



Behavioral Health Risk among TANF Parents: Links to Homelessness, Child Abuse and Arrests

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Report to the Division of Behavioral Health and Recovery (DBHR), David Dickinson, MA, Director and Alice Huber, PhD, Evaluation and Quality Assurance Administrator and to the Economic Services Administration (ESA), Troy A. Hutson, JD, Assistant Secretary, Babs Roberts, Interim Director of Community Services Division and Dori Shoji, MSW, Senior Policy Advisor

THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) program provides cash assistance to low-income families and aids parents in gaining employment and achieving economic self-sufficiency. As part of the state's re-examination of the program, the DSHS Research and Data Analysis (RDA) division analyzed risk factors and outcomes for TANF adults and children over the five year period from state fiscal year (SFY) 2005 to 2009. These analyses suggest that expanding behavioral health treatment to TANF parents has the potential to: 1) reduce adverse outcomes, 2) prevent behavioral health problems among children, and 3) achieve cost savings through both the avoidance of adverse outcomes and the prevention of disability.

Key Findings

- 1. There is a high prevalence of substance abuse and mental illness identified in administrative data over a five year period.** Of the 73,921 TANF adults in the study population, 31 percent had an indication of need for alcohol/drug treatment, 55 percent had mental illness, and 21 percent had evidence of both conditions.
- 2. Alcohol/drug problems are associated with homelessness.** TANF parents with alcohol/drug problems were about twice as likely as those without alcohol/drug problems to experience a spell of homelessness in any given fiscal year.
- 3. Co-occurring substance abuse and mental illness place children at risk of abuse and neglect.** TANF parents with co-occurring conditions were almost three times as likely to be part of a Child Protective Services (CPS) investigation relative to those for whom neither problem was identified.
- 4. Substance abuse is associated with arrest.** TANF parents with alcohol/drug problems were 5 to 8 times more likely than those without alcohol/drug problems to have been arrested.
- 5. Alcohol/drug treatment penetration among TANF parents is on the decline.** The estimated proportion of TANF parents in need of alcohol/drug treatment who received treatment fell from 45 percent to 36 percent from FY 2008 to FY 2010. This was likely due to caseload growth outstripping treatment funding levels. Returning to FY 2008's treatment penetration level by FY 2013 would require \$2,093,000 in FY 2012 (all funds) and \$2,885,000 in FY 2013 (all funds).
- 6. Opportunities for cost savings from increased access to alcohol/drug treatment will be expanded under health care reform.** Alcohol/drug treatment slows the progression of health conditions that can lead clients to qualify for disability-related Medicaid coverage. Under Federal Health Care Reform, the state/federal cost sharing rules for the Medicaid Expansion population create strong financial incentives to fund alcohol/drug treatment to prevent disability in the TANF population.

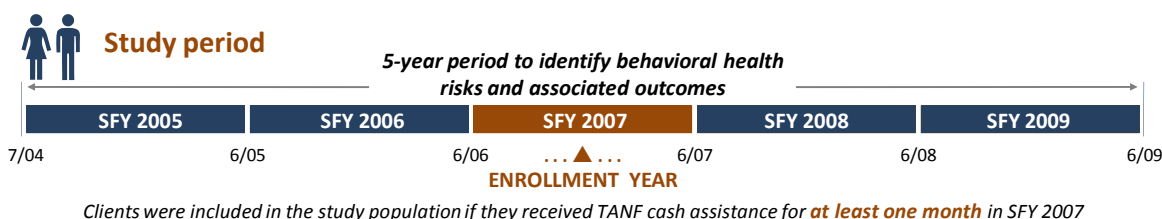


Background

In 2010, Governor Gregoire asked the WorkFirst Subcabinet to re-examine the state's TANF program, WorkFirst, to identify ways to achieve better outcomes while maximizing efficiency and effectiveness.¹ As part of the reexamination, a "One Table" group made up of legislators, legislative staff, key stakeholders, state agency staff, and members of the WorkFirst Subcabinet met on four occasions. The aim of these meetings was to provide opportunities for participants to provide input for consideration in the development of a TANF redesign plan. To assist with the re-examination of the TANF program, the DSHS Research and Data Analysis (RDA) Division conducted an analysis of adults on TANF in state fiscal year (SFY) 2007 to identify risk factors related to persistent dependence on cash assistance and other client outcomes.² That analysis found a relatively high prevalence of substance abuse and mental health problems among TANF adults. Furthermore, behavioral health problems were found to be key drivers of adverse outcomes such as homelessness, child welfare involvement, and arrests.

STUDY DESIGN | Adults on TANF in SFY 2007

This report examines risks and outcomes over a five year period for adults who were enrolled in the TANF program for at least one month in SFY 2007. Focusing on this cohort of clients allows us to look at the relationship between behavioral health risk factors and associated outcomes over a five year period.



BEHAVIORAL HEALTH RISK (SFY 2005-09) | Substance Abuse and Mental Illness

To identify behavioral health risk factors, we used the RDA Integrated Client Database, which contains current and historical administrative data from multiple sources. The presence of mental illness was identified through data on both prescriptions and diagnoses. Data on psychotropic prescriptions was available through medical claims and encounter records maintained in the Medicaid Management Information System (MMIS) (now ProviderOne). Data on mental illness diagnoses and prescriptions were available through three sources: 1) medical claims and encounters recorded in MMIS,³ 2) mental health services recorded in the Regional Support Network (RSN) consumer periodic database, and 3) assessment data recorded in CARE, the assessment information system used by the Aging and Disability Services Administration of DSHS.

To identify the presence of likely need for alcohol/drug treatment, we used a validated measure that combines medical, chemical dependency treatment, and arrest records into a single indicator of need.⁴ An individual is flagged as having a need for alcohol/drug treatment if any of the following are present: 1) receipt of chemical dependency treatment or detox services in the Division of Behavioral Health and Recovery's TARGET data system, 2) diagnoses in MMIS (now ProviderOne) indicating an alcohol/drug problem, and/or 3) an alcohol or drug related arrest recorded in Washington State Patrol (WSP) data.

1 Washington WorkFirst (2010). "WorkFirst Re-examination: Adapting WorkFirst for the 21st Century Economy of Washington State," Olympia, WA, <http://www.workfirst.wa.gov/reexam/reexamdocs/About%20the%20Re-Exam%20Link%20-%20Issue%20Brief%208-3-10.pdf>.

2 DSHS Research and Data Analysis Division (2010). "Adults on TANF in Washington State: Risks and Outcomes for Leavers, Cyclers, and Stayers," Olympia, WA: Presentation for the WorkFirst subcabinet, August 18, 2010.

3 ICD-9 diagnostic codes were placed into diagnostic categories based on those in the Diagnostic and Statistical Manual of Mental Disorders (DSM-4-TR). See Lucenko, Barbara, David Mancuso, and Sawir Yakup (2010). "Identifying Behavioral Health Problems among Medicaid Disabled Adults," Olympia, WA: DSHS Research and Data Analysis Division.

4 Sears, Jeanne, et al. (2010). "The use of administrative data as a substitute for individual screening scores in observational studies related to problematic alcohol or drug use," *Drug and Alcohol Dependence*, 111: 89-96.

Given that our indicators of mental illness and substance abuse are derived from administrative records, the estimated prevalence of these conditions will depend on the length of the time “window” used to look for evidence of these problems. We rely in large part on medical encounters for the identification of behavioral conditions, and these conditions can remain undetected or misdiagnosed in a medical setting. This concern argues for increasing the length of the “window” when measuring prevalence. On the other hand, increasing the length of the measurement window tends to move the prevalence measure from one of “current” or “past-year” need, towards an indicator that an episode of need has ever occurred over a longer time period. Table 1 below illustrates how the estimated prevalence of behavioral health needs derived from administrative data depends on the length of the window used to identify those needs. In most of the analyses that follow, we use the broader measure of need based on the 5-year window.

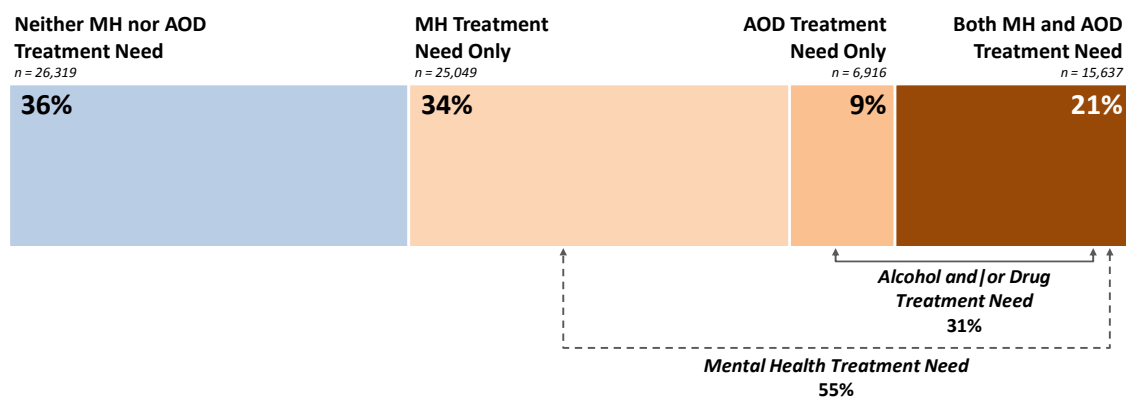
Table 1. Prevalence of Behavioral Health Risk Factors over Time

Adults on TANF in SFY 2007			
Integrated Client Database Behavioral Health Risk Indicators	SFY 2007 (1 year)	SFY 2007-09 (3 years)	SFY 2005-09 (5 years)
Alcohol/drug treatment need identified	16%	24%	31%
Mental health diagnoses or prescriptions	34%	48%	55%
Mental illness diagnoses			
Psychotic/mania/bipolar diagnosis	5%	10%	12%
Depression diagnosis	16%	28%	35%
Anxiety disorder diagnosis	11%	21%	26%
Mental health prescription medication			
Antipsychotic or antimania prescription	4%	8%	9%
Antidepressant prescription	24%	36%	42%
Antianxiety prescription	9%	18%	22%

Out of 73,921 TANF parents in the study population, 31 percent (22,553) were found to have some indication of a need for alcohol/drug treatment in our administrative data between SFY 2005 and 2009. Similarly, 55 percent were found to have an indication – through diagnoses or prescriptions – of mental illness. Even more strikingly, 21 percent of TANF parents were found to have both mental illness and probable substance abuse identified in administrative data.

Behavioral health risks among TANF adults

Identified using pooled SFY 2005 to SFY 2009 risk indicators



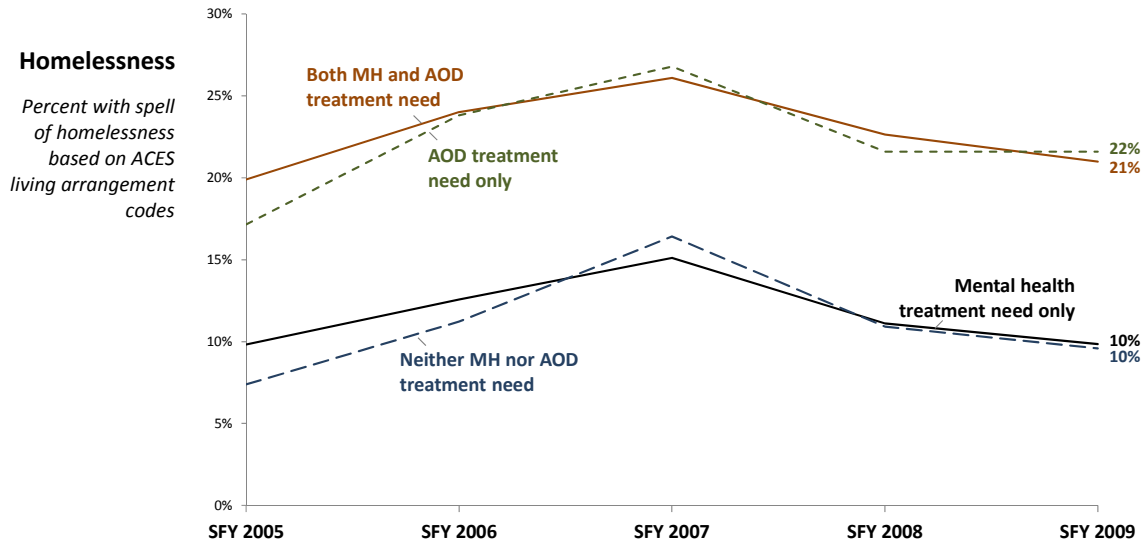
ADVERSE OUTCOMES (SFY 2005-09) | Homelessness, Child Abuse/Neglect, and Arrests

We analyzed the prevalence of homelessness, child protective services (CPS) investigations, and arrests over a five year period (SFY 2005-09) for parents who were on TANF for at least one month in FY 2007. We compared the prevalence of these adverse outcomes among four subgroups of clients: 1) those with neither mental health (MH) nor alcohol/drug (AOD) treatment need, 2) those with MH need only, 3) those with AOD treatment need only, and 4) those with both mental illness and alcohol/drug treatment need. This analysis demonstrates that behavioral health problems – and especially substance abuse -- are key drivers of homelessness, child abuse/neglect investigations, and criminal justice involvement.

Measures of adverse outcomes came from RDA’s integrated client database, though the underlying source data was different for each measure. Homelessness was identified through the Automated Client Eligibility System (ACES). Data from RDA’s Client Services Database (CSDB) provided information on whether parents had been part of a Child Protective Services (CPS) investigation in FY 2005 to 2008.⁵ Finally, arrest data from the Washington State Patrol (WSP) identified clients who had been arrested.⁶

FINDING 1 | Homelessness

We found that alcohol/drug problems were a key determinant of whether a TANF parent experienced a spell of homelessness. Clients with alcohol/drug problems were about twice as likely as those without alcohol/drug problems to experience a spell of homelessness in any given fiscal year. Mental health needs alone, in the absence of co-occurring alcohol/drug problems, were not associated with a significant increase in the risk of homelessness among adult TANF recipients.

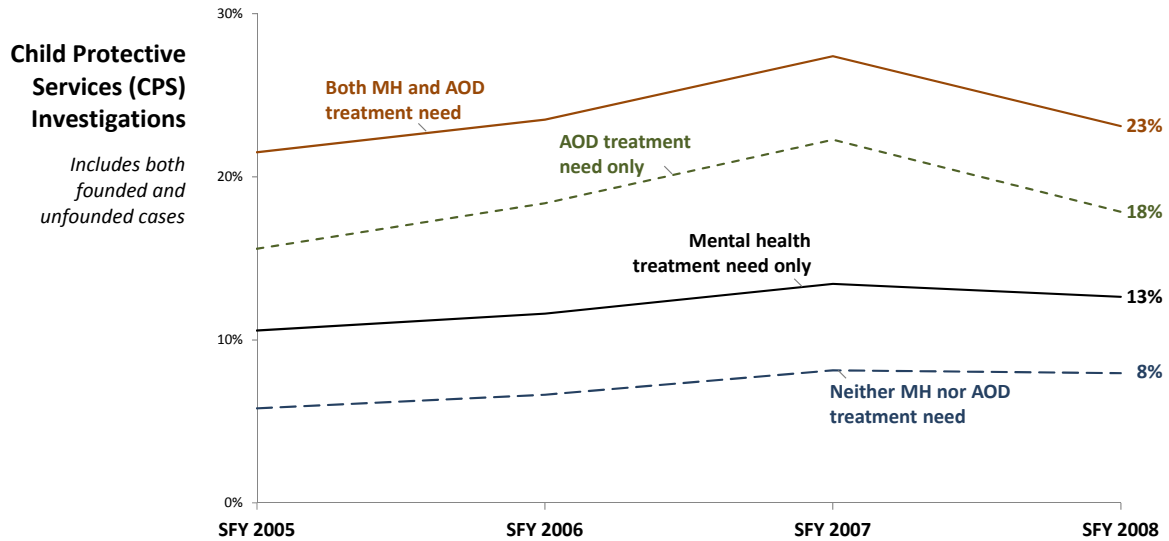


⁵ Although this measure includes investigations of child abuse and neglect that may ultimately have been determined to be either founded or unfounded, referred cases are accepted for investigation only after key witnesses or sources have been contacted, a risk assessment has been conducted, and a sufficiency screen has determined that there are risk factors placing a child in serious and immediate harm. As of the writing of this report, data on CPS investigations were incomplete for FY 2009.

⁶ Local law enforcement agencies are generally required to report only felony and gross misdemeanor offenses into the WSP arrest database. This report somewhat understates the full volume of arrest events in the study population because our data does not include some arrests for misdemeanor offenses that are not required to be reported in this database.

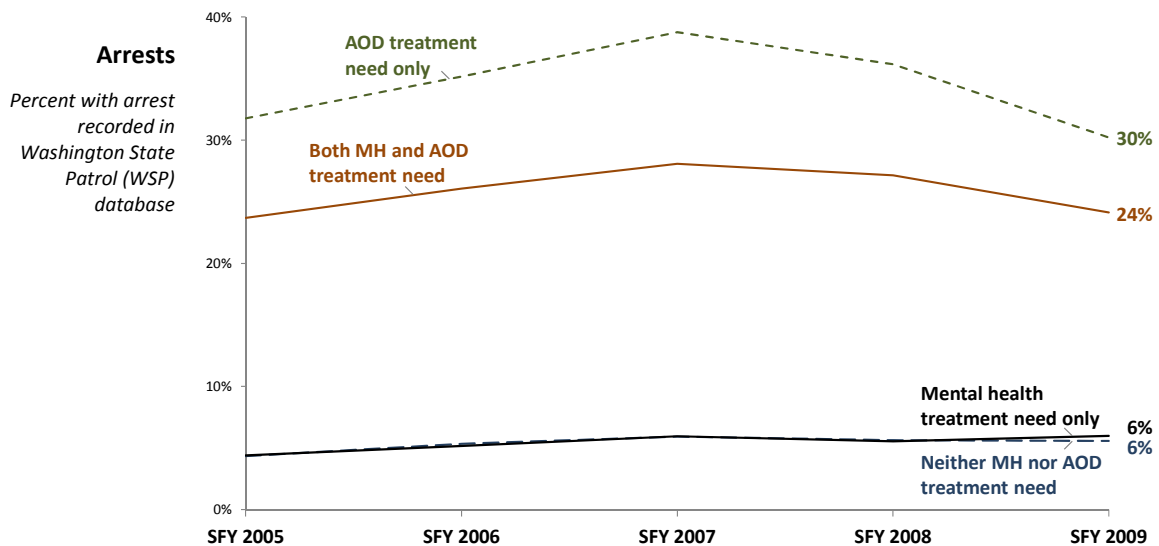
FINDING 2 | Child Abuse and Neglect

We found behavioral health risk to be a key determinant of whether a TANF parent was involved in a Child Protective Services (CPS) investigation. Parents with alcohol/drug problems were more than twice as likely to be part of an investigation for child abuse or neglect as parents with neither mental health nor substance abuse problems. Even more strikingly, parents with both mental illness and substance abuse problems were almost three times as likely to be part of a CPS investigation relative to those for whom neither problem was identified.



FINDING 3 | Arrests

We found that TANF parents with alcohol/drug problems were 5 to 8 times more likely than those without alcohol/drug problems to have been arrested in each of the five years from SFY 2005 to 2009. Mental health needs were not found to be associated with increased risk of arrest. In fact, clients with both conditions were actually less likely to be arrested than clients with alcohol/drug problems alone.



TREATMENT PENETRATION | Increasing Access to Alcohol/Drug Treatment

The above findings suggest that substance abuse, in particular, is a key driver of adverse outcomes like homelessness, child abuse and neglect, and criminal justice involvement among TANF clients. Moreover, compared to the general state population, the prevalence of substance abuse among TANF parents is relatively high. Yet the proportion of TANF parents in need of alcohol/drug treatment who received it has declined in recent years, as treatment availability has failed to keep pace with caseload growth. Between SFY 2008 and SFY 2010, we estimate that treatment penetration among TANF parents declined by almost 10 percentage points, from 45 percent to an estimated 36 percent. Freezing DBHR’s alcohol/drug treatment expansion funding in the SFY 2009-2011 biennium likely contributed to this decline by reducing access to alcohol/drug treatment at a time when TANF caseloads have been growing.

Table 2 below demonstrates that the state could return to the treatment penetration rate achieved with TANF clients in SFY 2008 by SFY 2013 if funding were available to provide alcohol/drug treatment to more clients. Based on the latest annual Medicaid treatment expansion evaluation report, the cost per treated client per year is estimated to be \$2,949.⁷ We assume an estimated current treatment need rate of 19.6 percent for each fiscal year based on the population average for TANF clients from SFY 2006-09. This estimate is based on administrative indicators of alcohol/drug treatment need using a two-year look-back window, as opposed to the five-year window used in the preceding analyses. The two-year window is used here because it provides a better estimate of the prevalence of current alcohol/drug treatment need.

We estimate that returning to SFY 2008’s penetration level would require the number of clients receiving treatment above the level forecast for SFY 2011 to be 710 in SFY 2012 and 978 in SFY 2013. This translates into an estimated cost for treatment expansion of \$2,093, 267 in SFY 2012 (\$2,949 per client x 710 clients) and \$2,884,554 (\$2,949 per client x 978 clients) in SFY 2013.

Table 2. Actual and Estimated Treatment Penetration among TANF Adults (SFY 2003-2013)

TANF Adults	STATE FISCAL YEAR										
	Actual							Estimate			
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of clients (unduplicated)	87,109	88,439	86,071	83,268	75,957	74,188	83,714	99,034	100,504	96,838	92,130
Estimated percent needing AOD treatment	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%
Estimated number needing AOD treatment	17,073	17,334	16,870	16,321	14,888	14,541	16,408	19,411	19,699	18,980	18,058
Number receiving AOD treatment	5,167	5,371	5,774	6,535	6,360	6,491	6,709	6,934	7,037	7,747	8,015
AOD treatment penetration rate	30.3%	31.0%	34.2%	40.0%	42.7%	44.6%	40.9%	35.7%	35.7%	40.8%	44.4%

⁷ Mancuso, David and Barbara Felver (2010). “Bending the Health Care Cost Curve by Expanding Alcohol/Drug Treatment,” Olympia, WA: DSHS RDA, <http://publications.rda.dshs.wa.gov/1417/>.

Discussion

The following discussion points to three potential benefits of expanding behavioral health treatment to TANF parents: 1) reducing adverse outcomes, 2) preventing behavioral health problems among children, and 3) achieving cost savings through the prevention of disability. Together, our findings suggest that scaling back behavioral health services during the economic downturn may increase costs associated with untreated substance abuse and mental illness.

TANF parents with behavioral health risk are more likely to experience adverse outcomes. The findings presented in this report demonstrate that TANF parents with behavioral health risk factors are more likely than their peers to experience homelessness, to be investigated for child abuse or neglect, and to be arrested. These findings are consistent with prior research. For example, substance abuse has been found to be a factor in one- to two-thirds of child maltreatment cases, and children of substance abusers tend to spend more time in the child welfare system and experience poorer outcomes than their peers.⁸ Moreover, a previous analysis of working-age disabled DSHS clients demonstrated that behavioral health risk is a key driver of homelessness.⁹ Finally, studies have demonstrated that chemical dependency treatment reduces criminal activity and that this results in significant cost savings.^{10 11}

Children on TANF whose parents have behavioral health risk factors or associated problems are more likely to experience substance abuse and mental health problems themselves. In a separate analysis prepared for the WorkFirst sub-cabinet as part of the TANF re-examination, RDA explored the prevalence of various risk indicators over a five year period (SFY 2005-09) among children who were on TANF in SFY 2007.¹² That analysis demonstrated that children whose parents have substance abuse or mental health problems are more likely to have substance abuse or mental illness themselves. Moreover, children who had been part of a CPS investigation or had an incarcerated parent were also more likely to have substance abuse and mental health problems.

The opportunities for cost savings from improving access to alcohol/drug treatment will be expanded under health care reform. Untreated substance abuse is a key driver of physical disease progression that can result in qualification for disability-related Medicaid coverage. Given that the state share of costs under Medicaid Expansion will be much lower than the state share for SSI-related Medicaid coverage, health care reform creates strong fiscal incentives for the state to provide alcohol/drug treatment to slow disease progression for non-disabled Medicaid enrollees. Significant State General Fund savings could be achieved by keeping TANF parents healthy enough to transition to Medicaid Expansion coverage, rather than disability-related Medicaid coverage, when their children age out of eligibility for TANF assistance.¹³

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Copies of this paper may be obtained at www.dshs.wa.gov/rda/
or by calling the DSHS Research and Data Analysis Division at 360.902.0701.
Please request REPORT NUMBER 11.153

8 U.S. Department of Health and Human Services (2009). "Parental Substance Use and the Child Welfare System," Washington, DC: Child Welfare Information Gateway, <http://www.childwelfare.gov/pubs/factsheets/parentalsubabuse.pdf>.

9 Kohlenberg, Elizabeth, David Mancuso, and Barbara Felver (2008). "Alcohol and/or Drug Problems and Mental Illness are Key Risk Factors for Homelessness among Working-Age Disabled DSHS Clients," Olympia, WA: DSHS Research and Data Analysis Division, <http://www.dshs.wa.gov/pdf/ms/rda/research/3/33.pdf>.

10 See, for example, Ettner, S.L., et al. (2006). "Benefit-cost in the California treatment outcome project: does substance abuse treatment 'pay for itself?'" *Health Services Research*, 41(1): 192-213.

11 Mancuso, David and Barbara Felver (2009). "Chemical Dependency Treatment, Public Safety," Olympia, WA: DSHS Research and Data Analysis division, <http://www.dshs.wa.gov/pdf/ms/rda/research/11/140.pdf>.

12 DSHS Research and Data Analysis division (2010). "Children on TANF in Washington State: The Wellbeing of Children and Caregivers", Olympia, WA: Presentation for the WorkFirst subcabinet, September 15, 2010.

13 Mancuso, David and Barbara Felver (2010). "Health Care Reform, Medicaid Expansion and Access to Alcohol/Drug Treatment: Opportunities for Disability Prevention," Olympia, WA: DSHS Research and Data Analysis division, <http://publications.rda.dshs.wa.gov/1418>.