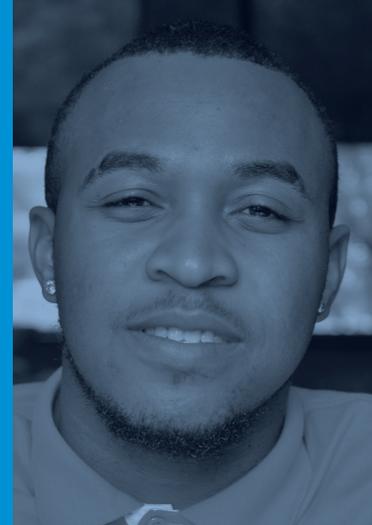


striving for independence

TWO-YEAR IMPACT
FINDINGS FROM THE
YOUTH VILLAGES
TRANSITIONAL LIVING
EVALUATION

Melanie Skemer
Erin Jacobs Valentine

November 2016



Striving for Independence

Two-Year Impact Findings from the Youth Villages Transitional Living Evaluation

**Melanie Skemer
Erin Jacobs Valentine**

November 2016



MDRC's evaluation of the Transitional Living program operated by Youth Villages was funded by grants from The Edna McConnell Clark Foundation, The Annie E. Casey Foundation, and the Bill & Melinda Gates Foundation.

Dissemination of MDRC publications is supported by the following funders that help finance MDRC's public policy outreach and expanding efforts to communicate the results and implications of our work to policymakers, practitioners, and others: The Annie E. Casey Foundation, Charles and Lynn Schusterman Family Foundation, The Edna McConnell Clark Foundation, Ford Foundation, The George Gund Foundation, Daniel and Corinne Goldman, The Harry and Jeanette Weinberg Foundation, Inc., The JBP Foundation, The Joyce Foundation, The Kresge Foundation, Laura and John Arnold Foundation, Sandler Foundation, and The Starr Foundation.

In addition, earnings from the MDRC Endowment help sustain our dissemination efforts. Contributors to the MDRC Endowment include Alcoa Foundation, The Ambrose Monell Foundation, Anheuser-Busch Foundation, Bristol-Myers Squibb Foundation, Charles Stewart Mott Foundation, Ford Foundation, The George Gund Foundation, The Grable Foundation, The Lizabeth and Frank Newman Charitable Foundation, The New York Times Company Foundation, Jan Nicholson, Paul H. O'Neill Charitable Foundation, John S. Reed, Sandler Foundation, and The Stupski Family Fund, as well as other individual contributors.

The findings and conclusions in this report do not necessarily represent the official positions or policies of the funders.

The photographs on the cover of this report were provided by the Youth Villages Communication Department.

For information about MDRC and copies of our publications, see our website: www.mdrc.org.

Copyright © 2016 by MDRC®. All rights reserved.

Overview

Young adults with histories of foster care or juvenile justice custody often experience poor outcomes across a number of domains, on average, relative to their peers. While government funding for services targeting these groups of young people has increased in recent years, research on the effectiveness of such services is limited, and few of the programs that have been rigorously tested have been found to improve outcomes.

The Youth Villages Transitional Living Evaluation tested whether the Transitional Living program, operated by the social service organization Youth Villages, makes a difference in the lives of young men and women with histories of foster care or juvenile justice custody. The program, which was renamed “YVLifeSet” in April 2015, is intended to help these young people make a successful transition to adulthood by providing intensive, individualized, and clinically focused case management, support, and counseling.

The evaluation used a rigorous random assignment design and was set in Tennessee, where Youth Villages operates its largest Transitional Living program. From October 2010 to October 2012, more than 1,300 young people were assigned, at random, to either a program group, which was offered the Transitional Living program’s services, or to a control group, which was not offered those services. Using survey and administrative data, the evaluation team measured outcomes for both groups over time to assess whether Transitional Living services led to better outcomes for the program group compared with the control group’s outcomes.

This is the third major report in the evaluation. The first report provides a detailed description of the Transitional Living program model and assesses its implementation. The second report assesses whether the program improved key outcomes during the first year after young people were enrolled in the study. That report relies largely on survey data to analyze the program’s impacts in the six domains that it was designed to affect: education; employment and earnings; housing stability and economic well-being; social support; health and safety; and criminal involvement. This third report uses administrative data to assess the program’s impacts in three of the original six domains — education; employment and earnings; and criminal involvement — during the second year after study enrollment. Taken together, the one- and two-year results show that participation in the Transitional Living program had modest, positive impacts on a broad range of outcomes. The program boosted earnings, increased housing stability and economic well-being, and improved some outcomes related to health and safety. However, it did not improve outcomes in the areas of education, social support, or criminal involvement.

These results indicate that the Transitional Living program can improve multiple outcomes for young adults with histories of foster care or juvenile justice custody, a notable finding given how few other programs that serve these populations have been shown to have an effect. As a next step, Youth Villages aims to build on the areas where the program has already been successful by testing modifications to the YVLifeSet model; the hope is that such modifications will further improve young people’s outcomes, particularly in domains where the program has not yet produced positive impacts.

Contents

| | |
|---|------|
| Overview | iii |
| List of Exhibits | vii |
| Preface | ix |
| Acknowledgments | xi |
| Executive Summary | ES-1 |
| | |
| 1 Introduction | 1 |
| Background and Policy Context | 4 |
| The Transitional Living Program | 6 |
| The Youth Villages Transitional Living Evaluation | 9 |
| Program Implementation and Service Receipt Differences Between the Two Research Groups | 12 |
| One-Year Impacts of the Transitional Living Program | 14 |
| | |
| 2 Two-Year Impacts on Education, Employment and Earnings, and Criminal Involvement | 18 |
| Impacts on Education | 19 |
| Impacts on Employment and Earnings | 22 |
| Impacts on Criminal Involvement | 26 |
| Impacts by Subgroups of Young People | 28 |
| Conclusion | 29 |
| | |
| 3 Cost of the Transitional Living Program | 31 |
| | |
| 4 Discussion and Policy Implications | 34 |
| The Impacts of the Transitional Living Program | 34 |
| Generalizability of the Research Findings Outside of Tennessee | 35 |
| Next Steps | 36 |
| | |
| Appendix | |
| A Impacts by Subgroups of Young People | 37 |
| | |
| References | 51 |
| | |
| Earlier MDRC Publications on the Youth Villages Transitional Living Evaluation | 53 |

List of Exhibits

Table

| | | |
|------|---|------|
| ES-1 | Two-Year Impacts on Education, Employment and Earnings, and Criminal Involvement | ES-7 |
| 1 | Characteristics of Sample Members at Baseline | 10 |
| 2 | State Custody History of Sample Members at Baseline | 13 |
| 3 | Two-Year Impacts on Education | 20 |
| 4 | Two-Year Impacts on Employment and Earnings | 23 |
| 5 | Two-Year Impacts on Criminal Involvement | 27 |
| 6 | Cost of Transitional Living Program Per Sample Member | 32 |
| A.1 | Two-Year Impacts on Selected Primary Outcomes, by History of Juvenile Justice Custody at Baseline | 39 |
| A.2 | Two-Year Impacts on Selected Primary Outcomes, by Geographic Setting at Baseline | 41 |
| A.3 | Two-Year Impacts on Selected Primary Outcomes, by Receipt of EFC Services at Baseline | 43 |
| A.4 | Characteristics of Sample Members, by Latent Class Assignment at Baseline | 45 |
| A.5 | Two-Year Impacts on Selected Primary Outcomes, by Latent Class Assignment at Baseline | 48 |

Figure

| | | |
|---|---|---|
| 1 | Outcome Domains Assessed and Impacts Observed in Each Follow-Up Year of the Youth Villages Transitional Living Evaluation | 3 |
| 2 | Logic Model for the Youth Villages Transitional Living Program | 8 |

Box

| | | |
|---|---|---|
| 1 | Extension or Re-Establishment of Foster Care Services | 5 |
|---|---|---|

Preface

The transition from adolescence to adulthood is a critical and often challenging time, especially for young people who have been in the foster care or juvenile justice system. These individuals face difficulties that are much less common among their peers with no history of state custody, such as low levels of education, minimal formal work history, mental health and substance abuse problems, weak social support, extreme poverty, and housing instability. While others their age frequently get help from their parents well into their twenties, young people who are leaving state custody tend to have relatively little financial, emotional, or social support. Moreover, many of them suffer from the lingering effects of childhood trauma and the inadequacies of the government systems that acted as their guardians. Given such circumstances, it is not surprising that these young people often struggle in many areas as they enter adulthood.

One program designed to help them is the YVLifeSet program — formerly the Youth Villages Transitional Living program — which offers intensive case management, support, and counseling on issues related to housing, employment, education, life skills, and behavioral health to young people who were formerly in foster care or juvenile justice custody. Taken together, the one- and two-year results of the Youth Villages Transitional Living Evaluation, conducted in the state of Tennessee, show that the program can make positive differences in the lives of young adults who were in foster care or juvenile justice custody as teenagers. The young people who were offered the program’s services had improved earnings, experienced less homelessness and material hardship, and had better mental health than those who were not offered its services. However, while the program helped to stabilize many of its participants as they made the transition to adulthood, it did not have an impact on longer-term outcomes, such as educational attainment.

As an organization committed to continuous learning and program improvement, Youth Villages is working to strengthen the YVLifeSet model by testing new strategies to enhance its positive effects on the young people it serves — using risk assessments to better tailor services to participants, increasing efforts to help young people who are at high risk of criminal justice involvement, and ramping up its technological capabilities to improve data collection and service delivery.

Given its early success, it is critical that we continue to learn with the YVLifeSet program as it expands to additional states and implements program improvement strategies and other services for young people who lack strong family supports and life skills.

Gordon L. Berlin
President, MDRC

Acknowledgments

This report would not have been possible without the support of many individuals and organizations. In particular, the Youth Villages Transitional Living Evaluation and the production of this report were funded by the Edna McConnell Clark Foundation, the Annie E. Casey Foundation, and the Bill & Melinda Gates Foundation. We would also like to thank Mark Courtney (University of Chicago) for his central role as MDRC's research partner throughout this evaluation.

We are tremendously grateful to several individuals on the staff at Youth Villages, including Sarah Hurley, Melanie Manns, Tim Goldsmith, Kristin Landers, and Pat Lawler, with whom we enjoyed a productive collaboration throughout this project. Sarah Hurley, Tim Goldsmith, and Kristin Landers carefully reviewed earlier drafts of the report and provided insightful feedback. Sarah Hurley also worked closely with MDRC to conceptualize and launch the evaluation, facilitate our communication with staff at Youth Villages and partner agencies, supply program participation data, and provide feedback at every stage of the research, among many other efforts that made this evaluation possible. Kristin Landers met with MDRC staff to help us understand the Transitional Living model and interpret program data and procedures. Melanie Manns monitored study enrollment, tracked participant samples, organized study paperwork for MDRC, and generally kept track of research activities onsite.

We accessed employment and earnings data with the help of Carl Attkisson at the Tennessee Department of Labor and Workforce Development.

At MDRC, John Martinez developed this project from the beginning and was the project director throughout. Sara Muller-Ravett and Joseph Broadus made sure random assignment and onsite operations went smoothly. John Martinez, Dan Bloom, Virginia Knox, Michelle Manno, Chuck Michalopoulos, Alice Tufel, and Mark Courtney provided thoughtful comments on several drafts of this report. Michelle Manno and Julianna Alson conducted the implementation research. Brit Henderson processed the postsecondary education and criminal justice data used in this report, while Danielle Cummings processed the employment and earnings data and conducted the impact analysis. Timothy Rudd, Yana Kusayeva, and David H. Greenberg (University of Maryland, Baltimore County) completed the cost analysis for the project. Dannia Guzman coordinated the production of the report. Carole Campbell edited the report, and Ann Kottner prepared it for publication.

We are especially grateful to the young people who participated in the study. They enthusiastically participated in surveys, interviews, and focus groups and allowed us to learn from their experiences. Many of the study participants were excited to help provide knowledge that could lead to better services for other young people in similar situations. We hope that this report will fulfill that wish.

The Authors

Executive Summary

Large numbers of young people in the United States were in foster care or in juvenile justice custody as teenagers, and many of them have a difficult time making a successful transition to independent adulthood as they leave these systems. Most of them faced a number of disadvantages during childhood and often have poor outcomes across several domains relative to their peers as they become adults. While government funding to help these groups has increased, few of the programs that have been rigorously evaluated have been found to improve outcomes.

To advance knowledge in this area, the Youth Villages program sought an independent evaluation of its Transitional Living program — now known as “YVLifeSet” — which is one example of an “independent living” program.¹ The Transitional Living program aims to help young men and women make the transition to adulthood by providing intensive, individualized, and clinically focused case management, support, and counseling. The evaluation used a rigorous random assignment design in which study sample members were assigned at random to either a program group that was offered the Transitional Living program services or to a control group that was not offered those services. The Edna McConnell Clark Foundation, the Annie E. Casey Foundation, and the Bill & Melinda Gates Foundation funded the evaluation, which was led by MDRC in concert with Mark Courtney of the University of Chicago.

This third major report in the evaluation builds on the one-year findings and assesses the estimated two-year impacts of the Transitional Living program using administrative data for three outcome domains: education, employment and earnings, and criminal involvement. The report also presents information on the costs of operating the Transitional Living program.

Key findings overall and from the two-year analysis include:

- Transitional Living did not increase young people’s *average* earnings during the second year of follow-up, but it had a modest, positive effect at some earnings levels during this time period and it led to modest increases in employment and earnings over the full two-year study period.
- Statistically significant effects were not observed in Year 1 in the education, social support, and criminal involvement domains, and did not emerge in Year 2 (though social support was measured in Year 1 only).

¹The Transitional Living program was renamed “YVLifeSet” in April 2015. Because the name did not change until after the study period ended, this report refers to the program as “Transitional Living.”

- The program increased housing stability and economic well-being and improved some of the primary outcomes related to health and safety in Year 1, but data were not available to assess whether impacts in these domains continued into Year 2.

As noted above, this report does not include two-year results for three domains that were included in the one-year analysis — housing stability and economic well-being, social support, and health and safety — because administrative data for those domains do not exist, are difficult to obtain, or do not fully measure relevant outcomes. Therefore, this report provides only a partial picture of the two-year impacts of the Transitional Living program, particularly since the one-year analysis showed significant impacts on outcomes in two of the excluded domains.

Background and Policy Context

For those who have spent time in the foster care or juvenile justice system, or both, the transition from adolescence to adulthood can be particularly challenging. Such young people often contend with low levels of educational attainment, minimal formal work experience, mental health and substance use problems, weak social support, extreme poverty, and housing instability.

Recent federal legislation has increased the funding of services for young people who are aging out of foster care. The John Chafee Foster Care Independence Act of 1999 gave states more funding to support independent living services, room and board, and Medicaid for young people in foster care up to age 21.² The subsequent Fostering Connections to Success and Increasing Adoptions Act of 2008 provided funding for states to extend foster care from age 18 through age 21 for eligible young people and to further expand independent living services. However, the availability and extent of these services vary widely by state depending on whether and how states choose to take advantage of federal funds.

Services for young people who are leaving juvenile justice placements have not been funded as consistently as services for those leaving foster care, though some young people who have been in juvenile justice custody are eligible for services funded by the Chafee and Fostering Connections acts. In addition, a general focus on “reentry” services for adults leaving prison and jail has led to federal funding to serve young people with a juvenile justice history.

²Medicaid provisions under the Chafee Act have now been superseded by those of the Affordable Care Act, under which all young people in foster care on their 18th birthday are eligible for Medicaid up to age 26.

The Transitional Living Program

The Transitional Living program is operated by Youth Villages, a nonprofit social service organization based in Memphis, Tennessee. The organization operates a variety of residential and community-based programs serving more than 20,000 young people each year in 12 states and the District of Columbia.

Transitional Living program services are expected to last an average of nine months. The program starts with assessments and the development of an individualized treatment plan that takes into account each participant's particular needs and goals. The bulk of the services are then provided during weekly, hour-long Transitional Living sessions with a "TL Specialist," who typically serves only eight young people at a time.

The content of the Transitional Living sessions varies depending on each participant's needs, but TL Specialists are expected to use evidence-informed tools, counseling, and action-oriented activities. Evidence-informed tools include specific curricula that cover topics like money management and job-seeking skills, as well as behavioral treatment strategies aimed at, for instance, helping participants overcome substance abuse problems. Counseling involves discussions between each participant and TL Specialist to address problems that may be impeding the young person's progress toward stated goals. Finally, TL Specialists use action-oriented activities, such as taking a participant to a bank to open an account or to a community college to gather information about classes.

In addition, trauma-focused cognitive behavioral therapy, a 12- to 20-week course of therapy offered by specially trained Youth Villages staff, is provided if it is clinically indicated. TL Specialists may also refer participants to other services in the community, such as General Educational Development (GED) classes, specialized mental health services, or housing services. TL Specialists have access to some flexible funds to support those who need money for expenses such as purchasing appropriate clothing for interviews or an apartment application fee. They also encourage young people to participate in monthly group social and learning activities with others in the program. Finally, educational/vocational coordinators are available to provide extra support to young people who want to go to college, take vocational training, or find a job.

The Youth Villages Transitional Living Evaluation

The Youth Villages Transitional Living Evaluation assessed the impacts of the Transitional Living program in Tennessee. The study sample includes men and women ages 18 to 24 who were living in Tennessee and who had left foster care or juvenile justice custody as teenagers or were aging out at 18. Between October 2010 and October 2012, 1,322 young people were assigned at random to either a program group, whose members were offered Transitional Living

program services, or a control group, whose members were not offered Transitional Living program services, but were provided with a list of other social service resources that were available in the community.

By measuring outcomes for both groups over time, the research team could assess whether Transitional Living services led to better outcomes for the program group. Owing to the random assignment design, the research groups were expected to be comparable on both measured and unmeasured characteristics when the study began. Therefore, statistically significant differences in outcomes that emerge between the two groups can be attributed with some confidence to the offer of Transitional Living services to the program group. These differences in outcomes are considered “impacts” or “effects” of the Transitional Living program.

Similar to other young people with histories of foster care or juvenile justice custody, those who enrolled in the study averaged relatively low levels of educational attainment and employment at study entry, while experiencing relatively high rates of arrest and housing instability. They are diverse in terms of gender and race: 48 percent of the sample are women, over 50 percent are white/non-Hispanic, and a substantial minority are black/non-Hispanic (37 percent). Finally, they come from varied custody backgrounds, with their first custody placement tending to occur in their teens. Sixty-one percent of the sample reported having been in custody because they had been neglected or abused (foster care), while 52 percent indicated that they had been in custody for delinquency (juvenile justice). About 13 percent of the study sample had experienced both types of custody.

Program Implementation and Service Receipt Differences Between the Two Research Groups

The Transitional Living program was implemented largely in accordance with the program model. A substantial portion of the program group received services at the expected average dosage (level and intensity) of the Transitional Living program model. About two-thirds participated in program services for at least five months and about half participated for at least nine months. Nearly all program group members participated in at least one Transitional Living session. While involved in the program, each individual participated in nearly one session per week, averaging over an hour per session. During these sessions, TL Specialists and participants covered a wide range of issues, with education, employment, and housing discussed most often.

Overall, there are large, statistically significant differences between the program and control groups in the dosage of the services they received. The program group was more likely than the control group to have had a case manager or social worker (75 percent compared with 44 percent) and to have met with that person at least once a week (60 percent compared with 20 percent). They were also more likely to have received help, from any source, with problems

related to education, employment, finances, housing, and daily living. However, while there was a clear difference in the level of services received, many control group members also obtained case management and other services.

One-Year Impacts of the Transitional Living Program

The primary source of outcome data for the one-year impact report is a survey that was administered by NORC at the University of Chicago to all sample members one year after they entered the study. Outcomes in six key domains were covered: education; employment and earnings; housing stability and economic well-being; social support; health and safety; and criminal involvement.

Statistically significant impacts on primary outcomes were detected in employment and earnings, housing stability and economic well-being, and health and safety. The program led to an increase of over \$600 in earnings in the year before the survey interview, driven, at least in part, by an increase in the percentage of young people who were employed. Program group members experienced significantly fewer types of housing instability than control group members, most notably reductions in homelessness and “couch surfing” (staying in someone else’s home temporarily when not having a permanent place to live). Similarly, the Transitional Living program reduced the incidence of economic hardship, driven by decreases in the percentage of those who did not have necessary clothing or shoes and in the percentage of young people who had delayed paying a bill in order to buy food. Finally, the program improved mental health and reduced the percentage of those involved in violent relationships. However, it did not significantly affect other key measures of health and safety, including substance use, condom use, and victimization. No statistically significant effects were found on primary outcomes in education, social support, and criminal involvement.

The research team also assessed differences in impacts across four sets of subgroup characteristics. In the one-year analysis, the research team found that the impacts of Transitional Living were consistent across these subgroups.

Overall, while the statistically significant impacts detected at one year proved modest, their breadth across several domains is consistent with the highly individualized nature of the program model, which is designed to address the wide variety of needs and circumstances of the young people it serves. The one-year impact findings were promising, especially given the lack of statistically significant, positive impacts for other programs targeting similar populations.

Two-Year Impacts

The two-year analysis estimates impacts in three domains: (1) education, using postsecondary enrollment data from the National Student Clearinghouse; (2) employment and earnings, using unemployment insurance data from the Tennessee Department of Labor and Workforce Development; and (3) criminal involvement, using arrest and conviction data from the Tennessee Bureau of Investigation. For all three administrative data sources, the research team created Year 1, Year 2, and overall outcome measures and estimated impacts on these measures. With the exception of postsecondary enrollment data, Year 1 impacts on outcomes measured using administrative data were not assessed or presented in the one-year report.

Impacts on Education

As shown in Table ES.1, Transitional Living did not produce a statistically significant impact on the primary outcome in the education domain — enrollment in a postsecondary institution — either across the two years of follow-up or looking at each year individually. About one-fourth of both program and control group members enrolled in a postsecondary institution at some point in the two years following study enrollment; for both research groups, enrollment rates declined in Year 2 from the levels observed in Year 1.

Impacts on Employment and Earnings

No statistically significant differences between the program and control groups were observed in average total earnings when administrative data were used (Table ES.1). Total earnings for both research groups hovered at about \$5,000, with earnings increasing from about \$2,000 in Year 1 to about \$3,000 in Year 2. Overall, these earnings levels are quite low.

While Transitional Living did not produce a statistically significant impact on young people's *average* earnings, the program did have a modest, positive effect at some earnings levels. Focusing on Year 2, the Transitional Living program had a statistically significant impact of 6 percentage points on the proportion of young people earning \$2,500 or more.

Impacts on Criminal Involvement

There are no statistically significant differences between program and control group members in their rates of arrest or conviction (Table ES.1). Just under half of the members of both groups were arrested at some point in the two years following study enrollment. About one-third of sample members were arrested in Year 1, and one-third in Year 2. About one-fifth of both research groups were convicted of a crime during the two years following study enrollment.

Table ES.1
Two-Year Impacts on Education, Employment and Earnings,
and Criminal Involvement

| Primary Outcome, by Domain ^a | Program Group | Control Group | Difference (Impact) | P-Value |
|---|------------------|------------------|------------------------|---------|
| <u>Education</u> | | | | |
| Enrolled in a postsecondary institution (%) | 22.0 | 25.4 | -3.4 | 0.111 |
| Year 1 | 18.9 | 18.4 | 0.4 | 0.821 |
| Year 2 | 11.4 | 13.6 | -2.2 | 0.212 |
| <u>Employment and earnings</u> | | | | |
| Total earnings (\$) | 5,240 | 5,016 | 224 | 0.555 |
| Year 1 | 2,233 | 2,130 | 103 | 0.562 |
| Year 2 | 3,006 | 2,885 | 121 | 0.641 |
| Year 1 earnings (%) | | | | |
| \$2,500 or more | 30.5 | 25.5 | 5.1 ** | 0.035 |
| \$5,000 or more | 16.7 | 13.4 | 3.3 * | 0.083 |
| \$7,500 or more | 9.0 | 7.9 | 1.1 | 0.462 |
| Year 2 earnings (%) | | | | |
| \$2,500 or more | 36.6 | 30.3 | 6.3 ** | 0.016 |
| \$5,000 or more | 22.9 | 19.2 | 3.7 | 0.105 |
| \$7,500 or more | 14.2 | 13.1 | 1.1 | 0.566 |
| <u>Criminal involvement</u> | | | | |
| Arrested (%) | 47.7 | 47.6 | 0.1 | 0.972 |
| Year 1 | 30.7 | 31.1 | -0.4 | 0.877 |
| Year 2 | 34.0 | 34.9 | -0.9 | 0.721 |
| Convicted of a crime (%) | 19.7 | 17.7 | 2.0 | 0.350 |
| Year 1 | 10.5 | 9.5 | 1.0 | 0.564 |
| Year 2 | 13.4 | 12.6 | 0.9 | 0.635 |
| Sample size (total = 1,322) | 788 | 534 | | |

(continued)

Table ES.1 continued

SOURCE: MDRC calculations based on postsecondary education data from the National Student Clearinghouse, unemployment insurance quarterly earnings data from the Tennessee Department of Labor and Workforce Development, and criminal history data from the Tennessee Bureau of Investigation.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics. Rounding may cause slight discrepancies in calculating sums and differences.

Statistical significance levels are indicated as follows: *** = 1 percent; ** = 5 percent; * = 10 percent.

^aUnemployment insurance data are quarter-based; thus, the two-year follow-up period in this table does not necessarily represent the 24 months following random assignment. Rather, the follow-up period represents the eight quarters following the quarter in which participants were randomly assigned.

Impacts by Subgroups of Young People

Subgroup analyses conducted at one year of follow-up examined the pattern of impacts on primary outcomes by history of juvenile justice custody; by geographic setting; by receipt of extended foster care services at baseline through Tennessee’s Department of Children’s Services;³ and by latent classes, or clusters identified by an analysis meant to group young people based on their readiness for independent living using key baseline characteristics. As in the one-year analysis, the results of the two-year analysis showed that the impacts of the Transitional Living program are consistent across the four subgroups analyzed.

Assessment of Two-Year Impact Findings

The Transitional Living program maintained some modest effects on employment and earnings outcomes after two years, though evidence of the program’s effects in this domain are stronger for Year 1 than for Year 2. Notably, earnings levels based on administrative data were quite low for both research groups, underscoring the level of disadvantage experienced by young people in the study.

Statistically significant improvements in education and criminal involvement did not emerge with longer-term follow-up for the outcomes that were measured in these domains. Many of these young people were likely in dire need of income or may have faced more urgent problems related to housing instability or personal safety that precluded their pursuit of higher

³The Fostering Connections to Success and Increasing Adoptions Act of 2008 provided funding for states to extend foster care from age 18 through 21 for eligible young people and to expand independent living services.

education. At the same time, much research has shown that it is very difficult to improve criminal involvement outcomes. Services related to criminal justice issues consisted of case management and counseling from TL Specialists, including some interventions related to risky behaviors. However, the program did not have additional components that explicitly focused on changing criminal behavior as it did for some other domains.

Overall, the two-year findings are fairly consistent with those found after the first year of follow-up. However, the research team was unable to assess two-year impacts in three domains that were examined in the one-year analysis, including two domains in which statistically significant effects were found. Specifically, it is unknown whether significant impacts on housing stability and economic well-being and health and safety persisted into a second year.

Discussion and Policy Implications

The Youth Villages Transitional Living Evaluation is one of the largest rigorous evaluations of services in the United States for young people who were formerly in the foster care or juvenile justice systems. The findings presented here have important implications for future policymaking and research. Taken together, the one- and two-year impact findings show that the Transitional Living program led to modest, positive impacts on a broad range of outcomes in three of the six domains that were measured.

- **Transitional Living led to modest increases in employment and earnings.** The evidence for this finding is stronger for Year 1, showing a statistically significant impact on average earnings for that year, when survey data were used; however, in both years, the administrative data analysis indicates that the program increased the proportion of young people earning over \$2,500 per year, a threshold that falls between the average annual earnings of the study sample in Years 1 and 2.

- **The program increased housing stability and economic well-being,** including a reduction in homelessness, by one year after study enrollment. Data are not available to assess whether impacts in that domain continued into the second year.

- **Significant impacts were found on some of the primary outcomes related to health and safety,** but it is not known whether these impacts continued beyond one year because data were not available.

- **Transitional Living did not lead to significant impacts on education, social support (measured only at one year), or criminal involvement.** The program did not lead to increases in high school graduation or receipt of a GED certificate at one year, nor did it increase postsecondary enrollment over two years. Similarly, it did not reduce criminal involvement as meas-

ured by self-reporting at one year or as measured by administrative data over two years. Finally, there was not a significant impact on social support based on survey data at the one-year mark.

The impact analysis suggests that the Transitional Living program was able to improve outcomes related to immediate needs, such as housing, food, clothing, and avoiding violent relationships, but was not as successful in affecting less immediate outcomes, such as educational attainment. Given the challenges that these young people must overcome, it may be that addressing the basic needs of participants requires a good deal of staff time and resources. Accordingly, less time may be left to address other issues. Nevertheless, Transitional Living affected a broad range of outcomes in some very important domains for young people who are experiencing the transition to adulthood. These findings are particularly noteworthy, given how few other programs have been shown to improve outcomes among young adults formerly in foster care or juvenile justice custody. The results of this study provide evidence that interventions are available that can lessen some of the difficulties that many of these young people face.

Next Steps

As an organization that emphasizes continuous learning and program improvement, Youth Villages is focused on using the evaluation findings as a springboard to strengthen the YVLifeSet model, formerly known as Transitional Living. Youth Villages plans to test new strategies intended to enhance the program's positive effects on the young people it serves, building on the areas where the program has already been successful. Beginning in late 2016, Youth Villages will implement and test a few key modifications to the YVLifeSet model to assess whether they hold promise at a larger scale. Youth Villages is also considering launching a second large-scale study of YVLifeSet in a different context, outside the state of Tennessee.

Introduction

Large numbers of young people in the United States were in foster care or in juvenile justice custody as teenagers, and many of them have a difficult time making a successful transition to independent adulthood as they leave these systems. In 2014, more than 65,000 young people between 14 and 20 years of age left the foster care system in the United States, with roughly one-third exiting because they aged out of the system.¹ The juvenile justice system also has a broad reach, as over 50,000 young people are held in residential placement facilities at any point in time.² Young people who are leaving these systems, most of whom faced a number of disadvantages during childhood, commonly experience poor outcomes across a number of domains relative to their peers as they become adults. While government funding for services targeting these groups has increased, few of the programs that have been rigorously evaluated have been found to improve outcomes.

To advance knowledge in this area, the Youth Villages program sought an independent evaluation of its Transitional Living program — now known as “YVLifeSet” — which is one example of an “independent living” program or a program intended to help vulnerable young people to become self-sufficient. Transitional Living is operated by Youth Villages, a nonprofit social service organization based in Memphis, Tennessee, that has served emotionally and behaviorally troubled boys and girls of all ages since 1986.³ The Transitional Living program aims to help young men and women make the transition to adulthood by providing intensive, individualized, and clinically focused case management, support, and counseling. Young people who were enrolled in the evaluation included those living in Tennessee who were 18 to 24 years of age and had left foster care or juvenile justice custody as teenagers or were aging out of the system.⁴ The evaluation used a rigorous random assignment design in which study sample members were assigned at random to either a program group that was offered the Transitional Living program services or to a control group that was not offered those services. The Edna McConnell Clark Foundation, the Annie E. Casey Foundation, and the Bill & Melinda Gates Foundation funded the evaluation, which was led by MDRC in concert with Mark Courtney of the University of Chicago.

¹This number refers to fiscal year 2014 (October 1, 2013, through September 30, 2014). See U.S. Department of Health and Human Services (2015).

²Office of Juvenile Justice and Delinquency Prevention (2015).

³The Transitional Living program was renamed “YVLifeSet” in April 2015. Because the name did not change until after the study period ended, this report refers to the program as “Transitional Living.”

⁴While this evaluation focuses on Transitional Living services provided to young people who have been in foster care or juvenile justice custody, the program also serves those who have not been in state custody but who could potentially benefit from such services. The program operates in seven states in addition to Tennessee.

Background and Policy Context

The transition from adolescence to adulthood is a critical and often trying time for young people of any background. For those who have spent time in state custody in the foster care or juvenile justice system, or both, this transition is often particularly challenging. Such young people often contend with low levels of educational attainment, minimal formal work experience, mental health and substance use problems, weak social support, extreme poverty, and housing instability.⁷

Federal Legislation

Recent federal legislation has increased the funding of services for young people who are aging out of foster care. The John Chafee Foster Care Independence Act of 1999 gave states more funding to support independent living services, room and board, and Medicaid for young people in foster care up to age 21.⁸ The subsequent Fostering Connections to Success and Increasing Adoptions Act of 2008 provided funding for states to extend foster care from age 18 through age 21 for eligible young people and to further expand independent living services. However, the availability and extent of these services vary widely by state depending on whether and how states choose to take advantage of federal funds. To date, nearly half of the 50 states have used federal funding to extend foster care past age 18 (with states imposing varying requirements for young people to remain in care).⁹ See Box 1 for more information on how Tennessee, the state in which the Transitional Living Evaluation was carried out, has approached its adoption of extended foster care services and has expanded independent living services under the provisions of the Fostering Connections Act.

Services for young people who are leaving juvenile justice placements have not been funded as consistently as services for those who are leaving foster care, though some young people who have been in juvenile justice custody are eligible for services funded by the Chafee and Fostering Connections acts. In addition, a general focus on “reentry” services for adults leaving prison and jail has led to federal funding to serve young people with a juvenile justice history. For example, the Second Chance Act provides funds to government agencies and nonprofit organizations to offer employment assistance, substance abuse treatment, housing assistance, and

⁷Courtney, Piliavin, Grogan-Kaylor, and Nesmith (1998); Courtney (2009); Reilly (2003); Nellis and Wayman (2009); Sedlak and McPherson (2010).

⁸Medicaid provisions under the Chafee Act have now been superseded by those of the Affordable Care Act, under which all young people in foster care on their 18th birthday are eligible for Medicaid up to age 26.

⁹Unpublished data from the U.S. Department of Health and Human Services, Administration for Children and Families, Children’s Bureau (2016).

Box 1

Extension or Re-Establishment of Foster Care Services

Across the state of Tennessee, services other than Transitional Living were available throughout the two-year study follow-up period to young adults with histories of state custody. Some of these resources were available through the Tennessee Department of Children's Services (DCS), which provided financial support and case management services. Until July 2012, these services were offered under the state's Post-Custody Services program.* The primary Post-Custody Services included financial assistance for transportation, housing, education, and job-training; access to education and training vouchers for postsecondary school or vocational training; and twice-quarterly meetings with a case manager. To receive Post-Custody Services, young people were required to be (1) working toward their high school diploma or equivalency or (2) enrolled in an approved institution that provides postsecondary education or vocational training. Those leaving secure juvenile justice facilities were not eligible. Additionally, those who had not yet graduated from high school but were on track to do so had the option of remaining in a supported foster care placement until the age of 19.

Sample enrollment for the Transitional Living Evaluation spanned the shift, in July 2012, from the state's Post-Custody Services program to Extension or Re-Establishment of Foster Care (EFC) Services. This shift came as federal funding became available for states to extend foster care through age 21 and expand independent living services via the Fostering Connections to Success and Increasing Adoptions Act of 2008. Services and eligibility criteria under EFC are similar to those under the Post-Custody Services program, with a few notable differences:

1. Eligibility criteria were expanded to include young people who have a serious physical or mental health condition that prevents them from pursuing education or full-time employment.
2. Young people who meet any of the three key eligibility criteria have the option to remain in a foster care placement until the age of 21.
3. The frequency of face-to-face meetings with a case manager was increased from twice quarterly to monthly.

The requirements listed above are more restrictive than those of most other states with federally approved extended foster care programs. The vast majority of those states will also allow young people to remain in care past age 18 if they are employed for at least 80 hours per month or participating in an employment program.† Only about 20 percent of the Transitional Living Evaluation study sample were receiving either Post-Custody or EFC services at the time they enrolled in the study.

*Tennessee Department of Children's Services (2002).

†Unpublished data from the U.S. Department of Health and Human Services, Administration for Children and Families, Children's Bureau (2016).

other services to reduce criminal recidivism. In addition to these federally funded services, many states, cities, and counties offer “aftercare” and reentry services for young people who are exiting juvenile facilities.

Research Evidence

While independent living services have expanded, very few programs have been shown by rigorous evaluation to be effective in improving young people’s outcomes. Only four moderately sized random assignment evaluations have tested independent living programs for young people with a history of foster care (not including the present evaluation), and, among those, three did not find any statistically significant impacts — that is, impacts that are larger than would generally be expected if the program had no true effect.¹⁰ Rigorous evaluations of programs for young people involved in the juvenile justice system have been more common. Cognitive behavioral therapy programs, in particular, are supported by a fairly strong research base, which has found these programs to be effective in reducing criminal recidivism and substance abuse.¹¹ However, previous studies of programs for juvenile justice-involved young people have focused little on measuring program impacts on other important outcomes, such as employment, education, and housing.

The Transitional Living Program

The Transitional Living program is operated by Youth Villages, a nonprofit social service organization based in Memphis, Tennessee. The organization operates a variety of residential and community-based programs serving more than 20,000 young people each year in 12 states and the District of Columbia. Staff members adhere to a common set of core principles and use a common treatment manual, developed by Youth Villages, that contains all of the practices the organization considers to be informed by evidence and acceptable for use in its programs.

In Transitional Living, a nonresidential program, services are expected to last an average of nine months for individuals who successfully complete the program. Transitional Living starts with assessments and the development of an individualized treatment plan that takes into account the particular needs and goals of each young person. The bulk of the services are then provided during once-a-week, hour-long Transitional Living sessions with a case manager, called a “TL Specialist.”¹² Transitional Living sessions are usually held in young people’s

¹⁰Office of Planning, Research and Evaluation (n.d.).

¹¹Lipsey, Landenberger, and Wilson (2007); Botvin, Baker, Filazzola, and Botvin (1990).

¹²For more detailed information about TL Specialists and the credentials required for this position, see Manno, Jacobs, Alson, and Skemer (2014).

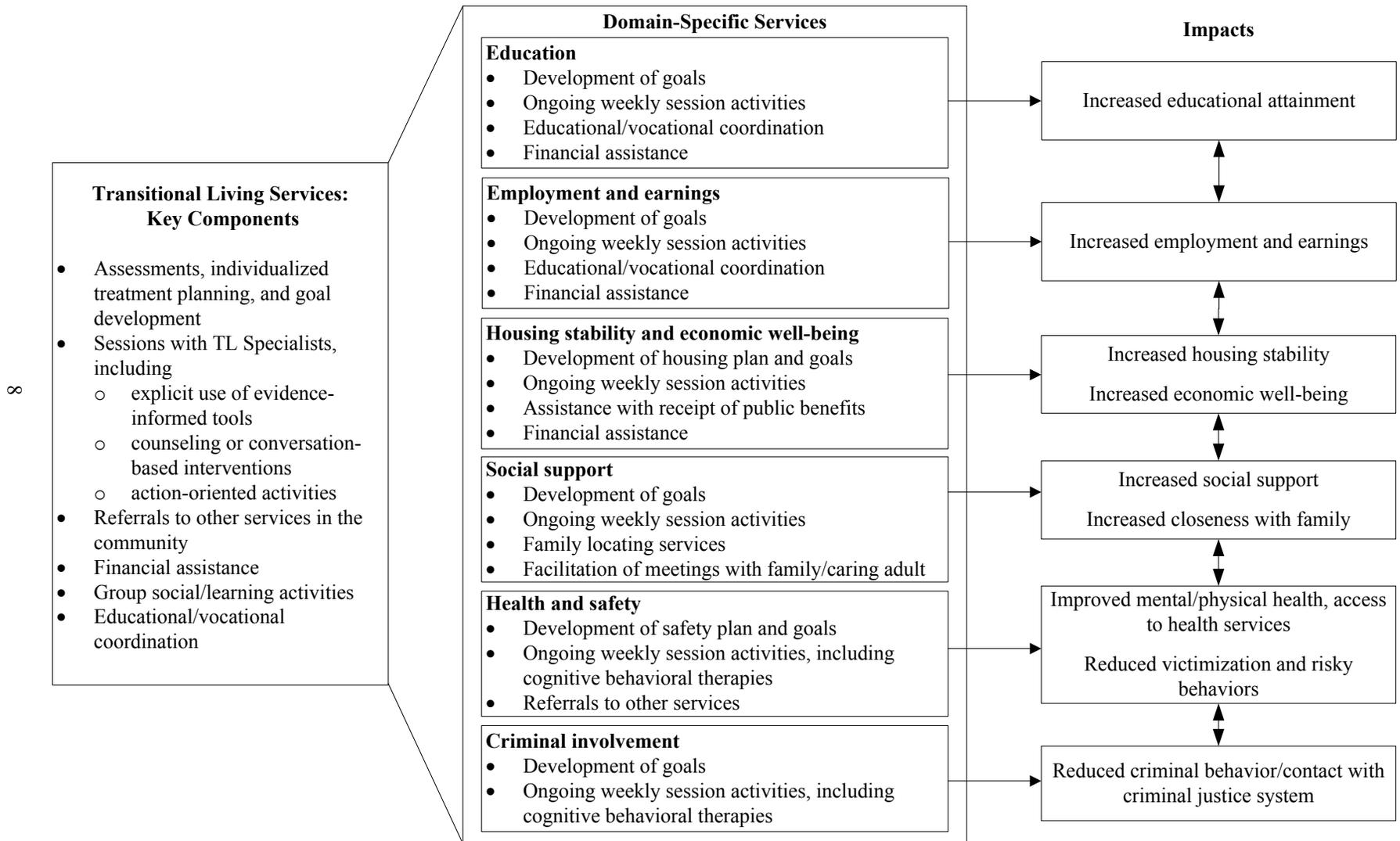
homes or in the community, often at schools or at fast food restaurants or coffee shop chains. Each TL Specialist typically serves only eight young people at a time.

The topics covered and the activities that take place during Transitional Living sessions vary depending on the needs and goals of each participant, but TL Specialists are expected to use methods included in the treatment manual. These methods fall into three categories: evidence-informed tools, counseling, and action-oriented activities. Evidence-informed tools include specific curricula, such as “Preparing Adolescents for Young Adulthood,” which cover topics like money management and job-seeking skills, as well as practices such as the “Adolescent Community Reinforcement Approach,” which is a behavioral treatment for alcohol and other substance abuse. A second strategy involves counseling, in which the participant and TL Specialist talk about particular issues in the participant’s life from both the past and the present in order to address problems that may be impeding the participant’s progress toward stated goals. Finally, TL Specialists use action-oriented activities, such as taking a participant to a bank to open an account or to a community college to gather information about classes.

Aside from direct support that the TL Specialist provides during the regular sessions with each young person, Transitional Living offers other resources to participants. All are screened for trauma. Trauma-focused cognitive behavioral therapy, a 12- to 20-week course of therapy provided by specially trained Youth Villages’ staff, is provided to those for whom it is clinically indicated. TL Specialists may also refer participants to other services in the community, such as General Educational Development (GED) classes, specialized mental health services, or housing services. In addition, TL Specialists have access to some flexible funds to support those who need money for expenses such as purchasing appropriate clothing for interviews or an apartment application fee. They also encourage young people to participate in monthly group social and learning activities with others in the program. Youth Villages is required to organize these group activities as part of its contract with the Tennessee Department of Children’s Services. Finally, educational/vocational coordinators are available to provide extra support to young people who want to go to college, take vocational training, or find a job.

The set of boxes in the center of Figure 2, which depicts Transitional Living’s logic model, shows the domains that are most commonly addressed — education; employment and earnings; housing stability and economic well-being; social support; health and safety; and criminal involvement — during the sessions with the TL Specialist and through other program services. For all domains, services include key program components such as goal planning and Transitional Living sessions. Other services, such as the assistance of the educational/vocational coordinator, focus on particular domains. Consistent with the individualized nature of the Transitional Living program, the extent to which each participant receives services related to

Figure 2
Logic Model for the Youth Villages Transitional Living Program



each domain depends on the needs and goals of that individual. The boxes at the far right of Figure 2 show the expected effects, or impacts, of Transitional Living services in each of these domains.

The Youth Villages Transitional Living Evaluation

The Youth Villages Transitional Living Evaluation assessed the impacts of the Transitional Living program. Although the program operated in six states during the study period, the evaluation tested only the program operating in Tennessee. During the evaluation period, the Tennessee program was funded partly by Youth Villages' contract with the Department of Children's Services and partly by philanthropic support. The study sample includes men and women ages 18 to 24 who were living in Tennessee and who had left foster care or juvenile justice custody as teenagers or were aging out at 18. The evaluation employed a rigorous random assignment design. Between October 2010 and October 2012, 1,322 young people were assigned at random to one of two groups:

- **The program group**, whose members were offered Transitional Living program services, including intensive case management, support, and counseling; 60 percent of the participants in the study were assigned to this group.
- **The control group**, whose members were not offered Transitional Living program services, but were provided with a list of other social service resources that were available in the community; 40 percent of the participants in the study were assigned to this group.

While the program group could access other services in the community if they wished, they were not provided with the list of resources that was given to the control group. By measuring outcomes for both the program and control groups over time, the research team can assess whether Transitional Living services led to better outcomes for the program group than for the control group. Owing to the random assignment design, the research groups were expected to be comparable on both measured and unmeasured characteristics when the study began. Therefore, statistically significant differences in outcomes that emerge between the two groups can be attributed with some confidence to the offer of Transitional Living services to the program group. These differences in outcomes are considered "impacts" or "effects" of the Transitional Living program.

Table 1 presents selected, self-reported background characteristics of the study sample at the time of study enrollment. As expected given the random assignment design, there are very few statistically significant differences between the program and control groups for these

Table 1
Characteristics of Sample Members at Baseline

| Characteristic (%) | Total |
|---|-------|
| Age categories | |
| 18 years old | 71.4 |
| 19 years old | 19.4 |
| 20-24 years old | 9.2 |
| Gender | |
| Male | 52.0 |
| Female | 48.0 |
| Race/ethnicity | |
| Hispanic ^a | 5.8 |
| White, non-Hispanic | 51.1 |
| Black, non-Hispanic | 37.1 |
| Other, non-Hispanic | 6.0 |
| Where participant lived | |
| Own apartment/house | 5.5 |
| Home of biological parent(s) | 28.7 |
| Home of other relative(s) | 19.4 |
| Home of friend(s) | 10.9 |
| Foster home | 20.9 |
| Homeless/living on the street | 1.7 |
| Supervised independent living arrangement | 1.8 |
| Group home, halfway house, or residential treatment center | 4.4 |
| Other | 6.7 |
| Ever employed | 54.1 |
| Employed at baseline | 19.2 |
| Educational attainment and school enrollment | |
| No high school diploma or GED certificate, not enrolled in school | 17.3 |
| No high school diploma or GED certificate, enrolled in school | 40.0 |
| High school diploma or GED certificate, not enrolled in postsecondary school | 29.1 |
| High school diploma or GED certificate, enrolled in postsecondary school | 13.7 |
| Ever repeated a grade or been held back a grade | 43.3 |

(continued)

Table 1 (continued)

| Characteristic (%) | Total |
|--|-------|
| Ever been suspended from school | 80.5 |
| Ever been in special education | 25.6 |
| Contact with biological mother | |
| Every day | 43.1 |
| At least once a week but not every day | 16.4 |
| At least once a month but not every week | 7.7 |
| Less than once a month | 8.1 |
| Never | 24.7 |
| Contact with biological father | |
| Every day | 16.4 |
| At least once a week but not every day | 13.1 |
| At least once a month but not every week | 7.7 |
| Less than once a month | 10.3 |
| Never | 52.5 |
| Had contact with any other relatives at least once per month | 88.4 |
| Pregnant at baseline | 4.1 |
| Had any children | 16.9 |
| Ever arrested | 64.4 |
| Received psychological or emotional counseling in past year | 55.7 |
| Attended substance abuse treatment program in past year | 31.1 |
| Sample size | 1,322 |

SOURCE: MDRC calculations based on responses to the Youth Villages Transitional Living Evaluation Baseline Information Form.

NOTES: GED = General Educational Development.

Rounding may cause slight discrepancies in calculating sums and differences.

^aSample members are coded as Hispanic if they answered "yes" to Hispanic ethnicity.

characteristics. Therefore, for simplicity, the table presents numbers for the full study sample.¹³ Similar to other young people with histories of foster care or juvenile justice custody, those who enrolled in the study averaged relatively low levels of educational attainment and employment at study entry, while experiencing relatively high rates of arrest and housing instability (as indicated by the proportion still living in a foster home, in the home of a friend, in a supervised independent living arrangement, in a group home, a halfway house, a residential treatment center, or living on the street). The young people in the study are diverse in terms of gender and race: 48 percent of the sample are women, over 50 percent are white/non-Hispanic, and a substantial minority are black/non-Hispanic (37 percent).

As shown in Table 2, which provides self-reported information on the state custody histories of sample members, the young people enrolled in the study come from varied custody backgrounds, with their first custody placement — often one of many — tending to occur in their teens. Sixty-one percent of the sample reported having been in custody because they had been neglected or abused (foster care), while 52 percent indicated that they had been in custody for delinquency (juvenile justice). About 13 percent of the study sample had experienced both types of custody (not shown in table).

Program Implementation and Service Receipt Differences Between the Two Research Groups

To help interpret the impacts of the Transitional Living program, the research team studied the strength of the program's implementation and the dosage (level and intensity) of services that program group members received. Transitional Living was implemented largely in accordance with the program model. Although the Transitional Living program had considerable structure, the TL Specialists had a great deal of flexibility to adapt services based on the specific needs of the individuals in their caseloads, including employment, housing, education, life skills, and mental health. TL Specialists were instructed to choose the strategies they used in Transitional Living sessions to capitalize on the strengths of each participant. In general, strategies fell within the three broad categories (discussed above) that TL Specialists were expected to use: evidence-informed tools, counseling, and action-oriented activities.

¹³See Valentine, Skemer, and Courtney (2015) for a more detailed comparison of the characteristics of the two groups.

Table 2
State Custody History of Sample Members at Baseline

| Characteristic (%) | Total |
|---|-------|
| Ever in state custody because of | |
| Neglect, abuse, or unruly adjudication (foster care) ^a | 61.3 |
| Delinquency (juvenile justice) | 51.9 |
| Age in years at first custody entry | |
| 0-5 | 6.5 |
| 6-10 | 6.3 |
| 11-14 | 23.2 |
| 15-16 | 32.3 |
| 17-18 | 31.7 |
| Age in years at final custody exit | |
| 16 or under | 4.8 |
| 17 | 27.6 |
| 18 or over | 39.4 |
| Still in custody at baseline | 28.3 |
| Number of different custody placements | |
| 1 placement | 34.8 |
| 2-5 placements | 49.8 |
| 6-10 placements | 9.8 |
| More than 10 placements | 5.6 |
| Sample size | 1,322 |

SOURCE: MDRC calculations based on responses to the Youth Villages Transitional Living Evaluation Baseline Information Form.

NOTES: Rounding may cause slight discrepancies in calculating sums and differences.

^aAn unruly adjudication occurs because children are determined to have behavioral problems serious enough that their health and safety are at risk or because they have committed an offense, such as truancy, that is applicable only to minors.

A substantial portion of the program group received services at the expected average dosage of the Transitional Living program model. About two-thirds participated in program services for at least five months and about half participated for at least nine months, the ex-

pected average length of services for those who successfully complete the program. (Participants who achieved their treatment goals early in their participation could be discharged from the program before reaching a particular length of stay.) Nearly all program group members participated in at least one program activity; 95 percent participated in at least one Transitional Living session. While involved in the program, each individual participated in nearly one session per week, averaging over an hour per session. Data measuring program participation for up to 12 months following random assignment show that, in total, program group members averaged about 26 sessions with their TL Specialist.¹⁴ During these sessions, TL Specialists and participants covered a wide range of issues, with education, employment, and housing discussed most often.

While control group members could not receive Transitional Living services, they were able to obtain other services available in the community, including extended foster care services provided by the state to those who were eligible. Therefore, using data from the survey administered one year after random assignment, the research team assessed the extent to which the offer of the Transitional Living program increased the services received by the program group over what the control group received.

Overall, there are large, statistically significant differences between the program and control groups in the dosage of the services they received. The program group was more likely than the control group to have had a case manager or social worker (75 percent compared with 44 percent), who could be a TL Specialist,¹⁵ and to have met with that person at least once a week (60 percent compared with 20 percent). They were more likely to have received help, from any source, with problems related to education, employment, finances, housing, and daily living. However, while there was a clear difference in the level of services received, it is notable that many control group members also obtained case management and other services.

One-Year Impacts of the Transitional Living Program

The primary source of outcome data for the one-year impact report is a survey that was administered by NORC at the University of Chicago, largely by telephone, to all sample members about one year after they entered the study. The response rate was 84.3 percent. Outcomes in six key domains were covered: education; employment and earnings; housing stability and eco-

¹⁴About 19 percent of program group members participated in Transitional Living for more than 12 months. TL sessions that occurred more than 12 months after random assignment are not included in this average.

¹⁵While it is likely that most program group members were referring to TL Specialists when reporting help they received from a case manager or social worker, some may have had case managers or social workers from outside of the Transitional Living program, including case managers from the Tennessee Department of Children's Services.

conomic well-being; social support; health and safety; and criminal involvement. In addition, the research team collected administrative data on postsecondary enrollment from the National Student Clearinghouse. Before conducting the one-year impact analysis, the research team specified primary outcomes and secondary outcomes within each of the six domains. Conclusions about the effectiveness of the Transitional Living program in each domain depend on the impact estimates for primary outcomes. (For an overall explanation of the differences between primary and secondary outcomes, along with guidance on how to correctly interpret findings for these two groupings, see Box 2.)

Statistically significant impacts on primary outcomes were detected in three domains: employment and earnings; housing stability and economic well-being; and health and safety. In the area of employment and earnings, the program led to an increase of over \$600 in earnings in the year before the survey interview, driven, at least in part, by an increase in the percentage of young people who were employed. In the area of housing stability and economic well-being, the research team found that program group members experienced significantly fewer types of housing instability than control group members, most notably reductions in homelessness and couch surfing (staying in someone else's home temporarily when not having a permanent place to live). Similarly, the Transitional Living program reduced incidence of economic hardship, driven by decreases in the percentage of those who did not have necessary clothing or shoes and in the percentage of young people who had delayed paying a bill in order to buy food. Finally, in the health and safety domain, Transitional Living improved mental health and reduced the percentage of those involved in violent relationships. However, it did not significantly affect other key measures of health and safety, including substance use, condom use, and victimization. No statistically significant effects were found on primary outcomes in the remaining three domains: education, social support, and criminal involvement.

While the one-year analysis focused primarily on impacts for the full research sample, there were reasons to hypothesize that the Transitional Living program may have larger or smaller impacts for some subgroups of young people compared with others. Accordingly, the research team assessed differences in impacts across four sets of subgroup characteristics, described later in this report. In the one-year analysis, the research team found that the impacts of Transitional Living were consistent across these subgroups, indicating that the program is equally effective across the subgroups analyzed.

Overall, while the statistically significant impacts detected at one year proved modest, their breadth across several domains is consistent with the highly individualized nature of the program model, which is designed to address the wide variety of needs and circumstances of the

Box 2

Approach to the Impact Analysis in This Report

The Transitional Living program provides individualized services to young people who have a wide variety of experiences, needs, and circumstances. The program aims to improve outcomes across multiple domains rather than focusing on one or two outcomes as some programs do. Therefore, the Youth Villages Transitional Living Evaluation research team estimated the two-year impacts of the Transitional Living program on outcomes in three distinct domains: education; employment and earnings; and criminal involvement.

While this approach makes sense theoretically, examining a large number of outcomes increases the chance of observing a significant impact even if the program has had no true effect — that is, an impact that arises by chance alone. A statistically significant impact estimate is one that is unlikely to have occurred if the program was truly ineffective. When an impact estimate is statistically significant at the 10 percent level, for example, it means that there is only a 10 percent chance that an ineffective program would have generated this estimate. Increasing the number of impact estimates examined further increases the chance that a significant impact will be found for an ineffective program. For example, if 10 independent outcomes are examined, there is a 65 percent chance that one of them will be statistically significant at the 10 percent level purely by chance, even if the program is truly ineffective for that outcome.

To guard against the possibility of drawing wrong conclusions about the effectiveness of the Transitional Living program, the research team prespecified a small number of primary outcomes within each of the three outcome domains. The primary outcomes selected for this analysis are broader, more comprehensive measures. Conclusions about the effectiveness of the Transitional Living program in a particular domain hinge on the impact estimates for primary outcomes. To provide additional detail about where impacts on primary outcomes were concentrated, the team also prespecified secondary outcomes in each domain. These estimates do not shape conclusions about the effectiveness of the Transitional Living program in particular domains but, rather, flesh out the story where there are impacts. The discussion of impact results in this report concentrates on primary outcomes.

young people it serves. Taken together, the one-year impact findings were promising, especially given the lack of statistically significant, positive impacts for other programs targeting similar populations.

A more detailed description of the Transitional Living program model and discussion of its implementation can be found in the first report in this evaluation, *Moving Into Adulthood*.¹⁶ Similarly, a more in-depth discussion of service receipt differences between program and

¹⁶Manno, Jacobs, Alson, and Skemer (2014).

control group members and estimated one-year impacts of the Transitional Living program are available in the second report in this evaluation, *Becoming Adults*.¹⁷

¹⁷Valentine, Skemer, and Courtney (2015).

Two-Year Impacts on Education, Employment and Earnings, and Criminal Involvement

The one-year Transitional Living impact results were promising, particularly in certain domains, but they represent only short-term impacts of the program. Examining longer-term impacts is important, as Transitional Living is designed not only to support young people while they are in the program, but also to provide them with the tools to better navigate adult life after they leave the program. Many participants were involved in Transitional Living throughout the one-year follow-up period; it is important to know whether the impacts found at one year were sustained into a second year, after the vast majority of participants had exited the program.

To this end, the two-year impact analysis capitalizes on the existence of various administrative data sets to assess whether some of the statistically significant impacts found after one year were sustained into a second year and whether new impacts emerged over time. The two-year analysis estimates impacts in three domains: (1) education, using postsecondary enrollment data from the National Student Clearinghouse; (2) employment and earnings, using unemployment insurance data from the Tennessee Department of Labor and Workforce Development; and (3) criminal involvement, using arrest and conviction data from the Tennessee Bureau of Investigation. For all three administrative data sources, the research team created Year 1, Year 2, and overall outcome measures and estimated impacts on these measures. With the exception of postsecondary enrollment data, Year 1 impacts on outcomes measured using administrative data were not assessed or presented in the one-year report.

Given that the study does not include a second follow-up survey and that administrative data are available only for certain outcomes, the research team is not assessing two-year impacts in three of the original six outcome domains: housing stability and economic well-being; social support; and health and safety.¹⁸ As a result, the research team is not able to assess whether impacts were sustained into a second year in two of the domains — housing stability and economic well-being and health and safety — in which there were statistically significant effects at one year. Therefore, while two-year impacts in the domains for which data are available remain informative, this analysis presents only a partial assessment of the effectiveness of the Transitional Living program after two years of follow-up.

¹⁸The original design for the study did not include a two-year impact analysis or the fielding of a longer-term survey, as the evaluation team decided to assess whether the program produced short-term impacts before collecting additional follow-up data. Given the timing of the one-year impact analysis, a second follow-up survey would not have been fielded until at least four years after random assignment, by which time it would have been very difficult and extremely costly to obtain high response rates among the study sample. Therefore, the research team decided to pursue administrative data only.

Impacts on Education

Educational attainment is of great importance for young people as they attempt to make a successful transition to adulthood.¹⁹ Increasingly, those with low levels of education struggle to gain a foothold in the labor market and are far more likely than their peers with higher levels of education to live below the poverty line.²⁰ For those who have spent time in the foster care or juvenile justice systems, educational attainment is no less important. However, on average, young people with custody histories face a more difficult path forward, as many have fallen well behind their peers on key educational indicators.²¹ In an effort to bridge this gap, TL Specialists strongly emphasize education by working with participants to establish educational goals and actively supporting them in taking the various steps necessary to achieve their goals.

As discussed in the introduction to this report, the one-year impact analysis shows no statistically significant impacts of the Transitional Living program on education. Educational outcomes measured at one year include high school diploma receipt, GED receipt, participation in vocational training, and postsecondary enrollment. However, a large percentage of sample members were still working toward completing high school at baseline, and some who aspired to college may have needed a bit more time to realize this goal in light of the many challenges they faced. Therefore, the research team examined whether statistically significant differences in postsecondary enrollment emerged between the program and control groups over a second year of follow-up.

Table 3 presents two-year impacts of the Transitional Living program on education. (For a detailed explanation of how to read the impact tables in this report, see Box 3.) The primary outcome in this domain is enrollment in a postsecondary institution. Transitional Living did not produce a statistically significant impact on this outcome, either across the two years of follow-up or looking at each year individually. About a quarter of both program and control group members enrolled in a postsecondary institution at some point in the two years following study enrollment. For both research groups, postsecondary enrollment declined in Year 2 from the levels observed in Year 1.

¹⁹Child Trends (2014).

²⁰Caspi, Wright, Moffitt, and Silva (1998); U.S. Department of Education (2012); Aud, KewalRamani, and Frohlich (2011).

²¹Courtney, Dworsky, Lee, and Raap (2010); Leone and Weinberg (2010).

Table 3
Two-Year Impacts on Education

| Outcome (%) | Program Group | Control Group | Difference (Impact) | P-Value |
|---|------------------|------------------|------------------------|---------|
| <u>Primary outcomes</u> | | | | |
| Enrolled in a postsecondary institution | 22.0 | 25.4 | -3.4 | 0.111 |
| Year 1 | 18.9 | 18.4 | 0.4 | 0.821 |
| Year 2 | 11.4 | 13.6 | -2.2 | 0.212 |
| <u>Secondary outcomes</u> | | | | |
| Type of postsecondary institution (Years 1 - 2) | | | | |
| Enrolled in 4-year college | 8.1 | 10.3 | -2.2 | 0.154 |
| Enrolled in 2-year college | 15.8 | 16.8 | -1.1 | 0.595 |
| Sample size (total = 1,322) | 788 | 534 | | |

SOURCE: MDRC calculations based on postsecondary education data from the National Student Clearinghouse.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics.

Rounding may cause slight discrepancies in calculating sums and differences.

Statistical significance levels are indicated as follows: *** = 1 percent; ** = 5 percent; * = 10 percent.

Although there are no statistically significant impacts on primary education outcomes, an analysis of secondary measures sheds additional light on the outcomes of sample members. Again, there are no statistically significant differences between the program and control groups in their rates of enrollment in either four-year or two-year colleges. Eight percent of program group members and 10 percent of control group members enrolled in a four-year college. Members of the study sample more commonly attended two-year colleges: 16 percent of program group members and 17 percent of control group members enrolled in a two-year college during the two-year follow-up period.

Box 3

How to Read the Impact Tables in This Report

The impact tables in this report use a similar format, illustrated below. In this case, employment and earnings outcomes are shown for the program group and the control group. For example, the table shows that 36.6 percent of the program group earned \$2,500 or more in Year 2, while 30.3 percent of the control group earned over this same threshold.

The “Difference” column in the table below shows the differences between the two research groups’ proportion earning \$2,500 or more in Year 2 — that is, the program’s estimated effect, or impact, on earnings at this level. For example, the estimated impact on this outcome can be calculated by subtracting 30.3 from 36.6, yielding a 6.3 percentage point difference.

Differences marked with asterisks are “statistically significant,” meaning that they are larger than would generally be expected if the program had no true effect; thus, they are likely attributable to the offer of the program services. The number of asterisks indicates whether the estimated impact is statistically significant at the 10 percent (one asterisk), 5 percent (two asterisks), or 1 percent (three asterisks) level — the lower the level (or the more asterisks), the less likely that the impact could have been generated by an ineffective program. For example, as shown in the first row of data, the Transitional Living program had a statistically significant impact of 6.3 percentage points on the proportion of young adults earning over \$2,500 during Year 2; that is, recipients of Transitional Living services were 6.3 percentage points more likely, on average, to earn above this threshold than those who had not been offered Transitional Living services. This impact is statistically significant at the 5 percent level — meaning that there is less than a 5 percent probability that an ineffective program would have resulted in an estimated impact this large. The p-value shows the exact level of significance.

Two-Year Impacts on Employment and Earnings

| Outcome | Program Group | Control Group | Difference (Impact) | | P-Value |
|--------------------------------|---------------|---------------|---------------------|----|---------|
| <u>Primary outcomes</u> | | | | | |
| Year 2 earnings (%) | | | | | |
| \$2,500 or more | 36.6 | 30.3 | 6.3 | ** | 0.016 |
| \$5,000 or more | 22.9 | 19.2 | 3.7 | | 0.105 |
| \$7,500 or more | 14.2 | 13.1 | 1.1 | | 0.566 |
| Sample size (total = 1,322) | 788 | 534 | | | |

Impacts on Employment and Earnings

Employment is another key area in which young people with histories of foster care or juvenile justice custody lag behind their peers; they experience comparatively high rates of unemployment and low earnings.²² The young people in the study sample were not well-positioned at baseline to disrupt these trends; just 19 percent of study participants reported holding a job at the time they enrolled in the study, about half the rate of young people of a similar age in the general population.²³

As noted earlier, the one-year analysis, based on self-reported data collected in survey interviews, showed that Transitional Living was able to significantly improve employment and earnings. Program group members earned over \$600 more than control group members from formal employment in the year before their survey interview and were 5 percentage points more likely to be employed, both statistically significant effects. To determine whether these positive, statistically significant impacts persisted after the one-year follow-up period, the research team collected state unemployment insurance data from Tennessee to estimate employment and earnings impacts at two years after study enrollment.

Table 4 presents two-year impacts of the Transitional Living program on employment and earnings based on administrative data. The primary outcome in this domain is earnings. To best understand the effect of the Transitional Living program on this outcome, the research team examined earnings in multiple ways. First, the team estimated impacts on average earnings in Year 1, Year 2, and across both years of follow-up. No statistically significant differences between program and control group members were observed for any of these measures when administrative data were used. Total earnings for both research groups hovered at about \$5,000, with earnings increasing from approximately \$2,000 in Year 1 to approximately \$3,000 in Year 2. Overall, these earnings levels are quite low. As indicated by the employment rates presented in the bottom panel of Table 4 and discussed further below, many young people in the study sample had no formal employment and hence no formal earnings, thus drawing down the average earnings estimates.

The research team also assessed impacts on earnings using what are referred to as “binned” variables, or variables that capture the percentage of sample members falling into certain categories. In this instance, the team analyzed the percentage of each research group earning more than a particular threshold in each year. These thresholds were \$2,500 or more, \$5,000 or more, and \$7,500 or more. The thresholds are not mutually exclusive: for example,

²²Courtney et al. (2010); U.S. Department of Health and Human Services (2008); Sampson and Laub (1990); Ramchand, Morral, and Becker (2009).

²³See U.S. Department of Labor, Bureau of Labor Statistics (2014).

Table 4
Two-Year Impacts on Employment and Earnings

| Outcome ^a | Program Group | Control Group | Difference (Impact) | | P-Value |
|----------------------------------|------------------|------------------|------------------------|----|---------|
| <u>Primary outcomes</u> | | | | | |
| Total earnings (\$) | 5,240 | 5,016 | 224 | | 0.555 |
| Year 1 | 2,233 | 2,130 | 103 | | 0.562 |
| Year 2 | 3,006 | 2,885 | 121 | | 0.641 |
| Year 1 earnings (%) | | | | | |
| \$2,500 or more | 30.5 | 25.5 | 5.1 | ** | 0.035 |
| \$5,000 or more | 16.7 | 13.4 | 3.3 | * | 0.083 |
| \$7,500 or more | 9.0 | 7.9 | 1.1 | | 0.462 |
| Year 2 earnings (%) | | | | | |
| \$2,500 or more | 36.6 | 30.3 | 6.3 | ** | 0.016 |
| \$5,000 or more | 22.9 | 19.2 | 3.7 | | 0.105 |
| \$7,500 or more | 14.2 | 13.1 | 1.1 | | 0.566 |
| <u>Secondary outcomes</u> | | | | | |
| Ever employed (%) | 78.5 | 75.6 | 2.9 | | 0.212 |
| Year 1 | 64.1 | 59.3 | 4.8 | * | 0.072 |
| Year 2 | 63.6 | 60.0 | 3.5 | | 0.195 |
| Number of quarters employed | 3.2 | 3.0 | 0.2 | * | 0.088 |
| Sample size (total = 1,322) | 788 | 534 | | | |

SOURCE: MDRC calculations based on unemployment insurance quarterly earnings data from the Tennessee Department of Labor and Workforce Development.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics.

Rounding may cause slight discrepancies in calculating sums and differences.

Statistical significance levels are indicated as follows: *** = 1 percent; ** = 5 percent; * = 10 percent.

^aUnemployment insurance data are quarter-based; thus, the two-year follow-up period in this table does not necessarily represent the 24 months following random assignment. Rather, the follow-up period represents the eight quarters following the quarter in which participants were randomly assigned.

someone earning \$10,000 per year would be included in each bin. The benefit of this approach is that binned variables are not sensitive to the effects of high (but still plausible) values, which may have an undue upward effect on averages. Relatedly, this approach allows for an improved understanding of how impacts may vary at different earnings levels, since averages may not tell the whole story.

The Transitional Living program had a statistically significant, 5-percentage-point impact on the proportion of young people earning \$2,500 or more in Year 1, with 31 percent of the program group and 26 percent of the control group exceeding this threshold. The program also had a statistically significant effect on the proportion of young people earning \$5,000 or more in Year 1 (17 percent of program group members versus 13 percent of control group members). The program's significant effect diminished in the highest earnings "bin": There are no statistically significant differences between the proportion of program and control group members earning \$7,500 or more in Year 1.

Impacts on binned earnings variables in Year 2 follow a somewhat similar pattern to those observed in Year 1. There is a statistically significant, 6-percentage-point impact on the proportion of young people earning \$2,500 or more in Year 2 (37 percent of program group members versus 30 percent of control group members).²⁴ The program's significant effect diminishes as earnings thresholds increase, with no statistically significant differences between program and control group members earning either \$5,000 or more or \$7,500 or more in Year 2.

There are two secondary outcomes in this domain, employment and number of quarters employed. Transitional Living did not produce a statistically significant impact on the percentage of young people who were ever employed during the two-year follow-up period; over three-fourths of both the program group and the control group had worked in jobs covered by unemployment insurance.²⁵ However, consistent with the one-year impact findings based on survey data, the program group was about 5 percentage points more likely than the control group to have been employed in Year 1, a statistically significant difference that had faded by Year 2. Program group members appear to have been somewhat more consistently employed over the two-year follow-up period, working an average of 3.2 quarters compared with 3.0 among control group members.

²⁴As a result of rounding, the difference between the program and control group proportions earning over \$2,500 in Year 2 appears to calculate to 7 percentage points. However, the difference between unrounded means results in a differential of 6.3 percentage points.

²⁵Administrative data are collected only for jobs covered by unemployment insurance. For this reason, the two-year analysis of impacts on employment and earnings includes only these jobs.

Comparing Survey Data with Administrative Data

While employment figures match up fairly well between self-reported one-year survey data and one-year administrative data, some discrepancies are seen between these two data sources for earnings during the first year of follow-up. These discrepancies arise at both the levels (one-year earnings based on survey data are higher for both research groups than one-year earnings based on administrative data) and the estimated impacts (the one-year impact on earnings based on survey data is about \$600 and is statistically significant, while the one-year impact on earnings based on administrative data is about \$100 and is not statistically significant).

A few important differences between survey data and administrative data may shed some light on these discrepancies. The survey, though based on self-reporting and therefore subject to participants' recollections, may have captured some jobs that are not included in administrative data from the Tennessee unemployment insurance system. First, while study participants were instructed to report only formal employment in answer to the questions used to create the survey-based one-year outcomes, they may very well have reported work in some jobs in the informal economy, such as babysitting or mowing lawns. Second, they may also have reported formal employment where the worker is classified as an independent contractor, such as an Uber driver. Neither of these types of employment are captured by unemployment insurance data. (Data from the unemployment insurance system also do not capture employment by some categories of workers, such as those who are self-employed, federal government employees, and domestic workers.) Finally, about 8 percent of survey respondents reported working outside of Tennessee; this employment, as well as the earnings resulting from it, would not have been picked up in the Tennessee-provided administrative data.

In addition, the survey sample includes 1,114 of the 1,322 young people in the full study sample, while administrative data capture information for the full research sample of 1,322. Survey response bias analysis suggests that this last difference has little effect on impact estimates, but it may partly explain the lower earnings levels observed across both research groups in the administrative data relative to the survey data: Survey respondents tend to be those who are faring better and are therefore likely to be more consistently employed and earning more than nonrespondents. However, because this is true of respondents in both research groups, impact estimates should not be biased.

Informal or contract employment not covered by unemployment insurance data and employment outside of Tennessee may contribute to the discrepancies between survey-based earnings and administrative data-based earnings in terms of both differing earnings levels *and* differing impacts. The administrative data are missing some amount of earnings for both

research groups by not capturing informal employment, contract employment, and employment outside of Tennessee.²⁶ However, the differences in impact estimates between the two sources suggest that program group members may be differentially affected by these gaps in the administrative data, indicating that Transitional Living may have increased informal employment, contract employment, and/or employment outside of the state of Tennessee.

Given the pros and cons of both survey and administrative data in measuring employment and earnings outcomes, it is useful to have access to both sources in order to obtain the fullest possible understanding of the effects of the Transitional Living program in this domain.

Impacts on Criminal Involvement

While most young people with a history of delinquent behavior do not go on to commit crimes as adults, they are at higher risk of committing adult crimes relative to those without a history of delinquency.²⁷ Almost two-thirds of the young people in the Transitional Living study sample had been arrested before random assignment occurred; about half had exhibited delinquent behavior that was serious enough to result in juvenile justice custody, indicating that many in the sample were at high risk of criminal involvement as adults.

The one-year impact results, based on survey data, showed that the Transitional Living program did not significantly reduce criminal involvement. However, given the importance of the outcomes in this domain to policymakers and the high societal costs attached to contact with the criminal justice system, administrative data were gathered to analyze whether any changes to the impact results would emerge with longer-term follow-up.

Table 5 presents two-year impacts of the Transitional Living program on criminal involvement, or, more specifically, contact with the criminal justice system. There are two primary outcomes in this domain: arrest and conviction. There are no statistically significant differences between program and control group members in their rates of arrest. Just under half of the members of both groups were arrested at some point in the two years following study enrollment. About one-third of sample members were arrested in Year 1, with the same being true of Year 2. Similarly, Transitional Living did not produce a statistically significant impact on conviction. About one-fifth of both research groups were convicted of a crime during the two years following study enrollment.

²⁶Because Tennessee borders seven other states, out-of-state employment may be relatively prevalent among the study sample.

²⁷Piquero, Hawkins, and Kazemian (2012).

Table 5
Two-Year Impacts on Criminal Involvement

| Outcome (%) | Program Group | Control Group | Difference (Impact) | P-Value |
|-----------------------------------|---------------|---------------|---------------------|---------|
| <u>Primary outcomes</u> | | | | |
| Arrested | 47.7 | 47.6 | 0.1 | 0.972 |
| Year 1 | 30.7 | 31.1 | -0.4 | 0.877 |
| Year 2 | 34.0 | 34.9 | -0.9 | 0.721 |
| Convicted of a crime | 19.7 | 17.7 | 2.0 | 0.350 |
| Year 1 | 10.5 | 9.5 | 1.0 | 0.564 |
| Year 2 | 13.4 | 12.6 | 0.9 | 0.635 |
| <u>Secondary outcomes</u> | | | | |
| Conviction class (Years 1-2) | | | | |
| Convicted of a felony | 6.4 | 5.3 | 1.1 | 0.398 |
| Convicted of a misdemeanor | 15.6 | 15.3 | 0.4 | 0.861 |
| Conviction categories (Years 1-2) | | | | |
| Convicted of a violent crime | 4.4 | 3.0 | 1.4 | 0.189 |
| Convicted of a property crime | 7.7 | 5.7 | 2.0 | 0.167 |
| Convicted of a drug crime | 4.5 | 4.7 | -0.2 | 0.858 |
| Convicted of a public order crime | 9.8 | 9.9 | -0.1 | 0.966 |
| Sample size (total = 1,322) | 788 | 534 | | |

SOURCE: MDRC calculations based on criminal history data from the Tennessee Bureau of Investigation.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics.

Rounding may cause slight discrepancies in calculating sums and differences.

Statistical significance levels are indicated as follows: *** = 1 percent; ** = 5 percent; * = 10 percent.

There are two secondary measures in this domain: conviction class — the percentage of those convicted of a felony versus the percentage of those convicted of a misdemeanor, and conviction category — the percentage convicted of violent, property, drug, and public order crimes. There are no statistically significant differences between program and control group

members in their rates of felony or misdemeanor conviction. Six percent of program group members and 5 percent of control group members were convicted of a felony, the more serious conviction class. Sixteen percent of program group members and 15 percent of control group members were convicted of a misdemeanor. Transitional Living also appeared to have no statistically significant effect on different conviction categories. Comparable, small proportions of program and control group members were convicted of violent, property, drug, and public order crimes in the two years after they enrolled in the study. Public order crimes, usually considered to be less serious offenses, were most common. In general, most of the crimes committed by members of the study sample were minor in nature.

Impacts by Subgroups of Young People

As discussed earlier, there are reasons to hypothesize that the impacts of the Transitional Living program may be different for some subgroups of young people compared with others. Early in the evaluation, before conducting any impact analyses, the research team hypothesized that the pattern of impacts might differ across four specific sets of subgroup characteristics. The team initially conducted subgroup analyses at one year of follow-up. These analyses examined the pattern of impacts on primary outcomes by history of juvenile justice custody; by geographic setting;²⁸ by receipt of Extension or Re-Establishment of Foster Care (EFC) Services (formerly Post-Custody Services) at baseline;²⁹ and by latent classes, or clusters identified by an analysis meant to group young people based on their readiness for independent living using key baseline characteristics.³⁰ As summarized earlier, none of the four subgroup analyses uncovered a strong pattern of significantly different impacts as of one year of follow-up. That is, the results indicated that the impacts of Transitional Living were consistent across all of the subgroups.

For the two-year impact analysis, the research team assessed subgroup impacts for these same four prespecified subgroups in order to determine whether the one-year results held true with longer-term follow-up. Once again, no strong pattern of significantly different impacts emerged; the overall conclusion remains that the impacts of the Transitional Living program are consistent across the four subgroups analyzed. All tables related to the subgroup analysis, including a table containing baseline characteristics by latent class assignment, are found in

²⁸Youth who lived in zip codes where 70 percent or more of the inhabitants were living on urban blocks, as defined by the U.S. Bureau of the Census, were considered to be living in urban areas.

²⁹The change from Post-Custody Services to EFC Services went into effect in July 2012. For simplicity, this discussion refers to all such services as EFC Services, but those that were received before July 2012 were Post-Custody Services.

³⁰The latent class analysis identified three subgroups of young people: those who were “hindered but connected to family,” “maltreated but avoiding trouble,” and “long-term system-involved but engaged” (that is, involved with the foster care or juvenile justice system over a long period but engaged with employment and education).

Appendix A of this report. More detailed information about the various subgroups and how they were created is available in the second MDRC report on the Youth Villages Transitional Living Evaluation, *Becoming Adults*.³¹

Conclusion

The research team assessed program impacts in three key domains two years after participants enrolled in the study, well after the vast majority of program group members had left the Transitional Living program, to learn whether the impacts found at one year were sustained and whether new impacts had emerged over time. The Transitional Living program maintained some modest effects on employment and earnings outcomes, though evidence of the program's effects in this domain are stronger for Year 1 than Year 2. Notably, earnings levels based on administrative data were quite low for both research groups, underscoring the level of disadvantage experienced by young people in the study.

Statistically significant improvements in education and criminal involvement did not emerge with longer-term follow-up for the outcomes that were measured in these domains. The lack of significant impacts on education is disappointing, given the program's emphasis in this area. However, many of these young people were likely in dire need of income or may have faced more urgent problems related to housing instability or personal safety that precluded them from pursuing higher education. Additionally, administrative records from the National Student Clearinghouse do not include information about credit attainment, meaning that while the research team was able to assess Transitional Living's impact on postsecondary enrollment, it was not able to investigate whether the program had an effect on progress toward a degree.

Overall, approximately 80 percent of the study sample were either enrolled in postsecondary education (including vocational training offered through community colleges or participating technical schools) or working in an unemployment insurance-covered job at some point over the two-year follow-up period, indicating that most of the sample members were involved in gainful activity of some type. The true percentage of those who were productively engaged is likely to be even higher, as some vocational training (vocational training not reported to the National Student Clearinghouse) and pursuit of a high school diploma or GED certificate are not included in this measure because of data limitations.

With regard to criminal involvement, much research has shown that it is very difficult to improve outcomes in this domain, even when reducing criminal behavior and contact with the criminal justice system is the main focus of a program. Transitional Living is designed to address a number of other issues in participants' lives in addition to criminal involvement.

³¹Valentine, Skemer, and Courtney (2015).

Services related to criminal justice issues consisted of case management and counseling from TL Specialists, including some interventions related to risky behaviors. However, the program did not have additional components that explicitly focused on changing criminal behavior as it did for some other domains — one example being the use of educational/vocational coordinators to assist participants with education- and employment-related pursuits.

Finally, concluding the summary of two-year impact findings, the research team found little evidence that the impacts of the Transitional Living program varied across different subgroups of young people.

Overall, these findings are fairly consistent with those found after the first year of follow-up. Bear in mind, though, that the research team was unable to assess two-year impacts in three domains, including two domains in which positive, statistically significant effects were detected based on one-year survey data. Therefore, the results presented in this report do not provide a full assessment of the two-year impacts of the Transitional Living program. In particular, it is unknown whether statistically significant impacts on housing stability and economic well-being and health and safety persisted into a second year.

Cost of the Transitional Living Program

This section presents the estimated cost of providing Transitional Living services to sample members. The cost analysis uses data, provided by Youth Villages, on program expenditures and staffing schedules covering the period during which most of the program group were receiving Transitional Living services.³² Table 6 presents information on the costs per sample member of operating the Transitional Living program. The cost per sample member describes the resources required to operate the Transitional Living program for the 788 young people who were offered services in Tennessee during the evaluation period.³³ As shown in Table 6, the estimated total cost per sample member was \$11,841.³⁴

Three out of four dollars spent on the Transitional Living program paid for staff salaries and benefits (\$8,952 per sample member). Nearly 80 percent of this amount paid for the salaries and benefits of staff providing direct services to participants (60 percent of all spending), while the other approximately 20 percent paid for program administration (16 percent of all spending). The second- and third-largest spending categories were corporate overhead and travel, each representing nearly 10 percent of all spending. The travel category includes the costs of TL Specialists traveling to meet with young people. The remaining spending paid for operations and maintenance (3 percent of all spending) and direct support to participants (2 percent of all spending). Direct support to participants includes small payments provided to those who required financial assistance with basic needs and other living expenses, such as clothing, food, tickets for public transit, housing, and utility bills.

The cost of the program per sample member presented here is a *gross* estimate rather than a *net* estimate. In other words, because of lack of available information on the costs of other services, the net cost of the Transitional Living program, or the cost of services to program group members over and above the cost of services to control group members, is not offered here as it would be in a formal comparison of costs and benefits. (While the research team planned to conduct a formal benefit-cost analysis as part of this report, the team ultimately decided not to move forward for two main reasons. First, the program's impacts, or benefits, are

³²Data cover fiscal years 2011 to 2012 and 2012 to 2013.

³³This approach includes young people who were assigned to the program group but never received Transitional Living services in the same way that such youth are included in the impact analysis. Thus, the costs and estimated benefits of the program, expressed in impacts, are directly comparable. Additionally, in this evaluation, the "cost per sample member" is very similar to the "cost per participant," as 98.6 percent of individuals who were offered the program ultimately participated.

³⁴All dollar amounts have been adjusted into 2015 dollars using the Consumer Price Index for all urban consumers.

Table 6
Cost of Transitional Living Program Per Sample Member

| Cost Category | Cost (\$) | Percentage of Total (%) |
|-----------------------------|-----------|-------------------------|
| Staff salaries and benefits | 8,952 | 75.6 |
| Service providers | 7,082 | 59.8 |
| Administrative staff | 1,869 | 15.8 |
| Corporate overhead | 1,137 | 9.6 |
| Travel | 1,088 | 9.2 |
| Operations and maintenance | 396 | 3.3 |
| Direct support to youth | 269 | 2.3 |
| Total cost | 11,841 | 100.0 |
| Sample size | | 788 |

SOURCES: Youth Village Transitional Living program expenditures and staffing schedules for fiscal years 2011-2012 and 2012-2013.

NOTES: Costs have been adjusted to constant 2015 dollars using the Consumer Price Index for all urban consumers.

Rounding may cause slight discrepancies in calculating sums and differences.

Total costs are divided by the number of program group members.

The allocation of staff salaries and benefits to either "service providers" or "administrative staff" was based on the observation that 79.1 percent of the salaries in the staffing schedules were tied to "service provider" roles, including the following titles: TL Specialist, Clinical Supervisor, and Educational/Vocational Coordinator. The remaining 20.9 percent of the salaries in the staffing schedule were tied to "administrative staff", which included the following titles: Regional Supervisor, Regional Manager, Clinical Consultant, Compliance/Placement Specialist, Compliance Manager, Assistant Director, and Director.

largely concentrated in areas that are difficult to monetize. For example, it is difficult to assign a dollar value to reductions in mental health problems and housing instability. Second, as will be discussed further in the next section, because Youth Villages is planning to implement program modifications intended to strengthen the program, it is premature to assess benefits and costs at this juncture.)

The estimated gross cost per sample member of \$11,841 should be interpreted in terms of the benefits accrued to the average program group member as a result of the offer of Transi-

tional Living services. Essentially, what does the cost of the program “buy” participants in improved outcomes? On average, based on all available data, including both Year 1 survey data and Year 2 administrative data, the program price tag of nearly \$12,000 per sample member purchases modest increases in employment and earnings, reductions in homelessness and couch-surfing, reductions in experiences of economic hardship, improvements in mental health, and reductions in experiences of partner violence. These gains may also have resulted in benefits for society as a whole in the form of reductions in the use of homeless shelters and mental health services, among other benefits. However, the cost of the program does not purchase any improvements in the areas of education, criminal involvement, or social support.

Discussion and Policy Implications

The Youth Villages Transitional Living Evaluation is one of the largest rigorous evaluations of services in the United States for young people who were formerly in the foster care or juvenile justice systems. The findings presented in this report on the two-year impacts of the Transitional Living program have important implications for future policymaking and research. This section considers these findings together with the one-year impacts of the program and discusses next steps for the Youth Villages Transitional Living program, now known as YVLifeSet.

Impacts of the Transitional Living Program

This evaluation has assessed the impacts of the Transitional Living program on outcomes in six important domains for young adults: education; employment and earnings; housing stability and economic well-being; social support; criminal involvement; and health and safety. As detailed in a previous report, one-year impacts in all six domains were estimated using survey data. This report builds on that analysis by estimating two-year impacts in three of the six domains — education, employment and earnings, and criminal involvement — using administrative data. Overall, the results show that the Transitional Living program led to modest, positive impacts on a broad range of outcomes in three of the six domains that were measured.

- Survey and administrative data show that Transitional Living led to modest increases in employment and earnings. The evidence for this finding is stronger for Year 1 — the survey data showed a statistically significant impact on average earnings in Year 1; however, in both Year 1 and Year 2, the administrative data analysis indicates that the program increased the proportion of youth earning over \$2,500 per year, a threshold that falls between the average annual earnings of the study sample in Years 1 and 2.
- The analysis of the survey data also indicates that the program increased housing stability and economic well-being, including a reduction in homelessness, by one year after study enrollment. Data are not available to assess whether impacts in that domain continued into the second year.
- Similarly, the one-year analysis found significant impacts on some of the primary outcomes related to health and safety for these young people, but it is not known whether these impacts continued beyond one year because data were not available.
- Both the one-year survey and two-year administrative data analyses indicate that Transitional Living did not lead to significant impacts in the remaining

three domains: education, social support (measured only at one year), or criminal involvement. The program did not lead to increases in high school graduation or receipt of a GED certificate at the one-year mark nor did it increase postsecondary enrollment over a two-year follow-up period. Similarly, it did not reduce criminal involvement as measured by self-reporting at one year or as measured by administrative data over a two-year period. Finally, there was not a significant impact on social support at the one-year mark.

The impact analysis suggests that the Transitional Living program was able to improve outcomes related to immediate needs, such as having a place to live, being able to afford food and clothing, and avoiding violent relationships, but that the program was not as successful in affecting less-immediate outcomes, such as educational attainment. Given the level of disadvantage of the young people served by the Transitional Living program and that many are experiencing a difficult transition from state custody to living independently, it may be that addressing the basic needs of participants requires a good deal of staff time and resources. Accordingly, less time may be left to address other issues.

Nevertheless, while the lack of statistically significant impacts in some domains is disappointing, the impact findings as a whole are encouraging. Transitional Living succeeded in affecting a broad range of outcomes in some very important domains for young people who are experiencing the transition to adulthood. These findings are particularly noteworthy, given how few other programs have been shown to improve outcomes among young adults formerly in foster care or juvenile justice custody. While young people who have been in these systems, including those who received Transitional Living services, continue to face many challenges and to experience poor outcomes relative to their peers, the results of this study provide evidence that interventions are available that can lessen some of the difficulties that many of these young people face.

Generalizability of the Research Findings Outside of Tennessee

The findings presented in this report provide evidence about the effectiveness of the Transitional Living program in the particular context of Tennessee, which is unusual in a number of respects. One contextual factor that may be important is the availability of other services. Community-based services for the foster care and juvenile justice populations were not widely available in Tennessee during the evaluation. In addition, the state's extended foster care services were not generous or commonly accessed relative to some other states. The impacts of Transitional Living might be different if the program were implemented in another state that provides more extensive extended foster care services. In such a setting, impacts might be smaller, as the control group would have access to more services. On the other hand, with more extensive extended foster care services available, the Transitional Living program might be able

to focus less on housing and economic security and more on other areas, such as education, employment, and criminal involvement. If so, impacts in those other outcome domains might be larger than those that were found in this study.

Another specific feature of the Tennessee context is that foster care and juvenile justice custody are the responsibilities of a single agency. This may mean that, given funding sources and recruitment avenues, the Transitional Living program would serve a different population of young people — most likely more exclusively from the foster care system — in other states in which juvenile justice custody is the responsibility of a separate agency. However, given that the findings presented in this report as well as previous reports provide little evidence of a difference in impacts by history of juvenile justice custody, the impacts of the Transitional Living program might be no different in a setting in which young people who have been involved with the juvenile justice system would be less likely to be recruited into the program.

While this study provides evidence only about the effectiveness of the Transitional Living program in the particular context of Tennessee, it does also speak to the program's effectiveness across a wide range of contexts within Tennessee. Contextual factors such as economic characteristics and the availability of resources and services vary substantially across the different regions and municipalities of the state.³⁵ Population density appeared to correlate with many of those factors. Compared with the more rural areas of the state, urban areas were characterized by a greater availability of social services, educational programs, and transportation as well as more crime and gang activity. Despite such differences, there is very little evidence that the impacts of the Transitional Living program were different in urban areas compared with nonurban areas. This finding provides some indication that the impacts presented in this report may be applicable to other contexts in other states.³⁶

Next Steps

As an organization that emphasizes continuous learning and program improvement, Youth Villages is focused on using the evaluation findings as a springboard to strengthen the YVLifeSet model. Youth Villages plans to test new strategies intended to enhance the program's positive effects on the young people it serves, building on the areas where the program has already been successful. Beginning in late 2016, Youth Villages will implement and test a few key modifications to the YVLifeSet model to assess whether they hold promise at a larger scale. Youth Villages is also considering launching a second large-scale study of YVLifeSet in a different context.

³⁵Manno, Jacobs, Alson, and Skemer (2014).

³⁶While Youth Villages does operate the Transitional Living program in other states that have other contexts, the impacts of those programs have not been rigorously evaluated. Therefore, useful information is not available about whether the impacts of Transitional Living are similar in those contexts.

Appendix A

Impacts by Subgroups of Young People

Table A.1

Two-Year Impacts on Selected Primary Outcomes, by History of Juvenile Justice Custody at Baseline

| Outcome | Previously in Juvenile Justice Custody | | | | Never in Juvenile Justice Custody | | | | Difference Between Subgroup Impacts ^a |
|--|--|---------------|---------------------|---------|-----------------------------------|---------------|---------------------|---------|--|
| | Program Group | Control Group | Difference (Impact) | P-Value | Program Group | Control Group | Difference (Impact) | P-Value | |
| <u>Education (%)</u> | | | | | | | | | |
| Enrolled in a postsecondary institution | 15.4 | 19.1 | -3.7 | 0.160 | 29.1 | 32.4 | -3.3 | 0.346 | |
| Year 1 | 13.0 | 13.9 | -0.9 | 0.698 | 25.0 | 23.5 | 1.5 | 0.638 | |
| Year 2 | 7.6 | 8.9 | -1.2 | 0.568 | 15.9 | 18.0 | -2.2 | 0.481 | |
| <u>Employment and earnings^b (\$)</u> | | | | | | | | | |
| Total earnings | 4,540 | 4,852 | -313 | 0.549 | 5,790 | 5,399 | 391 | 0.501 | |
| Year 1 | 1,841 | 1,966 | -125 | 0.591 | 2,582 | 2,399 | 183 | 0.512 | |
| Year 2 | 2,699 | 2,886 | -187 | 0.614 | 3,208 | 3,000 | 208 | 0.587 | |
| <u>Criminal involvement (%)</u> | | | | | | | | | |
| Arrested | 61.7 | 55.0 | 6.7 * | 0.078 | 33.2 | 39.3 | -6.1 | 0.114 | †† |
| Year 1 | 43.2 | 37.3 | 5.9 | 0.123 | 18.1 | 23.3 | -5.2 | 0.119 | †† |
| Year 2 | 42.8 | 41.6 | 1.1 | 0.775 | 24.1 | 28.7 | -4.6 | 0.203 | |
| Convicted | 26.8 | 23.7 | 3.1 | 0.358 | 12.4 | 11.8 | 0.6 | 0.829 | |
| Year 1 | 14.9 | 13.1 | 1.8 | 0.517 | 5.8 | 5.6 | 0.3 | 0.894 | |
| Year 2 | 19.0 | 17.0 | 2.1 | 0.497 | 7.5 | 8.2 | -0.7 | 0.771 | |
| Sample size (total = 1,303) | 404 | 272 | | | 372 | 255 | | | |

(continued)

Table A.1 (continued)

SOURCE: MDRC calculations based on postsecondary education data from the National Student Clearinghouse, unemployment insurance quarterly earnings data from the Tennessee Department of Labor and Workforce Development, and criminal history data from the Tennessee Bureau of Investigation.

NOTES: Program impacts were calculated separately for each subgroup, using an ordinary least squares model and adjusting for pre-random assignment characteristics. Impact estimates were then examined for statistically significant differences across subgroups.

Rounding may cause slight discrepancies in calculating sums and differences.

Statistical significance levels are indicated as follows: *** = 1 percent; ** = 5 percent; * = 10 percent.

^aWhen comparing impacts between two subgroups, an H-statistic is generated. The H-statistic is used to assess whether the difference in impacts between the subgroups is statistically significant. Statistically significant differences between subgroups are indicated as: ††† = 1 percent; †† = 5 percent; † = 10 percent.

^bUnemployment insurance data are quarter-based; thus, the two-year follow-up period for employment and earnings outcomes does not necessarily represent the 24 months following random assignment. Rather, the follow-up period represents the eight quarters following the quarter in which participants were randomly assigned.

Table A.2

Two-Year Impacts on Selected Primary Outcomes, by Geographic Setting at Baseline

| Outcome | Urban | | | | Nonurban | | | | Difference Between Subgroup Impacts ^a |
|--|------------------|------------------|------------------------|---------|------------------|------------------|------------------------|---------|---|
| | Program Group | Control Group | Difference (Impact) | P-Value | Program Group | Control Group | Difference (Impact) | P-Value | |
| <u>Education (%)</u> | | | | | | | | | |
| Enrolled in a postsecondary institution | 24.1 | 29.6 | -5.4 * | 0.059 | 20.1 | 20.0 | 0.1 | 0.986 | |
| Year 1 | 20.2 | 20.8 | -0.6 | 0.800 | 17.7 | 15.5 | 2.2 | 0.450 | |
| Year 2 | 12.8 | 17.6 | -4.8 * | 0.063 | 10.0 | 8.4 | 1.6 | 0.509 | † |
| <u>Employment and earnings^b (\$)</u> | | | | | | | | | |
| Total earnings | 5,038 | 5,404 | -366 | 0.463 | 5,520 | 4,635 | 885 | 0.137 | |
| Year 1 | 2,216 | 2,326 | -109 | 0.665 | 2,254 | 1,914 | 341 | 0.169 | |
| Year 2 | 2,822 | 3,079 | -257 | 0.436 | 3,266 | 2,721 | 545 | 0.200 | |
| <u>Criminal involvement (%)</u> | | | | | | | | | |
| Arrested | 49.7 | 52.1 | -2.4 | 0.500 | 45.4 | 41.0 | 4.4 | 0.276 | |
| Year 1 | 32.9 | 33.8 | -0.9 | 0.802 | 27.9 | 27.4 | 0.5 | 0.901 | |
| Year 2 | 34.7 | 37.6 | -2.9 | 0.415 | 33.2 | 31.1 | 2.0 | 0.597 | |
| Convicted | 18.6 | 19.5 | -1.0 | 0.741 | 20.9 | 15.4 | 5.5 * | 0.091 | |
| Year 1 | 10.9 | 11.2 | -0.4 | 0.883 | 9.4 | 7.6 | 1.7 | 0.466 | |
| Year 2 | 12.0 | 12.2 | -0.2 | 0.936 | 15.4 | 12.9 | 2.5 | 0.408 | |
| Sample size (total = 1,312) | 439 | 295 | | | 343 | 235 | | | |

(continued)

Table A.2 (continued)

SOURCE: MDRC calculations based on postsecondary education data from the National Student Clearinghouse, unemployment insurance quarterly earnings data from the Tennessee Department of Labor and Workforce Development, and criminal history data from the Tennessee Bureau of Investigation.

NOTES: Program impacts were calculated separately for each subgroup, using an ordinary least squares model and adjusting for pre-random assignment characteristics. Impact estimates were then examined for statistically significant differences across subgroups.

Rounding may cause slight discrepancies in calculating sums and differences.

Statistical significance levels are indicated as follows: *** = 1 percent; ** = 5 percent; * = 10 percent.

^aWhen comparing impacts between two subgroups, an H-statistic is generated. The H-statistic is used to assess whether the difference in impacts between the subgroups is statistically significant. Statistically significant differences between subgroups are indicated as: ††† = 1 percent; †† = 5 percent; † = 10 percent.

^bUnemployment insurance data are quarter-based; thus, the two-year follow-up period for employment and earnings outcomes does not necessarily represent the 24 months following random assignment. Rather, the follow-up period represents the eight quarters following the quarter in which participants were randomly assigned.

Table A.3

Two-Year Impacts on Selected Primary Outcomes, by Receipt of EFC Services at Baseline

| Outcome | Receiving EFC Services at Baseline | | | | Not Receiving EFC Services at Baseline | | | | Difference Between Subgroup Impacts ^a |
|--|------------------------------------|---------|------------|---------|--|---------|------------|---------|---|
| | Program | Control | Difference | P-Value | Program | Control | Difference | P-Value | |
| | Group | Group | (Impact) | | Group | Group | (Impact) | | |
| <u>Education (%)</u> | | | | | | | | | |
| Enrolled in a postsecondary institution | 41.4 | 53.6 | -12.1 ** | 0.046 | 16.8 | 18.4 | -1.6 | 0.457 | |
| Year 1 | 35.1 | 43.6 | -8.5 | 0.121 | 14.4 | 12.4 | 2.0 | 0.297 | † |
| Year 2 | 21.3 | 25.6 | -4.3 | 0.449 | 8.9 | 10.3 | -1.4 | 0.426 | |
| <u>Employment and earnings^b (\$)</u> | | | | | | | | | |
| Total Earnings | 6,145 | 5,102 | 1,043 | 0.255 | 4,973 | 4,997 | -25 | 0.954 | |
| Year 1 | 2,796 | 1,661 | 1,135 *** | 0.005 | 2,084 | 2,209 | -125 | 0.535 | ††† |
| Year 2 | 3,349 | 3,441 | -92 | 0.891 | 2,888 | 2,788 | 100 | 0.724 | |
| <u>Criminal involvement (%)</u> | | | | | | | | | |
| Arrested | 28.8 | 34.5 | -5.6 | 0.343 | 52.8 | 51.2 | 1.6 | 0.590 | |
| Year 1 | 12.5 | 19.3 | -6.8 | 0.151 | 35.6 | 34.4 | 1.2 | 0.674 | |
| Year 2 | 22.1 | 24.3 | -2.2 | 0.696 | 37.2 | 37.6 | -0.4 | 0.882 | |
| Convicted | 9.3 | 8.5 | 0.8 | 0.837 | 22.5 | 20.1 | 2.3 | 0.353 | |
| Year 1 | 3.7 | 4.5 | -0.7 | 0.784 | 12.2 | 11.0 | 1.2 | 0.559 | |
| Year 2 | 5.8 | 4.8 | 0.9 | 0.757 | 15.6 | 14.4 | 1.2 | 0.597 | |
| Sample size (total = 1,322) | 180 | 96 | | | 608 | 438 | | | |

(continued)

Table A.3 (continued)

SOURCE: MDRC calculations based on postsecondary education data from the National Student Clearinghouse, unemployment insurance quarterly earnings data from the Tennessee Department of Labor and Workforce Development, and criminal history data from the Tennessee Bureau of Investigation.

NOTES: Program impacts were calculated separately for each subgroup, using an ordinary least squares model and adjusting for pre-random assignment characteristics. Impact estimates were then examined for statistically significant differences across subgroups.

Rounding may cause slight discrepancies in calculating sums and differences.

Statistical significance levels are indicated as follows: *** = 1 percent; ** = 5 percent; * = 10 percent.

^aWhen comparing impacts between two subgroups, an H-statistic is generated. The H-statistic is used to assess whether the difference in impacts between the subgroups is statistically significant. Statistically significant differences between subgroups are indicated as: ††† = 1 percent; †† = 5 percent; † = 10 percent.

^bUnemployment insurance data are quarter-based; thus, the two-year follow-up period for employment and earnings outcomes does not necessarily represent the 24 months following random assignment. Rather, the follow-up period represents the eight quarters following the quarter in which participants were randomly assigned.

Table A.4**Characteristics of Sample Members, by Latent Class Assignment at Baseline**

| Characteristic | Class 1 ^a | Class 2 ^b | Class 3 ^c | Full Sample |
|---|----------------------|----------------------|----------------------|-------------|
| Age categories (%) | | | | |
| 18 years old | 74.4 | 74.5 | 65.7 | 71.4 |
| 19 years old | 22.1 | 14.7 | 22.2 | 19.4 |
| 20-24 years old | 3.5 | 10.7 | 12.2 | 9.2 |
| Gender (%) | | | | |
| Male | 67.0 | 37.6 | 55.7 | 52.0 |
| Female | 33.0 | 62.4 | 44.3 | 48.0 |
| Race/ethnicity (%) | | | | |
| Hispanic | 5.2 | 6.7 | 5.4 | 5.8 |
| White, non-Hispanic | 41.8 | 55.7 | 53.6 | 51.1 |
| Black, non-Hispanic | 48.9 | 32.7 | 32.2 | 37.1 |
| Other, non-Hispanic | 4.1 | 4.9 | 8.7 | 6.0 |
| Ever employed (%) | 28.6 | 49.7 | 79.1 | 54.1 |
| Employed at baseline (%) | 10.4 | 18.0 | 27.6 | 19.2 |
| Educational attainment and school enrollment (%) | | | | |
| No high school diploma or GED certificate, not enrolled in school | 26.8 | 14.1 | 13.2 | 17.3 |
| No high school diploma or GED certificate, enrolled in school | 39.2 | 47.9 | 32.1 | 40.0 |
| High school diploma or GED certificate, not enrolled in postsecondary school | 23.8 | 24.4 | 38.2 | 29.1 |
| High school diploma or GED certificate, enrolled in postsecondary school | 10.2 | 13.6 | 16.5 | 13.7 |
| Ever repeated a grade or been held back a grade (%) | 70.3 | 40.5 | 24.8 | 43.3 |
| Ever been suspended from school (%) | 91.0 | 66.0 | 87.8 | 80.5 |
| Ever been in special education (%) | 30.5 | 22.8 | 24.7 | 25.6 |

(continued)

Table A.4 (continued)

| Characteristic | Class 1 ^a | Class 2 ^b | Class 3 ^c | Full Sample |
|---|----------------------|----------------------|----------------------|-------------|
| Contact with biological mother (%) | | | | |
| Every day | 70.6 | 33.3 | 31.7 | 43.1 |
| At least once a week but not every day | 20.4 | 14.9 | 14.8 | 16.4 |
| At least once a month but not every week | 2.2 | 8.3 | 11.5 | 7.7 |
| Less than once a month | 1.6 | 11.1 | 10.0 | 8.1 |
| Never | 5.2 | 32.3 | 32.0 | 24.7 |
| Contact with biological father (%) | | | | |
| Every day | 24.5 | 13.3 | 13.1 | 16.4 |
| At least once a week but not every day | 17.7 | 13.3 | 9.2 | 13.1 |
| At least once a month but not every week | 6.0 | 8.5 | 8.3 | 7.7 |
| Less than once a month | 9.3 | 12.5 | 8.7 | 10.3 |
| Never | 42.5 | 52.3 | 60.7 | 52.5 |
| Had contact with any other relatives at least once per month (%) | 94.6 | 85.3 | 87.0 | 88.4 |
| Ever arrested (%) | 100.0 | 5.1 | 100.0 | 64.4 |
| Received psychological or emotional counseling in past year (%) | 56.1 | 52.2 | 59.1 | 55.7 |
| Attended substance abuse treatment program in past year (%) | 44.5 | 15.2 | 37.6 | 31.1 |
| <u>State custody history</u> | | | | |
| Ever in state custody because of (%) | | | | |
| Neglect, abuse, or unruly adjudication ^d (foster care) | 35.8 | 79.5 | 61.8 | 61.3 |
| Delinquency (juvenile justice) | 76.0 | 28.4 | 58.0 | 51.9 |
| Age in years at first custody entry (%) | | | | |
| 0-5 | 2.2 | 6.9 | 9.4 | 6.5 |
| 6-10 | 2.8 | 8.7 | 6.6 | 6.3 |
| 11-14 | 17.7 | 21.1 | 29.8 | 23.2 |
| 15-16 | 32.9 | 31.5 | 32.6 | 32.3 |
| 17-18 | 44.5 | 31.7 | 21.7 | 31.7 |

(continued)

Table A.4 (continued)

| Characteristic | Class 1 ^a | Class 2 ^b | Class 3 ^c | Full Sample |
|--|----------------------|----------------------|----------------------|-------------|
| Age in years at final custody exit (%) | | | | |
| 16 or under | 2.5 | 5.7 | 5.7 | 4.8 |
| 17 | 27.8 | 29.0 | 25.8 | 27.6 |
| 18 or over | 36.8 | 40.0 | 40.7 | 39.4 |
| Still in custody at baseline | 32.9 | 25.2 | 27.8 | 28.3 |
| Number of different custody placements (%) | | | | |
| 1 placement | 44.9 | 37.4 | 24.0 | 34.8 |
| 2-5 placements | 48.3 | 51.3 | 49.3 | 49.8 |
| 6-10 placements | 4.8 | 7.2 | 16.5 | 9.8 |
| More than 10 placements | 2.0 | 4.1 | 10.1 | 5.6 |
| Sample size | 367 | 495 | 460 | 1,322 |

SOURCE: MDRC calculations based on responses to the Youth Villages Transitional Living Evaluation Baseline Information Form.

NOTES: The following variables were used to conduct latent class analysis: number of custody placements, ever employed, contact with mother or father at least once per week, ever repeated a grade or been held back, ever arrested, received psychological or emotional counseling or attended drug or alcohol abuse treatment in the past year. These variables were all created using information collected at baseline.

GED = General Educational Development.

Rounding may cause slight discrepancies in calculating sums and differences.

^aClass 1 represents the “Hindered but connected to family” latent class.

^bClass 2 represents the “Maltreated but avoiding trouble” latent class.

^cClass 3 represents the “Long-term system-involved but engaged” latent class.

^dAn unruly adjudication occurs because children are determined to have behavioral problems serious enough that their health and safety are at risk or because they have committed an offense, such as truancy, that is applicable only to minors.

Table A.5
Two-Year Impacts on Selected Primary Outcomes,
by Latent Class Assignment at Baseline

| Outcome | Program Group | Control Group | Difference (Impact) | P-Value | Difference Between Subgroup Impacts ^a |
|---|---------------|---------------|---------------------|---------|--|
| <u>Hindered but connected to family</u> | | | | | |
| Education (%) | | | | | |
| Enrolled in a postsecondary institution | 12.2 | 16.5 | -4.2 | 0.214 | |
| Year 1 | 9.5 | 9.6 | -0.1 | 0.977 | |
| Year 2 | 4.1 | 9.7 | -5.6 ** | 0.041 | |
| Employment and earnings^b (\$) | | | | | |
| Total earnings | 4,224 | 3,035 | 1,190 * | 0.053 | |
| Year 1 | 1,677 | 1,336 | 341 | 0.266 | |
| Year 2 | 2,548 | 1,699 | 849 ** | 0.038 | † |
| Criminal involvement (%) | | | | | |
| Arrested | 63.9 | 56.6 | 7.3 | 0.175 | |
| Year 1 | 44.6 | 39.2 | 5.4 | 0.321 | |
| Year 2 | 45.0 | 43.5 | 1.5 | 0.789 | |
| Convicted | 28.1 | 25.2 | 3.0 | 0.553 | |
| Year 1 | 18.1 | 16.3 | 1.8 | 0.676 | |
| Year 2 | 17.7 | 17.7 | 0.0 | 0.998 | |
| Sample size (total = 367) | 224 | 143 | | | |
| <u>Maltreated but avoiding trouble</u> | | | | | |
| Education (%) | | | | | |
| Enrolled in a postsecondary institution | 29.7 | 31.3 | -1.7 | 0.676 | |
| Year 1 | 25.0 | 23.1 | 1.9 | 0.598 | |
| Year 2 | 17.7 | 17.9 | -0.2 | 0.956 | |
| Employment and earnings^b (\$) | | | | | |
| Total earnings | 5,609 | 5,089 | 520 | 0.417 | |
| Year 1 | 2,338 | 2,197 | 140 | 0.644 | |
| Year 2 | 3,272 | 2,892 | 380 | 0.393 | † |

(continued)

Table A.5 (continued)

| Outcome | Program Group | Control Group | Difference (Impact) | P-Value | Difference Between Subgroup Impacts ^a |
|---|---------------|---------------|---------------------|---------|--|
| Criminal involvement (%) | | | | | |
| Arrested | 29.7 | 32.9 | -3.2 | 0.474 | |
| Year 1 | 15.6 | 16.0 | -0.4 | 0.903 | |
| Year 2 | 20.8 | 25.5 | -4.7 | 0.249 | |
| Convicted | 9.2 | 9.4 | -0.2 | 0.940 | |
| Year 1 | 3.9 | 2.7 | 1.1 | 0.530 | |
| Year 2 | 7.3 | 7.2 | 0.1 | 0.977 | |
| Sample size (total = 495) | 303 | 192 | | | |
| <u>Long-term system-involved but engaged</u> | | | | | |
| Education (%) | | | | | |
| Enrolled in a postsecondary institution | 21.2 | 26.5 | -5.4 | 0.152 | |
| Year 1 | 19.2 | 21.1 | -1.9 | 0.582 | |
| Year 2 | 10.2 | 12.2 | -2.0 | 0.510 | |
| Employment and earnings^b (\$) | | | | | |
| Total earnings | 5,690 | 6,344 | -653 | 0.380 | |
| Year 1 | 2,580 | 2,642 | -62 | 0.854 | |
| Year 2 | 3,110 | 3,701 | -591 | 0.245 | † |
| Criminal involvement (%) | | | | | |
| Arrested | 55.7 | 54.1 | 1.6 | 0.733 | |
| Year 1 | 36.9 | 39.1 | -2.2 | 0.631 | |
| Year 2 | 39.8 | 37.8 | 2.0 | 0.659 | |
| Convicted | 24.6 | 20.5 | 4.2 | 0.291 | |
| Year 1 | 11.2 | 11.4 | -0.1 | 0.962 | |
| Year 2 | 17.2 | 13.6 | 3.7 | 0.288 | |
| Sample size (total = 460) | 261 | 199 | | | |

(continued)

Table A.5 (continued)

SOURCE: MDRC calculations based on postsecondary education data from the National Student Clearinghouse, unemployment insurance quarterly earnings data from the Tennessee Department of Labor and Workforce Development, and criminal history data from the Tennessee Bureau of Investigation.

NOTES: Program impacts were calculated separately for each subgroup, using an ordinary least squares model and adjusting for pre-random assignment characteristics. Impact estimates were then examined for statistically significant differences across subgroups.

Rounding may cause slight discrepancies in calculating sums and differences.

Statistical significance levels are indicated as follows: *** = 1 percent; ** = 5 percent; * = 10 percent.

^aWhen comparing impacts between two subgroups, an H-statistic is generated. The H-statistic is used to assess whether the difference in impacts between the subgroups is statistically significant. Statistically significant differences between subgroups are indicated as: ††† = 1 percent; †† = 5 percent; † = 10 percent.

^bUnemployment insurance data are quarter-based; thus, the two-year follow-up period for employment and earnings outcomes does not necessarily represent the 24 months following random assignment. Rather, the follow-up period represents the eight quarters following the quarter in which participants were randomly assigned.

References

- Aud, Susan, Angelina KewalRamani, and Lauren Frohlich. 2011. "America's Youth: Transitions to Adulthood." NCES 2012-026. Washington, DC: National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education.
- Botvin, Gilbert J., Eli Baker, Anne D. Filazzola, and Elizabeth M. Botvin. 1990. "A Cognitive-Behavioral Approach to Substance Abuse Prevention: One-Year Follow-Up." *Addictive Behaviors* 15, 1: 47-63.
- Caspi, Avshalom, Bradley E. Wright, Terrie E. Moffitt, and Phil A. Silva. 1998. "Early Failure in the Labor Market: Childhood and Adolescent Predictors of Unemployment in the Transition to Adulthood." *American Sociological Review* 63, 3: 424-451.
- Child Trends. 2014. "Educational Attainment: Indicators on Children and Youth." Child Trends DataBank. Website: www.childtrends.org.
- Courtney, Mark E. 2009. "The Difficult Transition to Adulthood for Foster Care Youth in the U.S.: Implications for the State as Corporate Parent." *Social Policy Report* 23, 1: 3-18.
- Courtney, Mark E., Amy Dworsky, JoAnn S. Lee, and Melissa Raap. 2010. *Midwest Evaluation of the Adult Functioning of Former Foster Youth: Outcomes at Age 23 and 24*. Chicago: Chapin Hall at the University of Chicago.
- Courtney, Mark E., Irving Piliavin, Andrew Grogan-Kaylor, and Ande Nesmith. 1998. *Foster Youth Transitions to Adulthood: A Longitudinal View of Youth Leaving Care*. Madison, WI: Institute for Research on Poverty.
- Leone, Peter, and Lois Weinberg. 2010. *Addressing the Unmet Educational Needs of Children and Youth in the Juvenile Justice and Child Welfare Systems*. Washington, DC: Center for Juvenile Justice System Reform.
- Lipsey, Mark W., Nana A. Landenberger, and Sandra J. Wilson. 2007. "Effects of Cognitive-Behavioral Programs for Criminal Offenders." *Campbell Systematic Reviews* 6: 27.
- Manno, Michelle, Erin Jacobs, Julianna Alson, and Melanie Skemer. 2014. *Moving into Adulthood: Implementation Findings from the Youth Villages Transitional Living Evaluation*. New York: MDRC.
- Nellis, Ashley, and Richard Hooks Wayman. 2009. *Back on Track: Supporting Youth Reentry from Out-of-Home Placement to the Community*. Washington, DC: Juvenile Justice and Delinquency Prevention Coalition, Youth Reentry Task Force.
- Office of Juvenile Justice and Delinquency Prevention (OJJDP). 2015. "Juveniles in Corrections: Demographics." OJJDP Statistical Briefing Book. Website: www.ojjdp.gov.
- Office of Planning, Research and Evaluation (OPRE). n.d. "Multi-Site Evaluation of Foster Youth Programs (Chafee Independent Living Evaluation Project), 2001-2010."

- Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.
- Piquero, Alex R., J. David Hawkins, and Lila Kazemian. 2012. "Criminal Career Patterns." Pages 14-46 in Rolf Loeber and David P. Farrington (eds.), *Juvenile Delinquency to Adult Crime*. Oxford: Oxford University Press.
- Ramchand, Rajeev, Andrew R. Morral, and Kirsten Becker. 2009. "Seven-Year Life Outcomes of Adolescent Offenders in Los Angeles." *American Journal of Public Health* 99, 5: 863-870.
- Reilly, Thom. 2003. "Transition from Care: The Status and Outcomes of Youth Who Have Aged Out of the Foster Care System." *Child Welfare* 82, 6: 727-746.
- Sampson, Robert J., and John H. Laub. 1990. "Crime and Deviance over the Life Course: The Salience of Adult Social Bonds." *American Sociological Review* 55, 5: 609-627.
- Sedlak, Andrea J., and Karla S. McPherson. 2010. *Youth's Needs and Services: Findings from the Survey of Youth in Residential Placement*. Washington, DC: U.S. Department of Justice, Office of Justice Programs, Office of Juvenile Justice and Delinquency Prevention.
- Tennessee Department of Children's Services. 2002. *Administrative Policies and Procedures: 16.52: Eligibility for Interdependent Living and Voluntary Post-Custody Services*. Nashville: Tennessee Department of Children's Services.
- U.S. Department of Education. 2012. *Digest of Education Statistics: 2011*. Washington, DC: U.S. Department of Education.
- U.S. Department of Health and Human Services. 2008. *Coming of Age: Employment Outcomes for Youth Who Age Out of Foster Care Through Their Middle Twenties*. Washington, DC: U.S. Department of Health and Human Services.
- U.S. Department of Health and Human Services. 2015. *The AFCARS Report: Preliminary FY 2014 Estimates as of July 2015*. Washington, DC: U.S. Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau.
- U.S. Department of Labor, Bureau of Labor Statistics. 2014. *Employment Status of the Civilian Non-institutional Population by Age, Sex, and Race*. CPS Tables, Household Data, Annual Averages. Washington, DC: U.S. Bureau of Labor Statistics.
- Valentine, Erin, Melanie Skemer, and Mark E. Courtney. 2015. *Becoming Adults: One-Year Impact Findings from the Youth Villages Transitional Living Evaluation*. New York: MDRC.

Earlier MDRC Publications on the Youth Villages Transitional Living Evaluation

Becoming Adults:

One-Year Impact Findings from the Youth Villages Transitional Living Evaluation
2015. Erin Jacobs Valentine, Melanie Skemer, Mark E. Courtney.

Moving Into Adulthood:

Implementation Findings from the Youth Villages Transitional Living Evaluation
2014. Michelle Manno, Erin Jacobs, Julianna Alson, Melanie Skemer.

After Foster Care and Juvenile Justice:

A Preview of the Youth Villages Transitional Living Evaluation
2012. Sara Muller-Ravett and Erin Jacobs.

About MDRC

MDRC is a nonprofit, nonpartisan social and education policy research organization dedicated to learning what works to improve the well-being of low-income people. Through its research and the active communication of its findings, MDRC seeks to enhance the effectiveness of social and education policies and programs.

Founded in 1974 and located in New York City and Oakland, California, MDRC is best known for mounting rigorous, large-scale, real-world tests of new and existing policies and programs. Its projects are a mix of demonstrations (field tests of promising new program approaches) and evaluations of ongoing government and community initiatives. MDRC's staff bring an unusual combination of research and organizational experience to their work, providing expertise on the latest in qualitative and quantitative methods and on program design, development, implementation, and management. MDRC seeks to learn not just whether a program is effective but also how and why the program's effects occur. In addition, it tries to place each project's findings in the broader context of related research — in order to build knowledge about what works across the social and education policy fields. MDRC's findings, lessons, and best practices are proactively shared with a broad audience in the policy and practitioner community as well as with the general public and the media.

Over the years, MDRC has brought its unique approach to an ever-growing range of policy areas and target populations. Once known primarily for evaluations of state welfare-to-work programs, today MDRC is also studying public school reforms, employment programs for ex-offenders and people with disabilities, and programs to help low-income students succeed in college. MDRC's projects are organized into five areas:

- Promoting Family Well-Being and Children's Development
- Improving Public Education
- Raising Academic Achievement and Persistence in College
- Supporting Low-Wage Workers and Communities
- Overcoming Barriers to Employment

Working in almost every state, all of the nation's largest cities, and Canada and the United Kingdom, MDRC conducts its projects in partnership with national, state, and local governments, public school systems, community organizations, and numerous private philanthropies.