of the federal government replicating an effective local program is the Center for Employment Training (CET) Replication.[27] Of 13 youth job-training programs evaluated, the JOBSTART Demonstration found only one program to have a positive impact on earnings—the Center for Employment Training (CET) in San Jose, California.[28] Based on the results for the CET, the U.S. Department of Labor replicated and evaluated the impact of CET in 12 other sites.[29] The CET model had little to no effect on short-term and long-term employment and earnings outcomes at these other locations. The multisite experimental evaluation of CET, according to its authors, "shows, that even in sites that best implemented the

model, CET had no overall employment and earnings effects for youth in the program, even though it increased participants' hours of training and receipt of credentials."[30]

Just because an innovative program appears to have worked in one location, does not mean that the program can be effectively implemented on a larger scale.

What Congress Should Do

Congress needs to take the lead in making sure that the social programs it funds are evaluated. First, when authorizing a new social program or reauthorizing an existing program, Congress should specifically mandate multisite experimental evaluation of the program. Congressional mandates are necessary because federal agencies often resist performing experimental evaluations. For example, many jurisdictions receiving funding through the Job Training Partnership Act (JTPA) and Job Opportunities and Basic Skills (JOBS) programs refused to cooperate with large-scale experimental evaluations of these programs.[31]

Experimental evaluations are the only way to determine to a high degree of certainty the effectiveness of social programs. Thus, Congress should mandate that all recipients of federal funding, if selected for participation, must cooperate with evaluations in order to receive future funding.

Second, the experimental evaluations should be large-scale, nationally representative, multisite studies. When Congress creates social programs, the funded activities are intended to be spread out across the nation. For this reason, Congress should require nationally representative, multisite experimental evaluations of these programs. For multisite evaluations, the selection of the sites to be evaluated should be representative of the population of interest for the program. When program sites and sample participants are randomly selected, the resulting evaluation findings will have high external validity.

While individual programs funded by federal grants may undergo experimental evaluations, these small-scale, single-site evaluations do not inform policymakers of the general effectiveness of national programs. The success of a single program that serves a particular jurisdiction or population does not necessarily mean that the same program will achieve similar success in other jurisdictions or among different populations. Thus, small-scale evaluations are poor substitutes for large-scale evaluations. In addition, a multisite experimental evaluation that examines the performance of a particular program in numerous and diverse settings can potentially produce results that are more persuasive to policymakers than results from a single locality.

The Building Strong Families (BSF) demonstration project sponsored by the U.S. Department of Health and Human Services is an excellent example of a program that had varying impacts by location. BSF provided counseling services to unmarried couples who were expecting or had recently had a baby in eight sites. The marriage program's intent was to steer low-income unmarried couples with or expecting a child toward marriage.

The eight-site demonstration project underwent an experimental evaluation that reported findings for 15- and 36-month follow-up periods. The 36-month follow-up study concluded: "After three years BSF had no effect on the quality of couple's relationships and did not make couples more likely to stay together or get married."[32] In addition at the 36-month follow-up period, "BSF had no effect on couples' co-parenting relationship; it had small negative effects on some aspects of father involvement."[33] Not to be dismissed, the long-term follow-up did find a

beneficial impact of increased socio-emotional development for children in the intervention group, compared to children in the control group.

While the evaluation of the eight demonstration sites found federally funded marriage promotion programs to be ineffective overall, the results from Atlanta, Baltimore, Oklahoma City, and the Florida counties were contradictory.[34] In Atlanta, BSF led to a long-term decrease in the ability of participants to avoid destructive conflict behaviors. In Baltimore, unmarried couples participating in the program were less likely to be still romantically involved at the time of the 15-month follow-up. In addition, couples in the Baltimore program reported less support and affection in their relationships, and fathers were less likely to provide financial support for their children and less likely to engage in cognitive and social play with their children. By the time of the 36-month follow-up, these harmful impacts in Baltimore faded away.

While the short-term findings for the Florida counties indicated that the BSF yielded no beneficial or harmful impacts on participants, the long-term findings indicate the presence of several harmful impacts. For the relationship status of the couples, intervention group couples were less likely to be romantically involved and living together (married or unmarried), compared to their counterparts in the control group. In addition, fathers in the intervention group were less likely to live with and regularly spend time with their child.

In Oklahoma City, the opposite occurred. While unmarried couples in the program were no more likely to marry than were the control group couples at the time of the 15-month follow-up, Oklahoma participants reported improvements in relationship happiness, support and affection, use of constructive conflict behaviors, and avoidance of destructive conflict behaviors. Additionally, fathers participating in the program were more likely to provide financial support for their children than were their counterparts in the control group. While BSF still had no effect on marriage rates at the time of the 36-month follow-up, couples in the intervention group were more likely to report that neither partner had been unfaithful since random assignment, compared to control group couples.

If the Atlanta, Baltimore, and Florida counties sites were the only sites evaluated, then the results would indicate that federally sponsored marriage counseling for unmarried couples with children has harmful effects. Relying only on the more positive Oklahoma City results would have led to the opposite conclusion.

Contradictory results from evaluations of similar social programs implemented in different settings are a product not only of implementation fidelity,[35] but also of the enormous complexity of the social context in which these programs are implemented. Jim Manzi, a senior fellow at the Manhattan Institute, uses the conflicting results of experimental evaluations to explain the influence of "causal density" on the social sciences.[36] "Causal density," a term coined by Manzi, is "the number and complexity of potential causes of the outcomes of interest."[37] Manzi postulates that as causal density rises, social scientists will find greater difficulty in identifying all of the factors that cause the outcome of interest.

The confounding influence of causal density, in addition to implementation fidelity, likely contributed to contradictory effects of federal marriage promotion programs by location. To address causal density, experimental impact evaluations of federal social programs should be conducted using multiple sites. In fact, the total sum of the multiple sites should be nationally representative of the populations served by the social program being evaluated.

Causing Harm

The results of the 20 multisite experimental evaluations of 21 federal social programs published since 1990 generally find that these programs are ineffective.[38] However, social program advocates too frequently concentrate on any beneficial, even if only modest, impacts that have been identified. Nevertheless, politicians and policy experts also need to recognize that federal social programs can produce harmful impacts too. These harmful effects rarely get mentioned in government press releases announcing the findings of evaluations. In addition to the BSF findings, the following is a brief summary of the harmful impacts found in multisite experimental evaluations of federal social programs published since 1990.[39]

For Early Head Start, white parents in the intervention group displayed higher dysfunctional parent-child interactions than their counterparts in the control group.[40] Further, participation in Early Head Start appears to have increased welfare dependency for Hispanics.

Enhanced Early Head Start with Employment Services is a demonstration program that involves regular Early Head Start services with the addition of employment and training services for parents. An experimental evaluation of the program based on two sites in Kansas and Missouri was performed. At the time of the 48-month follow-up, the longest job spells of mothers participating in the program were significantly shorter than the job spells of mothers in the control group.[41]

For the three-year-old cohort of the Head Start Impact Study, kindergarten teachers reported that math abilities were worse than for similar children not given access to the program.[42] For the four-year-old cohort, teachers reported that Head Start children in the first grade were more likely to be shy or socially reticent than their peers. By the third grade, teachers reported that the four-year-old cohort with access to Head Start displayed a higher degree of unfavorable emotional symptoms than similar children without access to the program.[43] Further, children in the four-year-old cohort self-reported poorer peer relations with fellow children than their counterparts in the control group.[44]

The role of the federal government in funding after-school programs increased substantially after passage of the Improving America's School Act of 1994, which created the 21st Century Community Learning Centers program. A multisite experimental impact evaluation of the 21st Century Community Learning Centers program found a whole host of harmful effects.[45] Overall, teachers found participating students to have disciplinary problems that were confirmed by student-reported data. According to their teachers, participating students were less likely to achieve at above average or high levels in class and were less likely to put effort into reading or English classes. These students were also more likely to have behavior problems in school than their counterparts. Teachers were more likely to have to call the parents of participating students about misbehavior. Participating students were also more likely to miss recess or be placed in the hall for disciplinary reasons, while also having parents come to school more often to address behavior problems. 21st Century students were also more likely to be suspended from school than similar students.

Upward Bound was created in 1965 and is an original War on Poverty social program. Through the provision of supplemental academic and support services and activities, Upward Bound is intended to help economically disadvantaged high school students successfully complete high school and attend college. Despite the program's lofty goal, Upward Bound participants with high expectations to earn a college degree were less likely than their

counterparts to earn associate's degrees, while being no more or less likely to attain any other college degree.[46]

The Department of Health and Human Services and Department of Labor funded the Employment Retention and Advancement (ERA) project, initiated in 1998, to assess the effectiveness of 12 different employment retention and advancement programs across the nation.[47] Participation in ERA programs targeting unemployed Temporary Assistance for Needy Families (TANF) recipients in Houston, Texas, and Salem, Oregon, was associated with increased dependence on the receipt of TANF benefits, while participation in the program in Fort Worth, Texas, was associated with increased dependence on food stamps. The Chicago ERA program targeting employed TANF recipients was associated with increased dependence on food stamps, while the Medford, Oregon, ERA program targeting employed individuals not on TANF was associated with decreased employment.

Conducted in five cities, the Moving to Opportunity (MTO) demonstration assessed the impact of offering families with children under 18 living in public housing developments or concentrated poverty areas the opportunity to move out of their neighborhoods. The evaluation consisted of two intervention groups, MTO voucher recipients and Section 8 voucher recipients, compared to a control group that did not receive MTO or Section 8 vouchers but was eligible to receive public housing assistance. For adults and children with access to MTO or Section 8 vouchers, several harmful impacts were produced.[48] Access to a MTO voucher was associated with increased dependence on drugs and alcohol for adults. Also, MTO adults had higher participation rates in food stamps and received more food stamp benefits than their similar counterparts not given access to MTO or Section 8 vouchers. Youth from families given access to MTO vouchers were less likely to be employed and more likely to have smoked than their peers. These youth were also more likely to be arrested for property crimes. As for Section 8, adults offered access were more likely to be currently unemployed and less likely to have employment spells with the same job for at least a year. In addition, Section 8 adults were less likely to be currently working and not receiving TANF than their counterparts. Section 8 youth were more likely to have smoked than their peers in the control group.

Adult men participating in JTPA programs were more likely to be dependent on AFDC benefits than similar men not given access to the training.[49] Male youths with no criminal arrest record at the time of random assignment were more likely to be arrested after participating in federal job-training programs, while male youth with histories of arrest experienced long-term declines in income.

In an attempt to help Americans start businesses, the Department of Labor teamed with the Small Business Administration to create an employment program to assistant people in creating or expanding their own business enterprises.[50] After receiving entrepreneurship training, Project GATE participants spent more time collecting Unemployment Insurance benefits than their counterparts that were not taught how to be entrepreneurs. While Project GATE had no effect on the self-employment income of participants, participants experienced initial periods of decreased wages and salaries earned from overall employment.

The Quantum Opportunity Program (QOP) demonstration, operated by the U.S. Department of Labor and the Ford Foundation from 1995 to 2001, offered intensive and comprehensive services with the intention of helping at-risk youth graduate from high school and enroll in postsecondary education or training. QOP provided services to participants year-round

for five years. The findings from the QOP experimental evaluation, according to its authors, provide some insight about the effectiveness of WIA youth programs. For the initial post-intervention impacts, youth participating in QOP were less likely to find jobs that provided health insurance benefits.[51] At the six-year follow-up period, youth participating in QOP were more likely to be arrested.[52] Increasing criminality appears to be a common effect of federal job-training programs supposedly benefiting youth.

The previously discussed CET Replication job-training programs were associated with several harmful outcomes.[53] Men experienced periods of declines in employment, earnings, and number of months worked. Individual participants who possessed a high school diploma or GED at the time of random assignment experienced periods of declines in the number of months worked and earnings. In addition, participants in the high-fidelity sites were less likely to find jobs that provided health insurance. Also, those older than 18 and those with high school degrees or GEDs at the time of random assignment were less likely to have jobs that provided health insurance.

Job Corps is another federal training program that has negative effects. Created in 1964, Job Corps is a residential job-training program that serves disadvantaged youths aged 16 to 24 in 125 sites across the nation. A multisite experimental evaluation of Job Corps found, compared to non-participants, Job Corp participants were less likely to earn a high school diploma.[54] In addition, youth participating in the program worked fewer weeks and worked fewer hours per week than similar youth in the control group.[55]

In sum, federal social programs that harm their participants are not uncommon. This fact is all too often ignored by advocates of these social programs.

Conclusion

With the federal debt reaching staggering heights, Congress needs to ensure that it is spending taxpayer dollars wisely. Multisite experimental evaluations are the best method for assessing the effectiveness of federal social programs. Yet to date, this method has been used on only a handful of federal social programs. While previous results have been disappointing, Congress needs to reverse the trend of not rigorously evaluating federal social programs.

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Chairman REICHERT. Ms. Smith, you are recognized for 5 minutes.

STATEMENT OF TARA SMITH, RESEARCH ASSOCIATE, RAY MARSHALL CENTER, LYNDON B. JOHNSON SCHOOL OF PUBLIC AFFAIRS, THE UNIVERSITY OF TEXAS

Ms. SMITH. Thank you. Good afternoon, Chairman Reichert, Ranking Member Doggett, and Members of the committee. My name is Tara Smith, I am with the Ray Marshall Center for the Study of Human Resources at the University of Texas at Austin's LBJ School of Public Affairs. Thank you for inviting me today.

This hearing's focus on families coincides with a growing body of research on two-generation programs designed to link services for children and parents so that families as a whole can build the human capital they need to succeed in school and the labor market. Today, I would like to share findings and lessons learned from evaluations of two such programs.

Capital IDEA is a sectoral-based training program in Austin, Texas, that was built on a model pioneered by Project QUEST in San Antonio for employer-driven work force development. Capital IDEA provides training primarily in health care for low-income and disadvantaged adults. The evaluation tracks participants from 2003 forward and includes outcome, impact, and ROI analyses. CareerAdvance is a career pathways program in Tulsa, Oklahoma, which provides parents of Head Start and early Head Start students with training for health care occupations. This program launched in 2009, and the evaluation includes an implementation study as well as outcome and impact studies focused on parents and children.

The impact evaluations for both programs use quasi-experimental research methods based on a carefully matched comparison group. There are five key points I would like to emphasize about these evaluations. First, rigorous quasi-experimental methods have been found to produce impact estimates similar to those found in random control trials. Quasi-experimental methods also address issues such as the localized nature of programs which limits the pool of prospective and eligible applicants needed to support a random control trial.

Second, the use of administrative records and propensity score matching techniques helps to keep evaluation costs reasonable. In both evaluations State UI records provide consistent, comprehensive, and inexpensive data on employment and earnings. For Capital IDEA, the comparison group is drawn from individuals who receive job search assistance at a local one-stop career center and who closely resemble participants along 18 characteristics, including demographics and prior employment and earnings history. For CareerAdvance, the comparison group is drawn from other Head Start parents matched along multiple characteristics, including a documented interest in pursuing further education and training. The rigor of the comparison group matching design undergirds our confidence in the evaluation findings.

Third, sectoral and career pathway models have demonstrated effectiveness in a number of industries and labor markets by connecting low-income and low-skilled adults with the training they need to enter higher paying careers. If you have my written testimony in front of you, the chart on page 3 shows our most recent findings from Capital IDEA. We find that on average the earnings of participants continue to grow over time while comparison group Members who receive only job search assistance or other basic work force services tend to have relatively flat earnings.

My fourth point is that two-generation strategies which look to build on sectoral or career pathway programs by linking those adult education and work force training services with high quality educational opportunities for children show promise. Wrap-around and family support services including child care, transportation as-

sistance, counseling, and other resources ensure that participants in both generations receive the help they need to achieve at a high level.

In CareerAdvance this support can include a monthly financial incentive for performance and attendance to help offset the costs of participation and provide some financial stability for the family.

Finally, because social programs rarely involve cookie cutter approaches, it is important to consider a broad base of evidence when evaluating program effectiveness. Implementation and process evaluations provide important context for understanding how programs operate and identifying which services may lead to better outcomes and impacts over time. This is particularly true for new and emerging programs and program replication efforts.

In conclusion, strategies that focus on basic skills which provide counseling and other support services, which increase opportunities to earn and learn so that parents can support their families while in training and target skill development at high wage, high demand occupations in the local labor market all appear to have significant rigorous evaluation support and could be promoted in Federal programs.

By investing in proven approaches and promising strategies, such as two-generation initiatives, and supporting a broad range of research and evaluation efforts on those investments, the Federal Government can play an integral role in building the knowledge base needed to expand and improve efforts to move families out of poverty. Thank you.

Chairman REICHERT. Thank you, Ms. Smith.

[The prepared statement of Ms. Smith follows:]

Testimony before the Subcommittee on Human Resources, Committee on Ways and Means, U.S. House of Representatives

Tara Smith, Research Associate, Ray Marshall Center for the Study of Human Resources at The University of Texas at Austin's Lyndon B. Johnson School of Public Affairs

July 17, 2013

Good afternoon Chairman Reichert, Ranking Member Doggett, and Members of the Subcommittee. My name is Tara Smith; I am a Research Associate at the Ray Marshall Center for the Study of Human Resources, which is part of The University of Texas at Austin's Lyndon B. Johnson School of Public Affairs. Thank you for inviting me to testify about evaluation efforts to help families support their children and escape poverty. The two-generation focus of this hearing coincides with a growing body of research and demonstration programs that seek to link services for children and parents so that families as a whole can build the human capital they need to succeed in school and the labor market.

Today I would like to share with you the findings from the Ray Marshall Center's evaluation of two sector-based training programs with an identified two-generation focus (Sommer et al, 2011). The first, Capital IDEA, is a program that operates in Travis County, Texas. The Center's evaluation tracks participants over time, starting with the cohort that began in 2003. The second program is Career*Advance*®, a program launched by the Community Action Project of Tulsa County, Oklahoma (CAP) in 2009. Both evaluations incorporate a rigorous quasi-experimental design to 1) address issues related to the localized nature and selectivity of the programs; and 2) work within funding constraints by taking advantage of inexpensive administrative data sources and propensity score matching techniques. In both cases the available pool of eligible and interested applicants is not large enough to support a random control trial. The programs have developed selective enrollment requirements to target resources at individuals who are better prepared to enter and succeed in intensive skills training. Key data sources available for both evaluations include program progress data and state unemployment insurance (UI), workforce, and other public benefit records.

Evaluation of Capital IDEA

Since 2006, my colleagues at the Ray Marshall Center and I have been conducting an outcomes and impacts evaluation of local workforce development investments.[1] Travis County, Texas, home to state capital Austin, is fairly unique among local governments: each year it invests approximately $1.5 - 2 million local tax dollars in job training and other workforce services for disadvantaged residents, including individuals who are at or below 200 percent of the poverty

[1] All of the research reports from this evaluation is available at: www.raymarshallcenter.org

line, ex-offenders, and individuals without high school education credentials.[2] Perhaps even more unique, Travis County funds the Ray Marshall Center to conduct a rigorous ongoing evaluation of those investments.

Capital IDEA is one of the programs whose evaluation is funded by Travis County. Annual reports document participant outcomes across four measures over time: quarterly employment, quarterly earnings of those employed, claims filed for UI benefits, and monetary eligibility for UI benefits in the event of a job loss—a proxy measure for employment stability given that, to be eligible, individuals must have earnings in the first four of the last five quarters prior to filing a UI claim.

The impacts analysis follows a quasi-experimental methodology with the creation of a carefully matched comparison group drawn from individuals who received job search assistance or other universal services at local One-Stop Career Centers. Individuals are matched along at least 18 dimensions, including demographics and prior employment and earnings. Impacts are measured by statistically significant differences between outcomes from participation in Capital IDEA versus outcomes from accessing other job search assistance services in the community. This methodology follows research by Greenberg at al. (2006), Hollenbeck and Huang (2006), Card et al. (2010), and Heinrich et al. (2010), all of which have found that such quasi-experimental designs can produce impact estimates comparable to those resulting from more rigorous and costly approaches, i.e., randomized control trials. As recently advocated by Maureen Conway and her colleagues at the Aspen Institute (2012), state UI (and other state workforce) records provide a key advantage given the modest Travis County evaluation budget: it is relatively inexpensive to collect the data and run the analysis.

Capital IDEA takes a sectoral approach through strong collaborations with Austin Community College and employers and industry groups to prepare participants to succeed in the workplace. Capital IDEA supports long-term training primarily in healthcare (approximately 75 percent of participants), including nursing and allied health occupations such as dental hygienist, surgical technician, and occupational or physical therapy assistant. Training is also available in technology careers and professional trades currently paying a starting wage of $16 or more per hour with benefits. The range of training options supported by Capital IDEA has changed over time based on the needs of the Austin labor market and prevailing occupational wages.

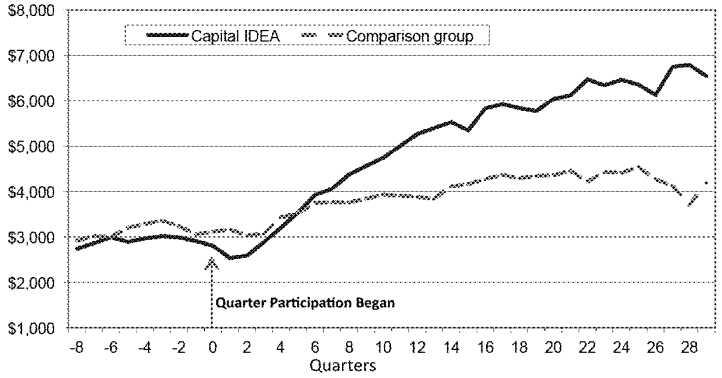
The most recent impact evaluation includes 879 Capital IDEA participants who started and either completed or dropped out of the program between 2003 and 2008, and examines outcomes through March 2011 (Smith, King, and Schroeder, 2012). Capital IDEA participants

[2] It should be noted that the City of Austin also invests a similar amount of its local tax dollars each year in workforce development services for disadvantaged residents.

significantly out-performed the comparison group on three measures. Across all post-service quarters, participants had a 12.3 percentage point advantage over the comparison group in the share employed as well as the share with sufficient employment and earnings to meet the monetary eligibility standards for UI benefits. Employed Capital IDEA participants also earned an average $759 *more* in each post-service quarter than the comparison group, at an average of $7,104 per quarter over the post-service period. Unemployment claims were low (under 3 percent) and not significantly different between the groups.

The evaluation also compares the unconditional earnings over time of participants and comparison group members to illustrate the relationship between quarterly employment and earnings. Unconditional earnings are averaged across all of the individuals in a group regardless of employment status. After having very similar earnings in the eight quarters prior to seeking workforce development services—demonstrating the quality of the comparison group matching process—participants entering Capital IDEA experienced a trough of earnings in relation to the comparison group for several quarters (Figure 1 below). Capital IDEA participants are typically in training for eighteen months and often only work part-time during that period. Starting in the sixth quarter after service, however, participants out-earned the comparison group in each subsequent quarter examined. While the comparison group's earnings have been relatively flat, the earnings of Capital IDEA participants have continued to climb. The earliest cohorts earned approximately $2,000 more each quarter than the comparison group in five and one-half to seven years after program entry.

Figure 1: Capital IDEA Participant Earnings Over Time Versus Matched Comparison Group



The design of Capital IDEA grew out of a model pioneered by Project QUEST in San Antonio, Texas, for employer-driven, intensive skill development with a focus on investing in people (Deaton and McPherson, 1991; Campbell, 1994). As a sectoral program, Capital IDEA collaborates with employers and training providers to help prepare participants to succeed in available jobs. The program regularly reviews training offerings and local labor demand with employers and industry groups to shape program offerings to meet the needs of the local economy. A close collaboration with Austin Community College, the provider for the majority of the occupational training programs, has also resulted in Capital IDEA's College Prep Academy, which prepares individuals with at least 5th grade skills to enter college-level courses rather than traditional developmental education.

It is important to note that Capital IDEA has a selective enrollment process that is intended to identify individuals who are motivated and capable to succeed in an intensive program. Capital IDEA covers all of the costs associated with the training, and provides or funds multiple support services designed to help individuals achieve their employment goals. Child care and transportation assistance are key supports for many participants who would otherwise not be able to afford to spend time in training. Weekly participant VIP (Vision, Initiative, and Perseverance) group meetings and individual conversations with career counselors help keep participants focused on the opportunity and build the critical soft skills in communication, time management, and financial literacy that will better prepare them for the workplace.

In 2011, the Ray Marshall Center conducted an exploratory return on investment (ROI) analysis of the program (Smith and King, 2011). Capital IDEA is funded through a mix of public and private resources. Approximately two-thirds of the program's budget is derived from taxpayers, while the remaining one-third is funded by employers, alumni, individuals and philanthropic organizations. Using the impact evaluation findings for the 2003-2004 cohorts of Capital IDEA participants, we completed a benefit-cost analysis based on actual program expenditures (which averaged approximately $6,500 per participant), foregone earnings, and outcomes using conservative assumptions for fringe benefits, future earnings growth, the discount rate, taxes, and public benefits. We found that the taxpayer's investment was fully recouped after 8.5 years. Over the first ten years, each dollar invested in Capital IDEA was estimated to return $1.65 to taxpayers – an annual rate of return of approximately 9 percent. Over 20 years that rate rises to 17 percent with each taxpayer dollar in Capital IDEA returning $5.01.

The Ray Marshall Center is not the only organization evaluating Capital IDEA. Researchers for the Aspen Institute's Workforce Strategies Initiative have studied the Capital IDEA-Austin Community College collaboration along with five other sector-based nonprofit-community college partnerships across the country to identify how such partnerships provide the supports

and services that low-income learners need to succeed in training and enter employment. The Courses to Employment evaluation seeks to identify effective partnership models and key program components that lead to better student outcomes. The most recent update from the study (Helmer, 2013) examines how each of the partnerships helps adult learners navigate community college and the labor market. College entry, persistence and completion, and the transition to the labor market are the three major challenges facing many adult learners. The research highlights Capital IDEA's College Prep Academy, the program's peer support group meetings and career counselors, and its ongoing case management and alumni network as promising strategies for addressing those common challenges.

Finally, recent indicative evidence on Capital IDEA includes a survey of seventy-eight graduates to gather information about intergenerational impacts (McCollum, 2011). Almost ninety percent of respondents' children who are now 18 or older have received a high school diploma, while another 7 percent have received a GED. More than half (53 percent) of those children are currently enrolled in college while 11 percent have already earned a college degree. An additional 11 percent had some college experience but were not currently enrolled at the time of the survey. The survey respondents strongly connected their participation in Capital IDEA with their children's academic performance and their expectations for their children to attend college.

Given this full body of evidence, the Capital IDEA sectoral/career pathway model appears to be a successful strategy for helping to lift families out of poverty. The quasi-experimental methods, combined with multiple evaluation sources, appear to demonstrate significant support for the conclusions drawn about program effectiveness. Further tests of the model in different labor markets would help to identify challenges and alternative approaches for successful replication. Recent Federal investments, including the U.S. Department of Health and Human Services-funded Innovative Strategies Initiative for Self-Sufficiency (ISIS) and the U.S. Department of Labor's Workforce Innovation Funds, should provide important evidence on these topics.

***Evaluation of* Career*Advance*®**

Through my work at the Ray Marshall Center, I have also been involved in the development and evaluation of a two-generation strategy in Tulsa, Oklahoma. Career*Advance*® provides training for parents of children in Head Start or Early Head Start, including TANF recipients, for careers in nursing, health information technology, and other allied health professions. Career*Advance*® was launched in 2009 based on a program design created by the Ray Marshall Center in collaboration with researchers at Harvard University and the Community Action Project of Tulsa County (CAP) which, among other activities, runs most of Tulsa's Head Start and Early Head Start centers (King et al., 2009). CAP contracts with Tulsa Community College and the Tulsa

Technology Center to provide training along several healthcare career pathways. Other key components of the program include career coaching, peer support groups, childcare assistance, and monthly financial incentives based on performance and attendance.

In Tulsa, a multi-method evaluation is underway to determine whether this sectoral/career pathway training program linked to high quality early childhood education programs and other supports will result in better outcomes for both parents and children over time. Originally funded by the George Kaiser Family Foundation, the program is now supported by the Administration for Children and Families' Health Professions Opportunities Grant (HPOG) program. The CAP Family Life Study evaluation is funded by the HPOG-University Partnership initiative and the W.K. Kellogg Foundation, and led by P. Lindsay Chase-Lansdale at Northwestern University and Christopher T. King, Director at the Ray Marshall Center. The comprehensive evaluation design includes qualitative and quantitative research components to understand educational and labor market impacts for parents who participate in Career*Advance*® and their children (Chase-Lansdale and King, 2013).

The variety and breadth of the data assembled for the evaluation are particularly appropriate for a program at this stage in its development. Career*Advance*® is still refining its service and training approach through a regular feedback loop among evaluators, program staff, training providers, and Tulsa healthcare industry employers. This focus on continuous improvement is one factor that seems to be tied to program effectiveness. A key piece of evidence for program improvement is the implementation evaluation of Career*Advance*® led by the Ray Marshall Center. I draw your attention to this research to underscore how important it is to fund more than outcomes and impact studies when evaluating social programs, especially new and emerging ones. The implementation study provides important context for interpreting Career*Advance*® outcomes and impact findings. Implementation research and process evaluations are needed, particularly in pilot and demonstration projects, to discover how a planned program design operates in reality, to document challenges and any program responses over time, and to gain insight from key stakeholders to identify lessons learned and recommendations for other partnerships that may be interested in replicating or adapting the approach in their community (Smith, Douglas, and Glover, 2012).

The quasi-experimental impacts analysis underway in Tulsa uses a carefully matched comparison group drawn from parents of children in CAP early childhood centers who do not participate in Career*Advance*®, but who have shown significant motivation for and interest in further education and career training in surveys conducted by Family Support workers. In the impacts study, participant and matched comparison group parents all complete regular surveys and interviews and consent to have their employment and public benefit records released for analysis. Further, the research identifies a target child in each family to follow in their

transition from CAP's early childhood centers to elementary school and beyond to document second-generation outcomes. Regular assessments with the child, based on measures that are validated in the evaluation literature, as well as surveys of the child's teachers provide information important to determining how a parent's participation in job training impacts the child's educational experiences. This research is in year three of a funded five-year study (Chase-Lansdale, et al., 2013).

Other Evidence in Support of Two-Generation and Sector Strategies

I believe the Capital IDEA and Career*Advance®* evaluations contribute important evidence to the growing research base in support of sector-based or career pathway workforce development and two-generation strategies designed to lift low-income adults and their families out of poverty. Other researchers have found that social programs, particularly education and training programs focused on improving longer-term economic outcomes, also can have a significant effect on families.

In *Tuning into Local Labor Markets: Findings from the Sectoral Employment Impact Study,* Maguire et al. (2010) report on the results of an experimental study of three sector-based programs.[3] The findings reveal strong impacts, including a 32 percentage point increase in training participation, and an 18 percent increase in earnings over a two-year period. The authors conclude that "the study provides compelling evidence that nonprofit-led sector-focused training programs can increase the earnings of a range of disadvantaged populations" (page 54).

In a study for the Annie E. Casey Foundation, Magnuson (2007) concluded that "evidence suggest that parents who succeed in completing additional schooling or secure a higher-paying job are likely to have children with better health, schooling, and labor market outcomes" (p. 7). One promising approach is Washington State's I-BEST Model (Integrated Basic Education and Skills Training Program). The I-BEST Model has gained national attention through evaluations showing that it is a highly effective strategy for low-income adults who need to quickly develop basic and occupational skills for fast entry into the labor market (Zeidenberg et al., 2010). Using a quasi-experimental methodology, evaluators have found a 17 percentage point increase in service participation and a 7.5 percentage point increase in the rate of occupational certifications earned within three years of initial enrollment. This strategy has important implications for helping low-income adults overcome poor basic academic skills and avoid the trap of developmental education which too often prevents individuals from pursuing college-level training for higher-wage occupations.

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[3] Per Scholas in New York City, Jewish Vocational Services in Boston, and the Wisconsin Regional Training Partnership in Milwaukee.

In a review of the evaluation literature, King and Heinrich (2011) found considerable evidence that workforce development investments are effective and can produce significant returns for participants, employers, taxpayers, and society. They note sector-based programs in particular as a promising strategy for preparing low-income adults for opportunities in the labor market. The authors sound a warning, however, on declining investments in workforce development at a time when the nation is still struggling to recover from the Great Recession. Younger workers and low-skilled, low-income adults in particular need proven, targeted interventions to prepare for, obtain, and persist in employment.

Concluding Thoughts

Sector-based strategies and related career pathway programs which are targeted at local labor market needs and which support low-income adults in overcoming barriers to program completion and labor market transitions have demonstrated effectiveness in a number of communities and industries (Glover and King, 2010). Tying those strategies, which are targeted at adults, with services and high quality educational opportunities for children is the logical next step (Smith, 2012; Ascend, 2012). Thoughtfully connected programs that target whole families for advancement have demonstrated some promising preliminary results. While the evidence base in support of two-generation strategies is currently being built, there is much the Federal government can do to act on the available evidence.

Federal programs, whether contract- or grant-funded, should encourage or require investments in program models and strategies that have consistently been found to be effective. Strategies that focus on basic skills, provide counseling and other support services, increase opportunities to "earn and learn" so that parents can support their families while in training, and target skill development at high-wage, high-demand occupations in the local labor market all appear to have significant, rigorous evaluation support and could be promoted in Federal programs. Because no single approach would work in every community or with every disadvantaged population, it is important to identify which strategies appear to be best applied in a given context. The Federal government can help build the needed knowledge base for understanding what works by funding evaluation studies of its investments using a variety of research methods that have been proven both rigorous and cost-effective.

Thank you for your attention; I would be happy to answer any questions you may have about my work or the programs and research I have discussed here today.

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Chairman REICHERT. And for your information, panelists, now is the question-and-answer phase, so I am sure the Members on the Committee would like to ask a few questions. I will start with Mr. Baron. In your testimony, you note the important groundwork laid for welfare reform when high quality experiments were conducted in the eighties and nineties to find the best way to help people move from welfare to work. In fact, this research helped shape the successful 1996 reforms which created TANF.

Beyond TANF, however, the Subcommittee oversees other programs that haven't benefited from the type of experimentation and high quality evaluation that led to welfare reform. Given where we

are now, in your opinion, what should we be focused on first? What would be our number one priority, and is this just the first thing we need to focus on and are there any other priorities that kind of fall off of that? I would be interested in hearing that.

Mr. BARON. Thank you. One of the reasons why there is such a large body of strong, in many cases, replicated evidence from randomized trials in Welfare-to-Work is because the Federal Government had in place for many years, starting at the end of the Reagan administration through the first Bush administration, and then into the Clinton administration, a waiver evaluation policy, meaning the Federal Government said to the States, we will allow you to do your own welfare reform demonstrations. We, the Feds, will waive provisions of law and regulation to allow you to do those reforms if, and here was the quid pro quo, you do a rigorous evaluation, usually a randomized evaluation, to determine whether it works or not. That policy, that waiver evaluation policy resulted in more than 20 large-scale randomized control trials that contributed to the important body of knowledge, the evidence that helped inform the work-focused 1999 Welfare Reform Act.

That kind of waiver-evaluation approach could be used in many other programs. The same general concept, it would have to be adapted, it could be used in unemployment insurance, in foster care, in SSI, and disability insurance, and other areas to allow State and local innovation, open the door fairly wide, coupled with a requirement for rigorous evaluation to determine which of those innovations really work and which do not.

That is something that—and also importantly, as in welfare, with a requirement for cost neutrality, so that you are testing innovations that are designed to improve people's lives while not adding to the deficit or that are cost saving while also improving people's lives or not causing any harm.

Chairman REICHERT. Appreciate that. Thank you.

Ms. Cox, you describe how Utah has a specific division in the Department of Work force Services focused on building evidence about the effectiveness of programs. What did you find most difficult about measuring effectiveness? I am going to guess one of the things was the disalignment piece that you spoke about.

Ms. COX. Uh-huh.

Chairman REICHERT. How did you use this information to make decisions about which programs were managed and funded?

Ms. COX. Well, you know, I have the same question I think you raised earlier, do job training programs work or not? I had heard a lot of the literature, just like you had, but we wanted to test it in Utah. So we did a really rigorous assessment longitudinal, we did the whole randomization, and looked at—this is just one of the studies, for example, in job training, did it make a difference or not. The bigger question was sometimes, and what the type of job services that were delivered and when.

So we found, for example, unpaid internships really didn't work, paid internships didn't work in all parts of the State except for one place, so it was replicating why that worked. We found that occupational training tied to an employer did work.

So there are things we found that did and didn't work, but the interesting thing we found, for example, is that when they com-

pleted the training was a big variable. We had too many people, 50 percent of our folks coming into the job training program, starting it, stopping halfway through or a third of the way through. The taxpayers lost the up front cost, and the person doesn't get the benefit, so it really forced us to look at new strategies on completion. Same thing with TANF participation. What things do people tend to participate in without us having to chase paperwork. They tended to be employment related and things that related to their lives and then which of those ended up helping them become self-sufficient and moving to jobs. We were able to more narrowly tailor what kind of participation activities we focus on. The challenges are, there is not a budget, there is not an appropriation in these Federal programs. Like I said, 80 percent of our budget at Work force Services was Federal. It wasn't a set-aside amount of money saying, here, do evidence-based practices, it is something we had to kind of internally create and cobble together some funds for that to happen, and there is not an appropriation directly for that. That funding piece is a challenge because while we talk at this level, and you guys have to make those decisions because you have such a huge impact on the Nation, once you get into the operational level, people kind of may not take it as seriously, and there is not a requirement or mandate with some cases like this for that to really happen. As we go now, a look at all the other services in State government will be doing the same thing.

Chairman REICHERT. Thank you for that answer. My time has expired, but I am going to ask Mr. Aos a quick question because I know he has to leave and catch an airplane here in a few minutes. Could what you do in Washington State be replicated at the Federal level, and what are some of the key challenges we might have to overcome here in the Capital to do so?

Mr. AOS. Mr. Chairman, I have worked in the State capital of Washington for 36 years, so I know that place pretty well. I don't know this place very well, so I am not going to be the one to give you advice on can what be done in Washington State be transferred to Washington, DC. I think the principle is that it works so well in Washington State is that the request for this information is bipartisan. We rarely get a demand for a study that only comes from one party or the other. It is almost unanimous votes, that they want to find out what reduces crime or what gets more high school graduates.

The other thing that we have done then is that the rigor with which we as the people that draw the information go through to assess the evidence fairly and to use return on investment analysis to rank options because you can find things that work that cost an awful lot more money than the benefits they derive, so it is that aspect.

And, then, finally, I would just add that we use that evidence to cut programs in addition to add programs that work, and I think that that message that the legislature is using evidence to change budgeting up and down has resonated around and causes actions and responsiveness to the notion so that evidence-based doesn't mean just a code word for spend more money.

Chairman REICHERT. Thank you for your answer. Mr. Doggett, you are recognized.

Mr. DOGGETT. Thank you, Mr. Chairman. Mr. Aos, I notice in your evaluation it looks like as far as child welfare is concerned that the Nurse Family Partnership, the visiting nurse program for low-income families, is way out on top as being the most cost-effective program.

Mr. AOS. Yes, it is right near the top of our list. I think it is also a buy recommendation from Jon Baron's group as well.

Mr. DOGGETT. Exactly. Thank you. I wanted to ask him also, what is it about this program that seems to have the most benefit?

Mr. BARON. The program is very well designed in the following sense: It is for women who are poor, pregnant with their first child, and most of them are single. They are visited by a nurse, many of them—you know, they are pregnant with their first child, they are concerned about their health, so they are particularly receptive to advice from a nurse. The nurse teaches them basic parenting, nutrition, not to smoke or drink during pregnancy. If they are interested in practicing birth control, how to do it effectively. One of the reasons this program is on the top of Steve's list and the top of our top tier panel's list is that it has been evaluated in three different randomized control trials, in different cities, different ethnic groups, actually different decades.

In all three cases, it was found to produce large improvements in life outcomes including, for example, a 40 to 50 percent reduction in incidents of child abuse and neglect and hospitalization.

Mr. DOGGETT. You are aware that the Federal funding for that program expires in little more than a year, the Federal Home Visiting Program. Do you favor its extension?

Mr. BARON. Definitely. In many Federal social programs, evidence plays little role in how funds get allocated, whether they are formula programs or even most competitive grant programs. The evidence-based home visiting program is an important exception to that. Evidence, especially for the largest grants plays a central role in determining what gets funded.

Mr. DOGGETT. Thank you very much.

Ms. Smith, let me talk to you about another innovative program that you focused on with Capital IDEA and Project QUEST. This is not only about just securing any job that is there, but as you mentioned a career pathway so that a person has hopes of not only getting a job but getting a job that will help them support their family at a livable wage. As I understand the program, again, it is not just about how you have become a radiology technician or someone who works in semiconductors, but it is about getting some counseling to go along with that training to be sure that you are able to fulfill all the responsibilities. Can you elaborate a little on how those programs work?

Ms. SMITH. Yes. The Capital IDEA model provides the occupational training as a connection with the associate degree program or community college program that builds that occupational skill, but they also work on building the soft skills that are important in the workplace and make someone a successful employee, and so through weekly sessions with a career coach, participants go through and talk about issues like time management, communication and interpersonal relationship skills, and work on building

kind of some self-confidence that they can take into the workplace and make sure they are going to be a valuable employee.

Mr. DOGGETT. And how might those programs interface with TANF? Is there the potential to assist more TANF recipients, but to help them achieve some of the same success that Capital IDEA and Project QUEST are already achieving?

Ms. SMITH. Certainly. Actually both of those programs, as well as the Career Advance program in Tulsa, serve TANF recipients already. They are part of that low income and disadvantaged group that these programs are explicitly trying to move forward in the workplace.

Mr. DOGGETT. Are there other recommendations that you have that we should consider as we are renewing and reauthorizing the TANF program to assure that more economically disadvantaged people actually move into living wage jobs?

Ms. SMITH. Yes, I think reconsidering the work requirements to allow individuals to engage in that longer term intensive skill development that has been shown to lead to higher paying careers that actually move people out of poverty would be an important change to consider. The emphasis on work first with a very short term emphasis on job achieving skills hasn't been shown to be effective in the same way that building an occupational credential that employers value has.

Mr. DOGGETT. And, Ms. Cox, isn't that also the finding of an analysis in Utah that was made last year, that work first is not necessarily as important as the training activities?

Ms. COX. Actually, I don't think it is either/or. I think it is short-term occupational training that is connected to an employer, so I think it is bridging both of those worlds. We know that connection to the labor force over time is an important indicator based on what we saw, and I can't speak for other States, but for long-term—after 4 years there were retained earnings and increased earnings.

So there is a balance. For men, for example, their struggles seem to be a little bit different. There is not a lot of men in TANF, but our population has gone from 6 percent to 13 percent. Men in TANF often have criminal background issues. Sometimes they need to get attached to the labor market quickly so they can reengage. Most of our TANF recipients get off—70 percent are off between 2 and 9 months—so this long-term thing isn't as critical as maybe for the folks in the 30 percent who don't have a high school diploma.

So I am always really cautious of this one-size-fits-all and the need to really let States give us the policy objectives, the goal of the outcome. Do the evidence-based practices at the national level, but States need to customize it for their unique demographics.

Mr. DOGGETT. Thank you all.

Chairman REICHERT. Thank you, Mr. Doggett. Mr. Renacci, you are recognized.

Mr. RENACCI. Thank you, Mr. Chairman. I want to thank the witnesses for testifying today. In my home State of Ohio, an estimated 1.8 million Ohioans are living below the poverty line. Poverty in my home State of Ohio has increased by approximately 58 percent over the last decade despite a stagnant population and a whole host of Federal programs created to end the cycle of poverty.

So I am glad that we are here today to discuss policies that work because, frankly, the people of Ohio and the Nation cannot continue on this path. We must find ways to address our struggling economy, improve our education system and work force training programs, and connect individuals to temporary resources they need to succeed.

With that in mind, and I would like to start with you first, Ms. Cox, what should the Federal Government's role be in social welfare? And to add on to that, should the Federal Government incentivize States to focus on outcome-based programs and should funding to States be tied to performance? I know you talked a lot about your State and maybe funding toward the State.

Ms. COX. Well, again, you know, our goal is, even within the State of Utah, 25 percent improvement over the next 3½ years, and some State agencies are saying that is impossible, but when we get into the guts of the systems we are seeing there is a lot of capacity there. Having said that, I am all for outcomes and results. It is taxpayer dollars, and we need to be accountable. My preference is that we are held accountable and then given the flexibility to design the solutions that work. We spend a significant amount of time and energy on demonstration projects at the national level and pilot projects, and we at the State just need the flexibility. We have people at our doorstep today. I don't have 5 years to do a demonstration project. You guys can and give me what I need. I need the outcomes and the flexibility to get the results today for the people standing on my doorstep.

So we need that, and then we also really need to emphasize with States that they, too, need to be held accountable for results, and in many cases, they need to pay more attention to evidence-based practices and not just do what feels good.

Mr. RENACCI. So, in general, you believe that States should be given the dollars but there should potentially be incentives tied to those outcomes, and it should be outcome based?

Ms. COX. I would be open—the devil is in the details, or God, depending on which way you say it, so it would depend on the program and how it was specifically designed, but it is something I wouldn't be scared of.

Mr. RENACCI. Anyone else want to take a stab at that, what the Federal Government's role should be? Mr. Baron?

Mr. BARON. Yes, I think one of the challenges here with holding States accountable and so on is that at this point we, meaning the country really, and researchers and policy officials really don't have a whole lot of strong evidence, replicated evidence, as David referred to, about what works. A lot of times. So there is not——

Mr. RENACCI. But if, in Ohio, we have approximately 58 percent over the last decade has increased, you know, something is not working.

Mr. BARON. Yes. The system is not working, meaning over time, and it is true nationally, even since the early seventies, the poverty rate across the United States by various measures has not changed a whole lot, despite a whole lot of innovation, a whole lot of things going on. What is lacking, I would suggest, are interventions like the Nurse Family Partnership we discussed before, where the strong evidence that has been replicated across different sites that

they work. So as a first step doing the kind of innovation and coupled with evaluation designed to grow the number of proven programs might be paramount. In the few cases where there are proven approaches like the Nurse Family Partnership, just try to scale those up more widely.

Mr. RENACCI. Let me change the pace to outcome because I know as a small businessowner before I got here, I set programs up and then I looked at the outcomes and decided if they weren't working we would change those programs. So we have programs that aren't working. What are some of the consequences of leaving in place government programs that do not work? I mean, why are we leaving these in here? Are you saying that we don't have the outcomes yet? I mean, there are certain things that aren't working. What are some of the consequences of leaving those programs still intact? Mr. Muhlhausen.

Mr. MUHLHAUSEN. Well, one of the consequences is that we waste billions of dollars and we leave people with no hope, and so I think we need to—when we look at programs, especially programs that are trying to lift people out of poverty, are the comprehensive effect of various programs, are they trapping people in poverty? So if someone who is receiving TANF benefits, food stamps, and also a housing subsidy, if they get a job and increase their earnings so they get a chance to work more hours, will their income increase cause them to lose their housing subsidy? In that case, that is an incentive not to gain the additional experience, not to gain the additional income through your own labors. So in some sense, the combined effect of our entire welfare system can create a trap for individuals.

Mr. RENACCI. Thank you, Mr. Chairman, I yield back.

Chairman REICHERT. Mr. Davis.

Mr. DAVIS. Thank you very much, Mr. Chairman. I want to thank all of the witnesses for coming.

I know that the Ranking Member has raised a question relative to the home visiting program, the nurse visiting in program. And I couldn't help but smile because I recall that when we were working on the Affordable Care Act that one of the provisions that I supported very strongly, and actually secured a woman to come and testify from the Near North Health Corp. which is a community health center in Chicago. And I run into her quite frequently. And I always tell her whenever I do that she was very instrumental in helping us to include that program in the Affordable Care Act. And so I was very pleased to hear your analysis and the impact of it.

Let me ask, when programs like that, for whatever the reason, are not reauthorized, are not refunded, does that take away or detract from progress that is being made relative to not only moving people out of poverty, but also in helping them improve the health status of people and communities that they benefit?

Mr. BARON. Congressman, funding of the Nurse Family Partnership, which incidentally was launched as a pilot program under the Bush administration—proposed by the Bush administration, and then scaled up by the Obama administration—that funding, there is strong replicated evidence that it improves people's lives.

So defunding it presumably would do the opposite. But I would also note that the detail is in the specific type of home visiting program.

The Nurse Family Partnership has been shown effective, but there are many other types of home visiting programs that have been shown not to work. There was a Federally sponsored evaluation, the Comprehensive Child Development Program at HHS in the nineties, which was a paraprofessional home visiting program. There was a large randomized demonstration that found no impacts.

So one of the unique things about the program that was enacted is that it had a high evidence standard so that specific home visiting models, like the Nurse Family Partnership, received priority for funding. That is unique in Federal social spending.

Mr. DAVIS. Thank you very much. I really appreciate that kind of work, having been engaged not only in health care but also in aspects of dealing with poverty and poverty-stricken people and communities for a long period of time. I just find that to be incredible work.

Dr. Muhlhausen, let me ask you, if I could—I go through the list of different kinds of programs. And I just looked at Supporting Healthy Marriages. Do you have any revelations on the impact of a program like that, or that specific program?

Mr. MUHLHAUSEN. Well, there are two programs, Building Strong Families and Supporting Healthy Marriages. And I think the goal is noble. But both of these evaluations show that both programs failed to affect the rate of marriage. So that, considered that in that sense, the program is a failure. In the case of the Building Strong Families case, the program actually had some negative impacts. But you have to balance that between, if you look at the site-by-site analysis, on the local level in some cities, the program had consistent negative effects; but in Oklahoma, while it didn't boost marriage, it actually found some positive impacts on the marital relationships of individuals participating.

So you have to learn what happened in Oklahoma but systematically, when you look at the entire program, there is not much success.

Mr. DAVIS. And I think that is so unfortunate because I think that marriage does play a significant role in the ultimate organization and development of our society. And many of my friends and many people that I interact with don't have much faith in it, I believe. Thank you very much.

Chairman REICHERT. Thank you, Mr. Davis. Mr. Reed.

Mr. REED. Thank you, Mr. Chairman. Thank you to our witnesses.

Ms. Cox, I wanted to start with you and move to a couple of other people on the panel. I am very interested in us starting our conversation as we go down this path of TANF reform and other reforms as to coming to a common understanding as to what the definition of "it works" is. And I want to have a clear understanding from the panel as to—especially you, Ms. Cox—out in the field, on the frontline, in the States. How is it presently defined to be "a success" under these programs? I have heard things such as getting people out of poverty. It is as easy as defining people who get the benefits, who actually receive a check. So I just want to get

clarification from you on that. And then if you have any guidance or recommendations as to what is a good working definition of defining success.

Ms. COX. It is a really great question, because we talk about it in such broad terms, self-sufficiency and moving people out of poverty. But what do we mean by that? TANF—in Utah, is 50 percent of poverty level. Food stamps has a different eligibility criteria. Medicaid now we know with the ACA reform is going to take you to up 130 percent plus. So at what point does the Federal Government mean "out of poverty" because there are so many different contradictory definitions of what that means. In Utah, again, with over 90-plus programs for TANF, our definition for quality is throughput divided by operating expense so we can get a quality cost per case. It is the number of positive closures we have, the percentage of those that are placement and employment, right? Because sometimes it is so easy for a State to say, oh, they got married, they got Social Security. We want to focus on employment because we know in the long term, that 4 or 5, 6 years down the road, that gives them a better chance at self-sufficiency divided by those costs. We can hit that. That is step one. But if our entire caseload of people who are on low-income services—our TANF caseload is a drop in the bucket. We spent a lot of time on TANF. But in our State, it is 6,000 to 10,000 of cases—that is not individuals—and our entire caseload is more like 200,000.

So the broader question is what is the policy objective for Medicaid, for food stamps, for child care? Because if we don't drive those policy objectives, TANF isn't going to move the whole system. TANF has been a success. We know in the last 16 years, caseloads have declined almost by 50 percent. We can continue to improve it. We know that. I can get people off of TANF. But moving them off food stamps and Medicaid into true self-sufficiency, that is a much broader public policy agenda that has yet to be defined. So for us, it is benefit. Their case is closed. They are off benefits. And they have a job. That is the ideal scenario for us.

Mr. REED. That is the ideal. Okay. Mr. Muhlhausen.

Mr. MUHLHAUSEN. I think one thing we need to think about is policy significance versus statistical significance. We like to come here, and especially me, we like to talk about statistical significance, a particular program, boost the wages up let's say a head of the household by $1,000 every year. This finding was statistically significant. Well, what is the policy significance of that? That additional $1,000, does it necessarily raise that family above, say, the poverty level?

So sometimes these programs we are talking about are actually—while they do have a positive impact, and I can say statistically significant, meaning we believe the results actually occurred and were reliable. But sometimes the size of the effect is actually not that meaningful as far as changing the individual's life. So I think we need to think about not only statistical significance, but also policy significance. Is a program, let's say, moving somebody above the poverty threshold? And are they on a trajectory where they are not going to be dependent on receiving future government services?

Mr. REED. Go ahead, Ms. Smith. Please.

Ms. SMITH. I think a standard way of looking at whether you are making a difference for families is, are they in stable employment with rising earnings? That is what lifts families out of poverty. And it has been shown to have a really positive impact on the children of those families as well. They do better when they have that sort of financial security.

Mr. REED. I am getting—because I am running out of time and I don't mean to cut you off.

I am getting consensus from the panel that having a simple definition of, we are going to have x number of dollars or x number of benefits in the hands of a recipient, is probably not the best definitional program or definition of success. Am I misinterpreting anything anyone is saying there? With all the nods of the head, it sounds like there is agreement there. So I appreciate that because a lot of times, I have conversations with Members up here and they are just as simple as, Well, if we get x number of dollars in the hands of a recipient, that is a win. That is a success. And clearly it is much broader than that. My intention in doing the work here is to improve lives, not just give benefits to people. So I appreciate that. With that, I yield back.

Chairman REICHERT. Thank you. Mr. Kelly.

Mr. KELLY. Thank you, Mr. Chairman. Again, thank you all for being here.

One of the things I am trying to understand—and it is not for a lack of investment, is it, on the part of the government? I am looking at the investment that we make each year. And if the numbers I am hearing are right, it is about $600 billion a year that goes into trying to lift people out of poverty or support the most vulnerable in our society. That is a lot of money. But I think our concern is, what is the return on that investment? What are investing these dollars in? And the idea was to lift people out of whatever conditions they were in.

So, Ms. Cox, I heard you say that part of the problem is, sometimes there is a negative incentive because once you get out of one level, then you go into another. And all of a sudden, it is like, well, this doesn't work in my best interest.

So best practices, are you able to share those with each other? I know there are a lot of programs. Your State is doing some things that maybe other States should do.

Do you have the ability to communicate back and forth?

Ms. COX. Yes. There are associations and forums. But you know, when you are in the trenches—and especially during the recession, our caseloads increased by 63 percent. So we were just treading water to get through that and get people back to work and contain costs. We were able actually to reduce our costs by 33 percent while our caseloads increased by 63 percent and improve our timeliness. But it is really difficult. It is nice to have the luxury, with all due respect, to analyze this stuff for 4 or 5 years. But that isn't a reality when you are on the ground.

So we need people—these brilliant people here to inform us, to educate us. We are committed to evidence-based practices in Utah. It is the only way we will hit our 25 percent improvement in some of our agencies. But sometimes we need States just to be able to innovate to get to the clear results. Because if we don't have time

to do the evidence-based practice, and we are not allowed to innovate, we are stagnant, and we can never make progress. So that is the bind States are in. We need evidence-based practices. But when it is not there, we need the flexibility to innovate to get the results for you guys and for the taxpayers.

Mr. KELLY. And you mentioned innovation. My friend David Bradley has talked to me many times. He is with the National Community Action Foundation. And he talks about the ability to look at innovation, to look at the performance data, and then also local control of these dollars. And again, I have a friend in Sharon, Pennsylvania, by the name of Ron Errett who runs a program up there. It is the Community Action Partnership of Mercer County. So I have seen locally in the district that I represent a lot of programs that work really well. And I think we have got to be careful that we don't paint everybody with the same brush and say, we are wasting this money. Nothing is going the right way. I don't think that is true. And we referenced the Nurse Family Partnership, how much that has worked.

But it does come down to, how do we get that? How do we get the innovation message out? How do we share those practices? Mr. Baron, you made some comments about that when you talked about the ability. And the results speak for themselves. When you see something good, how do you get that out? Because I have got to tell you, in my district, I was able to look up and down northwestern Pennsylvania. The poverty level is probably somewhere between 25 and 30 percent. Not really mattering what town you go into, big cities, little towns, it is about the same. This poverty thing is something that is really troubling that we spend all this money, but we haven't gotten any results and we don't see that happen. I know part of it is the economy not bouncing back. And maybe we are spending a lot of time criticizing programs and not coming up with leadership programs or strategies that lifts everybody.

Ms. COX. Can I make one more point on that just to be kind of bossy?

Mr. KELLY. Sure.

Ms. COX. There are associations, administrators, that are always connecting and going to conferences and talking about best practices. But part of the challenge is, we have the evidence-based practice. But if you were to look and do our mapping and look at an employee's time. They have 8 hours a day. And let's say we even know what the evidence-based practice is. We know that they should be doing X, Y, Z every day with their customers to get the impact. If you were to map out how much time they actually spend doing that, in some cases, you will find 10, 20, 30, 40 percent of their time is actually spent on the evidence-based practice. The rest of the time it is spent on compliance, recording, paperwork, a lot of other stuff. So can you imagine the capacity to impact low-income individuals? If we could just double the time on the ground in your operations and in your systems design of what people do——

Mr. KELLY. I am going to agree with you because I have got to tell you. I run a private business. We do the same thing with our business trying to be in compliance. If I could just do what we are designed to do every day and not worry about being in compliance

with the Feds, the local, and the State, we would probably get a lot more done. Mr. Baron you were going to say something?

Mr. BARON. Yes. One of the challenges in sort of identifying and sharing best practices, things that really work is that a lot of programs, almost every program claims to be evidence-based and backed by strong evidence and effective. And the truth is, while some of them are, when most programs—even those that are backed by pretty good evidence—are subjected to a definitive evaluation, many of the promising findings are not reproduced. Sometimes they are. So you do have some examples of effectiveness, but many times they are not.

Steve Aos' organization, the Washington State Institute, does a valuable service by trying to distill what is really backed by strong evidence from others that are not. But there are some instances. There was a program that the reemployment and eligibility assessment program at the Department of Labor which has been shown very effective in a four-State randomized control trial with large effects on employment outcomes and reductions in spending.

Mr. KELLY. Thank you.

Chairman REICHERT. Thank you. Mr. Crowley.

Mr. CROWLEY. Thank you, Mr. Chairman. Thank you for yielding me the time.

I think we are all good stewards. I think we all want to be good stewards of our taxpayer dollars and certainly we want to put money where we think it best works for the American people.

Mr. Baron, I just want to follow up my comments of Mr. Doggett as well as Mr. Davis as it pertains to the Nurse Family Partnership is the kind of program that has been proven to get results. As you know, I know—I am not so sure my colleagues know—that the program started in my home State of New York—in fact, in Elmira, in my good friend, Mr. Reed's district. And I have long followed the very impressive work that they have been involved in replicating this model and achieving very significant positive outcomes. Reductions in child abuse and neglect, better educational outcomes for children, and greater likelihood of economic stability for the mother, these are just some of the results that actually save the government money in the long term.

Mr. Baron, do you think that is correct, that it has an effect in terms of saving taxpayer dollars in the long run?

Mr. BARON. In this case, I think the answer is yes, especially with the Nurse Family Partnership. One of the trials that was done in Memphis, Tennessee, measured not only the impacts you are describing, like child hospitalizations and educational outcomes for the children, it also measured participants' use of government assistance—Medicaid, food stamps, welfare over a 12-year period. And this was not a projection. They measured use of government assistance in the treatment versus control group. So this was a credible finding. And it found that the program produced savings that more than offset the cost of the program.

Mr. CROWLEY. Mr. Baron, would you also agree that programs like this particular one are an example of the importance of looking at successes not just in the short term, but in the greater awards to our society down the road? And not just immediate.

Mr. BARON. Yes. Because some of the effects are longer term. Some of the effects were short term. There were immediate effects on reductions in child maltreatment and hospitalizations. But there were also longer term.

Mr. CROWLEY. So leading to a much longer and productive life for the child in the long term.

Mr. BARON. That is correct. But a slight nuance on that is that some programs—especially in work force development—they produce short-term effects, which dissipate over time. And so for those kinds of programs, it is important not only to measure the short-term effects which are sometimes large, but whether it produces sustained effects on the amount of——

Mr. CROWLEY. I appreciate your comments.

Better access to health care coverage, nutrition programs in early childhood, we believe leads to greater health and reduced medical costs later in life. And that is what we are talking about at this point in time as it pertains to the Nurse Family Partnership.

Strong education, mentoring, and family supportive programs reduce incidents of criminal activity and school dropout rates as well. I think too often, we have a tendency and I think is a willingness to cut a program for ideological purposes not because it is what is in the best interest of our country. We see it in the Affordable Care Act. We have seen it in the farm bill nutrition programs. We have seen it as well in the social services block grants and others. It seems like the lesson here today is that we need to carefully invest in the programs that work and really put a lot of thought and study into our budgeting process.

So I would think the budget approach we have recently seen with policies, like sequestration, is the exact opposite of what we ought to be doing. Blunt across-the-board cuts and not replacing them with a thoughtful plan that grows the economy certainly doesn't fit with the evidence-based approach that seems to be the recommendation of the witnesses here today. I would hope that my colleagues not just on this Committee but on the Budget and Appropriations Committees as well and every other Committee draw lessons from this hearing. And I look forward to more a constructive conversation and hearings like this in the future.

With that, I yield back the balance of my time.

Chairman REICHERT. I can assure my good friend that I am very interested in evidence-based results as an old time cop. So with 33 years in that field, I am looking for evidence. Mr. Young.

Mr. YOUNG. I want to thank the chairman for holding this hearing on what really works. I think it is incredibly important. It may be mundane to some people. It may be boring to others. Metrics and data and all these other things. But let me begin by defining the challenge and perhaps identifying the opportunity or opportunities as I see them here. My interest in this topic actually emerged the second I found out I was going to get on this committee. I suspected it wasn't unlikely I was going to be on the Human Resources Subcommittee, and that is a good thing. We deal on this committee with what some regard as unsolvable social pathologies. And I sort of refused to believe that.

So I know a number of pilot programs over the years have taken place across our 50 States. So I directed Members, associates on

our team to try and identify the results of those different pilot programs and find some central repository where we could find out what really works and under what circumstances. It was incredibly tedious work; and frankly, there was no such repository. There was not a navigable Web site. There wasn't a particular organization that seemed to have answers about what really works and what data you could look at and what works under different circumstances.

I found this frustrating as a policymaker. And I think at the State level, local level, not for profits, academics, think tankers, and so on, could all benefit from more clarity here and a more robust collection of data.

What are we left with without this sort of repository of accessible data? Well, we make policy based on ideology, on politics, on analogy, sometimes anecdotes, the news of the day; but we don't really make decisions based on the hard data. So I started doing a bit of reading. I discovered that in 1988, under the AFDC Reform Act of that year—not often talked about—there was a requirement that data be collected on the recipient population of AFDC. That data years later—oftentimes it does take years for this information to be teased out—that data established the intellectual groundwork for a bipartisan reform of the AFDC program, now the TANF program.

We need to make similar efforts in other areas. We need to do more evidence-based policymaking.

Mr. Baron, thank you. It is so great to see you here today. You are really a gift to this conversation. I thank everyone else as well. And we have convened a group of people to discuss this topic. It is my hope that we can come up with a more systematic way of collecting data in a number of different areas and promulgate and disseminate that data to others for the purpose of research and also for the purpose of evaluation so that when innovation occurs at the State level, we will know if, in fact, it is working and then share. It is an iterative process. Share what is learned with others. And that will enable us to do very creative things, like social impact funds, pay for performance, pay for success in some of these social areas, the same sort of thing we do in, say, the transportation sector, performance-based contracting.

Mr. Baron, you said Congress could take steps in your statement toward what I have envisioned, I believe, by authorizing and encouraging agencies to allow greater research access to administrative data with appropriate privacy protections so as to facilitate low-cost rigorous evaluation.

I have two questions for you. First, what data is the Federal Government failing to collect that we ought to be collecting about beneficiaries of government programs? And second—and I see my time is running down, so you can submit this in writing. But second, I did want to get it on the record, what data is already being collected by the Federal Government, such as receipt of government assistance, employment status, earning status that we should release to the public for research purposes so it is not just our bureaucrats who are armed with all the information.

Mr. BARON. I would like to submit a response in writing. But also a very quick answer to the second part of your question. This Subcommittee took a major step forward, we believe. We were very

supportive of the subcommittee's action to increase researcher access with appropriate privacy protections to the National Directory of New Hires, the NDNH data, which has, at the Federal level, the employment and earnings records. You can use it to measure employment and earning records—earning outcomes for participants in any study. It should be more widely available. It would reduce the cost of some of these rigorous studies by a factor of 10 or more.

Mr. YOUNG. Thank you.

Mr. REICHERT. Thank you, Mr. Young. Thank you to all of the witnesses for being here today and taking the time to be with us. And we have finished this almost in record time, just in time for votes. I thank the Members for being here too. We look forward to working with you and reaching out to you and asking you questions, more questions that will come, I am sure, as we struggle with trying to find solutions here that are evidence-based, where we hold programs accountable, make sure that we are really helping those people who need the help and ensure that they are moving up that economic ladder as we all hope that they do.

So if Members have additional questions for the witnesses, they will submit them to you in writing. And we would appreciate receiving your responses for the record within 2 weeks. The Committee stands adjourned. Thank you.

[Whereupon, at 5:30 p.m., the subcommittee was adjourned.]

[Submissions for the Record follow:]

Family Equality Council

July 16, 2013

Chairman Dave Reichert
Subcommittee on Human Resources
Committee on Ways and Means
United States House of Representatives
1102 Longworth House Office Building
Washington, D.C. 20515

Ranking Member Lloyd Doggett
Subcommittee on Human Resources
Committee on Ways and Means
United States House of Representatives
1102 Longworth House Office Building
Washington, D.C. 20515

RE: July 17, 2013 Hearing on Evaluating Efforts to Help Families Support their Children and Escape Poverty

Dear Chairman Reichert and Ranking Member Doggett:

Family Equality Council is the national organization that supports and represents the three million parents who are lesbian, gay, bisexual, and transgender (LGBT) and their six million children across the United States. We embody a community that works hard and strives in every way to create a safe, stable, and loving environment for our families. When children are living in poverty, the root causes need to be addressed. Our organization works in many areas to help decrease poverty among our community's families, including advocacy in foster care, adoption, employment discrimination, health care, immigration, and public benefits. We are pleased to have the opportunity to submit testimony for this subcommittee hearing on efforts to help families support their children and escape poverty.

In his opening statement at the June 18, 2013 hearing *Reviewing How Today's Fragmented Welfare System Fails to Lift Up Poor Families*, to which we also submitted testimony, Chairman Reichert shared his belief that "[o]ur goal is to help more low-income families leave poverty and

Family Equality Council • 1050 17th Street, NW • Suite 600 • Washington, D.C. • 202.496.1285
www.familyequality.org

achieve the American Dream. That's not a Republican goal, or a Democrat goal. And the fact that too many of our fellow citizens have seen that goal slip from their grasp in recent years is our call to action." This is a noble goal and one that LGBT families share. In order to effect this rise from poverty, some individuals need the assistance of social safety net programs provided by our federal government. Unfortunately for LGBT families, the application and acceptance process is cumbersome and often unsuccessful.

As a community, LGBT families are economically vulnerable as a result of many societal factors. According to a recent Williams Institute report, LGBT individuals, families, and their children endure higher levels of poverty than their heterosexual counterparts.[1] This report incorporated data from four separate studies comparing poverty rates between heterosexual and LGBT people individually and as couples.[2] Children in same-sex couple households are almost twice as likely to be poor. Children in male same-sex couple households have a 23.4% poverty rate and 19.2% of children in female same-sex couple households live in poverty. This is compared to the 12.1% of children in married, different-sex households. Children in a same-sex couple family are also more likely to live with incomes below 200% of the Federal Poverty Line (FPL).[3]

There are a variety of reasons why LGBT people are more vulnerable to poverty. The community lacks legal protections from employment discrimination. LGBT families are excluded from tax benefits and many government financial and health care assistance programs. LGBT people are working to provide for themselves and their families but may need some financial assistance and tax credits to make ends meet. Data in the Williams Institute report indicates that LGBT people are receiving government aid in slightly higher percentages as a result of these hurdles that they face to sufficiently support themselves.[4] That is not to say that being approved for welfare services is not alone a challenge, especially for same-sex couples with children. The focus of this testimony will be on the challenges many LGBT families face when attempting to access welfare safety net programs and worker tax benefits.

Qualification for government benefits tends to be tied to marital status. The recent Supreme Court decision invalidating the DOMA definition of marriage should make qualification for federal benefits a bit easier for same-sex couples legally married in their home state. This change, however, does not help same-sex couples and their children in the 37 states in which

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[1] M.V. Lee Badgett, Laura E. Durso, & Alyssa Schneebaum, "New Patterns of Poverty in the Lesbian, Gay, and Bisexual Community," The Williams Institute, UCLA School of Law, June 2013, *available at* http://williamsinstitute.law.ucla.edu/wp-content/uploads/LGB-Poverty-Update-Jun-2013.pdf.
[2] The report includes data derived from 2010 American Community Survey, 2006-2010 National Survey of Family Growth, 2007-2009 California Health Interview Survey and a 2012 Gallup Daily Tracking Poll.
[3] *Supra* note 1.
[4] *Id.*

same-sex marriage is still inaccessible. This discrepancy in treatment between the children of same-same and opposite-sex parents creates a two-tiered system of social safety net programs. A simple application and qualification process exists for different-sex couples and a time intensive, embarrassing, and often fruitless process exists for LGBT families.[5]

At the previous hearing in this series, Congressman Doggett introduced the topic of the Earned Income Tax Credit (EITC) and stressed its importance as a tool to support working families. Mention was repeatedly voiced by congressmembers and witnesses of this tax benefit and its ability to lift hardworking Americans out of poverty. For the LGBT community, however, this tax credit is difficult to obtain. This credit is intended to assist low wage earners with children. The definition used to determine the relationship of children, however, denied eligibility to many same-sex partners raising children. For the EITC purposes, the child must be the tax filer's son, daughter, stepchild, eligible foster child, adopted child or a descendant of any of them or his/her brother, sister, half-brother, half-sister, stepbrother, stepsister, or a descendant of any of them.[6] These requirements do not take into consideration families living in states where joint, second parent, or step-parent adoption is rare or completely unobtainable for LGBT parents.

Children fall through the cracks when government programs refuse to recognize their families as families. These programs, providing monetary assistance, food, health insurance, childcare assistance, and tax credits use narrow definitions of family to determine eligibility.[7] Actual household size may not be taken into account when assessing the means of support available to the family. In addition, the lack of universal adoption and parentage laws creates confusion in the application for benefits and ultimately bars access to social service programs to children of same-sex couples.

Take, for example, a household consisting of two parents and two children. Post-DOMA, if this couple is married in a state where same-sex marriage is legal, the federal government will recognize the relationship for the purpose of social services. This qualification may not automatically apply, however, to LGBT couples in non-same-sex marriage states, or states without comprehensive access to parent-child relationships. While this family would appear to

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[5] Burns, Crosby, Center for American Progress, *The Federal Budget and Gay and Transgender Families: Not All Families Are Equal Under the Law* April 2012, found at http://www.americanprogress.org/wp-content/uploads/issues/2012/04/pdf/lgbt_budget.pdf.

[6] http://www.irs.gov/Individuals/EITC,-Earned-Income-Tax-Credit,-Questions-and-Answers

[7] Movement Advancement Project, Family Equality Council and Center for American Progress, "All Children Matter: How Legal and Social Inequities Hurt LGBT Families (Full Report)," October 2011, p. 52, *condensed version available at* www.lgbtmap.org/lgbt-families.

be a four-person household, the household size is reduced to three for the calculation of assistance needed, lowering the amount of vital aid for which the family would qualify.

Similarly, this family could be denied the EITC. If the partner who is working to support the family is not the biological, foster, or adoptive parent of their children, he or she would not qualify for the credit to assist the whole family. This credit meant to bring hardworking individuals out of poverty would be refused to the LGBT applicant as a result of the narrow relationship requirement.

These financial assistance challenges create a vicious cycle for LGBT families. Both parents may want to work full time but cannot because they do not earn enough to afford the child care costs associated with being out of the home and, because of a lack of legal relationship with their child, do not qualify for childcare assistance. Suppose a same-sex couple used reproductive assistance to conceive their child and then arrived at a point in their lives when they needed to apply for TANF assistance. TANF procedures call for location of a second biological parent in order to determine benefits. Penalties can be applied to these parents for not being able to identify the second biological parent as well as delays in processing while helping a caseworker understand their situation. Perhaps only the non-legal parent has healthcare through his/her employer and therefore cannot cover the children but the family does not qualify for CHIP because of the aforementioned means test. The family must pay for private insurance or pay exorbitant medical bills for their uninsured children. Either way, their modest income is now stretched even farther.

Some strides are being made to combat the challenges faced by LGBT people in need of assistance. Food assistance programs use a broader definition of household size. For the purposes of free and reduced lunches, WIC, and SNAP, there is no requirement that applicants be legally or biologically related to be included in the household.[8] The benefits go to those who sit at the table and eat together: the definition of family. Also, the Free Application for Federal Student Aid (FAFSA) is being revised to require applicants to list both of their parents if they live together, regardless of gender, marital status, or sexual orientation. This change will make applying for financial aid less complicated for the applicant and the processors. Clarifications to the Family Medical Leave Act have made it clear that a biological relationship is not required to qualify for leave to care for an individual when acting in loco parentis.[9]

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[8] *Id.*

[9] Lepnick, Nancy J. Deputy Administrator, Administrator's Interpretation 2010-3, U.S. Department of Labor, Wage and Hour Division, http://www.dol.gov/WHD/opinion/adminintrprtn/FMLA/2010/FMLAAI2010_3.pdf.

Changes to the narrow definitions of family for the purpose of applying for welfare assistance and tax credits will help break the vicious cycle. Timely processing of applications and accurate assessment of need could shorten the time a family needs to receive these forms of assistance.

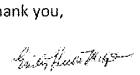
The solution to many of these shortcomings is to create consistent, broad definitions of family for all federal programs. For TANF, the definition would expand the "assistance unit." For CHIP, the definition would include same-sex partners and children for whom an adult is standing *in loco parentis*. For Medicaid and SSI, the definition would include *de facto* parents.[10] Relationships, for the EITC, would include children of same-sex partners residing together as a household.

The Employment Non-Discrimination Act (ENDA) is currently undergoing consideration in the Senate (S. 815) to eliminate some of the obstacles LGBT individuals face in the workforce which should lead to higher LGBT employment rates and less need for social safety net benefits. Passing this crucial legislation would go incredibly far towards stabilizing economic security for LGBT parents and their children. The bi-partisan sponsorship of the Every Child Deserves a Family Act (ECDF) (H.R. 2028) is a step toward allowing LGBT couples to create families nationwide and place our nation's children in secure, financially sound, loving homes. Family Equality is working on these projects and would be happy to share our work and family stories with you.

The American family comes in various forms. The one thing we have in common is a desire to provide a secure and stable home for our children. No matter how hard we work to accomplish this goal, times can get rough. The welfare system exists to assist families during these rough times. Together we can ensure the best outcomes for these children and families, while making sure that government aid is distributed as efficiently as possible.

Thank you again for the opportunity to testify on this important issue. If you have any questions about our testimony, please email me at ehecht@familyequality.org or contact me by phone at 202-496-1285.

Thank you,



Emily Hecht-McGowan

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[10] *Supra* note 7.

Director of Public Policy
Family Equality Council

American Evaluation Association

DATE: July 26, 2013

TO: Chair Reichert, Subcommittee on Human Resources of the House Ways and Means Committee

SUBJECT: Testimony submission for the Hearing on Evaluating Efforts to Help Families Support their Children and Escape Poverty, July 17, 2013

The American Evaluation Association (AEA) is pleased to write in support of the work of this committee regarding Evaluating Efforts to Help Families Support their Children and Escape Poverty. This is an important area that has a rich tradition of applied research and comprehensive evaluations of experiments conducted in partnership with state welfare directors to meet information needs. These studies have provided invaluable information to those who make decisions about policies and programs concerning families and poverty. We applaud your interest in evaluating efforts to alleviate poverty and wish you the very best as you go forward.

As the primary evaluation association in the U.S., we are writing to offer our assistance to the committee on the issues you are reviewing. AEA has approximately 8,000 members representing all 50 states and the District of Columbia as well as over 60 foreign countries. I have attached excerpts from *An Evaluation Roadmap for a More Effective Government,* a document we developed to help governments engage in effective evaluation. I think you will find it very useful.

AEA encourages Congress to ensure more social programs are evaluated to determine their impact and to consider how high-quality evidence can best be used to inform the design of social programs at the federal level. In particular, AEA believes that Congress should ensure that sufficient resources are made available for quality evaluation and encourage agencies to set guidelines for the conduct of evaluations, including the development of evaluation agendas and plans for disseminating evaluation findings to staff and the public.

AEA has long sponsored academic research and fostered exchanges among evaluation practitioners regarding evaluation methodologies that can most effectively shed light on the causes and remedies for poverty. If we can be of assistance, or if you need more information on our organization, please do not hesitate to contact me at (jody.fitzpatrick@ucdenver.edu) or Dr. Cheryl Oros, our senior advisor for evaluation policy (evaluationpolicy@eval.org; 540-894-4014).

Sincerely,

Jody Fitzpatrick, Ph.D.
President, American Evaluation Association

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An Evaluation Roadmap for a More Effective Government

September 2010

The American Evaluation Association (AEA) is an international professional association of evaluators devoted to the application and exploration of program evaluation, personnel evaluation, technology, and many other forms of evaluation. Evaluation involves assessing the strengths and weaknesses of programs, policies, personnel, products, and organizations to improve their effectiveness. AEA has over 6,500 members representing all 50 states in the United States as well as over 75 foreign countries.

Mission: To improve evaluation practices and methods increase evaluation use, promote evaluation as a profession and support the contribution of evaluation to the generation of theory and knowledge about effective human action.

In keeping with our mission, the American Evaluation Association hereby describes its vision of the role of evaluation in the federal government. We provide a roadmap for improving government through evaluation, outlining steps to strengthen the practice of evaluation throughout the life cycle of programs.
Evaluation is an essential function of government. It can enhance oversight and accountability of federal programs, improve the effectiveness and efficiency of services, assess which programs are working and which are not, and provide critical information needed for making difficult decisions about them.

The Challenge

Like all governments, the United States government faces challenges in both foreign and domestic policy arenas. Today, these challenges span subject areas such as national security, foreign aid, energy, the environment, health care, education, and the economy. Program or policy interventions are typically developed in response, in an effort to mitigate, resolve, or better understand the problems involved.

To determine the merit, quality, and usefulness of these interventions, credible information is needed about what the program or policy in question has achieved and at what cost. Such information is crucial if government officials are to ensure that the chosen interventions are working, that taxpayers' money is being spent wisely, and that the government is accountable to the public for the interventions and their results.

Why Program Evaluation Is Essential

Evaluation involves assessing the strengths and weaknesses of programs, policies, and organizations to improve their effectiveness. It provides a useful and important tool to address the need for credible information, well-grounded decision making, and governmental transparency. Within a government context, the legitimacy of evaluation can be seen as deriving from the structure of the government it serves and from the functions it fills.

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In the United States, evaluation can serve information needs that arise within any of the three branches of government. For example, evaluation can provide information about a new program's initial outcomes, allowing for better management within the Executive Branch. It can also be used to assess the relative performance of a set of alternative policy options, informing legislative deliberations. The courts may cite evaluation findings as a basis for their judgments. More fundamentally, evaluation can contribute the evidence needed to support the system of checks and balances established by the United States Constitution. For example, evaluation enables congressional oversight and executive accountability, along with the development of new knowledge, innovation, and organizational learning in both branches. This commitment to accountability and transparency, on the one hand, makes evaluation essential to democratic government and, on the other, requires evaluation in a government context to be independent and to resist advocacy for particular positions.

Evaluation provides needed feedback for managing any program. It uses systematic data collection and analysis to address questions about how well government programs and policies are working, whether they are achieving their objectives, and, no less importantly, why they are or are not effective. Evaluation produces evidence that can be used to compare alternative programs, guide program development and decision making, and reveal effective practices. By its very nature, it supplies the publicly accessible information that is at the heart of transparency and open government.

Since the inception of modern program evaluation, federal agencies have conducted many evaluations and applied their results to make reasoned program decisions. But for the most part, these evaluations have been sporadic, inconsistently applied, and inadequately supported. The units formed to conduct evaluations too often are short lived and under resourced. Training and capacity building for evaluation have been inconsistent across agencies and, in many cases, insufficient to achieve the needed evaluation capacity and sustain it over time.

Yet there is a strong case to be made for a commitment to evaluation as an integral feature of good government, whether the goal is better performance, stronger oversight and accountability, or more data-informed and innovative decision making. The lessons learned in agencies that have applied evaluation constitute a solid knowledge base upon which to build.

The U.S. government would benefit significantly from using program evaluation to

- Address questions about current and emerging problems
- Inform program and policy planning efforts
- Monitor program performance
- Provide timely feedback to decision makers to make changes when needed
- Increase accountability and transparency
- Reduce waste and enhance efficiency
- Improve programs and policies in a systematic manner
- Support major decisions about program reform, expansion, or termination
- Assess whether existing programs are still needed or effective
- Identify program implementation and outcome failures and successes
- Identify innovative solutions that work
- Inform the development of new programs where needed
- Examine the requirements for the transfer of promising programs to new sites
- Share information about effective practices across government programs and agencies

The key is to make program evaluation integral to managing government programs at all stages, from planning and initial development, through start up, ongoing implementation, appropriations, and reauthorization. In short, what is needed is a transformation of the federal management culture to one that incorporates evaluation as an essential management function.

Recommendations

We recommend that each federal agency adopt the following framework to guide the development and implementation of its evaluation programs.

Scope and Coverage

- Conduct evaluations of public programs and policies throughout their life cycles and use evaluation to both improve programs and assess their effectiveness
- Evaluate federal programs and policies in a manner that is appropriate for program stewardship and useful for decision making
- Build into each new program and major policy initiative an appropriate framework to guide evaluations throughout the life of the program or initiative
- For existing programs, assess what is already known and develop evaluation plans to support future decision making

Management

- Assign senior, experienced evaluation officials and managers to administer evaluation centers or coordinate evaluation functions at appropriately high levels of government agencies
- Prepare annual and long-term evaluation plans to guide decision making about programs
- Provide sufficient and stable funding to support professional evaluation activities
- Coordinate and communicate about evaluation efforts across agencies with overlapping or complementary missions
- Develop written evaluation policies across and within federal agencies that can guide evaluation efforts and help ensure their quality
- Ensure that evaluation units and staff receive high-level, public, and consistent support

Quality and Independence

- Develop and adopt quality standards to guide evaluation functions consistent with the American Evaluation Association's Guiding Principles for Evaluators
- Promote the use and further development of appropriate methods for designing programs and policies, monitoring program performance, improving program operations, and assessing program effectiveness and cost
- Safeguard the independence of evaluation design, conduct, and results
- Preserve and promote objectivity in examining program operations and impact

Transparency

- Consult closely with Congress and non-federal stakeholders in defining program and policy objectives and critical operations and definitions of success
- Disseminate evaluation findings and methods relating to public accountability to policy makers, program managers, and the public
- Create clearinghouses to share information about effective and ineffective program practices

In this Roadmap, we more fully develop these ideas. We describe the general principles that should guide a government-wide effort to strengthen evaluation functions. We propose broad administrative steps to institutionalize evaluation in federal agencies. Finally, we discuss how the Executive Branch and Congress can jointly make the most effective and efficient use of evaluation.

General Principles

The following general principles should guide efforts to integrate evaluation into program management.

Scope. Evaluation should be integral to planning, developing, managing, and implementing government programs at all stages. Evaluation activities should be used to:

- Make sure that program designs are appropriate to achieve program goals
- Identify problems during start-up and correct them before they become entrenched
- Identify and share promising approaches that emerge during program implementation
- Assess the extent to which programs and policies are being well implemented
- To the extent feasible, establish expectations and performance standards at program inception and involve stakeholders in refining them as the programs mature
- Develop appropriate and efficient data collection and reporting systems and information technology support to provide a continuing flow of evaluative information to policy makers and program managers
- Examine the extent to which programs reach their intended beneficiaries
- Periodically examine selected program features to improve their effectiveness and efficiency
- Periodically assess program results and service quality
- Systematically examine whether an apparently successful program can be expanded to another setting before scaling it up

Coverage. In general, federal programs and policies should be subject to evaluation.

Analytic Approaches and Methods. Which analytic approaches and methods to use depends on the questions addressed, the kind of program evaluated, its implementation status, when the evaluation results are needed, what they are needed for, and the intended audience.

No simple answers are available to questions about how well programs work, and no single analytic approach or method can decipher the inherent complexities in the program environment and assess the ultimate value of public programs. Furthermore, definitions of "success" may be contested. A range of analytic methods is needed, and often several methods—including quantitative and qualitative approaches—should be used simultaneously. Some evaluation approaches are particularly helpful in a program's early developmental stages, whereas others are more suited to ongoing and regularly implemented programs.

The broader policy and decision-making context also can influence which approach is most appropriate. Sometimes information is needed quickly, requiring studies that can use existing data or rapid data collection methods; at other times, more sophisticated long-term studies are required to understand fully the dynamics of program administration and beneficiary behaviors.

Over the years, the evaluation field has developed an extensive array of analytic approaches and methods that can be applied and adapted to a wide variety of programs, depending on the program's characteristics

and implementation stage, how the results will be used, and the kinds of decisions that will be made. All evaluation methods should be context sensitive, culturally relevant, and methodologically sound. Evaluation approaches and methods include, but are not limited to:

- Case studies
- Surveys
- Quasi-experimental designs
- Randomized field experiments
- Cost-benefit and cost-effectiveness analyses
- Needs assessments
- Early implementation reviews
- Logic models and evaluability assessments

Resources. Evaluation should be supported through stable, continuous funding sources and through special one-time funds for evaluation projects of interest to Executive Branch and congressional policy makers. The stable, continuous evaluation funds should be provided through appropriations or program fund set-asides. These methods can also be combined to support viable evaluation programs. Program managers should authorize and require periodic evaluations of each program throughout its life to provide rich evaluative information to policy makers during annual appropriation and cyclical reauthorization and amendment discussions.

Professional Competence. Evaluations should be performed by professionals with appropriate training and experience for the evaluation activity (such as performing a study, planning an evaluation agenda, reviewing evaluation results, or performing a statistical analysis). Evaluation is an interdisciplinary field that encompasses many areas of expertise. Many evaluators have advanced degrees in, and often work collaboratively with colleagues in allied fields, such as economics, political science, applied social research, sociology, anthropology, psychology, policy analysis, statistics, and operations research. Federal agencies should ensure that the required diversity of disciplines is appropriately represented in internal and independent evaluation teams.

Evaluation Plans. Each federal agency should require its major program components to prepare annual and multiyear evaluation plans and to update these plans annually. The planning should take into account the need for evaluation results to inform program budgeting; reauthorization; agency strategic plans; ongoing program development and management; and responses to critical issues concerning program effectiveness, efficiency, and waste. These plans should include an appropriate mix of short- and long-term studies to produce results of appropriate scope and rigor for short- or long-term policy or management decisions. To the extent practical, the plans should be developed in consultation with program stakeholders.

Evaluation questions can spring up unexpectedly and urgently in response, for example, to a sudden need for information to address a presidential initiative, a management problem, or questions raised by Congress. Therefore, evaluation plans should allow for flexibility in scheduling evaluations.

Dissemination of Evaluation Results. The results of all evaluations related to public accountability should be made available publicly and in a timely manner (except where this is inconsistent with the Freedom of Information Act or Privacy Act). They should be easily accessible and usable through the internet. Similarly, evaluations of promising and effective program practices should be systematically and broadly disseminated to potential users in federal agencies. Evaluation data and methods should also—to the extent feasible and

with sufficient privacy protections—be made available to professionals and the public to enable secondary analysis and assure transparency.

Evaluation Policy and Procedures. Each federal agency and its evaluation centers or coordinators (discussed below) should publish policies and procedures and adopt quality standards to guide evaluations within its purview. Such policies and procedures should identify the kinds of evaluations to be performed and the criteria and administrative steps for developing evaluation plans and setting priorities, selecting evaluation approaches and methods to use, consulting subject matter experts, ensuring evaluation product quality, publishing evaluation reports, ensuring independence of the evaluation function, using an appropriate mix of staff and outside consultants and contractors, appropriately focusing evaluation designs and contracts, and promoting the professional development of evaluation staff.

Independence. Although the heads of federal agencies and their component organizations should participate in establishing evaluation agendas, budgets, schedules, and priorities, the independence of evaluators must be maintained with respect to the design, conduct, and results of their evaluation studies.

Institutionalizing Evaluation

Significant progress has been made in establishing evaluation as an integral component of government program management. However, additional steps are needed.

Background. Some federal agencies, such as the Department of Defense, established evaluation offices in the late 1950s and early 1960s. Others, including the Departments of Education and of Health and Human Services, developed their evaluation functions in the 1970s within the then-Department of Health, Education, and Welfare. The authorizing statutes for some of these agencies set aside a fixed percentage of program funds for evaluation. Other departments have added evaluation offices to their organizations although these offices have grown and shrunk over the intervening years.

One relatively stable evaluation organization has been the Government Accountability Office (GAO), previously known as the General Accounting Office. It has remained the largest single government agency producing evaluations at Congress's request.

One of the most enduring evaluation-related functions has been the Government Performance and Results Act (GPRA) of 1993. This law encourages each agency to develop an agency-wide strategy and mission and also requires them to determine whether their programs achieve their goals and objectives. GPRA defines evaluation as assessing the "manner and extent to which" agencies achieve their goals, thus addressing both implementation and results. In practice, government agencies have implemented GPRA by using performance indicators and measurement to determine whether they have reached a goal and have conducted few evaluation studies that might shed light on how programs reached their goals, why programs do or do not meet their goals and objectives, and how to improve programs. As a result, the GPRA process produces little information to guide programmatic or policy action.

We propose that government agencies, policy makers, and program managers build on the progress already made by embracing evaluation as an integral feature of good government. Agencies should consistently use program evaluation and systematic analysis to improve program design, implementation, and effectiveness and to assess what works, what does not work, and why. This comprehensive vision recognizes that evaluation is more than simply "looking in the rearview mirror" and needs to be used throughout a program's life as an integral part of managing government programs at all stages.

For this approach to work, the Executive Branch and Congress will need to take action, as described below.

Executive Branch Role
As noted earlier, the infrastructure and practice of program evaluation in federal agencies is somewhat of a mixed story. Some agencies have well-developed and stable evaluation offices; others do not. The same can be said for evaluation funding, scope, policies, planning, and dissemination.

Different federal agencies and programs have different evaluation needs, and the maturity and breadth of their evaluation programs vary. In addition, the evaluation function might be a component of other offices focused on such functions as management, planning, research, and policy development, including legislative or regulatory development. For example, several agencies have offices of planning and evaluation, research and evaluation, or monitoring and evaluation, and some inspectors general have offices of inspections and evaluations. In some agencies, the evaluation function is highly centralized or within a large program area; in other agencies, the evaluation function is scattered in small offices throughout the agency.

No single best practice exists for organizing evaluation offices and functions. All of the arrangements described above have emerged in response to such factors as substantive area, kind of agency, or type of evaluation focus. They may or may not be the most effective models for current circumstances. Whatever model is chosen, the evaluation office must include the functions and possess the attributes described above under general principles.

Based on the general principles discussed in the previous section, we propose that agencies in the Executive Branch establish one of the following organizational frameworks to support evaluation.

Option 1: Evaluation Centers. Agencies could establish one or more evaluation centers to promote evaluation capacity and provide stable organizational frameworks for planning, conducting evaluation, or procuring evaluation advice or studies from outside organizations. Every program in the agency should be assigned to one of the centers for program evaluation. The heads of these evaluation centers should report directly to the senior executive of their center's organizational component. Each of these centers would:

- Have a stable budget with sufficient funds to plan and carry out an appropriate level of program evaluation over several years
- Issue policies and procedures to guide its evaluation work, including guidance on appropriate methods for conducting formative and summative evaluations, as well as developmental evaluations to improve evaluative capabilities within agencies.
- Strategically plan a body of evaluation work for the agency and each agency component for which it has evaluation responsibility
- Consult with agency program and budget offices and, in concert with the agency's legislative liaison office, with Congress in developing evaluation plans
- Hire professional evaluators or engage consultants or contractors with the diverse skills necessary to plan and execute (or procure) independent evaluation studies
- Publish the results of evaluations related to public accountability of the programs within their jurisdictions
- Share information about effective programs and evaluation methods with other government agencies
- Promote and facilitate the ongoing training and professional development of the center's evaluators

Option 2: Evaluation Coordinators. Agencies that choose to distribute their evaluation offices, associating small evaluation offices with individual programs or small groups of programs, should promote evaluation capacity and performance by appointing one or more senior officials to:

- Advise the agency head or senior officials on matters pertaining to evaluation
- Ensure that each program or program group in the agency has a current annual evaluation plan.
- Promote, facilitate, and coordinate the development of evaluation plans for programmatic issues that cut across agency lines
- Facilitate the preparation of evaluation budgets
- Establish appropriate standards, frameworks, and procedures for evaluation activities in the agency
- Facilitate the development and efficient and effective production of evaluation plans, designs, instruments, and reports by government agency staff or outside evaluators
- Facilitate the dissemination of evaluation reports related to public accountability
- Share with other agency components information about effective programs and evaluation methods
- Promote and facilitate the ongoing training and professional development of evaluators in the agency

Option 3: Combined Approach. Federal agencies may find it advantageous to use Option 1 and Option 2—evaluation centers for large programs, program groupings, and overall evaluation support, and evaluation coordinators for distributed evaluation offices—to ensure the viability of the evaluation function.

Congress's Role. The GAO, Congressional Research Service, Congressional Budget Office, National Academies, and temporary commissions carry out evaluation and analysis for Congress, usually in fulfillment of their oversight role. Congressional committees or subcommittees also conduct some evaluative studies or investigations.

We do not propose to change these organizational structures. Instead, we offer recommendations to strengthen the connection between evaluations and the laws that Congress passes. This can be done by building evaluation expectations into authorizing legislation and explicitly setting aside adequate resources for evaluation.

Authorizing legislation. Program authorization and periodic reauthorization provide opportunities for Congress to establish frameworks for systematic evaluation of new and continuing programs. Congressional committees can, through authorizing legislation, provide guidance on or stipulate such activities and products as:

- Early implementation reviews to identify start-up problems in such areas as scheduling, contracting, and grant making and to correct them before they become more serious
- Requirements for developing evaluation plans
- Evaluation of promising approaches to share among program implementers
- Development of performance indicators and the means to collect meaningful data on them once the program starts
- Studies reviewing the efficiency of federal program management as well as the fidelity of program implementation to the congressional mandate that instituted the program
- Studies assessing program effects and identifying why programs are or are not effective
- Evaluations of topics of interest to Congress and reports on the results to Congress in support of its oversight and appropriations functions and to inform future reauthorizations
- Establishment, expansion, or amendment of ongoing surveys or other data-collection mechanisms to become permanent sources of reliable data

- Establishment of evaluation centers or evaluation coordinators, as described above
- Funding for evaluation activities

Collaboration Between Executive Branch and Congress
The utility of evaluation results may be maximized if Congress and the Executive Branch jointly specify broad evaluation expectations and concerns in authorizing statutes and appropriations. We recognize that such collaboration will not always be easy or even possible to achieve. Nevertheless, experience suggests that, when possible, a partnership of this kind can help increase the benefits that evaluation provides.

Looking to the Future

The U. S. government faces major challenges in the years to come, as well as significant opportunities to improve lives, protect the planet, and create efficiencies. With more thoughtful and more systematic integration of evaluation into the responsible planning, management and oversight of programs and the application of evaluation results to planning and decision making, the performance of today's programs can be improved. Institutionalizing evaluation can also help achieve a more accountable, open, and democratic system of governance for future generations.

Urban Institute

EVIDENCE-BASED POLICYMAKING REQUIRES A PORTFOLIO OF TOOLS

Testimony Submitted for the Record to the
Subcommittee on Human Resources
Committee on Ways and Means
United States House of Representatives
July 17, 2013

Margery Austin Turner
The Urban Institute

Margery Austin Turner is Vice President for Program Planning and Management at the Urban Institute. Opinions expressed are those of the author and do not necessarily reflect those of the Urban Institute, its trustees, or its sponsors.

Today more than ever, policymakers need evidence to help inform major decisions about program design, implementation, and funding. Whether assessing the likely effectiveness of a new initiative, comparing competing approaches to a given problem, figuring out where to cut, or refining a program's rules to make it more cost effective, decisions based on rigorous evidence make better use of scarce public dollars and improve outcomes for people.

A Case Study of Evidence-Based Policymaking. The evolution of federal low-income housing policy from its initial reliance on supply-side, project-based subsidies to include demand-side subsidies was significantly influenced by successive rounds of research and evidence. The origins of today's housing choice voucher program can be found in a 1969 President's Committee on Urban Housing report, *A Decent Home*, which recommended that HUD experiment with cash allowances made to families according to their need. Congress authorized just such an experiment in 1970. This study was a precursor to the influential Experimental Housing Allowance Program (EHAP), conducted in the 1970s and 1980s. In 1973, based on emerging evidence from these experiments, President Nixon asked Congress to reorient housing policy toward providing cash assistance instead of increasing production, based on preliminary experiments. This request led to the 1974 Housing Act that created the Section 8 voucher program.

By the early 1980s, findings from three housing allowance experiments (summarized in Struyk and Bendick 1981) showed that participants enjoyed improved quality of housing, that the program did not cause rent inflation, and that vouchers were actually cheaper than production programs. Based on this evidence, the Reagan administration implemented a dramatic shift from supply-side interventions focused on construction of new subsidized housing to demand-side certificate and voucher interventions. Although interest groups on the traditional left had long been the staunchest supporters of government-supported construction (and previous Democratic administrations had expanded construction), the Democratic Congress appropriated funds for voucher demonstrations from 1983 to 1987 and authorized the Reagan administration's proposed voucher program in 1988.

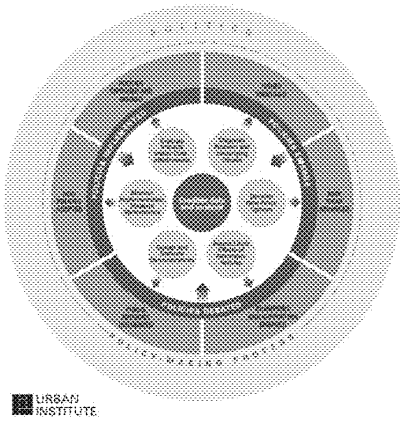
In the years that followed, evidence from random control trials, administrative data, and implementation research has been used to strengthen the housing voucher program's design and administration. More specifically, changes in how subsidies are calculated, rules imposed on participating landlords, allowable rent levels in different types of neighborhoods, and performance standards for the administering local agencies have all been informed by rigorous evidence conducted over many years (National Research Council 2008).

Roles for Evidence in the Policy Process

Often, the conversation about "evidence-based policy" focuses too narrowly on a single question and a single step in the policymaking process. In this narrow context, research determines whether a particular program "works" or not—whether it achieves the intended outcomes—and that evidence is

used as the basis for either funding the program or killing it. In other words, if an initiative or program has not been proven effective, it is not "evidence based" and it should not be implemented.

In reality, policy development occurs in multiple stages and extends over time. New policies emerge in response to problems and needs, possible approaches are advanced and debated, new policies are adopted and implemented, and established policies are critiqued and refined. As the figure to the right illustrates, evidence can add value at every stage, but the questions decisionmakers need to answer differ from one stage to the next. More specifically, policymakers need evidence to help them



- diagnose problems and underlying causes;
- design new policy options and assess the likely effects of alternatives;
- demonstrate and evaluate the impacts of new, model programs;
- monitor program implementation, measuring costs and performance and their sensitivity to different settings; and
- evaluate the long-term impacts and cost-effectiveness of existing programs.

No single research tool or methodology can deliver the evidence policymakers need to make informed decisions at all these stages. Instead, policymakers and practitioners need a portfolio of rigorous research tools to effectively advance evidence-based policy.

Random Control Trials

Random control trials—in which people are randomly assigned to participate in a program or serve as controls—are often referred to as the "gold standard" for evidence about whether a program is effective. And indeed, this approach is extremely powerful because it compares outcomes for a program's participants to the outcomes comparable people achieve without the program.

To illustrate, the Urban Institute is currently evaluating a Youth Alliance initiative that places low-income youth in internships to teach them job skills and improve their résumés for college and careers. Often, programs of this kind appear effective on the surface, because many participants go on to college or get jobs. But what if the young people who were sufficiently motivated and goal-oriented to learn about and apply for the special services would have succeeded anyway? To find out whether these programs work, outcomes for participating youth must be compared to a control group of equally motivated

youth, the perfect recipe for a random control trial. In the case of the Youth Alliance initiative, only a limited number of internships were available, so the (much bigger) pool of eligible applicants was divided by lottery into a treatment group, which was offered internships, and a control group, which was not. These two groups of young people are similar in every other respect, including their drive and motivation to succeed. So, the evaluation, which is currently under way, will be able to measure the impact of the intervention relative to what participants would achieve without it.

While random control trials constitute the best tool in many circumstances, some programs cannot be effectively evaluated in this way. In particular, complex "place-based" interventions (like the new Promise Neighborhoods Initiative or the Choice Neighborhoods program) are not good candidates for random control trials. These interventions are designed to improve outcomes—educational success, health, employment and income—throughout an entire community, not just for individuals who participate in a defined program. Part of the approach is to saturate an entire area with new services, benefits, or incentives, so that even people who are not directly targeted or enrolled will experience spillover effects. These spillovers mean that the statistical framework underlying random assignment does not apply.

In theory, researchers could randomly assign whole communities to receive a place-based intervention or not. But place-based programs do not simply implement a simple prescription formulated the same way everywhere. Instead, these programs evolve organically in the communities where they are implemented and draw different elements from a broad menu of possible services. Each intervention is tailored to conditions on the ground. They are also continuously improved using data in an ongoing development effort that adapts to local circumstances, successes, and failures, with constant feedback from outcome data. The combination of spillover effects on people not receiving services, locally tailored designs, and continuous improvement makes a simple random assignment design the wrong choice for evaluating these types of interventions. But alternative methods can produce credible estimates of outcomes in the targeted communities compared to what would have happened without the intervention (Nichols 2013).

Other tools constitute the "gold standard" for delivering the evidence policymakers need to answer other questions.

Microsimulation Models

Often, policymakers want to anticipate the likely effects of policy changes, rather than waiting to measure their impacts after the fact. Microsimulation models can forecast outcomes under a wide range of "what if" scenarios. Although the development of credible models is complex and time-consuming, once a model is in place, it can quickly and efficiently analyze a wide range of alternative policies.

The Urban-Brookings Tax Policy Center has built a painstakingly detailed model that applies the provisions of the tax code to a 270,000-unit sample of "taxpayers" that statistically represents the US tax base.[1] The model reports the revenue and distributional effects of elements of and changes to the tax

[1] For a more complete description of the Urban-Brookings tax policy simulation model, see http://taxpolicycenter.org/taxtopics/Brief-Description-of-the-Model-2013.cfm.

code. For example, recent analyses applied the model to questions of equity and efficiency of the home mortgage interest deduction, demonstrating that its biggest beneficiaries are households making more than $100,000. This analysis also predicted whose taxes would rise, whose would fall, and how total tax revenues would change under several alternatives to the mortgage interest deduction currently under discussion (Eng et al. 2013).

Administrative Data Analysis

Public agencies at every level of government collect a tremendous volume of information about benefit recipients, market transactions, and enforcement actions. These data can be systematically linked, monitored over time, and analyzed to produce reliable evidence for policymakers. In many cases, administrative data provide the building blocks for microsimulation modeling or the outcome measures in a random control trial. But rigorous analysis of administrative data can also provide answers to immediate questions about program design and implementation.

The Urban Institute is using administrative data to help design streamlined enrollment procedures for health insurance coverage under the Affordable Care Act. Publicly funded health insurance programs like Medicaid and CHIP require enrollees to complete vast amounts of paperwork to demonstrate their eligibility. This barrier is costly for both applicants and processers, and it prevents some eligible people from receiving coverage. With 21st century data and technology, it should be possible to automate processes to determine applicant eligibility, improving accuracy and saving public dollars. To test this proposition, Urban Institute researchers assembled administrative data from tax returns, state workforce eligibility records, and other sources to determine what existing records could verify current eligibility for Medicaid. This study will produce potential business rules for initial applications and renewal to the Medicaid program that would improve the system's efficiency and reach (Dorn et al. 2013).

Performance Measurement

Performance measurement is a familiar concept throughout the federal government and a key element of evidence-based policymaking. The Government Performance and Results Act of 1993 required federal agencies to report annually on performance indicators beginning in fiscal year 1999. Agencies set targets for each performance indicator and report progress against those targets. Several federal agencies have responded to the need for data-driven performance reviews by developing an approach that consists of regularly held, structured, data-driven performance review meetings. This strategic leadership approach, often referred to as PerformanceStat, was initially developed by the New York City Police Department in 1994, and has since been adapted for use in other local, state, and federal government agencies (Hatry and Davies 2011).

One of the key challenges of performance measurement is defining indicators that are both meaningful and measurable. If agencies focus exclusively on easy-to-collect process measures (like number of applications reviewed or service referrals provided), they fail to reflect outputs and outcomes of ultimate importance. But if they focus instead on long-term outcomes, they sacrifice near-term feedback on program performance. To help policymakers and practitioners develop effective performance measures, the Urban Institute, Child Trends, and Social Solutions are collaborating to

develop PerformWell, a web portal providing measurement tools and practical knowledge that human services professionals can use to manage their programs' day-to-day performance. Information in PerformWell leverages research-based findings that have been synthesized and simplified by experts in the field (Urban Institute 2011).

Qualitative Research

Sometimes, fully diagnosing a complex problem, designing an innovative solution, or understanding exactly how a program should be implemented requires in-depth, nuanced information that cannot be obtained from conventional surveys or administrative data sources. Qualitative research uses in-person observation, in-depth interviews, and focus groups to dig deep and explore the behavior of people and institutions. Qualitative methods can explain and enrich findings from statistical data, highlight key issues that might otherwise be missed, and reveal hypotheses for further testing.

The Urban Institute recently completed an evaluation of the federal New Markets Tax Credit program, which has allocated over $3 billion to public-private investments in low-income community development. In conjunction with quantitative analyses of administrative and original survey data, researchers drew a small random sample of assisted businesses and analyzed each in depth, learning about the type of business and the loan it received, the nature of its neighborhood and market, the importance of the federal subsidy, and the subsequent economic performance of the business. This in-depth information played a critical part in a "triangulation" process that comprehensively addressed a complex market intervention (Abravanel et al. forthcoming).

Qualitative methods can also be invaluable in crafting the specific provisions of a new intervention before it is implemented or evaluated on a large scale (and at high cost). For example, behavioral economics has taught us that our financial decisionmaking is deeply influenced by subtle contextual factors that frame our choices. Programs designed to encourage savings among low-income earners are unlikely to succeed unless they take advantage of the "choice architecture" among their intended beneficiaries. The StabilityFirst pilot test, conducted in 2010 by Harvard's "ideas42" center on applied behavioral economics, enrolled 20 students at Central New Mexico Community College in Albuquerque into a prepaid debit card program. The students were interviewed at length both before and after to gauge their reactions to the program. A range of issues surfaced, including difficulty resolving customer service matters. Participants were reluctant to make calls to the customer service line, not wanting to commit their scarce celiphone minutes to a possibly lengthy call with time spent being transferred or on hold (Mills 2011). Information like this enables program administrators to make adjustments that correct these "blocking factors," making the subsequent randomized trial far more useful and the outcomes sought more likely to come about.

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It almost goes without saying today that policymaking should be evidence based. Scarce public dollars should go to programs that target real problems, operate efficiently, and demonstrably achieve their intended goals. But policymaking is a messy, iterative process, and the opportunities for evidence to inform and strengthen decisions are numerous and varied. Instead of relying on a single tool,

policymakers and practitioners should draw from a "portfolio" of tools to effectively advance evidence-based policy. Using the wrong tool may produce misleading information or fail to answer the questions that are most relevant when a decision is being made. Applying the right tool to the policy question at hand can inform public debate, help decisionmakers allocate scarce resources more effectively, and improve outcomes for people and communities.

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Zero to Three

STATEMENT FOR THE RECORD OF
MATTHEW E. MELMED, EXECUTIVE DIRECTOR
ZERO TO THREE: NATIONAL CENTER FOR INFANTS, TODDLERS, AND FAMILIES

SUBMITTED TO THE SUBCOMMITTEE ON HUMAN RESOURCES
HOUSE COMMITTEE ON WAYS AND MEANS

WHAT REALLY WORKS: EVALUATING CURRENT EFFORTS TO HELP FAMILIES SUPPORT THEIR CHILDREN AND ESCAPE POVERTY

JULY 17, 2013

Mr. Chairman and Members of the Subcommittee:

I am pleased to submit the following statement to the Subcommittee on Human Resources on behalf of ZERO TO THREE, National Center for Infants, Toddlers, and Families. My name is Matthew Melmed, and I am the Executive Director of ZERO TO THREE, a national non-profit organization that has worked to advance the healthy development of America's infants and toddlers for over 35 years. I would like to start by thanking the Subcommittee for holding this hearing examining what is known about the effectiveness of current programs designed to assist low-income families and individuals and how high-quality evidence can best be used to inform the design of social programs at the federal level. Today, I want to urge your attention to, and your action on behalf of, a subset of that group who truly are the most vulnerable members of our society: infants and toddlers.

As this Subcommittee searches for answers to the problem of poverty, I urge you to bear in mind the need to start early in life through dual generational approaches. The effects of early poverty have a long reach, and not taking steps to intervene early with the youngest children—even while working to help their parents achieve self-sufficiency—makes later adverse outcomes more likely to occur and more difficult to prevent. There is a growing interest nationwide in early childhood programs in the years immediately preceding kindergarten. It is important to note that for our most vulnerable at-risk infants and toddlers, the achievement gap often emerges long before they reach the preschool door. We know that high quality early learning experiences during the infant and toddler years are associated with attributes important to later school success, including early competence in language and cognitive development, cooperation with adults, and the ability to initiate and sustain positive exchanges with peers. Focusing policy responses on very young children and their families could yield positive results, especially in the long term.

INTRODUCTION

Our nation's infants and toddlers are the group most likely to be living in distressed economic conditions. Nationally, almost half (48%) of children under age 3 live in low-income families, including 25% that

live in families in poverty. These statistics are particularly disturbing, because research shows that the timing of economic hardship in a child's life matters: poverty experienced at such a young age is particularly harmful both for short term development and outcomes later in life, including in education levels, social and emotional health, and physical health.

During the first 3 years of life, the brain undergoes dramatic development as the child acquires the ability to think, speak, learn, and reason. A baby's early experiences shape the brain's architecture into a foundation for learning, health, and eventual success in the workplace. Family resources, from income to parental education to environmental comforts, play a role in these early experiences and thus the developmental outcomes.

Poverty often leads to multiple risk factors. Children with risk factors such as living in low-income households, abuse or neglect, prenatal exposure to alcohol or other substances, and low parental education, have a higher incidence of developmental delays and disabilities than the general population. Disparities emerge as early as 9 months and widen by 24 months of age.[i] Infants and toddlers from low-income families are less likely to be in very good health or receive positive behavior ratings than those from higher income families. By age 2, toddlers in the lowest socioeconomic quintile are behind all other children in measures of cognitive skills and emotional attachment.[ii]

These adverse early experiences can weaken babies' brain development and follow them their entire lives, placing them at greater risk for later school failure and health problems as adults. When babies and toddlers experience chronic deprivation and stress there are costs in lost opportunity and achievement deficits to society and our economy unless we intervene.

Early delays in development that are not detected lead to widening gaps that put children on the path to poor outcomes, and have costly repercussions. Delays in speech and physical development as an infant can be signs of later learning disabilities, autism, or cerebral palsy.[iii] One in six children will experience a developmental disability or behavioral problem before age 18, but fewer than half of those problems are detected before school entry.[iv] Without increased investments focused on the availability and accessibility of quality early care and education experiences, many infants and toddlers will continue to be left behind. On the other hand, with high quality, effective services, those infants and toddlers who are at-risk for compromised development will be better equipped to reach their full potential in life.

INTERVENING EARLY

The brain is most flexible, or 'plastic,' early in life to accommodate a wide range of environments and interactions, and can be rewired in reaction to significant changes in their lives. Early plasticity points to the importance of early intervention; it is easier and more effective to influence a young child's developing brain architecture than to offer remedial programs later in life.[v] Reaching children well before they enter school can strengthen their chances for later success, despite the poor life conditions they face.

Research confirms that the early years present an unparalleled window of opportunity to effectively intervene with at-risk children.[vi] To be effective, interventions must begin early and be designed with the characteristics and experiences of these infants, toddlers, and families in mind.[vii] Intervening in the early years can lead to significant cost savings over time through reductions in child abuse and neglect, criminal behavior, welfare dependence, and substance abuse. If services are not provided until a child is 6, 7, or 8 years of age, the most critical opportunity for prevention and intervention is missed.[viii]

Given this early window of opportunity, there are a number of ways that policymakers and practitioners can intervene to improve outcomes for infants and toddlers. Proven approaches—some beginning during the important prenatal period—can help diminish the gaps and promote stronger social-emotional foundations. Economists estimate that for every dollar invested in early childhood programs, savings of

$3.78 to $17.07 can be expected in future public expenditures, in part by reducing the occurrence of negative educational and life outcomes.[ix]

EFFECTIVE PROGRAMS

When focusing on specific methods of delivering services, it is important to think in terms of developing a comprehensive system of services that provide a prenatal through pre-kindergarten continuum. Such a system would ensure that the critical needs of vulnerable infants and toddlers—regardless of the setting in which they might be reached—are included in early childhood planning. That system would help parents and early childhood professionals promote healthy development across all domains.

Programs and services in this system should have an important element of supporting parents in forging bonds with their children since developing strong attachments provide the needed foundation for a child to explore and learn as well as to regulate their emotions as they interact with others (social and emotional development). Such services should also help parents and babies engage in play, reading, and other activities that foster early language skills (cognitive development) and they should promote good nutrition and attention to well-child care (physical development).

Model early childhood programs that deliver carefully designed interventions with well-defined objectives and that include well-designed evaluations have been shown to influence the developmental trajectories of children whose life course is threatened by socioeconomic disadvantage, family disruption, and diagnosed disabilities. Programs that combine child-focused educational activities with explicit attention to parent-child interaction patterns and relationship-building appear to have the greatest impacts. In contrast, services that are based on generic family support, often without a clear delineation of intervention strategies matched directly to measurable objectives, and that are funded by more modest budgets, appear to be less effective.[x]

Effective early childhood programs also impact parents' efforts to become economically self-sufficient. Effects range from enabling parents to work to support their families to promoting education and training that can better position parents to move into the job market.

Some examples of proven programs include:

- **Early Head Start**
  Early Head Start is the only federal program specifically designed to ensure that all young children have the same opportunities by improving the early education experiences of low-income infants and toddlers. Early Head Start offers opportunities for early learning experiences, parent support, home visitation, and access to medical, mental health, and early intervention services.

  The Congressionally-mandated Early Head Start Research and Evaluation Project – a rigorous, large-scale, random-assignment evaluation – concluded that Early Head Start is making a positive difference in areas associated with children's success in school, family self-sufficiency, and parental support of child development. For example, Early Head Start produced statistically significant, positive impacts on standardized measures of children's cognitive and language development.[xi] Impacts were not limited to children. The program had significant positive impacts on participation in education and training among parents with some impacts on employment beginning to emerge late in the study.[xii] Findings include:
    - Statistically significant, positive impacts on standardized measures of cognitive and language development.
    - More positive approaches to learning.
    - Fewer behavior problems.

- Reductions in the negative impacts of parent stress and risk factors on child language and self-regulatory development.
- Parents were more involved and provided more support for learning.
- Parents had reduced risk of depression.
- Positive impact on child-father interactions.

Studies also show that children who participated in Early Head Start had significantly larger vocabularies and scored higher on standardized measures of cognitive development than children in a control group who did not participate in Early Head Start. Additionally, Early Head Start children and parents had more positive interactions, and these parents provided more support for learning than did those in a control group.[xiii]

Despite the program's proven ability to lessen the negative effects of poverty, consistently low levels of federal funding and increasing child poverty have kept the program's capacity low. In FY2012, less than 4 percent of eligible children are served by EHS initiatives.[xiv]

- **Child Care**

Most people think of child care as a service that enables parents to work—and it certainly is a vital piece of the puzzle for families seeking economic security for their young children. Yet, it also has important implications for early brain development. Second only to the immediate family, child care is the setting in which early childhood development unfolds for 6 million infants and toddlers who spend some part of their day in non-parental care. Child care that is of poor quality can have a detrimental effect on early development. And the children who could benefit most—those from low-income families—are the ones most likely to be in poorer quality care. High quality care for very young children is scarce and out of reach for many families. Nationally, the cost of an infant's child care for single mothers ranges from 25% to 69% of the mother's median income, and the cost for married couples ranges from 7% to 16% of their median income.[xv]

High quality child care is associated with outcomes that all parents want to see in their children, from cooperation with adults to the ability to initiate and sustain positive exchanges with peers, to early competence in math and reading – all key ingredients to later school success. Research indicates that the strongest effects of quality care are found with at-risk children—children from families with few resources and under great stress.

Specifically, studies that examine children's development over time have shown that higher quality child care is a predictor of improvement in children's ability to understand spoken language, communication skills, verbal IQ skills, cognitive skills, behavioral skills, and attainment of higher math and language scores—all of which impact later school success.[xvi] Research also indicates that participants in high quality child care and early education programs may also experience lower levels of grade retention and placement in special education classrooms.[xvii]

One of the features that distinguish higher quality care is the amount of language stimulation provided. High quality child care, where providers are both supportive and offer more verbal stimulation, creates an environment where children are likely to show advanced cognitive and language development.[xviii] For virtually every developmental outcome that has been assessed, quality of care also shows positive associations with early social and emotional development.[xix] Higher quality care is generally related to more competent peer relationships during early

childhood and into the school years. It provides environments and opportunities for socialization. problem-solving, empathy building, sharing, and relating.

- **Evidence-Based Home Visiting**
  Home visiting has been demonstrated to be an effective method of supporting families as they guide their children's development, particularly as part of a comprehensive and coordinated system of services. These voluntary programs tailor services to meet the needs of individual families and offer information, guidance, and support directly in the home environment. While home visiting programs vary in goals and content of services, in general, they combine parenting and health care education, child abuse prevention, and early intervention and education services for young children and their families. Home visiting is a means to establish trusting relationships with families and deliver or link them to necessary resources and supports. Depending on the model used services may include health, parent education, family support, and other services to promote maternal well-being and family self-sufficiency.

  The U.S. Department of Health and Human Services and Mathematica Research have identified 12 evidence-based home visiting models that have demonstrated positive impacts in a set of eight domains. Eleven of these are designed to include infants and toddlers and their families: Child FIRST, Early Head Start-Home Visiting, Early Intervention Program for Adolescent Mothers (EIP), Early Start (New Zealand), Family Check-Up, Healthy Families America (HFA), Healthy Steps, Nurse Family Partnership (NFP), Oklahoma's Community-Based Family Resource and Support, Parents as Teachers (PAT), and Play and Learning Strategies (PALS) Infant.

  Depending on the model used, positive impacts have been shown in one or more domains, including child health, child development and school readiness, maternal health, reductions in child maltreatment, family economic self-sufficiency, positive parenting practices, linkages and referrals, and reductions in juvenile delinquency, family violence, and crime.[xx] In randomized trials, home visiting programs were found to be effective methods for delivering these essential parent support services. When compared to control group counterparts, parents with very low incomes who participated in a home visiting program were more likely to read aloud, tell stories, say nursery rhymes, and sing with their child.[xxi] Participants in home visiting programs also created more developmentally stimulating home environments[xxii], had more responsive interactions with their children[xxiii], and knew more about child development.[xxiv]

  Home visitation programs can counteract the negative consequences of economic insecurity and encourage success not only at home but also in school and at work. Home visitation programs help parents enroll in educational and training programs and pursue employment opportunities. In a series of randomized controlled trials of a nurse home visitation program serving unmarried low-income women, 82% more participants worked compared to the control group in the period up until their child turned 4.[xxv] In another trial of the same program, participants were twice as likely to be employed as the control group at their child's second birthday.[xxvi] A randomized controlled trial of another program demonstrated high participation in school or training compared to the rate of the control group; a particular benefit of this program was the setting of concrete goals with the mothers for their education and professional development.[xxvii] Finally, a 5-year follow-up study of another home visitation program found higher monthly income for study participants.[xxviii]

CONCLUSION

During the first three years of life, children rapidly develop foundational capabilities—physical, social-emotional, and cognitive—on which subsequent development builds. These areas of development are

inextricably related. Yet, too often, we ignore the early years of a child's life in making public policy, waiting until at-risk children are already behind physically, emotionally, or cognitively before significant investments are made to address their needs. We must change this pattern and invest in at-risk infants and toddlers early on, when that investment can have the biggest payoff—preventing problems or delays that become more costly to address as the children grow older.

All young children should be given the opportunity to succeed in school and in life. Ensuring that infants and toddlers have strong families who are able to support their healthy development will help lay the foundation for a lifetime of success. We must increase federal investments so that infants, toddlers and their families have access to developmentally appropriate early learning programs such as Early Head Start, high quality and affordable child care, and home visiting services to help ensure that they are ready for school.

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Capital IDEA Board of Directors

Testimony of Paul Skeith
Chair, Capital IDEA Board of Directors
Leader and Strategy Team Member, Austin Interfaith
Managing Partner, Richards, Rodriguez, and Skeith

Thank you for the opportunity to submit this written testimony about how Capital IDEA lifts working poor adults from poverty into good careers through a community college education. We are very proud of our 1,000+ formerly working poor who have started new careers as nurses, network administrators, energy techs, and other skilled workers needed by our economy. As you heard in testimony from Tara Smith of the University of Texas' Ray Marshall Center, rigorous evaluations demonstrate that Capital IDEA graduates nearly triple their earnings and deliver a 501 percent return-on-investment to taxpayers. Over 1,000 working poor adults who formerly needed taxpayer assistance are now substantial taxpayers themselves. Moreover, they serve as role models for their children, 90 percent of whom graduate from high school and 75 percent go on to higher education—permanently breaking the cycle of poverty.

The strategy that the Texas Industrial Areas Foundation Network of Organizations first developed with Project QUEST in San Antonio in the 1990s is simultaneously complex and simple. The most important ingredient of our success is a mutual commitment between the student and the community. Yes, we invest substantial money and time in our students: our sectoral workforce intermediary organizations like Capital IDEA pay for (or leverage with our partners) tuition, fees, books, vaccinations, tools, exam fees, uniforms, child care, bus passes or gas money, credentials, and everything else short of bare living expenses. But there is much more to success in a community college than just resources.

First, people find out about us from institutions they trust -- the congregations of Austin Interfaith and our sister Industrial Areas Foundation organizations, friends and family, and social service agencies. They know that these institutions believe in them, care about them, and also expect accountability from them.

Second, they go through a six-week "admissions" process. The first step is to ask them to explore the high-demand, high-skill careers our employer partner's offer. Next we measure their baseline math and reading skills and assess their fit for their career of interest. Then together we develop a three or four-year financial and educational plan that will raise them from as low as fifth-grade math and reading skills to a community college graduate. The final and most important step is a heart-to-heart conversation about commitment to the plan and, once graduated, to give back to the community that supported and believed in them. We don't often say "No," but we do say "Not yet," and help them identify the things needed to get ready.

Third, once they begin, students team with a group of their peers and a Career Navigator, who is a student's guardian angel throughout their journey. Students meet weekly as a group with their Navigator and his or her responsibility is to get them successfully through their education and into a career, no matter what. If someone's spouse or partner becomes abusive, we help them get into a shelter. If the shelter is closed, we take our credit card and get them into a hotel until the shelter opens. If someone's child acts up in school, we help them deal with the school system. If someone has an undiagnosed learning disability, we help them get support.

Currently, the Federal funding for these efforts is limited and short-term. We leverage everything available from the Workforce Investment Act, federal child care dollars, Temporary Assistance for Needy Families, and other sources. However, none will support all of a student's needs throughout this multiple year and multiple step process. From the beginning the Industrial Areas Foundation organizations and their business community partners develop local general revenue and philanthropic support to fill the gaps left by traditional workforce development funding. We have also developed a state program, the Innovative Adult Career Education program, which we offer as a model for future Federal efforts.

We emphasize that resources are not enough on their own. Legislation needs to fund the full-on case management and counseling/advising of Career Navigators for non-traditional adults and other first-generation college students. If one does not have a college-educated parent to guide him or her through the college maze, he or she needs someone like our Career Navigator to play a similar role.

Industrial Areas Foundation organizations have put this strategy to work effectively in cities and regions across Texas and in Arizona, Louisiana, and Iowa. We firmly believe that the working poor are not a liability for our society but our biggest opportunity. No students will work harder than parents who have determined to change their lives and their children's lives. We have had women give birth on a Thursday and then take mid-terms the next week. The time and resources necessary to educate an adult may seem like a lot from the perspective of traditional workforce development policy, but it is a very little from the perspective of a lifelong career contributing to our economy and tax base.

Thank you.

PEW Charitable Trusts

Statement for the Record from the Pew Charitable Trusts
U.S. House Committee on Ways and Means, Subcommittee on Human Resources
Hearing on Evaluating Efforts to Help Families Support their Children and Escape Poverty

Thank you for the opportunity to share a statement for the record with the House Ways and Means Subcommittee on Human Resources as part of the July 17, 2013, record on *Evaluating Efforts to Help Families Support Their Children and Escape Poverty*. We applaud the Subcommittee for their leadership and share your commitment to ensuring that states are investing in what works.

The Pew Charitable Trusts (Pew) is a global research and public policy organization, operating as an independent, non-partisan, non-governmental organization dedicated to serving the public. Our work lays the foundation for effective policy solutions by informing and engaging citizens, linking diverse interests to pursue common cause and insisting on tangible results. Our projects encourage efficient, responsive governments – at the local, state, national and international levels – serving the best interests of the people.

In his opening statement, Chairman Reichert noted that, "Congress and the Administration should fund what works so we can deliver better results to those in need." We agree and strongly encourage members of the Subcommittee and Congress more broadly, to support reauthorization of the Maternal, Infant and Early Childhood Home Visiting (MIECHV) program. This program, as was noted during the hearing, is uniquely designed and highly-effective in delivering improved outcomes for children and their families. This statement for the record provides a summary of recently released, Pew-commissioned research on home visiting and an overview of our partnership with states as they work to strengthen their home visiting systems. Both reinforce the call for reauthorization of MIECHV.

New home visiting research deepens understanding of how to achieve success

Voluntary, home visiting is an effective, evidence-based and cost-efficient way to ensure that children have the opportunity to grow up healthy, ready to learn and able to become productive members of society. Importantly, high quality programs can also yield improved educational and employment outcomes for mothers, equipping families with needed tools to move beyond poverty.[1] Well-designed and well-implemented programs have been shown to improve the lives and future prospects of children and families and to yield positive returns on taxpayer investments. [2]

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Neuroscientists tell us that our experiences as infants and toddlers greatly affect later life. The years up to age three are a unique and critical developmental period in brain growth. Researchers have found that our parents' actions (or inaction), and the environment they provide, shape the brain's fundamental capacity during this "once in a lifetime" developmental period. In other words, our potential isn't something we're just born with, it's also built up by what our parents do—the way they interact with us, speak with us, nurture and play with us. Sharing knowledge like this and, more importantly, teaching parents how they can apply it while raising their child, is an essential part of home visiting.

For families facing difficult situations, the information and support home visitors provide have proven to improve outcomes for children and parents. Decades of research on home visiting have shown important gains in school achievement and health and large decreases in rates of low birth-weight babies, infant mortality, and involvement with the criminal justice system.

These outcomes matter, for families, for communities and for taxpayers.

As part of our commitment to advance quality home visiting across the country, the Pew Charitable Trusts, with generous support from the Doris Duke Charitable Foundation and the Children's Services Council of Palm Beach County, sponsored independent research to build the evidence needed to inform policymakers' decisions, and to advance effective practice in home visiting programs.

This new research points to the importance of program quality and target population—and the interactions between them—in determining ultimate outcomes for children and families. The critical question has become not just "What works?" but "What works for whom under what circumstances?"

The Pew-commissioned research begins to answer this key question, provide new mechanisms by which states can evaluate the effectiveness and appropriateness of their home visiting investments, and identify needed improvements.

Key findings from our research:

- Being truly evidence-based is an ongoing process that goes beyond model selection to include continuous data monitoring, analysis, feedback, experimentation, and testing in order to improve quality and maximize outcomes for children and families.
- Programs need to maintain a strong focus on relevant content areas (such as parenting skills and children's cognitive development) in order to achieve positive outcomes for children and families.

Within the context of individual studies, researchers also found:

- In addition to other benefits, high-quality home visiting can significantly improve first-graders' school readiness and reduce the rate at which they repeat first grade.
- At-risk mothers who already have children can benefit from home visiting as much as first-time mothers can.

Pew's partnership with states provides critical lessons in "what works" for improving outcomes for at-risk families and children

Pew applauds Congress for recognizing the value of investing in voluntary, evidence-based home visiting through MIECHV. Importantly, the legislation struck a thoughtful balance – allowing for tailoring and innovation at the state level and providing accountability and technical support at the federal level – that has yielded a strong state-federal partnership. MIECHV provides a critical framework of accountability for ensuring that the federal investment truly yields improved outcomes for children and families. This same kind of framework is needed to bolster the investments states have long been making in home visiting to ensure that there is *one* coordinated system of home visiting operating within a state. Building one system will help ensure that program quality, effectiveness and accountability are consistent, regardless of funding stream.

For that reason, and informed by the growing body of implementation research including that which is summarized above, Pew has been partnering with states to enact legislation that builds upon MIECHV and better positions states to more effectively and efficiently leverage the array of funding streams. Ten states have enacted legislation that builds upon the MIECHV legislation: Arkansas, Connecticut, Iowa, Kentucky, Maryland, Michigan, New Mexico, Ohio, Texas, and Vermont.

In general, the legislation does the following three things:

First, it clearly defines the purpose and expected outcomes of the state's home visiting investment. This is vital to ensuring that programs target the families and work toward the outcomes that are the state's highest priorities. It is also key to creating a system that fairly measures the performance of all programs.

Next, the legislation invests taxpayer dollars in home visiting programs that have a proven record of success. Once a state knows which families it wants to serve and the outcomes it seeks, policy makers should look for programs with solid evidence to meet those objectives.

And finally, the state's responsibility does not end at reviewing the evidence and picking the programs to fund. As Congress recognized in the MIEHCV program, ensuring effectiveness means states must track public dollars and outcomes across all programs, even those that have demonstrated solid results in the past. States are working to establish that same infrastructure for their home visiting system more broadly to ensure that the programs they are funding actually "move the needle" on the goals they've set. For example, are they reducing infant mortality or resulting in kids being more ready for school?

MIECHV also encourages states to invest 25 percent of funds in promising programs that are still being evaluated. Pew strongly supports this because it allows the state to promote innovations that may help families for whom programs with stronger evidence haven't worked or been tested. Additionally, a few states have innovative long standing programs that are ready to be rigorously evaluated. And, importantly, funding innovation may identify ways the state can achieve results comparable to more established programs at less cost.

Pew shares your commitment to investing in what works along with ongoing monitoring and measurement of the effectiveness of programs. Voluntary, evidence-based home visiting is proven to help families support their children and escape poverty. In addition to the real and lasting impact these programs have on the families they serve, research shows that these investments can yield returns on taxpayer dollars. We believe it is critical to continue learning from the research and for the federal government to continue encouraging states to improve the systems that monitor program outcomes.

To that end, we note the looming need for reauthorization of the MIECHV program. As noted by Jon Baron, President of the Coalition for Evidence-Based Policy, in his testimony before the Subcommittee, the MIECHV program exemplifies the kind of smart investment that yields strong returns. We encourage members of the House of Representatives to support reauthorization of this highly-effective program.

Chautauqua Opportunities

Testimony : Wavs and Means Committee
How Today's Fragmented Welfare System Fails to Lift Up Poor Families

Chautauqua Opportunities Inc. has been an anti poverty agency since 1965. For the past 15 years we have restructured our service model to be integrated and comprehensive. We are an evidence based agency and we have created a service model that is asset focused and provides individuals in poverty a ladder out . We measure individual and household progress toward self sufficiency and economic security against continuums of care based on ROMA categories (Crisis to Thriving). It is a customer driven model that is strength based and utilizes a wide array of services as "tools" to achieve short and long range transformative life goals. We deliver our services from a cognitive behavioral approach and have full supports in place that reinforce behavioral change theory.

From our experience we make the following recommendations: to remove existing barriers and to create better opportunities to assist families working their way out of poverty.

- Current Welfare system needs to be re-designed to reflect financial life after welfare (copays in line with overall percentages of net cash)
- There needs to be a planned transition off welfare (assuming the recipient will be attaining a relatively low paying job)....supportive services should provide the necessary supports at levels that allow slightly more cash in hand while working (comprehensive enrollment that matches need)
- Soft employment skill development should continue – post welfare - to increase earning capacity
- Supportive services should be designed to incrementally decrease as wages increase
- Basic service design: (applicable to employable individuals – not to specific populations that are not able to be self supporting)
  - No service should be "for life" and do not force divesting of assets to qualify
  - Do not incentivize default and bad credit in order to become eligible for greater benefit.
  - Address waiting lists for services that are critical for employment (child care, housing, health care, transportation, food)
  - Structure services to support asset acquisition and a ladder out of poverty –
  - All services should support financial education and financial repair

New areas for federal concern:

- Promote integration of services:
  - o Centralize oversight of human service funding...(result: lower gov't audit cost, all resources would support similar goals, would bring coordinated service delivery at local level to customers – resulting in better outcomes and lower costs)
  - o Mandate that RFPs reflect integration, holistic customer response, outcome tracking, centralized services within organization
  - o Encourage organizations to develop economies of scale and reward good

management(performance based contracting – rather than grant funding)

- Mandate that states' demonstrate streamlined contract process across beaurocracies

o Mandate centralized intake and customer file by all organizations responding to federal RFPs

o Promote administrative model that capitalizes on volume and saves money and is more efficient and effective

- Expect that agencies move to electronic files (efficient, cost effective, able to be audited off site, better off site back up for disaster recovery - eliminates agency redundancy in staff and files)

- Promote asset focused policies that benefit low and moderate income Americans

- History with local stakeholders/ comprehensive sector involvement: leverage federal, state, local and private support, create local opportunities, breakdown local barriers
- Grassroots connections: involve low income residents in creating solutions and building their future
- Comprehensive service delivery mechanism: blending service options expands services and reduces cost while increasing impact on outcomes
- Utilizing all dollars to serve multi level purposes simultaneously: individuals and families, towns and municipalities, institutions (ex: schools, health care, housing, economic development)