Jonathan Ingram of the Foundation for Government Accountability (FGA) recently touted the findings of a “study” that examined the effects of a “work requirement” in Kansas for able-bodied adults without dependents receiving benefits from the Supplemental Nutrition Assistance Program (SNAP). In that report, *The Power of Work: How Kansas’ Welfare Reform Is Lifting Americans Out of Poverty*, he and his co-author Nic Horton claimed that the results of imposing the “work requirement” were “remarkable” and that “the reforms immediately freed nearly 13,000 Kansans from welfare.” Some of the specific “findings” include:

- “Nearly 60 percent found employment within a year of leaving food stamps.”
- “After leaving food stamps, incomes increased 127 percent.”
- “Within a year of leaving food stamps, the number of able-bodied adults living in poverty dropped significantly and roughly half of those working climbed out of poverty entirely.”

While some conservative politicians and ideologues have cited the report favorably, a careful review shows that it is seriously flawed and is not a basis for making the types of statements that Ingram and his FGA colleagues make about the effects of the “work requirement.” There are two critiques that lay out its problems in detail, one by the Center on Budget and Policy Priorities (CBPP) and one that I (as a citizen) have written:

- Peter Germanis, “The FGA’s ‘First of Its Kind Study’ Should Have Been the Last: An Evaluation Note for Pre-Post Conservatives,” July 4, 2017, available [here](#).

On July 7, Tara Golshan of Vox wrote an article about “The Welfare Reform and Upward Mobility Act,” sponsored by Representative Jim Jordan and Senator Mike Lee. The key components of the Act include adding a second work requirement to the Temporary Assistance for Needy Families (TANF) “program”; new work requirements under SNAP for adults with dependent children; and a sharp phase-down in funding for means-tested housing assistance. Golshan raised a number of concerns about that legislation in terms of its likely effectiveness and impact on poverty. Representative Jordan defended his bill by “reading aloud from a Foundation for Government Accountability report on Kansas”:

> Since implementing work requirements and time limits, the number of able-bodied adults on food stamps has dropped by 75 percent. Nearly 60 percent of those leaving food stamps found employment within 12 months and their incomes rose by an average of 127 percent per year.
Golshan’s reporting revealed that the FGA numbers were vastly misrepresented – and that an audit of the report by the CBPP indicated that the FGA study didn’t meet scientific standards:

…outside of correctly stating that the reform saved the government money, the figures in the Kansas report … fail to stand up to basic scientific research standards. The report overstates the direct effects of the work policy by failing to take into account the number of SNAP recipients who already worked or would have worked regardless of the reimposed requirements.

Apparently, this response did not sit well with Ingram. In “The Truth About Welfare Reform,” he took issue with Golshan’s conclusions:

Recently, Tara Golshan dismissed these huge successes in a screed against welfare reform. But unfortunately, her arguments against welfare reform are based on false premises, the misreading of reports, a misunderstanding relevant data, and a misplaced trust of pro-welfare lobbyists. So let’s set the record straight.8

**A Profile in Courage?** As noted above, there are two detailed critiques of the FGA’s report on the Kansas “work requirement” for able-bodied adults without dependents. In his response to Golshan, Ingram indicates that he is familiar with the CBPP report. I have emailed my critique of the Kansas and other FGA reports to Ingram and his colleagues on several occasions, indicating that I would welcome their comments. To date, I have not heard from any of them.

Golshan writes about politics for *Vox*. The article Ingram calls a “screed” included interviews with individuals on both sides of the debate; the points she raised about the problems with the FGA’s “analysis” were based on the CBPP report and were valid criticisms (criticisms that I raised in my critique as well). Instead of taking issue directly with the CBPP researchers or with me, Ingram attacks the messenger. It is Ingram himself who misreads reports, and shows no understanding of basic data reporting conventions and evaluation methods.

**The Underlying Problem with the FGA Reports: The Absence of a Credible Counterfactual.** There are a wide range of evaluation methods that can be used to assess the effects of a program or policy. Some examine changes in a program group over time (e.g., pre-post and interrupted time series), some compare a program group to a “comparison group” of similar groups or individuals (with various statistical adjustments to try to make the comparison group as comparable as possible to the program group), and some compare a program group to a randomly assigned “control group.” The FGA study is most like a pre-post study, as the authors make claims of program effects based on a comparison of a baseline quarter (pre) to a subsequent quarter (post).

For most purposes, pre-post studies are the weakest, because they are subject to a number of threats to “internal validity” (i.e., “the approximate truth about inferences regarding cause-effect or causal relationships”9), including maturation (i.e., where changes in the outcomes of individuals are caused by the normal passage of time), history (i.e., where events unrelated to an intervention affect the outcome of interest), and secular trends (i.e., where outcomes are the
result of a societal trends, such as changing economic conditions). Of the three, the threat from secular trends is probably the most important confounding factor, as the economy in Kansas improved over the observation period.

The most serious threat to FGA study, however, may be “regression to the mean,” in that the initial observation in a pre-post study may be at an extreme point relative to an individual’s or group’s normal trajectory. In the economics literature, this is a problem known as “Ashenfelter’s Dip,” where the average earnings of program participants in a training or work-related program just prior to program entry are at a low point. This same concern would be true for able-bodied adults without dependents who enroll in SNAP — many are likely to have just lost a job or had a temporary setback and their use of SNAP is relatively temporary. Their average earnings are likely to rise whether they are subject to a “work requirement” or not.

The best way to rule out this threat to validity is a randomized control trial, whereby able-bodied adults without dependents are randomly assigned to the “work requirement” group or to a control group that is not subject to the requirement. The findings from random assignment experiments are considered the most credible, because the program and control groups are alike and subject to the same external conditions, with the only difference being the intervention itself. Thus, any difference in outcomes between the groups can be attributed to the intervention – the SNAP “work requirement.” In particular, the threat from “regression to the mean” would be overcome because both program and control groups would be alike in terms of their employment and earnings histories.

I elaborate on this and other data and evaluation issues in much more detail in my critique; the main point is that the FGA does not use a credible counterfactual.

* * *

For the past two years, I have been writing papers as a citizen to challenge the conventional wisdom that the 1996 welfare reform is an “unprecedented success.” My hope is that conservatives will adopt more “rigor” in their assessment of the 1996 law and use evidence rather than ideology in developing reform proposals. Sadly, the FGA’s reports take us in the opposite direction. This response addresses virtually all of the claims made by Ingram in his response to Golshan (though some have been moved to an Appendix to maintain the focus on the more important points), followed by a “PC Response.” (“PC” is short for “Peter the Citizen.”)

Ingram: “In 2015, the Foundation for Government Accountability worked with Kansas officials to track nearly 41,000 people impacted by work requirements. To date, it’s the largest welfare research study of its kind. Working with the Kansas Department for Children and Families, we matched, person-by-person, individuals on food stamps with the state Department of Labor’s hiring and earnings databases. Maine later adopted this methodology and replicated the study for nearly 10,000 able-bodied adults. In short, both studies found work requirements resulted in more employment, higher wages, and less dependency. Not only were limited resources preserved for the truly needy, but those removed from the program were better off. They contributed more to their local economies, generating additional tax revenue that could be set
aside for other priorities. These facts are undeniable and yet Golshan’s so-called analysis denies them just the same.”

**PC Response:** Golshan didn’t claim to do an “analysis”; she wrote an article about a “welfare reform” bill. Her claim that the FGA’s work does not “stand up to scientific research standards” is absolutely correct. Even Ingram’s co-author, Nic Horton agrees. In explaining why the FGA did not include a comparison group to provide a needed counterfactual, he admitted:

> This wasn’t a scientific experiment. We studied the effects of a policy change and we looked at specific individuals and their work situations before a policy change occurred, and then after that policy change occurred, and we measured the results of that.\textsuperscript{12}

The claims made about the *causal* effects of the SNAP “work requirement” in Kansas are misleading and irresponsible. No credible social scientist or research organization would endorse them – the methodology is too weak. The FGA’s sole supporters seem to be conservative politicians and ideologues who want to believe that work requirements are the key to ending welfare dependency and poverty. I am a strong supporter of work requirements, if properly implemented, but this requires an honest assessment of the evidence – the truth about “welfare reform” cannot be found at the FGA.

**Ingram:** “Here’s how she got it very wrong. In her attack on welfare reform, Golshan claims that “the differences in earned wages before and after reinstating the work requirements … sit around 40 percent. A 40% increase in income would be a massive success and would be life-changing for many of these individuals.”

**PC Response:** Ingram is the one who got it “very wrong.” To begin with, Golshan did not make the foregoing statement, at least not as stated in the quotation marks. The phrase “sit around 40 percent” doesn’t appear in the article at all.

Even if income did increase by 40 percent, without a credible counterfactual, one can’t determine whether the change is a success or not. And, given that the earnings of those in the FGA analysis are very low – about $300 a month in the baseline quarter according to the FGA’s own report (see Table 8), a 40 percent increase from this base would be just over $100 a month – hardly a “life changing” increase.

**Ingram:** “The only problem is that Golshan’s claim sells the story incredibly short.”

**PC Response:** If anything, Golshan understates the problem with the FGA’s “analysis.” Both my critique and the CBPP report go into much more detail about the FGA’s methodology and statements. Rather than addressing the serious issues raised in these papers, Ingram chose to attack a journalist who writes about politics for *Vox*. Notably, Golshan seems to have a good grasp on important evaluation issues – more so than the authors of various FGA reports on welfare reform.
Ingram: “... So where does Golshan’s “40%” claim come from? It’s not clear, given that even her source – a pro-welfare lobbying group that has made several other false and misleading claims about the subject – never cited any information to support it.”

PC Response: Ingram misread and misquoted Golshan. He himself made up the claim about a “40% increase in income.” Apparently, Ingram was confused by a figure included in Golshan’s article that showed the employment rate of those affected by the Kansas policy on a quarter-by-quarter basis (see below). This figure is not about the rise in incomes, but a separate misleading statement by the FGA – that, “nearly 60 percent of those leaving food stamps found employment within 12 months.”

The FGA’s characterization of the employment rate leaves the impression that the SNAP “work requirement” caused the increase, because the report provides no reference point. The authors don’t include the baseline employment rate, which would have been the fourth quarter of 2013. For a pre-post study, this is extremely sloppy and misleading. The fact that nearly 60 percent of leavers “found” employment would be impressive if none were employed during the baseline quarter (i.e., the fourth quarter of 2013). In addition, instead of reporting quarterly employment rates, the authors use an employment rate based on any “record of employment since Q4 2013.” Comparing a quarterly employment rate for the baseline (or “pre”) period to an “ever-employed” over the course of a year employment rate (or “post”) period would be comparing apples to oranges. Even with a simple pre-post study, what is needed is a comparison of the quarterly employment rate in the baseline quarter to a quarterly employment rate to a subsequent quarter.

The CBPP provided a more proper comparison by using data from the FGA report to calculate employment rates to quarterly averages. I did the same in my critique because that is the standard way evaluations of welfare-to-work programs present their data. Both the CBPP and I described how the calculations were done and why the FGA’s approach was so misleading.
When quarter-by-quarter employment rates are examined, it is obvious that the FGA’s claims are exaggerated. By the fourth quarter of 2014, only 42 percent of those who exited SNAP in December 2013 were employed. So, even if one believes a simple pre-post study is appropriate, the proper comparison would be 39 percent at baseline to 42 percent at the time of follow-up a year later – an impact of 3 percentage points. Does this really justify a claim like, “These Kansans are discovering new lives of independence and self-sufficiency that, in some cases, they haven’t known for more than two decades”? And, what about the nearly 60 percent who do not appear to have earnings?

**Ingram:** “Golshan also attempts to claim that an improving economy was largely responsible for the massive increase in incomes.”

**PC Response:** Golshan’s statement was about the very small improvements in the *quarterly employment rate* of leavers, not changes in income – from 39 percent in the baseline quarter to no more than 42 percent in any of the four quarters after exit. Even on this, she explains (quoting the CBPP) that “regression to the mean” is likely responsible for the gain (without using the term):

> The findings in this audit [the CBPP report] undermine many of the assumptions driving conservative welfare reform proposals. Rosenbaum and Bolen attribute the discrepancy to a basic research error on FGA’s part:

> Instead of comparing the average work rates in each quarter for this population before and after the policy change, they report the share of individuals whose SNAP was ended after December 2013 who ever worked in a quarter over the following year. This captures typical movement in and out of the labor force — given that this group tends to work in high-turnover jobs, in any quarter some people lose jobs and some get new jobs, so the share that ever worked increases — rather than an isolated impact of the policy change.¹³

With respect to rising wages and incomes, both Golshan and the CBPP note that the economy is a factor, but “regression to the mean” remains the most serious threat to the validity of the FGA findings. As explained above, to address this threat, a comparison or control group would be needed.

**Ingram:** “But the reality of the situation is this: no similar changes in enrollment, employment, or income happened on this scale prior to the policy change. The number of people dependent on food stamps was actually *increasing* prior to work requirements, even though Kansas was adding about 1,300 new jobs every month and the unemployment rate dropped 2.1 percentage points in the three years prior. Welfare dependency not only persisted through an improving economy; it continued to worsen.”

**PC Response:** Ingram’s statement, “no similar changes in enrollment, employment, or income happened on this scale prior to the policy change,” has no basis in fact. The FGA could have examined changes in these outcomes for cohorts in years prior to the policy change, but they did not do this analysis.
Ingram’s reference to aggregate caseload statistics (i.e., “the number of people dependent on food stamps was actually increasing”) is not an appropriate comparison when making judgments about what happens to a cohort pulled from a specific month. People come and go from the rolls all the time. Even with rising caseloads, many of those on SNAP in the baseline period would have left at some point, just as many would have become employed and had earnings gains. This is why a comparison or control group is so important.

**Ingram:** After falsely claiming incomes rose by “only” 40% – an amount she unbelievably describes as “slight” – Golshan concludes that work requirements did nothing to reduce poverty. In reality, thanks to work, thousands of Kansans are now living above the poverty line.”

**PC Response:** Again, Ingram is the one making a false claim, as Golshan did not make a statement about incomes rising by 40 percent. Here’s what she did write:

CBPP did an audit of the reports on Maine and Kansas (the one Jordan cited), only to find that when actually taking into account the loss of SNAP benefits after the cut-off, the difference in income before and after reinstating the work requirements are much less stark than the 127 percent increase reported by FGA. The total resources (including earnings and SNAP benefits) available to SNAP participants who were cut off was 3 percent lower a year after the cut off.

Given the importance of SNAP benefits, Ingram should use an income measure that reflects earnings and SNAP benefits.

Even so, Ingram’s statements about poverty are misleading. Poverty is based on annual income. The FGA didn’t capture the annual income of those exiting SNAP, but rather used the fourth quarter earnings following exit and then “annualized” them. Since many SNAP recipients move in and out of employment, it is highly unlikely that the average income for those who worked at some point after exiting was above the poverty line using annual income.

It is also noteworthy that Ingram limits his statement to working adults. Since nearly 60 percent of those who left do not appear to be working, this is a significant omission. Indeed, the FGA’s own report (Table 9) shows that the poverty rate for the group as a whole remained high, declining from 88 percent in the fourth quarter of 2014 to just 79 percent in the fourth quarter of 2014. Even among working adults, the poverty rate was 68 percent in the baseline quarter and 51 percent in the fourth quarter of 2014. Given the weakness of the FGA’s methodology, even these reductions in poverty cannot be assumed to be due to the “work requirement.”

**Ingram:** “Kansans who left welfare actually increased their incomes by nearly 127%, rising from $7.9 million in total quarterly wages to $17.8 million the very next year. In Maine, quarterly wages more than doubled as well, growing by nearly 114%.”

**PC Response:** I have responded to these claims in detail elsewhere.
For Kansas, see: “The FGA’s ‘First of Its Kind Study’ Should Have Been the Last: An Evaluation Note for Pre-Post Conservatives,” July 4, 2017, available here.

For Maine, see: “Using Squirrely Data is No Way to Justify Conservative Policies: A Note to AEI’s Marc Thiessen,” July 8, 2017, here.

**Ingram:** “Congress should expand work requirements to more people and more programs. When work requirements were first implemented in the 1990s, employment increased, incomes rose, and dependency declined. The overwhelming evidence out of Maine and Kansas is simply the latest proof that work requirements are a critical tool to promoting independence.”

**PC Response:** Establishing “proof” in social science is challenging and the FGA’s reports prove nothing other than the fact that the authors understand little about data reporting and evaluation issues. And, Congress has shown not aptitude in crafting work requirement legislation, something I have documented in dozens of papers. See, for example:

- “TANF Work Requirements: An Epic Fail,” in *TANF is Broken! It’s Time to Reform Welfare Reform* (And Fix the Problems, Not Treat their Symptoms), July 25, 2015 draft, available here.

Aside from the lack of causal validity in the FGA’s studies of Maine and Kansas, even rigorous evaluations of the SNAP “work requirement” for able-bodied adults without dependents would not be a basis for making generalizations about work requirements for other programs and other populations.

**Ingram:** “Now, as Congress begins to focus on the next round of welfare reform, it’s critical that they ensure all able-bodied adults in every welfare program are meeting these commonsense requirements. Only then will lawmakers be able to help move millions of people out of dependency and back onto the path to self-sufficiency.”

**PC Response:** I believe work requirements can be a valuable tool, but such requirements should be realistic, reasonable, and based on research – both about the nature of the problem and the solution. Thus far, rigorous evaluations of welfare-to-work programs suggest modest effects on employment and earnings. As Congress begins to focus on work requirements, it should look to credible welfare-to-work evaluations for guidance and fund more research using random assignment as the method of choice.
Conclusion

Evaluation can be an important tool for policymakers when done right. Indeed, this was a central element in President Reagan’s “waiver-based” approach to “welfare reform. In 1987, he started encouraging states to use existing authority to conduct welfare reform experiments – through waivers of AFDC’s rigid rules (and, to a lesser extent, food stamp and Medicaid rules due to more limited waiver authorities for those programs). This approach had strict accountability provisions, most notably cost neutrality (not block grants) and a requirement for a rigorous evaluation.

During the early years of this waiver process, there was an ongoing debate about what constitutes a “rigorous” evaluation and a range of approaches was considered, including statistical models and various comparison group designs. A simple pre-post model, like the one used in the FGA report, was rejected outright, because it was deemed to unreliable. The early experiences in several states using comparison groups and statistical models suggested that even these approaches were imperfect, even though in practice they captured many more factors than a simple pre-post study. In the end, we looked to the “gold standard” of evaluation – random assignment. As noted above, the findings from random assignment experiments are considered the most credible, because the experimental and control groups are alike and subject to the same external conditions, with the only difference being the intervention itself.

President Reagan’s evidence-based approach was continued by President Bush and President Clinton. It provided rigorous evidence, including many examples of state experiments that increased employment and earnings, and also reduced welfare dependency and poverty. TANF ended this approach to welfare reform and now there is little credible evidence about the effects of state welfare reform efforts. In recent years, conservatives have increasingly relied on simplistic pre-post comparisons to make claims about the effectiveness of various welfare reform efforts and justify their policy prescriptions. This approach is not a reliable basis for making policy – conservatives must again recommit themselves to rigorous evaluations to find out what really works and what doesn’t.
Appendix

This appendix addresses some of the remaining points in Ingram’s article.

**Ingram:** “In defending the failed status quo, Golshan complains that research on the impact of work requirements doesn’t consider several reasons she believes able-bodied adults on food stamps don’t work, including mental illnesses and criminal records, among other things. But Golshan ignores a key point: work requirements only apply to able-bodied adults who are physically and mentally fit for employment. Individuals with disabilities, individuals with mental illnesses, individuals undergoing drug abuse treatment, etc. are exempt from the work rules. In fact, states provide exemptions to anyone with a note from a physician, nurse, social worker, or other professional indicating that the person may not be fully fit for employment.”

**PC Response:** Ingram may be naïve enough to believe that state officials implement policies strictly as written on paper, but a serious evaluation would have included a process study to assess how the state had implemented the “work requirement” – to examine the disability determination process, the activities that were offered, the reasons for participation or non-participation, and perhaps most important to follow-up with a sample of those who exited to find out how they were coping – particularly for the majority of exiters who do not seem to have employment in any given quarter.

**Ingram:** “There are also multiple ways to meet these work requirements. Enrollees who can’t find work can participate in job training programs or even volunteer at local non-profit organizations to fulfill the requirement. In fact, non-profits in work-requirement states have seen an increase in the number of volunteers after work requirements were implemented, leading people like Arthur Carter, the director of a food pantry in one of Maine’s poorest counties, to speak out in favor of this commonsense welfare reform.”

**PC Response:** No one challenges the notion that there are “multiple ways” to meet the requirements, but what would be useful is to know more about the “help” that is provided in securing the slots and to have data from many former recipients and community leaders. Having an anecdote or two is not a substitute for a real process evaluation.

**Ingram:** “Jason, a young man living near Kansas City, was one of the first people to return to work after the state implemented the changes. He signed up for food stamps in 2009, just as the Great Recession was taking its toll. And while the economy was improving, his life stagnated. He languished on food stamps for nearly five years. He had no earned income, seemingly with a lifetime in dependency ahead. But within three months of leaving food stamps, he worked his way out of poverty. Now he’s working in the publishing industry earning $45,000 with a bright future ahead.

Sarah had spent more than three years dependent on food stamps. With no job, there was no end in sight. But after cycling off the program, she found work in the health care industry and is now earning $37,000 per year. Jennifer found work in a commercial bakery earning $53,000 after remaining unemployed and stuck on welfare for more than a year.
And Amanda is now living above the poverty line, working in retail after more than 20 years stuck on welfare.

These aren’t just isolated cases either.”

**PC Response:** There are likely to be many individuals who come and go from SNAP; it doesn’t mean the policy change is responsible. But, to the extent the FGA wants to show what happened to those who left SNAP after the policy change was implemented, it should pull a random sample of those leaving and tell their stories, instead of cherry-picking whose stories they tell. Since nearly 60 percent of those cut off assistance do not appear to have jobs, a real evaluation would describe their story as well.
The views in this document reflect my own as a citizen and do not reflect the views of any organization I am now or have ever been affiliated with. By way of background, I consider myself a conservative and have worked on welfare issues for the Heritage Foundation, the American Enterprise Institute, and the White House under both President Reagan and President George H.W. Bush. This paper assumes the reader has a basic understanding of the TANF program, but for those readers who want more context and background, see Peter Germanis, TANF is Broken! It’s Time to Reform “Welfare Reform” (And Fix the Problems, Not Treat their Symptoms), July 25, 2015 draft, available at: http://mlwiseman.com/wp-content/uploads/2013/09/TANF-is-Broken.072515.pdf.

Jonathan Ingram and Nic Horton, The Power of Work: How Kansas’ Welfare Reform Is Lifting Americans Out of Poverty (The Foundation for Government Accountability, February 16, 2016), available at: https://thefga.org/download/PowerOfWork-KansasWelfareReform.pdf. SNAP limits able-bodied adults aged 18 to 49 without children to three months of benefits in any 36-month period, unless they are employed or in a work or training program for at least 20 hours a week. States do not have to offer these individuals a work or training program slot, and most do not, so this provision is more appropriately seen as a time limit rather than a “work requirement.” To maintain consistency with the terminology in the FGA report, I will refer to the provision as a “work requirement,” but use quotation marks to emphasize how it has been implemented in practice.


In describing TANF, I use quotation marks around the word “program”; TANF is not really a program; it is really just a form of revenue sharing with a myriad of dysfunctional requirements when states use the funds to provide cash assistance to needy families; when they use the funds for other purposes, it is essentially a blank check with no accountability.

The Act also includes modifications to work requirements for adults without dependent children.


One problem the FGA seems unaware of is that they based their analysis on those receiving assistance in a specific month and then following them after being subject to the “work requirement”; this means that they are not following the typical enrollee over the course of a year, but have a cohort that disproportionately represents long-termers. For more on this issue, see Peter Germanis, “The FGA’s ‘First of Its Kind Study’ Should Have Been the Last: An Evaluation Note for Pre-Post Conservatives,” July 4, 2017, available at: http://mlwiseman.com/wp-content/uploads/2016/05/The-FGA_FF_.pdf.


