

# FAMILY WELL- BEING AND WELFARE REFORM IN IOWA

A Study of Income Support,  
Health, and Social Policies for  
Low-Income People in Iowa





# FAMILY WELL- BEING AND WELFARE REFORM IN IOWA

A Study of Income Support,  
Health, and Social Policies for  
Low-Income People in Iowa

IOWA STATE UNIVERSITY  
University Extension

*Helping Iowans become their best.*

**. . . and justice for all**

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964.

Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Stanley R. Johnson, director, Cooperative Extension Service, Iowa State University of Science and Technology, Ames, Iowa.

# About the Project

**Family Well-being and Welfare Reform in Iowa is a multi-year Iowa State University Extension project designed to monitor the effects of welfare reform on Iowa's families and communities.**

Passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in August 1996 ended the federal government's commitment to cash assistance under the Aid to Families with Dependent Children (AFDC) program and replaced it with the Temporary Assistance for Needy Families (TANF) Program. The TANF block grant provides Iowa decision-makers greater flexibility in the design of social welfare programs and limits receipt of TANF funds to 5 years. Although Iowa made major changes in its welfare program with implementation of the Family Investment Program (FIP) in 1993, PRWORA will have major effects. The devolution of responsibility for social welfare programs from federal to state and from state to communities proceeds. In that context, this project aims to provide information to inform public discussion and to help Iowans shape policies and programs for low-income families and children.

The project has three broad components:

- a state-level case study of income support, health, and social policies and programs in Iowa;
- case studies of seven Iowa communities; and
- in-depth interviews with welfare families in each of those communities.

To understand the effects of welfare reform, it is important to understand the policy context in Iowa, how those policies and programs play out in local communities, and the experiences of families who participate in the programs. This report describes findings from all three phases of the project. The state implemented provisions of PRWORA in January 1997; interviews for this project were conducted in late 1997.

Iowa State University Extension has provided extensive support for this project. The research protocol for the case studies was shared by the Urban Institute and was adapted from its on-going national study, *Assessing the New Federalism*. The format for this publication is adapted from the

Urban Institute's project reports. Working in collaboration with the ISU Center for Family Policy, ISU Extension field staff members have worked with campus researchers to carry out the project. Also, the departments of Human Development and Family Studies, Sociology, and Economics provided additional support for the analysis and preparation of the report. The authors extend sincere appreciation to the many Iowans who graciously participated in the project. Campus faculty members conducted the state-level interviews, and extension field staff conducted the community and family interviews. Campus researchers have analyzed the data and drafted this report. Extension staff members and several state- and community-level informants reviewed sections of the initial draft and offered suggestions. Any remaining errors or omissions are the responsibility of the authors.

# Contents

<b>Highlights: Family Well-being and Welfare Reform in Iowa .....</b>	<b>1</b>
<b>Setting the Stage: Iowa's Programs and Policies .....</b>	<b>5</b>
Iowa: A Brief Overview .....	6
Setting the Social Policy Context .....	12
Basic Income Support .....	17
Programs that Promote Financial Independence .....	20
Medicaid and Other Health Care Programs .....	26
Last-Resort Safety Net Programs .....	36
Innovations and Challenges .....	40
<b>Welfare Reform in Seven Iowa Communities .....</b>	<b>43</b>
Monitoring Welfare Reform at the Local Level .....	44
A Profile of Cedar Rapids .....	50
A Profile of Marshalltown .....	56
A Profile of Fort Madison .....	63
A Profile of Storm Lake .....	69
A Profile of Manchester .....	76
A Profile of Hampton .....	82
A Profile of Mount Ayr .....	88

<b>Understanding Families and Welfare Reform in Iowa .....</b>	<b>95</b>
Case Studies of Iowa Welfare Families .....	96
Tina .....	97
Mary .....	98
Anne .....	99
Sarah and Bill .....	100
Renee .....	101
Chandra .....	102
Julia .....	103
Conclusions .....	104
<b>Appendices .....</b>	<b>107</b>
Appendix A. Notes .....	108
Appendix B. List of Interview Sources .....	112
Appendix C. Project Interviewers .....	115
Appendix D. Glossary of Abbreviations .....	117
<b>About the Authors .....</b>	<b>121</b>

# Highlights: Family Well-being and Welfare Reform

Iowa State University (ISU) Extension is conducting a multi-year project to monitor the effects of welfare reform on Iowa's families and communities following implementation of the federal reform legislation, the **Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA)** in January, 1997.

The baseline study has three broad components:

- a state-level case study of policies and programs in Iowa;
- case studies of seven Iowa communities—Cedar Rapids, Fort Madison, Hampton, Manchester, Marshalltown, Mount Ayr, and Storm Lake; and
- in-depth interviews with five welfare recipients in each of those communities.

This report is based on interviews with more than 160 state, community, and family informants that were conducted in fall 1997 by a team of ISU faculty members and ISU Extension field staff. Some highlights of the study results follow.

## **At the State Level**

Declining welfare caseloads—Iowa policy makers are proud of the welfare reforms enacted in 1993 that replaced the Aid to Families with Dependent Children (AFDC) Program with the Family Investment Program (FIP). Implementation of the federal welfare reform legislation in January 1997 required relatively few changes in Iowa's FIP program, but placed greater urgency on the movement of families into jobs as the state implemented a 5-year lifetime limit on welfare

benefits. In the context of a strong economy and FIP's emphasis on self-sufficiency, caseloads declined 20 percent from October 1993 when FIP was initiated to an average monthly caseload of 29,717 in July 1997. Many of those who remain on the FIP caseloads are the "difficult-to-serve" population with multiple employment barriers.

Shifting fiscal responsibilities—The PRWORA replaces federal responsibility for matching state spending on FIP with a fixed Temporary Assistance for Needy Families (TANF) block grant and gives the state much greater flexibility in use of the federal TANF funds. Iowa increased state spending on FIP, child care, and child welfare through state fiscal year (SFY) 1996, but there were indications that the trend would not continue. While child care and child welfare funding continued to grow, Iowa reduced state FIP funding by about \$18.1 million in SFY 97 and offset the decreased state funding with federal TANF monies. As Iowa Department of Human Services (DHS) funding declined as a proportion of the General Fund, one elected official commented, "This is not welfare reform; it is fiscal reform."

Quick labor force attachment versus education—Iowans interviewed for this study are divided on the best strategy for investing in low-income families. Policy in 1997 emphasized short-term job training and quick labor force attachment. Some call this approach short-sighted. One critic of the policy stated, "The state now wants to 'invest' in rickety old cars to take people to minimum wage jobs rather than putting those dollars into post-secondary education for welfare recipients."

### **In Local Communities**

Growing expectations for communities—The state is committed to shifting or "devolving" more responsibility for policies and programs to the local level. Devolution is met with ambivalence in Iowa's communities. Most community leaders speak positively of FIP's emphasis on personal responsibility and the flexibility that decategorization, Innovation Zones, and DHS self-sufficiency grants provide for local community initiatives. However, others seem wary of the time demands of inter-agency collaboration and competitive grant-writing. Opinions vary among local government officials with regard to the potential effects of welfare reform. Some foresee little impact on cities and counties. Others are leery of a shift of fiscal responsibility from state to local government. One county official said, "We've known this is coming, but are poorly prepared; welfare reform may be the single largest test for local government." One advocate from a non-profit organization commented, "The holes in the safety net are growing." Despite a drop in both FIP and food stamp caseloads, communities described growing demands on food pantries and other emergency services.

Lack of jobs, transportation, and child care—These three barriers to moving welfare families off the rolls and toward self-sufficiency were mentioned repeatedly in every community by both community leaders and welfare families. The shortage of "living wage" jobs for workers with few skills is an issue in rural and urban areas. Transportation and quality, affordable child care are particularly difficult to obtain for second- and third-shift workers. The distances between jobs, child care, and home as well as the lack of public transportation systems make transportation a critical concern in rural Iowa. Despite the important role that jobs will play in welfare reform, the social services and business sectors have had little interaction in most communities.

## **Among Families**

FIP families do not fit a single stereotype—Iowa's welfare families are a very diverse group. Some are single mothers enrolled in school; others are working couples. A few are grandparents or aunts and uncles who are caring for a relative's child. Most have one or two children. Many live in families in which an adult or child has a serious health problem that makes full-time employment difficult. Many of the women have been victims of domestic violence.

FIP recipients vary considerably in their capacity to become self-sufficient—Nearly all FIP parents voice a strong commitment to raising their children and support the changes in the welfare program, but they are concerned about limited job opportunities in their communities. Most lack the education and training that Iowa's well-paying jobs demand. While many have a strong network of friends and family that provides financial and emotional support, others seem very isolated from the neighborhoods and communities in which they live. Finding a job that pays enough to take them off all forms of public assistance and balancing the roles of breadwinner and parent may be an achievable goal for some, but an unrealistic expectation of others.



# Setting the Stage: Iowa's Programs and Policies

The first phase of the *Family Well-Being and Welfare Reform* project describes Iowa's income support, health, and social policies and programs. A study of welfare reform must begin with an understanding of the local setting.

This section of the report describes the policies and programs in place in fall 1997. It begins with a brief overview of state social, economic, and political conditions. It describes Iowa's early efforts to reform welfare and the support programs that help families move from welfare to financial independence. Finally, the last-resort safety net programs—including child welfare, homeless programs, and emergency assistance—are described.

State-level informants, including legislators, state government agency personnel, representatives from the private sector, nonprofit organizations, and state-level advocacy groups, were interviewed by project staff members. Agency and organization reports and other secondary data sources also were reviewed. The information in this section of the report is based on the personal interviews as well as the reports, memos, and documents shared by the informants during the interviews. The authors portray not only the factual descriptions of policies and programs, but also the rationale behind some of Iowa's policy decisions and the prospects for the future as described by those in the public, private, and nonprofit sectors. Steps were taken to maintain the anonymity of the respondents.

# Iowa: A Brief Overview

**T**his section provides a brief overview of Iowa's population and economy, and establishes a context for the social programs described later in the report. It also summarizes the state's political and budgetary landscape, indicating the climate of attitudes and resources within which state policy is shaped. This information is based, in part, on interviews conducted in fall 1997 with key informants in state government, as well as executive directors of nonprofit organizations, advocacy groups, and the private sector.

**The State's Population** Iowa's population of 2.85 million has experienced a low growth rate of about half a percentage point per year during the 1990s, while the nation as a whole grew by about 1 percentage point per year. Slow growth in the 1990s reversed a trend of population loss in the state during the 1980s. Iowa ranks 49th among the nation's 50 states in population growth. Although total population grew, nearly half of Iowa's 99 counties, primarily rural counties, experienced population loss during the 1990s.

Iowa is a rural state with an older population. Few Iowans are members of racial or ethnic minority groups. However, this part of Iowa's population has undergone rapid growth in the 1990s. In 1996, it was estimated that African-Americans made up 1.9 percent of the state's

**Table 1a. Iowa Population Characteristics Compared to the United States, 1996**

	Iowa	U.S.
Population (1996) <sup>a</sup>	2,848,033	265,179,411
Percent under 18 (1996) <sup>b</sup>	25.2%	26%
Percent 65 and over (1996) <sup>b</sup>	15.2%	12.8%
Percent Hispanic (1996) <sup>c</sup>	1.8%	10.7%
Percent Black (1996) <sup>c</sup>	1.9%	12.6%
Percent non-Hispanic White (1996) <sup>c</sup>	95%	73.1%
Percent born outside of U.S. (1990) <sup>d</sup>	1.6%	7.9%
Percent rural (1990) <sup>e</sup>	39.4%	24.8%
Growth (1990-1995) <sup>f</sup>	2.3%	5.6%
Percent population over 25 with at least a high school degree (1996) <sup>g, h</sup>	87.4%	81.7%
Percent population over 25 with bachelor's degree or more (1996) <sup>g, h</sup>	21.3%	23.6%
Births per 1,000 women (1995) <sup>i</sup>	59.9	65.6
Percent to unmarried women (1995) <sup>i</sup>	25.2%	32.2%
Percent to women under age 19 (1996) <sup>j</sup>	11.0%	12.9%
Infant mortality per 1,000 births (1996) <sup>k</sup>	7.0	7.3

Table 1a-d footnotes are listed on page 8.

population and Hispanics comprised 1.8 percent, having increased their numbers by 15 percent and 63 percent, respectively since 1990 (1). Recent experimental estimates of the Hispanic population calculated by the Iowa State University Census Services yield a substantially higher statewide estimate, suggesting that the Hispanic population in Iowa more than doubled (105 percent) since 1990 (2).

As shown in Tables 1a-d, Iowa ranks high compared to the United States averages on indicators of child well-being. Iowa has fewer children in poverty, fewer births to unmarried women, a lower rate of infant mortality, and higher high school graduation rates compared to national averages. However, indicators of child well-being show sharp differences in rural versus metropolitan counties (see Table 2). Metro counties are much closer to the national average on many

**Table 1b. Iowa Economic Characteristics Compared to the United States, 1996**

	Iowa	U.S.
Per capita income (1996) <sup>l</sup>	\$22,330	\$24,436
Median household income (1995-1996) <sup>m</sup>	\$34,888	\$35,287
Percent children in poverty (1996) <sup>k</sup>	13%	20%
Percent persons poor (1995-96 average) <sup>n</sup>	10.9%	13.8%
Unemployment rate (1997) <sup>o</sup>	3.3%	5.4%
Percent jobs in service sector (1996) <sup>p, q</sup>	26.7%	28.8%
Percent jobs in retail trade (1996) <sup>p, q</sup>	17.5%	18.1%
Percent jobs in manufacturing (1996) <sup>p, q</sup>	14%	15.5%

**Table 1c. Iowa Family Profile Compared to the United States, 1996<sup>r</sup>**

	Iowa	U.S.
Percent female-headed w/related children (1990) <sup>s</sup>	12.5%	16.3%
Percent married couples w/related children (1990) <sup>s</sup>	80.2%	71.2%
Percent employed mothers with child(ren) under age 18 (1990) <sup>t</sup>	76.3%	67.7%
Percent parents with child(ren) under age 18		
- in 2-parent families, both parents working full-time (1990) <sup>u, v</sup>	60.8%	46.6%
- in 1-parent families, parent working full time (1990) <sup>u, v</sup>	12.6%	17.3%
Percent low-income children uninsured (1996) <sup>w, x, y</sup>	8.4%	23.3%

**Table 1d. Iowa Political Characteristics**

Governor's affiliation (1997)	Republican
Party control of Senate (1997)	28 R - 22 D
Party control of House (1997)	54 R - 46 D

---

## Table 1a-d Footnotes

- a. U.S. Bureau of the Census. (1998, January). Estimates of the population by states: Annual time series, July 1, 1990, to July 1, 1997, and demographic components of population change, annual time series, July 1, 1990, to July 1, 1997. (ST-97-3). [On-line]. <http://www.census.gov/population/estimates/state/ST9097T1.txt>
- b. U.S. Bureau of the Census. (1998). Iowa. [On-line]. <http://www.census.gov/statab/www/states/ia.txt>
- c. U.S. Bureau of the Census. (1998, September). Estimates of the population of states by race and Hispanic origin. [On-line]. <http://www.census.gov/population/estimates/state/srh/srhus96.txt>
- d. Alampi, G. (1994). Gale state ranking reporter (p. 2). Detroit, MI: Gale Research, Inc.
- e. U.S. Bureau of the Census. (1995, October). Table1. Urban and rural population: 1900-1990. [On-line]. <http://www.census.gov/population/censusdata/urpop0090.txt>
- f. Goudy, W., & Burke, S.C. (1996). Iowa's counties: Selected population trends, vital statistics, and socioeconomic data. Ames, IA: Iowa State University. Change is calculated for the 1990-95 period for Iowa and the U.S.
- g. U.S. Bureau of the Census. (1996, March). Table 13 in Educational attainment in the United States: March 1996 (update). [On-line]. <http://www.census.gov/prod/2/pop/p20/p20-493u.pdf>
- h. U.S. Bureau of the Census. (1996, March). Current population reports. Educational attainment in the United States: March 1996. [On-line]. <http://www.census.gov/prod/2/pop/p20/p20-493.pdf>
- i. U.S. National Center for Health Statistics. (1997, June 10). Table 8. Live births by race of mother, birth rates, and fertility rates: United States and each state, Puerto Rico, Virgin Islands and Guam, 1995 in Monthly vital statistics report (pp. 36 & 43). Washington, D.C.: U.S. Government Printing Office.
- j. U.S. National Center for Health Statistics. (1997, September 11). Table 5. Percent of live births to mothers under 20 years of age by race and Hispanic origin of mother: United States, each state, Puerto Rico, Virgin Islands and Guam, final 1995 and preliminary 1996 in Monthly vital statistics report. (p. 13). Washington, D.C.: U.S. Government Printing Office.
- k. 1999 Kids Count Data Online. (1999). Profile for Iowa: Indicators of child well-being. [On-line]. [http://www.aecf.org/cgi-bin/kconline.cgi?KC\\_QUERY\\_TYPE=QUERY\\_PROFILES&STATE=IA](http://www.aecf.org/cgi-bin/kconline.cgi?KC_QUERY_TYPE=QUERY_PROFILES&STATE=IA)
- l. U.S. Bureau of the Census, Bureau of Economic Analysis. (1998). Regional accounts data, table 4. Per capita personal income, by state and region, 1996-97. [On-line]. <http://www.bea.doc.gov/bea/dr/spitbl-d.htm>
- m. U.S. Bureau of the Census. (1996). Table C. Median income of households by state. [On-line]. <http://www.census.gov/hhes/income/income96/in96med1.html>
- n. U.S. Bureau of the Census. (1995-97, March). Percent of persons in poverty, by state: 1994, 1995, and 1996. [On-line] <http://www.census.gov/hhes/poverty/poverty96/pv96state.html>
- o. U.S. Bureau of the Census. (1997, October). Statistical abstract of the United States 1997. (p. 401). Washington, D.C.: Author.
- p. U. S. Department of Commerce Bureau of Economic Analysis' Regional Economic Information System, Iowa Profiles. (1996). Personal Employment. [On-line]. <http://data.profiles.iastate.edu/data/bea/cntyca25.asp?sCounty=19000>
- q. U. S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics survey. (1998, June 8). Nonagricultural payroll employment by industry, annual averages, 1939-97. [On-line]. <http://stats.bls.gov/blshome.htm>
- r. Family defined as living with children less than 18 years old.
- s. Population Reference Bureau. (1992, September). The challenge of change: What the 1990 census tells us about children (p. 23). Washington, D.C.: Author.
- t. Population Reference Bureau. (1992, September). The challenge of change: What the 1990 census tells us about children (p. 39). Washington, D.C.: Author.
- u. Population Reference Bureau. (1992, September). The challenge of change: What the 1990 census tells us about children (p. 41). Washington, D.C.: Author.
- v. Full-time equals more than 35 hours/week.
- w. For Iowa, the percent is a 3-year average of 1994, 1995, and 1996.
- x. U.S. Bureau of the Census. (1997, 1996, and 1995, March). Low income uninsured children by state. [On-line]. <http://www.census.gov/hhes/hlthins/lowinckid.html>
- y. U.S. Bureau of the Census. (1997, September). Health insurance coverage: 1996, Who lacked coverage in 1996? in Current population reports. (p. 2). Washington, D.C.: U.S. Government Printing Office.

indicators, showing consistently higher rates of adolescent parenting, child abuse and neglect, infant mortality, and low birthweight than do rural counties. One reason is that Iowa's metropolitan counties are more reflective of the demography of the United States population as a whole. Population shifts in Iowa also mean that an increasing proportion of Iowa children will reside in those metro counties (3).

**The Economy** Prior to the 1980s, Iowa outperformed nearly every state in the nation in terms of relative employment growth, productivity, and profitability. The recession of the early 1980s hit Iowa's agriculturally based economy extremely hard. However, by the late 1980s and early 1990s, most sectors of the Iowa economy began to experience growth in employment and gross state product, but suffered from continued declines in earnings per job (4). Reflecting national trends, Iowa has seen rapid growth in its service sector and movement of manufacturing to rural areas. However, this movement is to the rural rings surrounding urban areas, rather than a general dispersal across the state. In addition, much of Iowa's population and its economic base is moving out of rural areas and toward urban and metropolitan areas in the state. Only farming stands out as opposing this trend toward urbanization.

**Table 2. Iowa Child Well-being Indicators, 1996<sup>a</sup>**

	Rural <sup>b</sup> Counties	Small Urban <sup>c</sup> Counties	Metro <sup>d</sup> Counties	Iowa
Infant Mortality <sup>e</sup>	6.7	6.7	7.3	7.0
Low Birthweight <sup>f</sup>	5.5%	6.2%	6.8%	6.4%
Births to 16-17 years old	2.6%	3.0%	4.2%	3.4%
Teen Unmarried Births <sup>g</sup>	8.2%	8.4%	9.6%	8.9%
Child Abuse and Neglect <sup>h,i</sup>	10.9	11.3	17.8	13.9

a. Kids Count. (1998). <http://www.cfpciowa.org/kcstats.htm>

b. Rural counties (Adair, Adams, Allamakee, Audubon, Butler, Calhoun, Cedar, Chickasaw, Clarke, Clayton, Davis, Decatur, Dickinson, Franklin, Fremont, Greene, Grundy, Guthrie, Hancock, Harrison, Howard, Humboldt, Ida, Iowa, Keokuk, Louisa, Lucas, Lyon, Madison, Mills, Mitchell, Monona, Monroe, O'Brien, Osceola, Palo Alto, Pocahontas, Ringgold, Sac, Tama, Taylor, Van Buren, Wayne, Winnebago, Worth, Wright).

c. Small urban counties (Appanoose, Benton, Boone, Bremer, Buchanan, Buena Vista, Carroll, Cass, Cerro Gordo, Cherokee, Clay, Clinton, Crawford, Dallas, Delaware, Des Moines, Emmet, Fayette, Floyd, Hamilton, Hardin, Henry, Jackson, Jasper, Jefferson, Jones, Kossuth, Lee, Mahaska, Marion, Marshall, Montgomery, Muscatine, Page, Plymouth, Poweshiek, Shelby, Sioux, Story, Union, Wapello, Warren, Washington, Webster, Winneshiek.).

d. Metropolitan counties (Black Hawk, Dubuque, Johnson, Linn, Polk, Pottawattamie, Scott, Woodbury).

e. Infant mortality—number and rate of death(s) of infants during their first year of life. Rate is per 1,000 live births. (Source: Iowa Department of Public Health)

f. Low birthweight—percentage of live births weighing less than 5.5 pounds at the time of birth (Source: Iowa Department of Public Health).

g. Teen unmarried births—percentage of live births that are to unmarried teens (Source: Iowa Department of Public Health).

h. Child abuse and neglect—number and rate of founded cases of abuse to children age 0-17. Rate per 1,000 children, age 0-17 (Source: Iowa Department of Human Services).

i. Rates for this category are 1995 statistics.

Clearly Iowa's economy has made great strides in its recovery from the recession of the early 1980s. Since mid-1992, Iowa's employment rate has consistently remained about 2 percentage points below the national average, dipping below 3 percent in the last half of 1997. With a tight labor market throughout the state, it remains to be seen how Iowa might revitalize its rural areas and position itself again to become an economic leader in the nation.

Iowa ranked 32nd among the states with a per capita income of \$23,102 in 1997, up 3.5 percent from 1996, lagging behind the U. S. average per capita income of \$25,598, up 4.8 percent from 1996. In 1995-96, about 11 percent of all Iowans and 14 percent of children lived in poverty. For the United States as a whole, the figures were 13.8 percent and 21 percent, respectively.

Iowans are well educated and employment rates have increased in recent years. Iowa ranks second among the 50 states in high school completion rankings, with nearly 88 percent of Iowa adults having graduated from high school. Compared to other states, a high proportion of Iowa's youth go on to earn college degrees. However, there is growing concern about the proportion of college graduates who leave the state and the state's lower proportion of all adults (over 25) who have completed post high school technical and academic training. Bachelor's degrees are held by 21.3 percent of all adult Iowans (over 25) compared to the U.S. average of 23.6 percent. This fact goes a long way in explaining why Iowa has experienced extremely low unemployment along with very little wage pressure in the mid-1990s. Employment has increased in the state, reflecting growth in the number of workers as well as growth in the number of multiple-income families and more individuals holding multiple jobs. Currently, 87 percent of all Iowans between the ages of 18 and 69 are employed, compared to 75 percent nationwide (5). The work participation rate among mothers with dependent children in the state exceeds the national average (73 percent compared to the U.S. average of 63 percent).

The restructuring that is occurring in the Iowa economy has major implications for Iowa's welfare reform goals. Iowa's challenges in the years ahead will be to make an existing work force more productive, find ways to increase the size of the pool from which the work force is drawn, and deal with the uneven growth in rural versus urban areas. In particular, a lack of highly skilled workers in urban areas and a scarcity of job opportunities in rural Iowa pose serious challenges.

**The Political and Budgetary Landscape** Elected governor in 1982, Republican Terry Branstad brought a conservative philosophy to the state's approach to social welfare policy. Due to his long tenure, Governor Brandstad's agenda was visible throughout state agency staffing appointments and programs. Proponents of the state's welfare program view it as a positive step toward balancing family support with expectations of work and responsibility. Critics view the reforms as punitive, motivated by fiscal conservatism rather than the public good.

Iowa has had a very active governor and legislature. Both have played strong roles in shaping policy and programs for low-income families in Iowa. During most of the Republican governor's tenure, the legislature was controlled by Democrats. The active involvement of both the governor and the legislature led to a history of vigorous debate and negotiation on a range of issues, with the governor's ability to veto sections of legislation ensuring an important role for him in policy debates. While the state has had a history of creating boards, committees, and task forces representing individuals, business, labor, nonprofit organizations, and advocacy groups to bring a range of perspectives into policy debate, advocacy groups tend to view themselves as relatively ineffective in influencing Iowa's social welfare policy decisions.

In the late 1980s, Iowa embarked on a study of its welfare system that led to sweeping changes in its Aid to Families with Dependent Children (AFDC) and job training programs. In 1987, Governor Branstad issued an executive order establishing the Welfare Reform Council, a council composed of state agency heads. An expanded group was appointed in 1992; the State Human Investment Policy (SHIP) Council added legislators, and business and labor leaders. The SHIP Council developed recommendations that addressed welfare reform, economic development, and workforce development. A philosophy of investing (as opposed to spending) public funds, coupled with goals of family self-sufficiency and the importance of work shaped Iowa's AFDC waiver program which was implemented statewide in late 1993 and early 1994 following broad, nonpartisan support in the legislature.

During the 1990s, the political landscape in Iowa, as in the rest of the country, has become more conservative while the budgetary landscape has blossomed. State spending has gone from \$2.9 billion in 1990 to \$4.1 billion in 1997 (6). The state budget surplus exceeded \$800 million at the close of 1997. There is a general sense that Iowa has "fixed" welfare programs and attention has turned to education reforms and tax cuts to foster economic development. Governor Branstad chose not to run for re-election and Iowans elected Democrat Tom Vilsack in 1998. It will be interesting to see how a change in the governorship may influence change in state agency functions and future social welfare policy decisions.

# Setting the Social Policy Context

**T**his section outlines Iowa's policies for helping low-income families. It contains information about the philosophy, spending, and organization of the primary welfare programs in the state in late 1997. The information will be important as a context for understanding the major programs reviewed in the following sections.

**Iowa's Agenda for Serving the Needs of Low-Income Families** In the late 1980s, buoyed by a growing public perception that welfare was not working to help the poor, but was instead trapping them in a cycle of poverty, Iowa began the process of welfare reform. The state wished to invest in the poor and expected a return on its investment. Iowans saw themselves as a compassionate and generous people, but one who embraced the ethic of hard work and self-sufficiency. Thus Iowa's reforms, and steps toward helping people attain self-sufficiency, included changes in employment services, Aid to Families with Dependent Children (AFDC), and the initiation of programs to help stabilize families at risk of long-term welfare dependency.

Quick job placement, coupled with availability of job training opportunities, was the initial focus of the Iowa reform. A pilot program which has expanded yearly since 1989, Family Development and Self-Sufficiency (FaDSS) provides local public and private agencies with grants that enable them to deliver intensive, individualized, and community-based services to families with significant barriers to achieving family stability and employment. FaDSS has been identified as one of the key strategies to helping move welfare recipients to self-sufficiency. However, in early 1997 the state was providing funding sufficient to establish or offer FaDSS in only 28 of Iowa's 99 counties. There were plans to expand the program statewide by 1998 (1).

Iowa's major welfare reform came in the form of a statewide waiver program in late 1993. These reforms replaced AFDC with the Family Investment Program (FIP) and made related changes in the food stamp program. Iowa's welfare reform was structured to shift the focus of welfare from on-going cash assistance to self-sufficiency, providing incentives for work. These incentives included generous income disregards that allowed welfare families to retain more of their earned income, transitional Medicaid, and child care subsidies that would cushion the move from welfare to self-sufficiency. In addition, families would complete a plan for moving off welfare as defined by a flexible, individualized contract between the recipient and the state. Noncompliance with the requirements of the contract would result in the loss of benefits. Thus, Iowa's FIP put in place the key hallmarks of the federal welfare reform legislation that would be passed in 1996.

One of the challenges facing the state's welfare reform initiatives has involved the question of the proper balance of education/training and workforce attachment. Iowa enjoys its reputation as an education state, so the tension has become more focused as policy makers question the proper role of government in the funding of post-secondary education. Through a series of conferences with community colleges, the state has initiated dialogue on the issue of education and welfare reform. Said an Iowa Workforce Development (IWD) administrator, "We are not interested in moving people from FIP to working poor status." Instead, the state is exploring the possibilities of partnerships between employers and community colleges that recognize the needs of recipients to have educational programs available quickly, and that will match training with available jobs.

As people are moved from welfare to self-sufficiency, state officials expect to be challenged by an increasingly more difficult-to-serve population. Barriers to self-sufficiency such as domestic violence, substance abuse, and learning disabilities will demand that more attention and resources be expended on fewer people. This shift in the caseload raises questions about the state's desire to reduce government staff and be more efficient.

**Social Welfare Spending** Iowa has a history of leveraging its General Fund expenditures on social welfare through maximizing federal matching funds. While state appropriations to the Department of Human Services (DHS) have increased in recent years, they have declined as a proportion of the state's general fund. Human Services expenditures in state fiscal year (SFY) 1997 accounted for 18 percent of the general fund. Of that, nearly half was spent on Medical Assistance (see Table 3) (2). However, Medicaid spending from the general fund rose 6.4 percent from 1995 to 1997, a slowdown from previous years, prompting one state official to remark that "the pac man of the budget had been brought under control."

Iowa increased state spending on FIP through SFY 1996 (July 1, 1995, through June 30, 1996). The increases in state spending reflected a decrease in the federal financial participation rate (3), and a temporary increase in caseload due to more generous income disregards for two-parent families in the 1993 reforms. There are indications that the upward trend in state spending on FIP will not continue. With the advent of Temporary Assistance for Needy Families (TANF), the state is exploring ways to use the block grant to replace state monies in several areas, freeing state monies for other purposes. For example, Iowa reduced state FIP funding by about \$18.1 million and offset the decreased state funding with federal TANF monies.

Iowa's commitment to child care as an important component of reform has been reflected in increasing funding for protective, transitional, and other forms of child care. From SFY 1995 through SFY 1997, the state increased general fund spending for all forms of child care by 79.7 percent. Child support enforcement spending also has increased as the state has recognized the role child support plays in enabling low-income families to become self-sufficient.

In an attempt to strengthen and support families, Iowa has increased funding substantially to child and family services. Encompassing services designed to prevent child abuse, maintain children in their own homes whenever possible, provide for permanent families for children unable to stay in their own homes, and provide shelter for children in need, child and family services funding has increased by 17.5 percent in the same 3-year period. State spending has increased in the areas of adoption assistance, foster care, child protection, and in-home family services, placing Iowa seventh in the nation in per capita child welfare spending for FY 1996 (4).

Other funding for children and family programs has remained essentially stagnant from 1995 through 1997. There were minor increases in state funding of family support and community-based programs.

**Organization and Service Structure** Iowa's social welfare programs are highly centralized (see Table 4). The Iowa Department of Human Services (DHS) is the agency responsible for the administration of most of Iowa's programs for low-income people. Most programs are administered from the central office of DHS in Des Moines, with eligibility determination made at the local county offices. Field offices are administered in five geographic regions, and 38 area clusters. Further divisions at the local county level divide workers into those responsible for Income Maintenance, Child Protection, and Social Work. In contrast to the state-level structure

**Table 3. State and Federal Spending on Selected Programs for Families and Children in Iowa, 1995-1997 (in \$ Millions)**

Program	1995	1995	1996	1996	1997	1997
	State <sup>a</sup>	Federal <sup>b</sup>	State <sup>c</sup>	Federal <sup>d</sup>	State <sup>e</sup>	Federal <sup>f</sup>
FIP (AFDC)	37.1	100.9	32.8	87.1	16.7	—
TANF	—	—	—	—	—	105.2
PROMISE JOBS	12.0	11.2	11.9	8.3	12.6	2.3
JTPA	—	13.4	—	7.1	—	7.6
Child Care/Child Development <sup>g</sup>	7.4	—	9.0	—	13.3	—
CCDBG	—	8.6	—	8.5	—	0.2
Head Start	—	25.2	—	26.0	—	28.5
At Risk	—	4.1	—	3.0	—	16.2
Child Support Enforcement	5.0	16.7	6.4	23.8	6.5	17.1
Child and Family Services <sup>h</sup>	81.6	29.1	83.4	28.7	95.9	32.3
Emergency Assistance	1.8	—	1.8	—	2.0	—
Community-based programs <sup>i</sup>	2.3	—	2.6	—	2.6	—
WIC	—	33.0	—	33.0	—	33.0
SSBG	—	30.7	—	25.8	—	27.0
Family support subsidy	1.1	—	1.1	—	1.3	—
Juvenile Services	3.1	—	3.1	—	3.1	—
Medicaid <sup>j</sup>	344.7	735.8	351.5	808.2	366.7	833.9
DHS State Appropriation	722.3		727.7		747.5	
State General Fund Appropriations	3,641.4	—	3,840.4	—	4,142.9	—
DHS % of General Fund	20.3		18.9		18.0	

- a. Legislative Fiscal Bureau. (1996, June). *1996 Session fiscal report* (pp. 36-38). Des Moines, IA: State of Iowa.
- b. Office of Management and Budget. (1995). *Budget information for states, fiscal year 1996* (pp.190-192). Washington, D.C.: United States Government Printing Office.
- c. Legislative Fiscal Bureau. (1997, June). *1997 Session fiscal report* (pp.36-38). Des Moines, IA: State of Iowa.
- d. Office of Management and Budget. (1997). *Budget information for states, fiscal year 1998* (pp. 185-187). Washington, D.C.: United States Government Printing Office
- e. Legislative Fiscal Bureau. (1998, June). *1998 Session fiscal report* (pp. 38-39). Des Moines, IA: State of Iowa.
- f. Office of Management and Budget. (1998). *Budget information for states, fiscal year 1999* (pp. 197-199). Washington, D.C.: United States Government Printing Office.
- g. Includes protective, transitional, state, and child care resources funding.
- h. Includes child welfare, foster care, child protection, adoption assistance, family preservation.
- i. Includes adolescent pregnancy prevention (abstinence education), child abuse prevention and family planning.
- j. Includes all Medicaid expenditures, not just those for families and children.

**Table 4. Organizational Structure of Social Welfare Programs**

Program	State Agency	Local Administrative Arrangement
<b>Income Security</b>		
AFDC/FIP	DHS <sup>1</sup>	County DHS offices
Food stamps	DHS	County DHS offices
General assistance		County Board of Supervisors
EITC	Department of Revenue and Finance	
<b>Education and Training</b>		
JOBS (PROMISE JOBS)	IWD <sup>2</sup>	County IWD offices
JTPA	IWD	15 regional advisory boards
Other youth		Pilot programs, various localities
<b>Child care/Child development</b>		
Child care	DHS	Direct providers
Head Start	Department of Education	Varies by region
Other child development	Department of Education	Direct providers
<b>Child Support Enforcement</b>		DHS <sup>3</sup>
<b>Child Welfare</b>		
Child protection/family preservation	DHS	County DHS Offices
Foster care	DHS	County DHS Offices
Adoption assistance	DHS	County DHS Offices
IV-A emergency assistance	DHS	County DHS Offices
<b>Emergency Services</b>		
Emergency assistance	DHS	County DHS Offices
Shelter/emergency housing	Department of Economic Development	
<b>Health</b>		
Medicaid	DHS	County DHS Offices
Maternal and child health	Department of Public Health	Local Providers

<sup>1</sup>Department of Human Services

<sup>2</sup>Iowa Workforce Development

<sup>3</sup>19 field offices in 3 regions

of most social welfare programs, General Assistance (GA) is funded and administered by the counties. In 1996, employment and training services were consolidated from several state departments into a new Iowa Workforce Development department which now oversees all employment-related activities and training.

The Iowa Department of Public Health (IDPH) provides programs to low-income families and children, the uninsured, and immigrants. Officials of the department identified public health as the last resort for those who cannot receive health care elsewhere. Maternal and child health care are provided through contracts with community agencies.

Historically, Iowa's counties have partnered with the state using state dollars and property tax revenues to fund Mental Health and Mental Retardation Services (MH/MR). The state has capped the amount of property taxes counties can levy for these services at a baseline amount and then has appropriated to the counties an amount intended to finance 50 percent of the cost of providing MH/MR services. However, the counties have experienced the state as "not a trustworthy partner," according to spokespersons for county governments. The state limits along with incrementally expanding expectations of services for the mentally ill have resulted in a fiscal crisis for many Iowa counties. As a result, Iowa's counties are wary about the devolution of welfare provisions from the state, concerned that adequate funding might not follow. The general feeling from the counties is that benefits for needy families should be financed at state or federal levels, and that local officials should be involved in implementation of block grants.

The appropriate level, state or community, for policy-making and programming remains an ongoing and perhaps a growing issue in Iowa. Under way at the time of the interviews was a legislative study committee investigating a possible restructure of DHS. Citing fragmented funding for various programs, and the belief that communities know best what their residents need, the legislature was discussing the possible implementation of devolution of authority and funding to as yet to be described "empowerment zones."

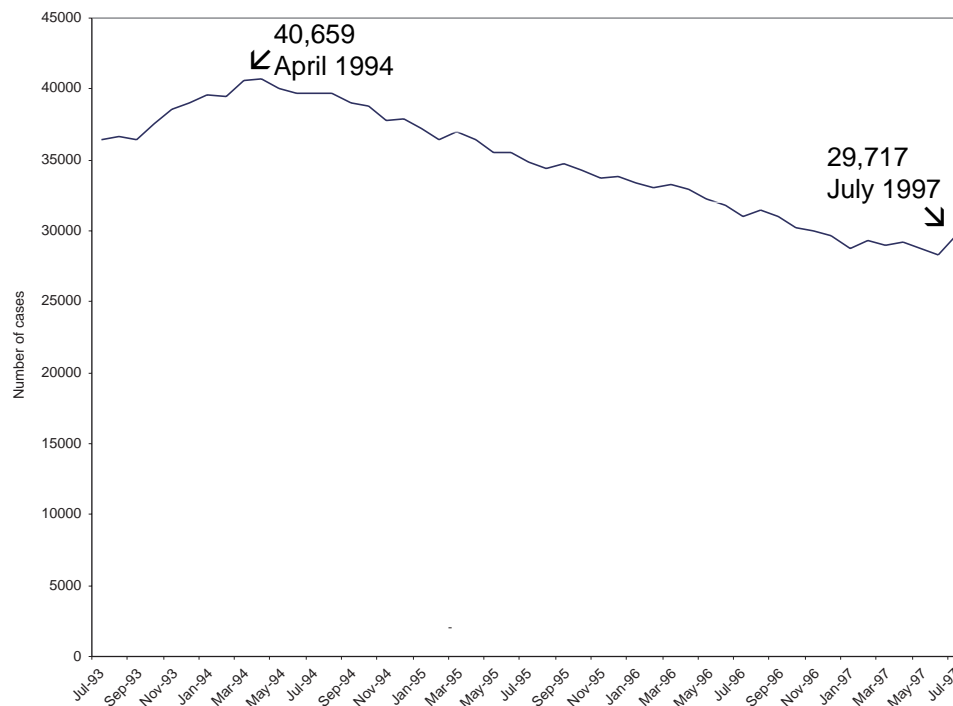
# Basic Income Support

Iowa's income support programs encompass three principles: work, responsibility, and accountability. This section describes Iowa's basic income support programs as well as the state's early attempts at welfare reform.

**Income Support Programs** Iowa's income support programs consist of the Family Investment Program (FIP, formerly Aid to Families with Dependent Children, AFDC), food stamps, Supplemental Security Income (SSI), and the General Assistance (GA) program. Iowans benefit from the federal Earned Income Tax Credit program (EITC) and a small, nonrefundable state EITC. FIP is the state's largest income maintenance program. The actual monthly FIP caseload in July 1997 was 29,717, a 20 percent reduction from the 36,583 caseload at the beginning of Iowa's waiver program in October 1993 (see Figure 1) (1).

The rules for calculating FIP benefits provide incentives for families to earn income—through work expense deductions and the “disregard” of a portion of earnings, thus increasing their total income. Iowa's cash benefit levels, however, have remained constant since 1990. The standard of need, used to determine program eligibility, was set in 1991. A family of three with no other income receives an FIP grant of \$426 per month, a decline in real terms of 23 percent from July 1991 to July 1997. The maximum grant has dropped nearly 50 percent in purchasing power since 1970. As shown in Table 5, Iowa's maximum cash grant for a family of three combined with food stamps and its rules regarding earnings and loss of FIP benefits closely parallel those of the median state.

**Figure 1. Actual Iowa Monthly FIP Caseload**



**Table 5. Comparison of FIP Program Rules and Benefits (for a One-Parent Family of Three Persons) in Iowa with the Median State 1996.<sup>a</sup>**

	Iowa	Median State
Maximum FIP Grant		
Total	\$426	\$389
As a percentage of poverty	39%	36%
Percentage change in real value since 1970	-46%	-51%
Combined FIP and food stamp benefits		
Total benefits	\$725	\$699
As a percentage of poverty	67%	65%
Earnings level at which FIP eligibility ends after 12 months		
Total earnings	\$516	\$516
As a percentage of poverty	48%	48%

<sup>a</sup> From Tables 8-12, 8-15, and 8-17, Committee on Ways and Means, U.S. House of Representatives. (1996). 1996 Green Book. Washington, DC: US Government Printing Office.

Iowa's low-income families appear to stay on FIP longer than their counterparts in other states stay on AFDC. In June 1997, 32 percent had been on assistance for 48 or more months in the previous 5 years compared to 27 percent on AFDC continuously for 48 months nationwide (2).

Another important component of Iowa's program for low-income families is the federal food stamp program. In SFY 1996, food stamp payments totaled \$141.4 million, nearly equaling the expenditures for FIP (3). For families whose FIP benefits are terminated, food stamps and Medicaid constitute the state's safety net.

For the 1996 tax year, 151,900 Iowa households claimed the federal EITC, for a total of \$204.9 million. Eligibility for the state nonrefundable EITC is the same as for the federal credit, and the credit has been 6.5 percent of the federal calculation.

No statewide figures are kept for the General Assistance program, a source of temporary assistance for non-disabled adults, established by the board of supervisors in each of the 99 Iowa counties and funded through local property taxes. Each county has its own criteria for eligibility. In most cases, General Assistance is not a large budgetary item in Iowa counties, and there is little expectation that that will change, according to county government officials.

**Iowa's Reforms** The 1997 policy direction of income support programs was established by Iowa's FIP in 1993. The waiver program encompassed three key components. First, policies were adopted so that families were better off going to work compared to remaining on welfare. Under the new policies, families were able to have greater earnings, more savings, and vehicles

with greater value, without drastic decreases in their benefits. Also changed were eligibility guidelines so that two-parent families were not disadvantaged as compared to single-parent families in determining their program eligibility. Architects of the reform wanted to make certain that marriage was not penalized among low-income Iowans.

Second, the Family Investment Agreement (FIA) represented an individualized contract between recipient families and the state, outlining the steps a family would take, the support the state would provide, and dates of achieving self-sufficiency (e.g., leaving FIP) for each family. Ideally, each FIA was to be designed and negotiated for the specific needs and strengths of each family, and could be amended if a family encountered significant changes or if barriers arose that prevented achievement of the contract. Reformers hoped that the tenets of responsibility, expectations, and individuality could be demonstrated through the FIA.

Rounding out the initiative, the Limited Benefit Plan (LBP) incorporated the notions of consequences and accountability. Families who chose not to complete or fulfill an FIA entered a 12-month period in which they received 3 months of cash assistance, then 3 months of reduced assistance, followed by a 6-month period of ineligibility for FIP benefits. If the LBP was a result of not completing an FIA, the family was able to reconsider and complete an FIA in the first 45 days, or in the fifth or sixth month of the LBP period. There were no reconsideration rights if the LBP was the result of non-fulfillment of the FIA.

During the LBP-sanctioned time period, families were to remain eligible for food stamps and Medicaid, which constituted a minimal safety net. In addition, in order to ascertain the effects of the LBP on dependent children, the Iowa Department of Human Services (DHS) under contract with the Iowa Department of Public Health (IDPH), was to provide for well-being visits to families who had lost their FIP benefits due to the LBP. Local public health staff were to visit these families to assess their plans for the future and to make families aware of other community resources. (Iowa changed the LBP in February 1996, reducing the plan to 9 months—3 months of partial benefits, followed by 6 months of no benefits. Adding to the plan, second and subsequent LBPs were to result in an immediate 6-month suspension of benefits with no option for reconsideration. Families not completing an FIA could reconsider and complete an FIA during the 3 months of reduced benefits.)

Although Iowa's original AFDC waiver requested statewide implementation of the FIP, the U.S. Department of Health and Human Services required evaluation of the new program using a 10 percent control group in nine counties. Analysis of the control and treatment groups indicated that FIP families had a higher employment rate and lower recidivism rate than those receiving services under the old AFDC program (4). Few changes were made in Iowa's FIP program in order to comply with the federal welfare reform law with the exception of the 5-year time limit on adults receiving FIP. Statewide enactment of FIP was finalized with the advent of Temporary Assistance for Needy Families (TANF) legislation by April 1997.

Although state officials have been pleased with the results of the 1993 reforms, changes in the thinking of the state level officials have been slow to “trickle down” to the county offices. Overcoming inertia in the various departments of state government has required great effort, and devolution has yet to be, as one state agency administrator put it, “internalized” either at the state or local level. In fact, state officials indicated that the need to change the culture of the local welfare office was not adequately addressed in the transition to the waiver program. In hindsight,

officials indicated, they would have provided more training and dialogue in order to bring all agencies of the government along more quickly in reform.

Advocates for low-income Iowans have been less pleased by Iowa's welfare reforms. Unimpressed by the declining caseload, they point to a nearly 40 percent recidivism rate to question the premise that the state is moving people to self-sufficiency. They also are concerned about the levels of FIP benefits that leave families with below-poverty incomes at a time in which they struggle to meet the state's expectations of moving toward self-sufficiency. Third, they point to the FIA as a weak link in the program, citing studies that suggest inadequate casework is being done to enable realistic, individualized plans to be established for each family (5).

## Programs That Promote Financial Independence

**T**o promote self-sufficiency, Iowa's income support programs are supplemented by employment and training services, child care subsidies, child support enforcement, and Medicaid. Medicaid and other health care programs are discussed separately in the next section of the report. These programs expand the financial resources available to families and offer a variety of services designed to facilitate financial independence.

**Employment and Training** The Iowa Department of Human Services (DHS) contracts with Iowa Workforce Development (IWD) to deliver employment and training services to low-income Iowans. Like many other states, Iowa has worked to consolidate its employment and training programs at the state level and devolve responsibility to the local level. Legislation passed in 1996 created IWD to streamline employment and training programs that had been located in the former Department of Employment Services, the Department of Economic Development, and the Department of Human Rights, and to create a new regional service delivery system. The legislation establishing the IWD system identified five goals:

1. increasing the skills of Iowa's workforce,
2. fostering economic growth and the creation of high skill and high wage jobs through job placement and job training services,
3. increasing the competitiveness of Iowa's businesses by promoting high performance workplaces,
4. encouraging investment in Iowa's workers, and
5. providing high quality services to customers accessing workforce development services (1).

Clearly, the primary focus of IWD is not welfare reform; however welfare recipients should benefit if these goals are accomplished.

The IWD Board, appointed by Governor Branstad in 1996, was to lead the department, oversee administrative rule making and budget, and approve regional service provider plans. With restructuring at the state level complete, the transition to integrated service delivery at the local level was just beginning in 1997. State officials viewed this local restructuring and the transition

to “one-stop centers” for employment and training services as a major challenge and a difficult process for those at the local level. The intent of the restructuring was to integrate Job Training Partnership Act (JTPA) programs and all other IWD services. In 1997 a state official described the level of integration in localities as ranging from “some to none.”

Fifteen regional advisory boards, appointed by the Governor, were to lead the design and delivery of workforce development service centers. The regional boards were to be charged with assessing local needs, setting priorities for regional services, awarding local service provider contracts, and evaluating effectiveness of service providers (1). Each region was to have a coordinating service provider to establish a seamless delivery system and to contract with local vendors that provide direct services to customers. IWD had plans for an integrated information system that was to include a common intake form for all IWD programs and one electronic file for each IWD customer. The goal was to have Iowa’s regional delivery system in place by mid-1998. Officials anticipated that each regional center would offer a core set of services and programs ranging from basic skills development to employment services available to all Iowans.

Among the core programs administered by IWD are those aimed at low-income households: PROMISE JOBS (Promoting Independence and Self-Sufficiency through Employment, Job Opportunities, and Basic Skills—Iowa’s JOBS program for Family Investment Program, FIP, recipients), the Food Stamp Employment and Training (FSET) program, mentoring, and JTPA programs.

Iowa DHS contracts with IWD to administer PROMISE JOBS (PJ). As a key component of the state’s welfare reforms, the PJ program coordinates the Family Investment Agreement (FIA) process. PJ’s goal is to increase the availability of education and training for participants, and to assess the needs and skills of the family so that participants and their families can become self-sufficient as quickly as possible. To that end, PJ staff are expected to work closely with individual recipients to assess their skills and to work out individualized plans for either finding a job or further training/education. PJ offers clients a variety of educational programs and job training, including basic life skills workshops, high school completion, post-secondary job training programs (up to 24 months), job skill assessment, and interviewing, as well as individual job search, group employment seminars (Job Club), and work experience programs. There is an expectation that PJ staff will work with welfare recipients to write a realistic FIA, with appropriate targets for completion and subsequent self-sufficiency and then to support them in their movement toward their goals. State officials noted that prior to the implementation of FIP, employment and training programs were serving 25 percent of welfare clients; in 1997, 85 percent of FIP participants were engaged in these programs.

FSET programs are aimed at moving non-FIP food stamp recipients to employment. FSET offers job club, supervised job search, Adult Basic Education/General Equivalency Diploma/English as a Second Language (ABE/GED/ESL) coursework, and referral to JTPA for other education and training assistance.

In addition to these major programs administered by IWD, DHS contracts with a non-profit vendor to offer an Entrepreneurial Training (ET) program that is designed to provide technical business training statewide to qualified FIP participants to enable them to open and maintain self-employment and small businesses. As part of this program, instructors throughout the state are trained to increase their capacity to provide workshops for FIP participants (2).

Officials recognize a need for better initial assessment of participants' employment barriers—particularly focusing on learning disabilities and drug abuse assessments. Noting the shift in the welfare rolls toward more “difficult cases,” the state has initiated a basic life skills course within the PJ program.

A major shift has occurred in the role of Iowa's government in funding post-secondary education for welfare recipients. Prior to March 1, 1997, the state funded post-secondary education for FIP recipients. A major “glitch” in the system, however, was the common occurrence of long waiting lists for funding. Iowa now funds transportation and child care costs associated with education that is determined to be necessary for a recipient to become self-sufficient, but the state does not fund tuition, books and fees. In late 1997, funding was limited to a continuous 24-month period.

Critics view this policy as short-sighted and contrary to the state's philosophy of human investment. “The state now wants to ‘invest’ in rickety old cars to take people to minimum wage jobs rather than putting those dollars into post-secondary education for welfare recipients,” commented one advocate.

State officials view funding of employment and training programs as adequate, but express concern about the cost of training the more difficult-to-serve population. Long-term plans for Iowa's employment and training programs appear to focus on better integration and coordination of IWD services at the local level. In late 1997, the extent to which the state would invest in new U.S. Department of Labor welfare-to-work grants was unknown. There was consensus however, that future programs would need to focus on individuals with multiple barriers to employment. There has been no discussion of privatizing any employment services or of developing community-service jobs to meet work requirements under Temporary Assistance for Needy Families (TANF). “We would rather provide training than ‘buy’ jobs,” commented one state official.

The authors' interviews suggest that while state-level welfare administrators sense that the private sector is involved in local discussions, there is little conversation between the state and the private sector at the state level regarding strategic approaches to moving welfare recipients toward self-sufficiency.

**Child Care** The need for child care is great. Iowa ranks second in the country in the number of working parents with young children under age 6 and ranks first in the number of working parents with school-age children (79 and 82 percent, respectively) (3). The goal of Iowa's child care programs is to enable FIP parents and other low-income parents to maintain employment and training. Child care programs in Iowa fall under the aegis of DHS. Child Development, Early Childhood Education, and Head Start are coordinated through the Department of Education (DOE). A child care coordinating council facilitates cooperation between the departments. Low-income families in the state tend to use a mixture of these public services with informal networks and private funding to assist them in meeting their child care needs. Less than one in five children in some form of child care receives a state subsidy to assist with the cost of care.

Officials at DHS expressed commitment to maintaining the highest possible standards for child care and echoed officials in DOE in expressing a strong commitment to collaboration with each other. In a growing awareness of the union between child care and child development, the state's goals “are to move from providing baby-sitting to providing child care, progressing to the provision of child development.”

Despite this philosophy, the state does not require any licensing or registration of individuals caring for up to six children in their homes. Iowa ranks second from the bottom in making low-income families eligible for child care assistance. Forty-eight states allow families with higher incomes to receive state subsidies (4). Iowa is one of 40 states that do not require providers who care for children in their home to have any early childhood training prior to serving children (5). In 1997, the state began experimenting with differential reimbursement rates for registered providers, but providers insist these differences offer only minimal incentives to go through the process of becoming and remaining registered.

At the time of the interviews in fall 1997, DHS was responsible for administering four child care programs. State Child Care Assistance is the largest program and provides assistance to a broad range of working families. The other three programs are targeted to families with specific needs.

State Child Care Assistance is provided for families below 125 percent of the federal poverty level, with a client co-pay on a sliding scale for families above 100 percent of the poverty line. Families receiving this assistance must average 30 hours of work per parent per week. A proposed decrease in the minimum work requirement to 28 hours per week was due December 1, 1997. Assistance was estimated to cover 5,260 children.

Protective Child Care is provided to families in need regardless of income to assist in the prevention or remediation of neglect, abuse, or exploitation of a child. Its primary purpose is to provide respite for parents, enabling them to work on other family problems. The 1997 caseload was estimated to be 1,200 children.

Transitional Child Care provides up to 24 months of child care assistance to families no longer eligible for FIP due to increased earnings, increased child support, or voluntary termination from FIP. Clients pay a co-payment on a sliding scale. The 1997 caseload was estimated to be 1,300 children.

PROMISE JOBS Child Care enables PJ recipients to be involved in training, education, counseling, or job interviewing. The estimated caseload is 1,600 children (6).

The DOE administers the state-funded Early Childhood programs targeted specifically at children age 0 through 4 who have been identified as "at-risk." Parent groups are used to support families with young children. Through a competitive grant program the department also funds 110 programs statewide for 4-year-olds that are located in schools, Community Action Program agencies, and Head Start extensions. Goals for these programs are similar to those of Head Start, although they do not use the same curriculum outcome measures or income eligibility guidelines.

Child care assistance in Iowa is funded through the use of both state and federal dollars. A few counties provide funding for child care, usually for special needs children. From State Fiscal Year (SFY) 1992 through SFY 1996, state funding for all child care services in Iowa had increased 129.6 percent. During the same period, federal funding for child care assistance to the state had increased 154.6 percent (7).

Due to the flexibility of funds available through the TANF block grant, Iowa chose to allocate increased amounts to child care in the form of larger provider reimbursements of 10 to 20 percent for registered providers effective July 1, 1997. Rates had been frozen since 1993. Additionally, income eligibility guidelines were increased from 100 to 125 percent of the poverty line.

On average, 27 percent of the subsidized child care caseload also participate in FIP. Officials anticipate an increase in this percentage, but remain committed to the provision of quality child care to all low-income families. However, one official noted, “we will never be able to satisfy the need for child care or education.” Officials acknowledged the difficulty in identifying the need and the future demand for child care. Estimating that demand will grow by 210 cases per month and foreseeing no future increases in state or federal funding, the state anticipates a return to waiting lists for subsidized child care by December 1999.

In general at the time of the interviews, Iowa was not experiencing waiting lists for child care due to shortages of providers. Consequently the state has placed little emphasis on increasing the supply of providers. Capacity has expanded as has demand, and officials feel confident that there is a sufficient supply of providers.

Advocacy groups express concern about anecdotal reports of an insufficient supply of second/ third shift, evening, and weekend care providers. Depending on the location, Iowans already experience deficiencies in the provision of infant care. In many counties there are no registered infant care centers. Parents in these counties must rely solely on unregistered home care providers for children under 18 months old.

Citing low reimbursement rates, the volume of paper work, and difficulties getting payment from the state, many child care providers limit the number of state subsidy children they will enroll or refuse altogether to enroll subsidized children. Recent changes in the Child Care Food Program, basing reimbursement rates on provider income as opposed to client income, have left many home care providers feeling frustrated. Stated one official, “Some providers are losing a dollar a day per child.”

DOE officials express concern about an estimated 40 to 60 percent annual turnover rate among providers. Commented one official, “We must cut down on the turnover and get the state to pay for better quality and educate parents to know the difference.”

Iowa is piloting several projects in various counties around the state designed either to enhance the quality or to increase the capacity of child care. In one county, DHS contracted with Resource and Referral to recruit new providers, and within 3 months had found 30 new providers. Attrition rates among these new providers remain to be seen. In another county, the state is experimenting with reimbursing providers based on their education, training, and experience as an incentive to improve quality child care. Iowa’s leaders continue to embrace the notion that “child care is the cornerstone of success in welfare reform.”

In mid-1997 a task force was looking at the programs provided for children age 0 to 5 across all state departments. They anticipated evaluating what is available, what is duplicative, and what works, then shifting funding from state control to local control with guidelines for its use. The anticipated move was in response to what one legislator said was a growing awareness of the importance of early childhood education to a child’s overall development.

**Child Support** The Child Support Recovery Unit (CSRU) in DHS operates a highly centralized, state-administered, and state-operated program, contracting with 97 of the 99 counties to provide staff and support for child support enforcement services in Iowa. There are 19 field offices around the state, as well as a centrally located foster care recovery unit. All offices

serve the counties they are located in, as well as several surrounding counties. All offices are state supervised. Polk and Pottawattamie counties have no county-contracted staff.

Many tools for establishing paternity, obtaining child support orders, and collecting support payments were implemented in Iowa. An emphasis has been placed on increasing staff productivity through staff training and improved use of technology, and on developing a more “customer-friendly” orientation throughout the system. In contrast to the movement to devolve responsibilities in other areas of welfare reform, state officials view child support enforcement as an area in which the partnership between federal and state governments will grow stronger in the future.

Although Iowa had many measures of the federal welfare reform legislation in place—including new hire reporting, license revocation, and a successful in-hospital paternity acknowledgment program—the federal law has required more changes in the state’s child support enforcement policies, systems, and operations than perhaps any other aspect of its welfare system. The federal law will require massive computer system enhancements to meet new data reporting and case tracking requirements in CSRU as well as in FIP and the PJ program. At the time of interviews in fall 1997, Iowa had not passed the Uniform Interstate Family Support Act nor was a comprehensive (both CSRU and private support orders) case registry system in place. Iowa is “phasing out” the guaranteed \$50 rebate of child support collected for families on public assistance by paying the rebate only to families who have been continuously eligible for FIP since June 30, 1997. State legislation passed in 1997 to conform with the federal mandates gives Iowa an expanded set of tools to locate parents, establish orders, and enforce orders.

Federal welfare reform will result in an increase in the number of people the CSRU must serve. In recent years, the CSRU caseload has grown rapidly. The average caseload increased from 126,444 in fiscal year 1993 to 156,687 in 1997 (8). The state collected \$173.6 million in current and past due child support in 1997, up from \$115.4 million in 1993 (8,9). An 8.3 percent annual increase in caseloads is projected for the near future (9). Against this backdrop of increasing service needs and expectations, state officials are concerned about balancing rising child support enforcement goals and expectations against an appropriate level of state funding. State officials would like to see the establishment of 90 percent of all potential child support orders, yet that figure was 78 percent in SFY 97. Approximately half of all support is paid in the month due. The state has set a target of a 1 percent annual increase in on-time payments and a 3 percent annual increase for court orders. Customer satisfaction with child support enforcement services remains a high priority for CSRU.

One strategy that the state uses to achieve its child support enforcement goals is to contract with private vendors to expand resources in specific areas. At the time of the interviews Iowa had contracted out all customer service phone work in one central location, entered into a contract focused on paternity establishment, and hired a private collection agency to collect payments in cases in which there is no current support owed, but there are arrearages to collect.

**Teen Pregnancy Prevention** Citing a 1994 report that one in 12 infants born in 1993 was born to an unmarried teen in the state, Iowa has taken up the challenge of preventing teen pregnancy as another way to enable Iowans to remain self-sufficient (10). According to a legislator citing DHS data, though only 2 percent of the state’s FIP recipients are under age 18, and 5 percent are 18 and 19, 36 percent of Iowa’s FIP recipients were teenagers when they had their first child.

Iowa currently provides a little more than \$1 million to local agencies and organizations to develop or enhance programs that foster pregnancy prevention or deter repeat pregnancies among adolescents. Administered by DHS, these community-based grants have required a local match and an expectation that over time programs would become fully funded by local communities. Until July 1994, the balance of funding for prevention and parenting services was equal. However, the state legislature limited the amount that could be spent on parenting programs to \$157,000. The result has been a reduction in the number of parenting classes for teen parents, even though a requirement for teenage FIP recipients is attendance in such classes.

As of October 1997, an additional \$545,000 was to be available to the state through the TANF block grant. The new money will be administered through IDPH, targeted toward 9- to 14-year-olds, and will be abstinence-based, as required by the federal legislation. State officials expressed satisfaction with their efforts thus far to prevent teen pregnancy and with the innovations and legislative support they have had in the effort. Some concern was voiced about the restrictions placed on the additional TANF funding, noting that the state has prided itself on more comprehensive prevention programs rather than strictly abstinence-based approaches. At the time of the interviews, the state had no plans to compete for incentives provided in the federal welfare reform legislation for bringing down out-of-wedlock pregnancy rates. Two reasons were cited. First, prior to July 1997 the state kept no records on abortions, so it would be difficult to set a benchmark. Second, the out-of-wedlock pregnancy rate in Iowa is already comparatively low so it would be difficult to show a significant change.

## Medicaid and Other Health Care Programs

**A**ccess to high quality health care is an important feature of a social policy agenda for low-income children and families. This section describes the context of state health care policy for Iowa's low-income population in fall 1997. This policy agenda incorporates Medicaid, the state child health insurance program, and public health programs.

**Medicaid** Medicaid is the primary health insurance program for low-income families and children in Iowa. The Iowa Department of Human Services (DHS) is responsible for administering the Medicaid program. The department oversees programs that provide physical health care, substance abuse and mental health services, and services for the developmentally disabled. Medicaid (Title XIX of the Social Security Act) is a medical assistance program funded by the federal, state, and county governments for families with children, the disabled, and the elderly. Federal financial participation for the federal fiscal year has been at a rate of 62.94 percent for program expenditures and 50 percent for program administrative cost since October 1, 1996.

Broad categories of individuals and families are eligible for Medicaid in Iowa provided they meet the income and resource means test and the non-financial requirements such as age, disability, residence, etc. Presumptive Medicaid eligibility, based on preliminary family income information,

is available for pregnant women to receive immediate health care coverage without having to wait for a full Medicaid eligibility determination.

The service delivery system for Medicaid in Iowa includes both fee-for-service and managed care. Fee-for-service is provided by the traditional health care delivery system with payment made directly to the provider based on the procedure performed or service provided.

Managed care has become the primary means for containing rising Medicaid costs in Iowa. There are currently two managed care programs for physical health care available to Medicaid recipients participating in the Family Medical Assistance Program (FMAP) and related programs. The first one includes Health Maintenance Organizations (HMOs) whose use by DHS began in 1986 as a small and limited program. The second option is the MediPASS system, also called Primary Care Case Management (PCCM), begun in April 1990.

In August 1997 managed physical care was mandatory with MediPASS in 84 counties and HMOs in 54 counties; some counties had both programs available. A DHS official estimated that about 130,000 people were eligible for FMAP and FMAP-related Medicaid in 1997. About 15,000 recipients were not enrolled in managed care because of their county of residence or their reason for eligibility, e.g., being disabled. Of the remaining 115,000 eligible recipients, 85,000 were enrolled in managed care (55,000 in PCCM and 30,000 in the HMO). At the time of the interviews, disabled Iowans were not enrolled in managed physical care plans. Enrollment in managed care also did not cover nursing home care.

DHS officials, the Governor's office and legislators expressed satisfaction with the managed care system for physical care. The MediPASS system appeared to be more efficient than fee-for-service because a child enrolled in MediPASS had an identified medical home. HMOs were even more efficient due to an automatic 3 percent discount in most cases. Officials indicated the belief that recipients enrolled in HMOs received more comprehensive coverage than MediPASS and fee-for-service. One elected official believed that the MediPASS program had worked very well to decrease overuse and misuse of health care services, but was concerned whether HMOs would provide the best services for children with special needs.

The long-term goal of DHS and Governor Branstad had been to move away from fee-for-service and PCCM to commercial HMOs. Some difficulties were anticipated in moving all Medicaid families to managed care especially in very rural counties. Governor Branstad had voiced support for a block grant instead of an entitlement in order to maximize flexibility and eliminate burdensome regulations.

However, Iowa Department of Public Health (IDPH) officials, legislators and the Governor's office expressed concerns about the quality of care received by individuals in managed care programs in general and the need for comprehensive evaluation of these programs. Families appear to have many questions about managed care plans and the health care benefits for which they are entitled. One official suggested that public report cards be developed on managed care companies and used as an educational tool with families.

Although advocates for low-income families did not support the movement of Medicaid into managed care, they believed that it was inevitable. They viewed managed care as a way to save money and reduce health care costs, and not as a way to improve the quality of and access to health care for low-income children and families. They expressed concerns about how managed

care contracts were bid in the state, the need to educate consumers about their options and develop a consumer bill of rights, and uneven quality of care. Several advocates also believed that managed care would not work for the mentally retarded and developmentally disabled.

**Medicaid Behavioral Managed Care**—At the time of interviews in 1997, managed care was mandatory for almost all recipients under age 65 for mental health care and substance abuse treatment. A DHS official estimated that the two managed care programs for behavioral care—the Mental Health Access Plan (MHAP) and the Iowa Managed Substance Abuse Care Plan (IMSACP)—enrolled 185,000 (average monthly, unduplicated) eligible recipients statewide in 1997. Another 35,000 recipients were not in managed behavioral health care because they were age 65 or over, institutionalized, or medically needy with spend-down requirements. MHAP is administered by DHS. IMSACP is jointly administered by DHS and the substance abuse division of IDPH. Managed care companies bid for MHAP and IMHSAP as a single contract.

Although there have been some concerns about managed mental health care on the part of providers, advocates, and the public, at the time of the interviews DHS was pleased with both MHAP and IMSACP, citing cost containment, expanded coverage for outpatient treatment, and increased numbers of providers. Officials estimate that MHAP has saved Medicaid about \$8 million.

**Health Insurance Premium Program**—DHS also administers the Health Insurance Premium Payment (HIPP) Program in which eligible Medicaid recipients who are working enroll in employer-sponsored group health insurance plans when it is determined to be cost effective. Payment of premiums is funded at the same federal matching rate as any other Medicaid service (62.94 percent). In 1997 there were 1,700 cases representing 5,600 clients enrolled in HIPP. About 1,000 applications are received each month for HIPP. Medicaid costs have been reduced as a result of establishing and maintaining a third party resource as the primary payer of recipients' medical expenses.

**Trends in Medicaid Enrollments and Costs**—The number of Iowans eligible for Medicaid has decreased since 1995. Table 6 lists the average monthly eligibles for Medicaid including HMOs from 1993 through 1997. DHS officials attributed these decreases to insurance reform, the impact of Iowa's welfare reform effort in the Family Investment Program (FIP), and low unemployment and a stronger economy. However, one official pointed out that during this same time the numbers of uninsured children had increased.

DHS officials further explained that welfare reform could not solely be credited with decreasing the number of Medicaid eligibles because people leaving FIP may receive 12 months of transitional Medicaid and if they meet the income guidelines after that 12-month transitional period, they remain eligible. Medicaid eligibility has been “de-coupled” from FIP cash assistance and eligibility for Medicaid is no longer tied to the receipt of FIP. Table 7 shows trends in the number of recipients who received both FIP cash assistance and Medicaid and those who received only Medicaid. These data indicate that the number of recipients receiving both FIP and Medicaid has declined while the number of recipients receiving Medicaid only has increased.

The decoupling of Medicaid and FIP was opposed by advocates on two levels. First, decoupling created two separate eligibility determinations, one for cash assistance and another for Medicaid. Second, Medicaid outreach efforts will need to be further strengthened in order to inform potential recipients of their eligibility and to encourage their enrollment. Already in Iowa there is

**Table 6. Average Monthly Eligible Recipients of Medicaid in Iowa for Fiscal Years 1993 through 1997<sup>a</sup>**

State Fiscal Year	Average Monthly Eligibles
1993	220,105
1994	230,878
1995	233,160
1996	228,081
1997	222,391

a. Iowa Department of Human Services, Medicaid Division. (1997). 5 year comparison of eligibles. Des Moines, IA: Author.

**Table 7. The Number of Medicaid Eligible Women, Children, and Caretaker Relatives in June 1994, 1995, 1996, and 1997 by FIP and Medicaid Versus Medicaid Only<sup>a</sup>**

Month and Year	FIP and Medicaid	Medicaid Only	Total
June 1994	109,403	51,432	160,835
June 1995	95,386	55,951	151,337
June 1996	83,682	62,599	146,281
June 1997	75,388	60,635	136,023

a. Iowa Department of Human Services, Medicaid Division. (1997). Medicaid (FIP and FIP related medical). Des Moines, IA: Author.

an attempt to expand Medicaid to more Iowans due to a recent study indicating that many residents who are eligible are not using the program (1).

Table 8 shows that the average number of monthly Medicaid eligibles in 1996 and 1997 decreased while at the same time the average payment per recipient increased. Aside from expanded services covered under the program and possibly increased use, DHS officials were not sure of the reasons for this trend.

Immigrants—DHS officials reported that Iowa is following federal welfare reform legislation limiting access to Medicaid benefits for legal immigrants. Legal immigrants are barred for 5 years from Medicaid if they entered the United States after August 22, 1996, unless they are refugees, have been granted asylum, are aliens whose deportation has been withheld, are veterans, or spouses or dependents of veterans. If immigrants entered prior to August 22, 1996, the department is following policies that were in place before that time. DHS officials stated that the

**Table 8. Average Monthly Medicaid Eligibles, Average Payment per Recipient, and Total Yearly Expenditures in Fiscal Years 1996 and 1997**

State Fiscal year	Average payment per eligible	Average monthly eligibles	Total yearly expenditures
FY 1996	\$5,131.17	228,081	\$1,170,323,064
FY 1997	\$5,406.14	222,391	\$1,202,276,473
Difference	Increase of \$274.97	Decrease of \$5,690	Increase of \$31,953.409

department has always taken the option allowed by federal law (with federal funding participation) that most benefits the individual. Illegal aliens were never eligible for full Medicaid but were, and may still be, potentially eligible for emergency medical services.

DHS officials reported that the state is not planning any legislative action to help legal immigrants beyond what the federal government provides. Legal immigrants who entered the United States after August 22, 1996 and who are ineligible for full Medicaid due to their alien status may still be eligible for emergency medical assistance. Some pregnant women are temporarily qualifying under presumptive Medicaid eligibility for prenatal care.

**State Child Health Insurance Program** The federal Balanced Budget Bill passed in July 1997 established a State Child Health Insurance Program (SCHIP), also called Title XXI of the Social Security Act. The legislation provided approximately \$33 million new federal dollars annually to Iowa for implementing the new children's health insurance program. States had three options:

1. expand the Medicaid program to more children;
2. establish a new state children's health insurance program; and
3. a combination of Medicaid expansion and SCHIP.

The Iowa DHS convened a task force of state agency representatives, legislators, and representatives from business, education, health care, and child advocacy groups to study the legislation and conduct public forums around the state. The group issued a plan that outlined legislative options for SCHIP called Iowa Kids in November 1997 (2). The group recommended that Medicaid be expanded to 133 percent of the federal poverty level for all children under age 19 and that a separate health insurance program be created for children to age 19 who live in families with incomes up to 200 percent of the federal poverty level.

In late 1997, Medicaid was available to pregnant women and infants whose income did not exceed 185 percent of the federal poverty level; children age 1 through 5 whose income did not exceed 133 percent of poverty; and children who were born after September 30, 1983, whose income did not exceed 100 percent of the federal poverty level. At that time Iowa potentially had 67,000 children under age 19 who would be eligible for SCHIP. These children include those who are eligible for Medicaid but not currently enrolled, and those who are not eligible for Medicaid and live in families with incomes between 100 to 200 percent of poverty.

Governor Branstad supported SCHIP because it was consistent with his pro-family agenda and allowed flexibility. The Governor's priorities included maximizing state dollars by leveraging them with federal dollars. State government was very attracted to SCHIP because it required only a state match of \$1 for every \$3 of federal funding.

The questions of "crowd out" and state match were raised as a concern about SCHIP (3). Crowd out occurs when employers or employees drop private health care insurance for employees in order to access publicly funded health care programs. There are mixed opinions on whether or not crowd out will be a problem and thus SCHIP will be watched closely by government officials. Finding state dollars to match federal dollars also was a concern, but Iowa had a budget surplus estimated to exceed \$800 million in 1997. An \$11 million allocation is needed for match if the total SCHIP allotment is used (4).

Both Democratic and Republican legislators expressed support for SCHIP as a solution to the growing number of uninsured children even though at least one member of the Republican majority in the state legislature viewed SCHIP as a step towards universal health care coverage. The Iowa House of Representatives and Senate passed H.F. 2517 authorizing an expansion of Medicaid to 133 percent of the federal poverty level and the creation of the Healthy and Well Children In Iowa (HAWK-I) program. Signed by Governor Branstad in 1998, HAWK-I was to provide health care insurance coverage for all children under 19 with incomes up to 185 percent of the federal poverty level.

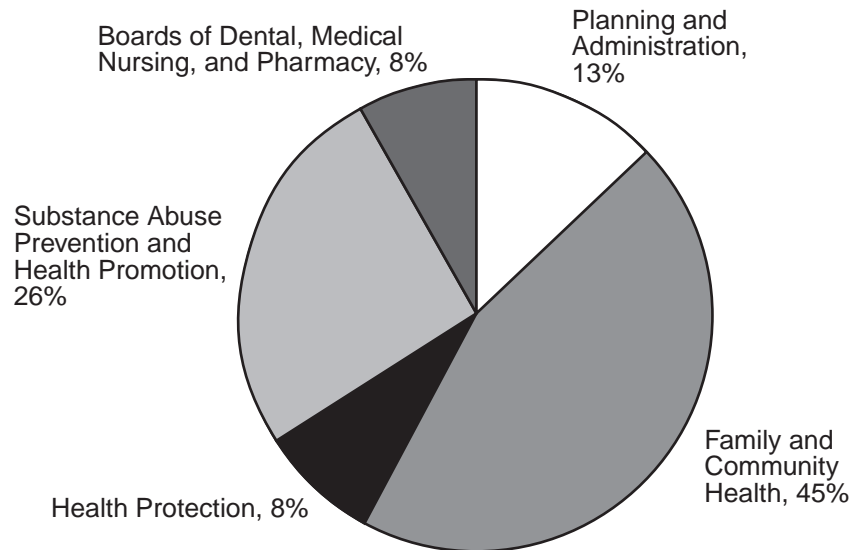
**Public Health Programs** IDPH programs provide an important safety net for low-income families and children, the uninsured, and immigrants. Officials of the department identified public health as the last resort for those who cannot receive health care elsewhere. IDPH officials indicated concern about welfare changes because there may be families who are no longer eligible for public assistance and may lack family incomes adequate to pay for third party health care coverage. Meeting the needs of this group has been part of the public health mission in the past and will continue to be so in the future. As one IDPH stated, "Public health promotes assurance of health care. If no one else will do it, public health will."

State Department of Public Health—IDPH consists of five divisions that carry out a broad array of public health activities, ranging from traditional prevention activities to direct health care services. The total IDPH departmental budget was \$105,876,595 in fiscal year 1996 with about 63 percent of this funding coming from federal sources and 36 percent from the state general fund. Figure 2 shows the departmental divisions and their proportion of the total budget.

Federal funding has steadily increased since 1990. The proportion of federal funding that comes from block grants for Maternal and Child Health (MCH); Women, Infants, and Children (WIC); and Preventive Health and Health Services has increased over the last few years. The department also has been competitive in obtaining additional federal resources to expand programs through application for categorical funds. For example, at the time of the interviews diabetes health programming was funded at \$250,000.

There appeared to be ambivalence about the shift to more block grant funding from categorical funding among IDPH officials. Programs supported by categorical funding generate and retain stronger constituency support than block granted programs. For example, when prevention programs were subsumed under the Preventive Health and Health Services block grant, advocacy support was lost after 2 or 3 years and the funding began to shrink. One IDPH official concluded

**Figure 2. Iowa Department of Public Health Departmental Divisions and Proportion of Total Budget**



that the outcomes of block-granted programs were often difficult to track and, therefore, advocates were lost. However, block grants allow more flexibility to enhance programs and adapt them to local needs and emergency situations.

State funding for state public health programs has been flat since 1990. Local departments of health claim that real funding (adjusted for inflation) actually decreased. However, Governor Branstad and the state legislature showed growing interest in increasing state appropriations for the Iowa Healthy Families Program, a multi-faceted initiative to provide support services to families during the prenatal period and through their children's preschool years (5). In 1996 \$665,000 was appropriated by the state legislature to fund the program with about half of the funding directed to the Healthy Opportunities for Parents to Experience Success (HOPES) program. HOPES is a community-based, home visitor program for high-risk mothers and newborns. In 1997 there were 11 HOPES sites in Iowa and IDPH was considering how to expand the program statewide.

County Health Programs—Local health departments are the primary safety net providers for low-income families and children. IDPH primarily contracts for services with local health departments rather than to provide direct health care services through public health clinics. Public health programs at the county level receive funds from IDPH in two primary ways. The Iowa Code directs IDPH to contract with county boards of supervisors and the local boards of health to conduct specific programs. State funds are appropriated to IDPH by the legislature. Using a formula, every county negotiates a single contract with IDPH to receive funds for senior health, public health nursing, and home health care services.

Secondly, counties compete for funds through a Request for Proposals process. This is a competitive process with specific administrative rules for allocating state and federal funds to the local level. The majority of funds are allocated to counties from IDPH in this way. Medicaid also is a

major source of funding for county boards of health, paying for many public health nursing services on a fee-for-service basis.

IDPH officials reported efforts to work with local public health programs to refocus attention on the public health mission of assurance, assessment, and policy, also called the *core* public health functions, and move away from the provision of direct health care services (6). Communities are being asked to decide what they want their health system to be, of which direct health care services are just one aspect. The move to managed care for health care has further stimulated this effort.

In addition, at the time of the interviews, many communities were involved in decategorization and Innovation Zone initiatives that were re-shaping service delivery systems and funding to support community needs. One IDPH official felt that not enough local public health focus was present in many of these community-based initiatives. Particularly needed was a better understanding of early childhood development (birth to age 5) and the role of health care interventions in these comprehensive initiatives.

Maternal and Child Health Services—IDPH administers the Maternal and Child Health (MCH) program funded by federal Title V dollars in a block grant to the state for health care services for women and children who are income-eligible and primarily uninsured. Two-thirds of the block grant funds health care services for mothers and children, and one-third funds services for children with special health care needs.

The majority of health care services for women and children are provided through contracts with 23 local community agencies that competitively bid for the services. When applying for funds, local agencies bid for up to three groups of services in one contract—maternal health services, well-child services, and the Supplemental Food Program for Women, Infants, and Children (WIC). Oftentimes several agencies end up with separate contracts for these services but an effort is being made to blend two or more of these services into one local contract. WIC is difficult to merge with MCH services because the program is highly regulated from the federal level. The MCH block grant has more flexibility in funding local programs based on community needs.

Funding for MCH programs has been relatively stable during the last 5 years and the future holds no substantial increases or decreases. Abstinence-only education is the only new funding that has become available through Title V. Concern was expressed that because of the need to match with state and local dollars, the abstinence-only education funding may cut into other MCH programs.

One IDPH official commented that MCH services do not have an active constituency advocating for them. Local contractors would be unlikely to meet together as a group if the state MCH staff did not convene them. The competitive grant approach may not have helped this problem.

Maternal health care services include prenatal care and enhanced prenatal care for all women eligible for Medicaid. Enhanced prenatal care provides more social services and case management in order to reduce the barriers to obtaining services. Better outcomes have been found for women who received enhanced prenatal care services. Family planning also is provided as part of maternal health care services.

Child health care services include well-child health care visits and Early Periodic Screening, Diagnosis, and Treatment (EPSDT). Well-child health care services include periodic physical examinations; nutritional assessments; vision, speech, hearing, and developmental assessments; and laboratory screenings including lead and tuberculosis screening. In addition, if a child is ill at the time of a well-child visit, he or she is referred to a local health care provider for treatment. A pool of state dollars is allocated to pay for these visits.

EPSDT is a DHS program aimed at the Medicaid recipients from birth through age 20. The program provides a comprehensive package of services that defines what well-child health care should be for a child on Medicaid. IDPH officials emphasized that EPSDT is a public health program and a cooperative effort with DHS. The program is mandated by the federal government and called *Care for Kids* in Iowa (7). The primary goals of EPSDT are to bring Medicaid children who are receiving little or no care into the health care mainstream, and to detect and correct health problems before they lead to serious, costly, handicapping conditions. Currently, 83 percent of children eligible for Medicaid are screened through EPDST.

A third component of the MCH block grant is support for services for children with special health care needs. The federal government requires that 30 percent of funds be used for this purpose but the Iowa state legislature requires that 37 percent be used for children with special health care needs. In Iowa these funds are allocated to the Child Health Specialty Clinics (CHSC), Iowa's programs for children with special health care needs. The CHSC central office is affiliated with the University of Iowa, located in Iowa City, and maintains 13 regional centers around Iowa. Iowa is one of three states where the program for children with special health care needs is not directly administered by the department of public health, but instead maintains a close relationship with a university program.

CHSC provides services to Iowans from birth to age 21 with chronic health conditions, disabilities, or other health risk factors through its network of regional clinics. Comprehensive services focus on both short-term and long-term psychosocial, physical, educational, and behavioral needs. Recipients of CHSC services often have behavior disorders or are high-risk infants and young children. CHSC also provides statewide education and training to parents and health care providers on special health care needs. The program is involved in setting quality standards and benefits for children with special health care needs.

Eligibility for CHSC services is not based on income but on medical need. Services are sometimes paid for through private insurance or Medicaid including EPDST. The program works closely with Medicaid and has encountered few problems with Medicaid managed care programs. Children receiving Supplemental Security Income (SSI) and children with Medicaid waivers are covered by fee-for-service. However, the decoupling of Medicaid from FIP has been a problem for some of the families of these children because of the separate application process. The greatest problem has been with children who do not receive SSI and are not income eligible for Medicaid. More children are in private managed care programs than on Medicaid. CHSC has had more problems in working with private managed care than with Medicaid.

CHSC, like local MCH contractors, provides not only direct health care services but care coordination activities. Some local clinics work with Area Education Agencies to conduct integrated evaluation and planning clinics for children and families. CHSC officials emphasized that partnerships with community agencies are critical to serving special needs children and that the program is not only about direct service but involves working with families and providers.

CHSC officials also expressed concern about changes in SSI eligibility for many of their clients. Federal welfare reform legislation required that most children with behavioral disorders have their eligibility re-determined. In the fall of 1997 almost 76 percent of these children in Iowa were denied SSI. These denials were put on hold in January 1998 through action by the Clinton administration.

CHSC officials explained the difficulties that parents, particularly mothers, of children with special health care needs have related to working outside the home. In many families, one parent works outside the home while the other remains at home as a full-time caregiver. In the worst case, a family might lose both SSI and Medicaid, and lose employment income because a parent has to quit a job to stay at home with a child. These families also experience more difficulties finding suitable child care and are more prone to issues of abuse and neglect of their children due to the stress of caring for a disabled child. Without SSI and Medicaid many families would face institutionalizing their children.

IDPH reported that migrants and immigrants have the greatest problems accessing health care in Iowa. An IDPH official was not sure that the problem was any greater than a few years ago but that more attention was being given to particular groups like Bosnian refugees and families of workers at meat and poultry processing plants. He also speculated that families leaving welfare may find accessing health care more difficult.

An IDPH official reported that the Hispanic population served by MCH services has tripled since 1992. The state of Iowa has no eligibility rules for public health services related to immigrant status unless the program is federally funded, like WIC. For programs that have a mix of state and federal funds, like MCH, there is not a problem in serving immigrants. IDPH does not ask questions about immigrant status or any other issue that may keep people from seeking treatment or accessing services.

**Key Issues** Several key issues emerge from this review of Iowa's Medicaid and other health care programs for low-income families. First, the expansion of managed care programs to statewide coverage for Medicaid recipients needs to be carefully monitored and evaluated for its impact on low-income families' access to health care and the quality of the care services. In addition, consumer education efforts may be needed to help families understand eligibility and services.

Second, the passage of a state child health insurance plan is critical for families moving off welfare and for the working poor. Legislative action in the 1998 session involved the passage of H.F. 2517. This bill authorized an expansion of Medicaid to 133 percent of the federal poverty level and the creation of the HAWK-I program, providing health insurance for all children under 19 with incomes up to 185 percent of the federal poverty level.

Third, public health programs provide an important safety net for poor families who are uninsured and for immigrants. Efforts need to be promoted to ensure that public health remains a viable organization for monitoring, assessing, and influencing health policy at both the state and local levels.

# Last-Resort Safety Net Programs

**C**hild welfare services and emergency assistance provide a “last-resort” safety net for families facing internal conflicts or serious economic hardship. Child welfare services are designed to protect children from abuse and neglect, intervening in families in which such behavior is suspected and, if necessary, removing children from their parents’ care when the children face imminent harm. Iowa’s emergency assistance program provides limited, short-term support to families who are unable to meet basic needs such as food and shelter. In 1997, demand for emergency assistance far exceeded the levels of funding.

**Child Welfare Services** Although cash assistance and income support programs have a direct impact on the basic needs of low-income families, child welfare services are designed to protect children and to support and strengthen families in times of crisis. Iowa has witnessed increasing demand for child welfare services in the past 10 years. Substantiated reports of child abuse increased from approximately 6,300 in 1987 to 10,300 in 1996 (see Table 9). Child in Need of Assistance (CINA) filings increased from 2,500 to 3,100 and delinquency petition filings rose from 3,500 to 7,000 in the same 10-year period (1). This trend mirrors the national experience of large increases in reports of child abuse and neglect (2).

Between 1987 and 1996 the state intentionally moved from the provision of child welfare services out of the home to more family-centered and community-based services. Out-of-home programs for children, state hospital schools, mental health institutions, juvenile institutions, shelter care,

**Table 9. Usage of Family and Children’s Services(1)**

	1987	1996
Founded child abuse reports <sup>a</sup>	6,293	10,282
Family-centered services <sup>b</sup>	882	5,576
Family preservation <sup>b</sup>	—	247
Family foster care <sup>b</sup>	1,762	2,715
Group care <sup>c</sup>	1,451	1,028
Shelter care <sup>c</sup>	406	283
Independent living <sup>b</sup>	33	131
State juvenile institutions <sup>c</sup>	326	286
Mental health institutions <sup>c</sup>	83	63
State hospital schools <sup>c</sup>	97	53

a. Total numbers for fiscal year.

b. Average monthly number served.

c. Average daily number served.

and group care all have declined in average monthly census. Family-centered and family preservation services as well as foster care increased substantially in average monthly usage.

Iowa's child welfare services are administered at the state level by the Department of Human Services (DHS). The department is responsible for case management, contracting out actual service delivery since the early 1970s. Most direct services are purchased except in communities where vendors are not available. About half of all foster care, 90 percent of independent living services, and all family-centered and family preservation services are provided through purchase of service contracts with non-governmental agencies.

Goals of the Child Welfare System—Iowa's leaders struggle with the inherent conflict between keeping children safe on the one hand, and on the other hand keeping families together. The tension has led to several innovations in Iowa's child welfare programs.

In 1996, 19 Iowa counties piloted an assessment-based approach to child-abuse investigation. Rather than focusing on investigating the details of what happened following an abuse report, the assessment-based investigation takes a broader look at family strengths and needs. Officials are quick to point out that child protection remains paramount, but emphasis is placed on helping families solve their problems by providing services and support. Leaders hope that this change in focus will help families with less severe child abuse problems and will sort out the most severe cases more quickly.

In addition, Iowa has recently changed its child abuse registry requirements so that all child abusers are no longer listed. Instead there is a differential response to child abuse, treating minor cases differently than those of more severity. These changes have been controversial and continue to be studied to ascertain their long-term effects.

Funding Sources and Adequacy of Supply—Iowa uses a mix of federal and state funds for child welfare services. Federal dollars come from Title IV-B (family preservation and support), Title IV-E (foster care and adoption), Title IV-A (Emergency Assistance), Medicaid, the federal social services block grant, and the Temporary Assistance for Needy Families (TANF) block grant.

In 1987 Iowa began to explore ways to address the increasing demand for child welfare services. In an experiment, the decategorization of child welfare funding allowed localities to pool resources and address needs and service gaps for families based on family needs rather than on the type of funding that was available. In 1992 the legislature authorized statewide enactment of decat. As of July 1997, 92 of Iowa's 99 counties had been decategorized.

Decat pools resources from traditional funding streams, consolidating them into a single child welfare fund unrestricted by historical service categories such as family-centered services, family preservation, court-ordered services, family foster care, group care, independent living, and adoption purchase of services. The juvenile court, county and other public or private groups can contribute to the funding. The program maintains budget neutrality, and with savings realized from use of less costly and restrictive services, counties are encouraged to redirect resources to the development of alternative services that are more locally specific, more responsive to the needs of clients and communities.

With nearly 10 years of experience in the devolution of responsibility for child welfare programs, the state has noted both positive results and challenges for the future. Local planning and

decision-making has created local ownership of programs, has fostered the involvement of parents and clients, and has enabled innovative service delivery approaches. However, concern at the state level centers on the need to support local governance while holding localities accountable for outcomes based on goals, objectives, and results.

Advocates raise several questions about the efficiency and collaboration of the decat process. They note that evaluation of decat's effectiveness has not been thorough. Second, despite the initial proposal that various constituencies (public health, schools, juvenile court) might pool their money, most decat projects remain funded only by DHS. Third, few providers or consumers sit on the decat boards, thus eliminating a rich source of information and knowledge from the process. Fourth, there is little accountability for the money that is spent by the local decat boards. Advocates point out that most decat projects have had to spend money hiring coordinators who spend their time coordinating the various constituencies for decision-making.

In 1993, Iowa changed its funding of family centered, family preservation, family foster care, and group foster care services from a mix of state and federal dollars to a program funded almost entirely by Medicaid. The change in regulations and funding of these Rehabilitative Treatment and Support Services (RTSS) has resulted in nearly \$94 million in additional federal funds to Iowa since 1993 (3). However, the funding change has created two separate funding streams for mental health services for children. In addition to RTSS, a primarily child-focused program, Medicaid dollars are used to fund a separate managed care mental health plan focused on the mental health needs of the low-income population.

The result was two, separately funded, Medicaid mental health treatment programs for children in Iowa. In an effort to consolidate the Medicaid funding streams, address issues raised in a 1994 Health Care Financing Administration (HCFA) program audit, and eliminate cost shifting, DHS proposed a single managed care umbrella for children's mental health and family centered services in late 1996. The Integrated Access Plan (IA Plan) as proposed remains quite controversial. Child and family advocates have been vocal in their concern that the plan would reduce the benefits and services currently offered to families. The state continues to examine options for the consolidation of funding for these services.

**Emergency Assistance and Shelter Programs** Iowa's major emergency assistance programs fall into two categories: short-term assistance to prevent individuals and families from becoming homeless, and programs designed to meet the need for emergency shelter for homeless individuals and families.

Programs to Prevent Homelessness—The Emergency Assistance Program administered by DHS is the primary statewide source of homelessness prevention funds. The program will cover rent, rent deposit, house payments, utilities, utility deposit, heating equipment, and back utility payments if there has been a disconnect notice. The maximum benefit is \$500 over a period of 30 consecutive days; the average payment in SFY97 was \$374. The level of funding has risen from \$1.9 million in SFY97 to \$2.5 million in SFY98.

To be eligible for the program, a family must have a dependent child and be homeless or facing an emergency that could lead to homelessness, and income at or below the poverty line. In addition, the family can request emergency funding no more than once per year. A family in need of emergency assistance would apply at the county DHS office. Upon approval, a check is sent directly to the vendor. No payments are sent directly to families.

Funding for this program has changed over the years. Prior to 1993, funds came from the federal government. However in 1993, Iowa began funding the program with all state dollars because there were advantages to using federal IV-A monies for child welfare instead. At the time of the interviews, officials were examining the possibilities of using TANF dollars for Emergency Assistance.

Funds are made available the first of October, and are distributed until they are gone, often just after the first of the year. In 1997, funds ran out in January. The program is geared toward preventing homelessness during Iowa winters, although the level of need is such that the program would be used year-round if funds were available. The program is viewed as a success by its administrator because it is operating as it was designed: to meet an emergency need, not to provide continuing assistance to the same family. Few families use emergency assistance repeatedly; the majority served by the program receive funds only once.

Emergency Shelter Programs—A 1997 study identified 1,850 individuals who were living in homeless shelters and an additional 3,133 Iowans who were living in transitional housing or were doubled up with friends and relatives. Based on these reported numbers, researchers estimated 26,298 individuals experienced homelessness during 1997. More than half (55 percent) were under 18 years of age and almost three in four (72 percent) lived in Iowa's eight largest metropolitan counties (4). The study identified only 82 homeless shelters. Most are designed to serve a single target group (e.g., single males, victims of domestic violence); few are available to a couple with children.

Through a competitive grant system, two programs are administered by the Iowa Department of Economic Development (IDED) to address the needs of the homeless in Iowa's communities. The Emergency Shelter Grants Program (ESGP) is funded by the U. S. Department of Housing and Urban Development, and the Homeless Shelter Operation Grants Program (HSOGP) is funded through state appropriations. Funding for ESGP was \$1 million for SFY97; HSOGP received \$1 million during the same time period.

Funds are provided to 110 agencies in Iowa; the bulk of the agencies are private nonprofit organizations. The types of agencies supported include emergency overnight shelters, transitional housing units—often single room occupancy facilities, youth shelters with street outreach centers, congregate meal sites, domestic violence shelters, and agencies that deal with emergency payments.

Advocates described anecdotal evidence of an increase in demand, particularly among families with children, for shelter since the beginning of the Family Investment Program (FIP). Said one advocate, "The safety net is being dismantled ... it's terrible. The pie is shrinking, so there is increased pressure. Do you heat the house or buy food?" Local charities and churches provide limited resources to those at risk of homelessness and to the homeless, but these efforts vary by location. Said one church leader, "My understanding is that the biggest impact will be at the county level. But the church has never organized at the county level before. It has always organized to influence policy at the state level."

# Innovations and Challenges

Iowa's system of programs and services for low-income families struggles with the challenges of moving policy development and program administration from the state to the local level. This section looks at what reforms and innovations are anticipated in Iowa, as well as what challenges there are for implementing new social services for low-income people in the state.

**Innovations** Iowa officials are keenly aware that the state has an obligation to help Family Investment Program (FIP) recipients move toward self-sufficiency quickly. There also is consensus that there is value in devolving more responsibility to the counties to design and implement programs to meet local needs. Comments like “from the moment they walk through the door, they should be engaged in independence,” and “We are constantly moving ahead with no recovery period. These people only have 5 years, we cannot afford to slack off,” were voiced by informants at the state level. To continue the work of reform, the state has chosen to institute several experimental programs.

**Diversion of Potential Recipients from Welfare**—The state is experimenting with diversion from starting welfare as the next major area of welfare reform. In late 1997 pilot projects in three counties screened FIP applicants to determine whether their immediate need was a one-time issue, and whether a one-time grant would keep them from needing traditional cash assistance. Operating within specific rules established by the state, workers would provide state funds to help clients pay for car repairs, uniforms, housing, or counseling in the form of either cash assistance or vouchers. Recipients who use the diversion money agree to be ineligible for FIP for a specified period of time. If they turn down the diversion, they remain eligible for FIP. Acceptance of the diversion grant does not interfere with their eligibility for Medicaid or Food Stamps.

As might be expected, the devolution of authority to local offices to establish local plans for the diversion funding has raised the issue of standardization across the state. According to one state official, DHS workers have become accustomed to rules and procedures and to shifting the responsibility for regulations to the state. The diversion pilot projects force workers to take the responsibility on themselves. “We are moving toward a philosophy in which the state is here to advise and provide technical assistance, not to take the responsibility for decisions anymore,” commented one official. With the move away from standardization, advocacy groups have raised questions regarding the application of differing standards and the expectation of equity. To date, the legal issues surrounding the possibility of disparate benefits have yet to be addressed in Iowa.

Also in late 1997, the department was working on how the new diversion pilot would be evaluated in terms the costs and benefits of the program. The expectation was that there would be a report to the state legislature in early 1998 focusing on both the impact of such diversion grants on families, and the impact of the program on the local offices.

Three other counties were waiting for funding to become part of the project. Officials were hopeful that there would be more funding in the next legislative appropriation, and that more counties would be interested in pursuing the diversion pilots.

**Self-Sufficiency Grants**—Beginning in October 1997, DHS began funding another type of diversion program called Self-Sufficiency Grants. In an attempt to enable existing welfare recipients to become self-sufficient, the department offered two forms of funding.

Family grants were to be one-time awards for people who were already receiving FIP. Funded with \$300,000 through the PROMISE JOBS program, grants were made on a case-by-case basis by workers at PJ sites for FIP recipients to help them obtain or retain a job, or for recipients who expect to be employed within 2 months. The program was not available statewide. Instead, in a competitive process, counties were to submit a plan to DHS requesting funding.

Community grants were to be awarded to communities as seed money to start services that may be lacking in a given locale. Working together, DHS and PJ staff would identify community-wide systemic barriers to self-sufficiency such as inadequate transportation or lack of late shift child care. At the time, with funding of \$100,000, the community grant was then to be used as startup funding to ameliorate the problem.

Reflecting the promise that these innovative programs were perceived to hold for achieving the goals of Iowa's welfare reform, officials have proposed increasing the funding for diversion and self-sufficiency grants to \$2.5 million in 1999 and \$3 million in 2000.

Innovation Zones—Another of Iowa's experiments in governmental reform was the creation of Innovation Zones. Innovation Zones emerged as state and community leaders discussed the need for comprehensive reforms that would improve child and family well-being. As a result, legislation establishing Innovation Zones was approved during the 1996 Iowa Legislative session. The bill created a state board that would select local jurisdictions that apply for an Innovation Zone designation. Selected communities create a local board that works with the state-level board.

Thirteen Innovation Zone communities have been approved. Innovation Zone status allows these communities to redirect existing funding and seek waivers from state department rules, regulations, and procedures. Specific projects are designed by the local community. By engaging the community, state officials hope to encourage local solutions to child and family needs. Through a grant from the Annie E. Casey Foundation, a full-time staff person helps with the efforts of collaboration—helping the communities sort out what needs to be done. As one leader said, “the communities need to own it, it needs to be theirs.”

The state's early experiences with the Innovation Zones have been mixed. One official said, “It's hard to do, and it is early.” By allowing as much flexibility as possible, and loosening the state's grip on local policies and procedures, officials are bucking years of state control and are discovering that it will take time to overcome the propensity of localities to ask permission of the state before they act.

Truancy Prevention—Legislation approved in 1997, referred to by its critics as “Learnfare,” attempts to address problems of truancy among children in welfare families. Department of Education (DOE) truancy officers monitor school attendance of children who have not completed sixth grade and report noncompliance with the school's attendance requirements to DHS. The consequences of truancy for FIP families differ from those for families not on this assistance. If a child is truant, the family's FIP benefits are reduced 25 percent. The grant reduction continues until DHS is notified by the truancy officer that the attendance problem has been resolved or FIP is canceled. Because truancy is a problem primarily among older youth rather than elementary school children, there is a general sense that this legislation has done little to deal with the issue of truancy and potentially will create problems for state agencies involved in its implementation.

Restructuring Service Delivery—In late 1997, DHS was beginning to address the issue of transparency of service delivery by examining the role of income maintenance (IM) workers and PROMISE JOBS (PJ) staff. There is a sense among officials that, as one put it, “We did not try hard enough to change the minds of the IM workers. They did not and do not see themselves as the first step toward self-sufficiency in all cases.”

Officials believe that in order to accomplish a shift in worker thinking, there will need to be structural changes at the local level. To that end, the goal appears to be to redesign PJ and IM to have one person coordinating a case, in order to integrate various functions of the two departments. In 1997 the integration of offices ranged “from some to none.” However, one step that has already taken place at the local level toward transparent service delivery is the institution of electronic referrals from the IM worker to PJ. Most of these offices are not co-located, but state officials at DHS and Iowa Workforce Development (IWD) remain interested in evolving toward more integration.

**Challenges in Welfare Reform** There appear to be some significant barriers to Iowa’s continued success in welfare reform. While there is widespread collaboration and trust at the highest levels of government, the attitude of cooperation has not trickled down into the other levels of the organization. One official noted that overcoming turf issues at the state level was difficult enough, but the more people who are involved, the more inertia there tends to be. “Constraints are there by all the things built in for accountability. It is time consuming to be innovative,” commented one official. The state is looking for ways to keep their efforts moving throughout the organization.

Another challenge facing the state is a general suspicion between local and state level officials. The state has a track record of sending the counties unfunded mandates, a practice much decried at the local level. Thus devolution of state responsibilities is often viewed with suspicion, and questioned. “What is the cost impact and who is going to pay for it?” is the prevailing attitude among localities. As the state seeks to devolve welfare functions, the counties may be asked to expand their roles in welfare. Unless the devolution comes fully funded, there will be significant opposition at the county level.

Many of those interviewed expressed concern that current reform efforts, while quite successful in reducing the caseload, will face more and more difficulty as those most employable are moved off the welfare rolls. There is broad consensus that efforts to enable welfare recipients to become and to remain self-sufficient will become harder as the caseload dwindles.

# Welfare Reform in Seven Iowa Communities

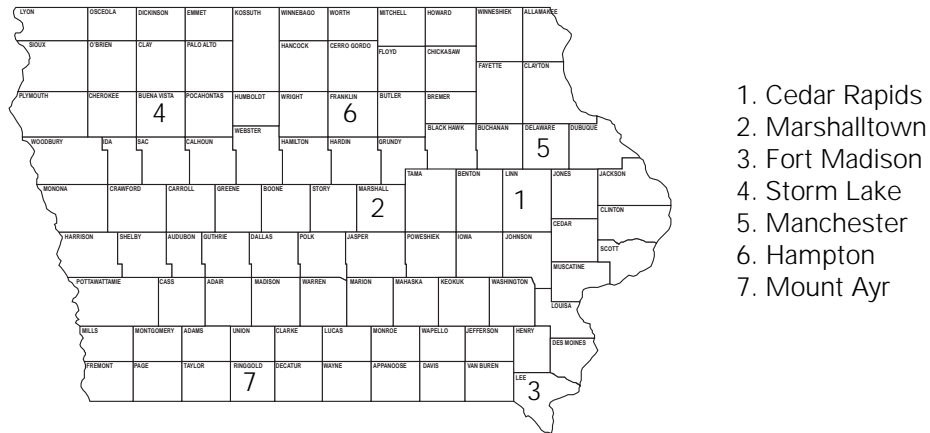
**The second phase of the Family Well-being and Welfare Reform project focuses on the local impact of Iowa's welfare reform policies in seven Iowa communities.**

There is growing political sentiment in Iowa that more responsibility for welfare program design and policy-making should move to the local level. The capacity of local communities to carry out new responsibilities will affect the lives of many families and the future of communities. This section of the report describes seven community case studies—the social and economic characteristics of each community and county, and baseline findings from community interviews conducted by ISU Extension staff in fall 1997. It is followed by summaries of each case study.

Communities were selected to show a range in population size, the presence or absence of a sizable Hispanic population, adjacency or nonadjacency to a metropolitan area, and geographic dispersion throughout the state (see Figure 3). The communities, all county seats, were Cedar Rapids, Marshalltown, Fort Madison, Storm Lake, Manchester, Hampton, and Mount Ayr.

Project staff assembled an extensive database of population, employment, welfare program participation, and poverty data on each community. Teams of extension staff conducted personal interviews with key administrators in local human service agencies and nonprofit organizations, local government, health care providers, and the business sector. Line workers in income support and child welfare agencies participated in group discussions of vignettes that described two hypothetical families in each community in need of assistance. Teams in each community interviewed 9 to 16 key informants and conducted the vignette sessions. Information presented here, and hence the authors' interpretations, depend almost entirely on the interviews. Steps were taken to maintain the anonymity of respondents.

Figure 3. Seven Iowa Communities Selected for Study



## Monitoring Welfare Reform at the Local Level

A close look at social and economic indicators shows a number of striking differences and some similarities among the seven communities and their respective counties.

**Rural-Urban Differences** Cedar Rapids, Marshalltown, and Manchester are located in counties that experienced population growth during the 1990s (see Table 10). Fort Madison, Storm Lake, Hampton, and Mount Ayr are in counties that lost population. Marshalltown, Storm Lake, and Hampton have seen a growing number of Hispanic families move to their communities, drawn by meat packing and farm labor opportunities. Although all seven counties saw a significant drop in the number of families on the Family Investment Program (FIP) rolls between 1993 and 1997, the proportion of school children receiving free or reduced-priced lunches remained quite steady in four counties and increased in three during the same time period. A similar paradox exists in food stamp versus local food pantry usage. All seven counties experienced a decline in food stamp rolls between 1993 and 1997, yet every community described a growing demand for food pantry services in 1997.

The diversity among the seven communities in their capacities to serve the needs of low-income families is illustrated in Table 11. Asterisks indicate the existence of selected critical services within the community itself. The larger the community, the more likely that job training, social, and emergency services are located in the community. In rural areas, residents often must travel to another community for services, or programs simply may not exist.

**Jobs** The success of welfare reform initiatives depends to a considerable degree upon a healthy economy. Unemployment in 1997 was extremely low in five counties (ranging from 2.2 to 3.2

**Table 10. Population, Employment, Program Participation, and Poverty Statistics**

	Linn	Marshall	Lee	Buena Vista	Delaware	Franklin	Ringgold
County population, 1997 (estimate)	181,704	38,789	38,654	19,565	18,449	10,874	5,337
% change 1990-97	7.7	1.3	-0.1	-2.0	2.3	-4.3	-1.5
Population of target community, 1996 (estimate)	113,482	25,321	11,613	8,880	5,398	4,030	1,694
% unemployed, 1997	2.6	3.1	5.5	2.2	4.9	3.2	3.0
% of total 1996 earnings in —							
manufacturing	26.3	34.8	38.7	22.8	21.0	16.7	8.9
services <sup>1</sup>	27.1	17.4	15.9	15.8	11.2	14.5	18.8
% of all persons below poverty, 1995	7.8	9.5	11.6	9.0	10.9	9.6	15.9
% of children below poverty, 1995	11.2	13.3	17.0	11.5	14.5	12.9	21.1
% of population on FIP <sup>2</sup> , 1997	2.5	3.2	4.1	1.7	1.6	1.7	2.5
% change in average monthly number of FIP recipients, 1993-97	-22.9	-25.7	-23.7	-22.3	-25.0	-23.8	-15.5
% of population receiving food stamps, 1997	4.9	6.9	7.6	4.3	3.8	4.7	8.2
% change in number of persons receiving food stamps, 1993-1997	-17.7	-11.6	-20.0	-12.1	-30.2	-20.2	-18.1
% of students on free/reduced-price school lunches, 1997-98	22.4	35.8	31.7	37.3	24.4	29.0	43.2

Table 10 is continued on page 46.

**Table 10. Population, Employment, Program Participation, and Poverty Statistics**  
(Continued)

	Linn	Marshall	Lee	Buena Vista	Delaware	Franklin	Ringgold
Difference in % of students receiving free/reduced-priced school lunches <sup>3</sup>	+0.1	+7.0	+8.3	+6.8	+1.9	-2.0	+0.9
Minorities as % of K-12 students, 1997	8.1	11.6	7.4	16.3	1.7	7.3	0.8
(# of minority students)	(2840)	(795)	(535)	(709)	(69)	(150)	(8)
Hispanics as % of K-12 students, 1997	1.4	8.2	2.4	9.4	0.5	6.9	0.2
(# of Hispanics students)	(473)	(560)	(172)	(408)	(22)	(141)	(2)

<sup>1</sup>Excluding retail and wholesale trade; financial, insurance and real estate services

<sup>2</sup>Family Investment Program

<sup>3</sup>1997-98 minus 1992-93

**Table 11. Proximity of Services for Seven Iowa Communities**

Service	Community (County)						
	Cedar Rapids (Linn)	Marshall-town (Marshall)	Fort Madison (Lee)	Storm Lake (Buena Vista)	Manchester (Delaware)	Hampton (Franklin)	Mount Ayr (Ringgold)
PROMISE JOBS/JTPA	*	*	*	*	*		
Community college	*	*		*			
Other college	*	*		*	*		
Food pantry	*	*	*	*	*	*	*
Soup kitchen	*	*					
Shelter:							
Adult males	*	*	*				
Adult females	*	*	*				
Children	*	*					
Youth	*	*					
Mental health	*	*	*	*	*	*	*
Drug/alcohol treatment	*	*	*	*	*	*	*

\*Indicates service located within community itself

percent) and modestly above the statewide rate of 3.3 percent in two (4.9 and 5.5 percent). Regardless of unemployment rates, local employers in all seven communities reported difficulty finding sufficient numbers of dependable and motivated employees. One business manager in Marshalltown believed this situation created a window of opportunity for individuals with limited jobs skills and experience; businesses may be willing to overlook these factors and give people a chance to prove themselves despite a poor work history. Informants in every community reported availability of sales and service jobs paying wages in the \$5–\$6 per hour range. These jobs may provide the opportunity to gain work experience but are unlikely to generate self-sufficiency in single-earner households, since they often do not pay insurance benefits and offer little opportunity for advancement.

Marshalltown, Storm Lake, and Hampton host food processing and other manufacturing firms that operate around the clock and pay better-than-average wages to dependable employees with minimal skills. New employees generally start on swing shift, which creates a child care problem for single parents. Hampton and Mount Ayr, farming-based communities, are experiencing population decline. Although they have low unemployment rates, they have limited career opportunities as many local businesses continue to contract rather than expand. A Mount Ayr business manager indicated that entry-level jobs in the area include non-skilled production, waiting tables, retail, clerical, and construction work. Commonly, starting wages are around \$5.50, and advancement is minimal. Not surprisingly, many residents seek work in Osceola, 40 minutes away, or in Des Moines, more than an hour away. To do so, they must have dependable transportation.

**Transportation** Without exception, informants from all seven communities identified “lack of transportation” as an issue for local families striving to be self-sufficient. Only Cedar Rapids and Marshalltown have public transit systems. Low-income families face the high costs associated with purchasing and maintaining a vehicle, or they must rely on friends and family for transportation. Transportation appears most problematic for residents of the smaller communities, who may travel considerable distances to the nearest job training office, community college, or well-paying job in a larger town. Residents of Manchester must travel nearly 40 miles to the nearest community college. Limited transportation also means limited access to child care.

Although Cedar Rapids has a bus system, community informants similarly identify “lack of access to transportation” as a major barrier for low-income families. The city is experimenting with a van service (after city buses no longer run) in the southeast section of town, which is especially helpful for people working swing shift. One city official said the pilot program is so successful that the service will be expanded to other neighborhoods. Mount Ayr families can use a “trolley service” operated by the Area Agency on Aging. Although a ride within the community is fairly inexpensive (\$1 per person), fees for non-regularly scheduled distant routes are more substantial because clients pay hourly rates and mileage fees. At the time of the interviews in fall 1997—among all seven communities—only informants from Cedar Rapids identified community efforts to increase the availability of public transportation.

**Child Care** The availability of child care varies considerably by community. Some informants, particularly in smaller communities, report there are not enough child care providers and that toddler and infant care is very difficult to find. In other larger communities, there are sufficient numbers of providers, but many low-income families struggle to afford the higher rates associated with better quality care. In all communities, evening and weekend care is most difficult to obtain.

Few local employers provide child care benefits or facilities for their workers. Child care can be very expensive in relation to a single parent's salary. Social service workers and child care providers in all communities voiced concern about low-wage working families whose incomes slightly exceed the guidelines for receiving subsidized child care; they must bear the full cost of child care and their entry-level jobs generally do not provide health or other fringe benefits. In a few communities, these families may receive limited assistance from county government. Buena Vista County (Storm Lake) has a 10-year history of subsidizing child care and budgets \$10,000 to assist families who are working, have gone off welfare, and whose income has increased enough to make them ineligible for other child care funds. Marshall County (Marshalltown) has offered similar benefits but, due to funding cuts, eliminated its \$50,000 annual child care budget line. One informant cited the need for what she termed a "holistic" approach to assisting families making the transition to financial independence, which requires addressing needs for quality affordable child care, dependable transportation, access to health care, and affordable housing. Interagency collaboration is a prerequisite for such an approach.

**Interagency and Community Collaboration** Each of the seven communities has some formal or informal structure that links organizations—public and private—serving the needs of low-income families. In place of any formal system, smaller communities rely primarily upon the skills and experience of agency workers to establish connections between organizations and make appropriate referrals. In most communities, workers feel positive about their referral network and their dedication to locate resources for clients, although the amount of attention and follow-up Iowa Department of Human Services (DHS) workers can give to individuals is constrained by high case loads. In general, workers within core local agencies (such as DHS, Community Action, PROMISE JOBS, etc.) see themselves as devoted to meeting the needs of their clients and report cooperative, well-established interagency relations. In contrast, some FIP recipients indicated bewilderment with "the system."

In addition to the largely informal "referral system," some communities have interagency councils that meet regularly to exchange ideas, discuss common concerns, and share the needs of clients. Some councils are successful in facilitating the involvement of numerous local service agencies, whereas others struggle to remain organized. Formal efforts to coordinate services for many low-income families often are facilitated by development of a decategorization (decat) plan for child welfare services. Decat committees appear to draw support from a wider range of community organizations than do the interagency councils, and are helping communities move from crisis to preventive programming. Cedar Rapids (the only metropolitan city in this study) is the only community with a single umbrella organization addressing the needs of families. Foresight 2020 is a "visioning and strategic planning" initiative in which numerous local agencies and citizens have collaboratively established and adopted a set of eight outcomes for their community. The overall goal is to enhance the social and economic vitality of the county and quality of life for local families.

In most cases, community informants were hard pressed to provide examples in which local business or city government got involved with a broad array of issues directly related to low-income families. County governments are somewhat more active in planning and policy related to low-income families, but they are more likely to treat their social welfare programs [e.g., programs for disabled residents, General Assistance (GA), and in some instances, county-subsidized child care] in isolation. City and county governments are likely to be directly involved in issues confronting low-income families and welfare reform when their members serve on relevant local boards or committees.

**Implications** Seven community case studies, completed in the same year (1997) that federal welfare reform policies were implemented in Iowa, suggest that the state and its communities are taking many positive steps to meet the needs of low-income families. Community leaders speak proudly of Iowa's welfare reforms and the dedication of those who work with low-income families. However, these same leaders see challenges ahead.

Meeting Basic Needs—The interviews suggest that churches and other nonprofit organizations contribute extensively to meeting the emergency needs of their members and the public. But church and community leaders say demand for food, clothing, shelter, and emergency funds is rising and they don't have the capacity to keep up. Many counties also report growing demand for GA provided by county government. There is skepticism that the intent of devolution is not to reform welfare, but instead is designed to transfer costs from state and federal to local governments.

Employing and Supporting Families in Living-Wage Jobs—There is concern about the ability of many low-skilled welfare recipients to move from minimum wage to jobs that fully support families. Well-paying jobs for low-skilled workers simply are not available in many areas. Another concern relates to welfare recipients who may be difficult to employ. Observers describe many who remain on the welfare rolls as needing a wide range of support services. Getting jobs has been emphasized, but supports to help workers *keep* their jobs and manage work and family demands are missing in most communities. In the seven Iowa communities, the social service provider world and the world of economic development rarely intersect. Improving job opportunities may require not only community action, but income-support policy reform.

Creating Community Coalitions—Creating a broad support system for families as they move from welfare to work implies a *community* approach that brings diverse local and external resources to bear on the multiple causes of poverty and welfare dependence. The challenge will be bringing the community together—government, the schools, the faith community, economic development coalitions, as well as the traditional social service agencies—to build a coherent system and to affect public policy. Rural areas, facing dwindling populations and geographic distances, may find this a more daunting challenge than urban communities.

# A Profile of Cedar Rapids

**C**edar Rapids (population 113,482), the second largest city in the state, is located in eastern Iowa. The population of Linn County has increased significantly (7.7 percent) since 1990 to an estimated 181,704 in 1997. The growth has fiscal repercussions. The county has bumped up against a state-imposed property tax rate limitation for 4 consecutive years. The demographic characteristics of Linn County residents mirror other metropolitan counties with respect to the age distribution, educational, and marital status of its residents.<sup>1</sup> (See Table 12.) Compared with the state as a whole, the county has proportionately fewer elderly and more college graduates.

Cedar Rapids is a manufacturing town. The two largest economic sectors in Linn County are manufacturing and services, which in 1996 represented 26.3 and 27.1 percent of total earnings and 16.6 and 31.9 percent of full- and part-time jobs, respectively. Health services and business services each account for over 30 percent of earnings from services. Many business services support the manufacturing sector, which has higher earnings per job than any other sector. Several telemarketing firms in the city provide part-time entry-level jobs in the \$7-\$8 per hour range. Data from 1993 show that median household income in Linn County (\$37,430) was strong, exceeding that of other metro counties (\$34,349) and Iowa counties in general (\$28,867). According to 1996 figures, average earnings per job of \$29,048 is much higher than similar counties (\$24,913) and the state average (\$24,646). Unemployment is lower than the statewide average (2.6 percent compared to 3.3 percent in 1997).

Although many enjoy the prosperity of this growing metropolitan county, about 8 percent of the population lives in poverty. While the proportion of Linn County residents receiving Family Investment Program (FIP) benefits and the proportion receiving food stamps have fallen since 1993, the percentage of school children receiving free or reduced-price school meals in the county (22.4 percent) has remained steady over the same period.

**Moving Families from Welfare to Work** Cedar Rapids has developed a unique approach to delivering services to low-income families. The community is viewed, as one informant stated, “as a leader in a systems approach” in meeting families’ needs. The Department of Human Services (DHS) maintains its downtown Cedar Rapids office serving inner city residents in a traditional fashion. But also within the city are four family resource centers that coordinate a team of service workers from various agencies—including DHS—to deliver programs within neighborhoods. A fifth center operates in a rural part of the county. Community informants reported mixed attitudes about the approach. Clients benefit from improved access to services and the case management strategy. Coordination among agencies has improved. On the other hand, one DHS representative reported that service personnel struggle to “fulfill their job role and also be part of the team.” This spokesperson identified staffing as the greatest challenge for this agency that has income maintenance caseloads exceeding 250 clients per worker.

<sup>1</sup>Metropolitan counties are those in an area that contains a population of 250,000 or more. There are 10 metro counties in Iowa.

**Table 12. Linn County Socioeconomic Profile**

	Linn County	Metro counties	Iowa
Population characteristics (1997)			
% White	96.4	95.4	96.5
% Black	2.2	2.6	1.9
% Hispanic origin (can be of any race)	1.3	3.2	2.3
Age distribution (1990)			
% population age 0–17	25.2	26.2	25.9
% population age 18–44	43.4	43.3	39.9
% population age 45–64	19.2	19.1	18.8
% population age 65+	12.2	12.4	15.4
Educational status (1990)			
% population 25+ high school graduates	34.8	36.6	38.5
% population 25+ bachelor's degree	15.3	13.9	11.7
Family status (1990)			
% married couples w/related children	38.9	40.3	39.4
% female headed w/related children	7.5	8.3	7.0
Income and employment			
Median household income (\$) 1993	37,430	34,349	28,867
Earnings per job (\$) 1996	29,048	24,913	24,646

Job Search and Training —Welfare-to-work programs, including PROMISE JOBS (PJ) and Job Training Partnership Act (JPTA), are collaboratively administered by Iowa Workforce Development (IWD), the East Iowa Employment and Training Consortium, and Kirkwood Community College. Kirkwood, located on the southern outskirts of Cedar Rapids, offers a range of job training offerings for PJ clients. Informants said the goal is to serve the long-term interests of clients by directing them to programs and careers that are in demand and have decent earning potential, rather than “dead-end” jobs. Although funding for PJ has increased, a spokesperson said more education and training is needed: “Education pays off for recipients and society.” However, this informant saw many clients with learning disabilities who weren’t successful in school and didn’t become self-sufficient in FIP. Transportation is another barrier for many seeking training. Although Cedar Rapids has an extensive bus system, it is difficult for many PJ participants to get to the Kirkwood campus. One FIP participant commented on the partnership between PJ and Kirkwood. She said, “I didn’t have to go out there at Kirkwood and take a placement test. Kirkwood came to PROMISE JOBS where we could take the placement test there. They help motivate you. They talk about attitude and self-esteem.” At the time of the interviews, the community college was building an “urban campus” for delivering General Equivalency Diploma (GED) coursework. However, transportation to the main campus for additional coursework remains a problem.

Job Opportunities —The local economy is strong; starting wages for most entry-level jobs are around \$6 per hour and unemployment is low. Many companies are paying \$7-\$8 per hour to attract entry-level workers, although a business representative indicated that these workers might

have problems with child care and transportation because most are not “eight-to-five” jobs. One FIP recipient commented when asked about the supply of jobs in Cedar Rapids, “Crap[py] jobs that pay you \$5 per hour that you can’t live on are easy to come by. You can get lots of those jobs.” Several telemarketing firms in the city offer good starting wages although they need people who are available evenings and weekends—and provide mostly part-time employment with no benefits. Local employers in discussions with the Chamber of Commerce say people who can’t get a job in the area are those who cannot communicate clearly, are unable to solve problems, and/or have “bad” attitudes. A representative of the local community college viewed the problem as a mismatch between skill levels and available jobs. While anyone with reasonable communication skills can get a job “making cold calls,” there is a real shortage of individuals with technical skills. He acknowledged that high living expenses (particularly transportation and child care) quickly deplete families’ disposable income. This informant said that because employers are having difficulty finding qualified employees, now may be a window of opportunity to convince employers to invest in the future of their company and community by providing people with job training.

Child Care—Low-income families paying for child care out of their own pockets may have to spend up to \$100 a week in the Cedar Rapids area, said one local provider. According to this informant, high quality child care is generally available in the community, but infant and toddler care and providers offering evening and weekend care are in short supply. Without a subsidy, many families cannot afford quality child care. When parents begin making “decent” wages they lose eligibility for subsidized child care and may be worse off than when they were unemployed. Commented one mother of two preschool children, “You’re going to work to pay your babysitter—you’re not helping yourself out at all because then they take your FIP and all the money you are getting goes to pay for your babysitter.” A child care provider called for a “holistic” approach to assisting families making the transition to financial independence. In addition to quality child care, this informant described the needs that low-income families have for dependable transportation, access to health care, and affordable housing. This informant saw the strain that is placed on families as they manage work and family life, and a need for parent support. “It’s scary to see how fragile families are. We see a lot of behavior problems because of the stress in the home.” A county official voiced similar sentiments, saying, “Child care, transportation, and a strong economy are needed to make welfare reform work; work has been the main focus but there has not been an emphasis on the support system.” Echoing this concern, a welfare mother said, “A lot of people are working their butt off and they get a quarter of their paycheck after it’s all done. They need more programs that could help low-income families. A lot of kids don’t get to see their parents because they’re working so much.”

**Meeting Emergency Needs** The Cedar Rapids community extends a wide range of services to meet basic needs of families. Perhaps the greatest challenge in the city is improving access to these existing resources. The faith community plays a prominent role in providing food, clothing, cash assistance, and many other supports to families in need. The county-funded General Assistance (GA) program meets basic needs of indigent families. Awareness of and transportation to emergency services are perhaps greater barriers than a lack of programs. Despite the strong economy, community informants describe a growing demand for GA and the emergency services available from charitable groups. There is a concern that welfare reform may place excessive demands upon the county and community non-profits.

Demand for GA has increased steadily over the years. In 1994 Linn County spent \$691,156 assisting 1,242 households; in 1997 the county allocated \$716,106 to 1,478 households; in 1998

expenditures were \$750,384 for 1,584 households. A county official described eligibility guidelines in the county as an attempt to strike a balance between meeting the needs of low-income residents and staying within budget. Linn County provides GA for 6 months in a 3-year period, but exceptions are made for people who cannot work. This helps stretch tax dollars and deters abuse and dependence upon the system. According to this informant, the board of supervisors believes offering “unlimited support” would serve neither the interests of the county nor the families needing help. A county spokesperson said, “They are supportive of limited resource families, but the feeling of the board of supervisors and county governments in general is that welfare reform is not reforming welfare, it is transferring costs.” According to this informant, the board is concerned that it not become the funding source of last resort, and “at the end of 5 years be stuck with everything.”

Food—A community food pantry operated by volunteers from 58 local churches established a policy limiting the number of families served. As many as 38 families or individuals were seeking assistance daily and the pantry could not keep up with the demand. The pantry began limiting the number served daily to 20, and has reduced the voucher included with groceries from \$20 to \$5. A spokesperson for the pantry reported that it was possible to get one free, hot meal each day of the week in Cedar Rapids so “people are hungry, but not starving in this community.” Local churches established a single emergency cash fund for families having exhausted all other financial resources. This fund was set up to deter families from receiving cash assistance from multiple churches. The pantry spokesperson said local churches are doing their best to stretch their charities, but they are “giving at their maximum” and will not be able to compensate for deficits in other programs.

Shelter—A “homeless coalition board” oversees funding and services for three shelters, each serving a different population: single men, single women, and women and children. There also is a 14-bed youth shelter. In addition to emergency shelter services, transitional housing arrangements are managed by the local Community Action Program (CAP) agency. A spokesperson for the board said the county’s homeless shelter provides more than just a bed. All programs are goal-oriented and clients unwilling to establish and pursue goals may not continue to receive services. At the time of the interviews, there was no emergency shelter for homeless mentally ill. Since the new welfare reform law took effect, this informant said there had been increasing demand for shelter services and local hot meal programs.

Health Care—Access to outpatient health care for medically indigent residents is available through the county-funded Linn Health Services Program. This unique program helps fund physician visits, outpatient diagnostic exams and tests, prescription drugs, and limited adult dental care to uninsured adults who meet income guidelines. Between 1994 and 1997 program costs increased substantially from \$308,266 to \$415,365. In 1998 the county was able to decrease expenditures considerably (down to \$270,841) by enforcing use of the State Papers program and accessing federal funds to cover prescription drugs. The State Papers program covers large medical expenses of medically indigent Iowans who receive care at the University of Iowa Hospitals and Clinics; Linn Health Services Program is filling an important need for local outpatient health care.

Health care professionals identify the working poor as the most vulnerable population in Cedar Rapids. Another informant cited the medical and psychiatric needs of refugees as critical, in part because they often get jobs that do not have health benefits and also because of health needs that “were not taken care of before they came.” In general, a wide variety of health services are offered

at community clinics around the city and Medicaid is accepted by most physicians. But the number of physicians is limited, making it hard for some families to find a doctor.

Cedar Rapids has two local hospitals, St. Luke's and Mercy Medical Center, located within a few miles of each other. Because the local economy is strong, said one hospital employee, "we have a relatively small Medicaid and uninsured population." However, the provision of care for low-income and uninsured populations had not decreased at the time of the interviews. The administration exercises discretion with respect to offering uncompensated care and seeks options for indigent patients such as utilizing the State Papers program. The future of health care for low-income residents depends much upon the economic health of the local community. This informant said, "Health care is a social issue. It has to do with good jobs, housing, and food. If you have access to those things you have healthy people—it's a community issue!"

**Coordination of Services** There are numerous mechanisms for coordination of social services in Cedar Rapids. Foresight 2020 is an ongoing countywide visioning process that began in 1994. A set of eight expected community outcomes was adopted. Those outcomes relate to learning, families and community, crime and safety, environment and land use, recreation and culture, government for future generations, business growth and economic vitality, and community health care. An oversight committee of 85 citizens meets quarterly to monitor progress and support activities directed toward goal achievement. One city official reported, "Collaboration in this community is looked upon as a way to get things done—it has not been a push by any one force. It is a groundswell everywhere in Cedar Rapids."

A research project conducted by the University of Iowa was the catalyst for implementing the family resource centers. Although the original project has ended, the centers represent an effort to continue the underlying family systems philosophy, and correspond to the systems approach being taken by Foresight 2020. In the words of one informant, the family resource centers "have really helped to improve coordination of services by pulling together professionals from different agencies who work with families in their communities and neighborhoods."

Another collaborative effort is a decategorization program for child welfare services that was initiated in Linn County in the early 1990s. In its first 5 years, more than \$2 million was invested in prevention and early intervention youth projects in Linn County. At the time of the interviews, Linn County had been designated one of 13 Innovation Zones in the state. This designation is another indicator of the initiative that the community has taken to work collaboratively to improve the quality of life for families. However, one informant voiced frustration "that movement is so slow."

## Issues

**Availability of Services**—Cedar Rapids has jobs available that attract people from rural areas. As these people move to town, they leave their "support system," as one informant put it, and turn to GA for help. Often their needs exceed what they can receive from the county, so they turn to the churches. The result is a dual system of assistance. Informants also report that the city's reputation of abundant services is attracting people from outside of Iowa. According to one DHS worker, there is a big influx of clients from other states, and one of the homeless shelters has received calls from people asking if they can reserve a space when they arrive. It appears that Cedar Rapids is very proactive in meeting the needs of its low-income population, which in turn has served to attract people to the area. An alternative explanation is that Cedar Rapids has an expanding economy and therefore attracts people seeking work, but perhaps lacking the skills for

the jobs they desire. Perhaps the truth is somewhere in between. One family with three children came from Chicago “for a better job, a better life, a better neighborhood.” Whatever the reasons, the demand for assistance and services upon both the public and private service sectors is increasing.

The generosity of the community was particularly evident when a group of Somalian refugees arrived in 1996. A social worker who continues to be involved with these families said, “The community, especially churches, are wonderful, especially when the Somalians came. I think without their support, we could not have made it.” However, this informant cautioned that if there is another influx of refugees and an economic downturn, then it will be more difficult for the churches to help.

Transportation—When asked what the most pressing needs of clients are, most service providers immediately mention affordable housing, child care, and transportation. Despite an extensive bus system, community informants consistently identify transportation as a barrier for low-income families. One FIP recipient living on the edge of Cedar Rapids found the issue of transportation daunting. “I could have had a job on the 15th (of the month) but I didn’t have a vehicle.” She continued to describe her dilemma. “It takes about half an hour to 45 minutes just to get downtown on the bus. Then another 20 minutes after transferring to the appropriate bus. The buses don’t even start out here until 6:15 in the morning. So how the heck can I get to work by 6:30?”

The city has experimented with a neighborhood transportation program funded by community development block grant funds. A van service is available in the evenings (after city buses no longer run) in the southeast section of town, which is especially helpful for people working a night shift. One city official said the pilot program is so successful that the service will be expanded to other neighborhoods. In some cases, service organizations are overcoming the transportation challenge by increasing the number of service locations. The system of family resource centers is one such example and the Kirkwood Community College project to build classrooms downtown is another.

Youth—An oversight group called the Linn County Adolescent Pregnancy Prevention Council coordinates pregnancy prevention programs offered in schools, the community college, youth organizations, treatment facilities, churches, and family resource centers throughout the Cedar Rapids area. In addition, Planned Parenthood offers classes during evenings and on Saturdays, which contributes to the accessibility of prevention services. The rate of teen out-of-wedlock births in Linn County in 1995 exceeded state averages. Participation in a local prevention program has been increasing 10 percent each year, while state funding has been decreasing.

Although the community lacks a formal coordination system for services and activities targeted toward youth, informants said a number of groups in the community actively organize and develop programs. Cedar Rapids has established at-risk programs in each middle school and high school, and each of these schools has a program coordinator on site. One high school is an “alternative school.” A summer youth coalition composed of many organizations sponsor afternoon and evening activities when school is not in session.

**Summary** Compared with many smaller communities, Cedar Rapids offers better opportunities to find work. The greatest challenge for this community may be to increase access to affordable housing and child care so that working families do more than simply “get by.” Increased access to transportation is being addressed; other communities the authors have examined

acknowledge that limited transportation is problematic for low-income families but have accepted it as a “given.” One of the community’s greatest strengths is the degree to which it has established collaborative and community-wide efforts to improve the quality of life for residents in general, including low-income families. This is seen in the Foresight 2020 initiative, the development of the family resource centers, and the establishment of Linn Health Services Program. The growing demand for GA, health care for the indigent, and emergency food and shelter may be attributable to in-migration triggered by a growing local economy and perhaps by the array and quality of available social services.

Because of its extensive social service network, Cedar Rapids may be in a good position to address overtly some of the heretofore “hidden” barriers to self-sufficiency that were mentioned by many community informants: drug abuse, mental health problems, learning disabilities, and social isolation. These concerns suggest the need for different strategies tailored to families that are, as one informant described, “struggling to hold it together.” It would seem that if any community has the capacity to make welfare reform work, it is Cedar Rapids.

## A Profile of Marshalltown

**M**arshalltown (population 25,321) is located in central Iowa, approximately 60 miles northeast of Des Moines. The county seat is home of Marshalltown Community College and the Iowa Veteran’s Home. Marshall County’s population has increased 1.3 percent since 1990 to an estimated 38,789 in 1997. Compared with similar urban non-metropolitan Iowa counties, Marshall County has slightly more people age 25 and older who have graduated from high school and college, more elderly, and fewer female headed families.<sup>1</sup> According to 1995 estimates, the proportion of people of all ages and children (age 0–17) below poverty fell slightly below that of similar counties, but mirrored statewide poverty rates.

Marshalltown has become a much more diverse community in recent years as evidenced by school enrollments. In 1987, 2.9 percent of the K-12 students were minorities. In 1997, minorities represented 11.6 percent of the school enrollments. This included 560 Hispanic, 108 African American, 106 Asian American, and 21 American Indian children. An ISU Census Services estimate suggests that the total Hispanic population in Marshall County has increased nearly tenfold since 1990, from 292 to 2,260 in 1997.

1993 data show that median household income in Marshall County (\$31,868) exceeds that of similar urban non-metro counties (\$30,652) and the statewide average of \$28,867. Earnings per job of \$24,377 is comparable to similar counties (\$24,856) and the state average (\$24,646). (See Table 13.) Unemployment in the county is low, having averaged 3.1 percent in 1997 which was slightly below the statewide average unemployment rate of 3.3 percent. Manufacturing occupies a prominent place in the local economy, generating about one-third of total earnings in the county.

<sup>1</sup> Urban non-metropolitan counties contain an urban population of 20,000 or more. There are nine urban non-metro counties in Iowa.

**Table 13. Marshall County Socioeconomic Profile**

	Marshall County	Urban non-metro	Iowa
Population characteristics (1997)			
% White	97.8	96.7	96.5
% Black	0.8	1.7	1.9
% Hispanic origin (can be of any race)	5.8	3.0	2.3
Age distribution (1990)			
% population age 0–17	25.1	25.1	25.9
% population age 18–44	36.9	40.1	39.9
% population age 45–64	20.6	19.0	18.8
% population age 65+	17.4	15.8	15.4
Educational status (1990)			
% population 25+ high school graduates	39.1	37.6	38.5
% population 25+ bachelor's degree	11.2	10.6	11.7
Family status (1990)			
% married couples w/related children	37.5	38.4	39.4
% female headed w/related children	6.7	7.8	7.0
Income and employment			
Median household income (\$) 1993	31,868	30,652	28,867
Earnings per job (\$) 1996	24,377	24,856	24,646

Approximately 40 percent of the labor force is employed at Fisher Controls, Lennox Industries, or at the Swift's meat packing plant. One community informant commented that "the city and county are very vulnerable if one of the big three leaves or suffers an economic down turn."

Marshall County experienced a nearly 26 percent drop in the average number of Family Investment Program (FIP) cases between 1993 and 1997, and a nearly 12 percent drop in the number of households using food stamps over the same period. However, the percent of school children receiving free or reduced-price school meals in the county (35.8 percent) has grown in recent years and exceeds the statewide average of 27.6 percent.

**Moving Families from Welfare to Work** While the Department of Human Services (DHS) and Workforce Development Center are the core agencies serving families moving from welfare to work, they are augmented by a wide array of other agencies and institutions in Marshalltown. And, with access to the city bus system, Marshalltown residents have somewhat better access to these various agencies compared to those in towns without a public transit system.

A DHS spokesperson noted that there has been a shift in public assistance to employment, not just job training. However, this informant felt that it was a challenge to get local staff "on board" and understanding this change: "The train has left the station, and we'd better be on it." This staff person identified other challenges facing the agency: "engaging the community in helping attain positive outcomes," the need for higher-paying jobs for welfare recipients, and gaining the

commitment from employers to “take a chance” on hiring long-term unemployed people who may not be “the world’s best employees” for a while.

Marshalltown’s Workforce Development Center is one of the first in the state to institute the “one-stop shop” concept—housing several employment-related services, including PROMISE JOBS (PJ) and Job Training Partnership Act (JTPA), under one roof. The center is located near Marshalltown Community College which offers basic skills training and General Equivalency Diploma (GED) completion. Mid-Iowa Community Action provides Family Development Self-Sufficiency (FaDSS) programming at the center 2 days a week and is developing job training programs to assist clients with the “job-keeping” skills identified by area employers as essential (appropriate grooming, punctuality, etc.). According to staff, agency funding is inadequate with high caseloads for PJ (130 to 150 compared to 80 to 85 for JTPA) and a JTPA budget that is half what it was 7 years ago.

One center employee observed that “clients today have more barriers than 4 years ago” and “there is a lack of funds to help individuals overcome them.” Informants throughout the community repeatedly cited child care, transportation, and affordable housing as serious barriers to moving families off welfare and toward self-sufficiency. Several also described a sense of disbelief or denial about the time limits of the new welfare law as a significant barrier. Commented one welfare recipient about her friend, “She just went and had another baby thinking that she ... because before if you had another kid ... you could get it longer. ... Her years are going to run out, and she thinks that she’s still going to get it.” A service provider voiced concern for clients who “aren’t prepared for a future without welfare and don’t believe it will happen.” She predicted that shortly before being cut off, clients would panic and turn to a “quick job” but there would be an initial period of no income—creating huge pressure on emergency service providers, particularly for food and shelter.

**Job Opportunities**—In general, there is a labor shortage in Marshalltown; businesses need both entry-level and technically skilled people. A major goal of the local economic development committee is to attract businesses to Marshalltown offering higher salaries associated with non-entry-level jobs so the community wage base, which is currently in the \$8 to \$9 per hour range, increases. At the time of the interviews, the committee was not officially dealing with the issue of welfare reform although it had been the topic of discussions. While local employers were searching to fill job vacancies, they said job candidates must be trainable and have interpersonal skills to become viable employees. They claimed that many job applicants lacked basic literacy skills and job-keeping skills such as showing up on time, following instructions, solving problems, and managing conflict on the job. One informant from the business sector believed employers should step forward to support welfare reform.

One service provider did not view lack of jobs as an issue in Marshalltown although the working poor were the ones “falling through the cracks.” However, some FIP recipients voiced concern about the quality of jobs available to them. “The biggest thing is for people like me. They need some kind of schooling—like college—but we can’t afford it so we can’t get it. So we have to take these little minimum wage jobs to get us by—we can’t get the higher paying jobs.”

**Child Care**—Many community informants said there were enough child care providers in Marshalltown, but low-income families have difficulty paying for and finding quality care. Commented one young mother employed as a \$5.65-per-hour cashier, “Yes, I want to work because I enjoy making money. I feel like I’ve accomplished something in my life. But why go

back to work when three-fourths of your paycheck is going to go for babysitting? One quarter is for yourself. That one quarter has to pay the bills. ... They need to get something out there to help ... more than just that transitional child care.” Another Marshalltown mother of two children indicated that living on FIP currently provides “more money, more food, more everything” compared to when she was working and making \$7 per hour. By the time she paid a babysitter she had \$40 left over each week to pay rent, food, electricity, and other bills.

Options for parents with infants and those working second and third shift are minimal. At the time of the interviews, county government had cut funding for non-mandated human service projects including \$50,000 to Marshall County Child Care Services (MCCS). This money was used each year to supplement clients who did not fit financial eligibility requirements, but could not afford to pay full rates. Because of the cut, enrollment and revenue at the center decreased significantly. Clients turned to relatives, college students, and neighbors to care for their children and agency administrators felt their ability to retain quality staff had weakened. In the past there had been waiting lists at the agency but at the time of the interviews more people were making their own child care arrangements.

Subsidized child care reimbursement rates are adequate, said MCCS staff, and this helps retain and attract new providers. Some providers find it difficult taking on families utilizing child care block grant funds because reimbursement checks arrive anywhere from 4 to 6 weeks after services are rendered. Also, food program reimbursement reductions may affect the quality of meals or the operation costs of providers, and drive prices higher.

**Meeting Emergency Needs** County government, the faith community, and other non-profit organizations and social service agencies have woven an extensive safety net to meet many of the emergency needs of vulnerable families in Marshalltown. In 1997 the county's General Assistance (GA) fund dispersed about \$40,000 to meet emergency needs in the county.

Health Care—Perhaps the most frequent unmet need discussed by Marshalltown informants during interviews in fall 1997 was access to the health care system. A wide range of barriers was mentioned. Some people lack information about services or distrust the system, said one hospital official. According to various community informants, some local doctors and clinics were refusing to take on Medicaid patients because of limited reimbursement rates and/or limited capacity. One Medicaid recipient expressed frustration: “Why isn't our insurance any good? Why do we have to travel from town to town to see a specialist for a root canal? I have to take (my daughter) to Iowa City to have it done.”

While obtaining primary physician care may be difficult for low-income populations, other health services are readily accessible because the hospital provides a number of non-mandated services. The hospital sponsors nurse practitioner-run clinics for pregnant women and pediatric care, and supports two nurses who provide “case management” services. The hospital also sponsors a free clinic operated out of a local church and has started a dental clinic. Local indigent care also is funded by the county's GA fund and an organization called Churches United in Compassion and Concern (CUCC). However, misunderstandings occur regarding CUCC's role as voiced by one FIP family: “No way do they like to deal with Hispanics. ... I went there once 3 years ago because the house I was in burned. They did not want to help me at all. They said they could only give a maximum of \$50.” The “hole in the health care safety net,” according to a health care professional, is those adults who earn more than the poverty level but less than a comfortable living wage.

Another issue facing the community is the lack of transportation alternatives to other cities in Iowa. This becomes important in light of the need to get to Iowa City for health care. Commented one recipient, “What about transportation? A lot of people don’t have the money to go. But they don’t care—as long as you get there. That’s all they worry about. They don’t provide transportation or even offer to pay. Sometimes I think we get really kicked around.”

Shelter—At the time of the interviews, Marshalltown had one shelter for the homeless which began as the ministry of a church in 1993 and then moved to a new location when a local bank donated the building. At the time of the interviews, the shelter was run by a 12-member board and operated by volunteers with generous support by churches and the business community. The shelter’s “guests” come from a variety of situations: some are ex-prisoners with no place to go; others suffer from mental illness and lack proper care and medication; some are substance abusers struggling to overcome addictions and gain employment. Many, however, are employed but don’t make enough money to be self-sufficient. Many are people moving into the community. Between their first day at a new job and their first paycheck, they need a place to stay until they can afford rent, security, and utility deposits. Officially the shelter is open in the months of November through May, although it also operates on an emergency basis other months. A goal of the shelter is to operate year round.

In years past the Salvation Army also provided shelter services, but the downtown hotel it referred clients to was demolished due to expansion of the hospital. The hospital, in turn, made a sizable donation to the shelter to help with a remodeling and expansion project. The shelter also operates two soup kitchens, one on site and the other at an elementary school—serving more than 80 people each evening. Expansion of the shelter is needed. As a board member put it, “there are more homeless people in Marshalltown than we ever imagined.” The shelter hosts as many as 15 people each night, including single men and women, and women with children. Augmenting the services of the shelter, the ministerial association provides emergency heat assistance and a “help yourself table” that individuals can visit twice each week for personal items ranging from toothpaste to laundry detergent.

**Coordination of Services** Marshalltown has made strides in expanding and coordinating services that are targeted toward youth, but struggles with coordination of the broader array of services for welfare families. There is no formal means of coordination for clients referred from agency to agency. Coordination of local services is facilitated through various committees and individuals holding multiple board positions. The Youth and Violence Committee draws together the support and influence of 24 business and service organizations and serves as the advisory committee for the local decategorization of youth services initiative (in which 31 agencies participate). Funding proposals from the various agencies are reviewed by the advisory committee, with final decisions made by a four-person decat governing board. According to one board member, turf issues were a major barrier to coordination.

The well-being of local youth is also the goal of Caring Connection, which serves as an umbrella organization coordinating services to Marshalltown students. The variety of services and programs under its purview is extensive, including health services via a community nurse, vocational/job experience classes—some of which are sponsored through JTPA, mental health services, youth runaway services, family services, and substance abuse counseling.

With the development and expansion of programs for the needy, lack of knowledge of available services or the appropriate “entry point” into the system may be one of the largest barriers facing

families who are unfamiliar with the formal welfare system. Some families are afraid to access income maintenance services for various reasons; they may want to avoid the stigma of being a DHS client or may even fear their children could be taken away if they discuss family issues. The means by which families are guided through the service referral system may be problematic since there is no formal coordinating mechanism. As one DHS employee put it, “I don’t think we have anyone that will hang with you to make sure you get the services.”

## Issues

Immigrants—Marshalltown has experienced steady growth in the number of Hispanic residents since the early 1990s. Mexican workers and their families have been recruited to the community to work in the local meat packing plant. As the Hispanic population increased, “so did prejudices,” said one city official, “but the community has made significant progress toward acceptance of their diverse population.” For example, one community informant described the recognition by the police department of a need to be more sensitive to people of other cultures: “They have a long way to go—a very long way to go—and publicly they are saying they know that.”

Local organizations are working to integrate the immigrant population; several have added bilingual staff (banks, schools, and social service agencies) and the community college developed a program in which it pays tuition of Hispanic students agreeing to translate at a local business for 5 years. Still, DHS is unable to provide translation services to all those needing the services. When asked about her experiences with DHS, one FIP recipient stated, “It was very difficult because the social worker I had did not speak Spanish.”

Two primary organizations serve immigrants: the community-based diversity committee and Hispanic Ministries whose activities in Marshalltown and other northeast Iowa communities are supported by the Catholic Diocese. The diversity committee works to dispel rumors and stereotypes, sponsors diversity training for city employees and other major employers, and makes efforts to increase interpreter services. The committee also was instrumental in working with one local employer to revise personnel policy serving to increase worker retention and hourly wages. In cooperation with the local newspaper, the committee sponsored a series of articles on Hispanic heritage and culture, and worked to improve the accuracy of news relating to minority populations.

Hispanic Ministries is focusing much of its staff’s time to assist immigrants applying for citizenship. Staff cited the need for more bilingual service professionals since they were aware of only one bilingual immigration lawyer in the state. They described changes in immigration law that make citizenship application difficult. For example, immigrants who report past use of welfare may have their application denied. An affidavit of support must be submitted documenting an income of more than \$15,000 per year and speculation exists that the amount will be increased to \$20,000.

A DHS employee believed demand for services declines as the immigrant population grows because they “tend to take care of their own” rather than rely on service organizations. But there are other reasons. The number of Hispanic women and children served by a wellness clinic decreased significantly in 1997 after Immigration and Naturalization Service (INS) raids of a local employer. Past clients may have left the country or fear seeking help.

Youth—The formation of a youth and violence prevention committee acknowledges the community’s concern about juvenile crime and increasingly complex youth problems. The

committee began as an effort by community leaders to address youth problems which they believe contribute significantly to crime. By expanding evening, weekend, and summer youth programming, the committee hopes to reduce juvenile crime, and make a positive contribution to overall community and economic development. Several informants report seeing more “dual diagnosis cases” of substance abuse and mental health problems among youth. Rather than a source of support, parents often are users also. Despite a reduction in the number of pregnant students at the high school, other agencies report seeing increasing numbers of teen parents.

Pregnancy prevention programs are offered by several agencies including the YM/WCA and the Women’s Health and Education Center. Marshalltown High School (MHS) offers a curriculum to help teen moms prevent repeat pregnancies, raise healthy babies, and graduate from high school. With state and local support, decat started a child care center in a church located near the school. MHS now averages 25 pregnant students per year, compared to nearly 40 a few years ago. An informant voiced concern for high school students who would be expected “to get on their feet when benefits limits are reached” despite their young age and limited skills. One youth worker cited the need for coordination of services among the various providers so that prevention programs are ongoing and consistent; there probably are enough pregnancy prevention services if youth are informed about them.

Marshalltown clearly is devoting more resources to address youth issues. At the time of the interviews, some programs were successful while others were not. Referrals among agencies have improved and more youth are participating in the youth and violence prevention committee’s programs. But juvenile crime has been increasing, said one committee member, and despite the involvement of numerous organizations “Marshalltown lacks community-wide accord at this time—Marshalltown needs a community vision for young people.”

Housing—Many community informants cited high rent and shortages of affordable housing as barriers to self-sufficiency. Some families resort to “sharing” but then may be faced with eviction which one social worker describes as a “Catch-22 situation—they can’t afford to live alone, but if they are sharing they can’t live there at all.” In fact, three of five FIP families interviewed were sharing housing with either a friend or relative. Attempts by builders to construct low-income (non-subsidized) housing have been met with some resistance and negotiations of location were still underway. In late 1997, 250 families were approved to receive assistance from HUD in Marshalltown and there was a waiting list.

**Summary** Marshalltown has a comprehensive assortment of services for low-income families and youth. With the exception of some medical care, nearly all of these services are available in the community. The challenge is not necessarily to add more services but to increase the resource base and access to them. Interviews with county and local officials revealed strong support for the philosophy behind welfare reform to move program decision-making to the local level. Stated one elected official, “What works in Sioux City may not work in Marshalltown.” However, this informant voiced concern that “the state is not willing to shift responsibility to the locals except to pay for it.” Though mentioned by only one informant, an issue facing the town and county is establishing documentation that funds being received are having an impact in the lives of families and youth. As vulnerable families face the time clocks of welfare reform, Marshalltown will need to consider

- sustaining the collaboration and cooperation which the youth and violence prevention, diversity, and decat committees are tackling. The fact that both county and city government

are involved in many of these collaborative efforts to support families and youth should be a plus in the long run.

- assessing the measurable outcomes from the high levels of community concern, discussion, and planning that have been invested in youth issues and programs. There appears to be an underlying frustration that progress does not come easy—evidenced by increasing crime and teen pregnancy, as well as complex cases involving drugs and behavior. The community has taken a strong stance toward youth programming as one means to long-term economic and social development.
- tackling the structural barriers that make self-sufficiency a difficult goal to achieve in Marshalltown. “Soft skills” training, third shift child care, and affordable housing were identified as priority needs. The fact that there is some awareness of the role of the private sector in achieving the goals of welfare reform puts this community in a good position to tackle these issues.

## A Profile of Fort Madison

**L**ee County is the southeast corner of Iowa, sharing borders with Missouri and Illinois. The Mississippi River flows along the eastern edge of the county past its two largest communities: Fort Madison, home of a state penitentiary, and Keokuk, where Southeastern Community College is located. Lee County is unique in having two county seats: Fort Madison (population 11,613) and Keokuk (population 12,451). The county’s population in 1997 was estimated at 38,654, decreasing 0.1 percent since 1990. Compared to similar urban non-metropolitan Iowa counties and Iowa counties in general, Lee County has proportionately more people over age 25 who have graduated from high school (but fewer college graduates); more female-headed families with related children; a larger minority population; and more families below poverty.<sup>1</sup> (See Table 14.)

While the state penitentiary plays an important role in the local economy, it appears that prison families do not place any particular strain on social services. One community informant said that prison families “take care of each other and don’t want intervention ... they have their own support network.”

1993 estimates show that median household income in Lee County (\$29,498) falls below that of other urban non-metropolitan counties (\$30,652), but is slightly higher than Iowa counties overall (\$28,867). Earnings per job of \$25,662 is higher than other urban non-metro counties (\$24,856) and the state average of \$24,646 in 1996. Manufacturing is the county’s main source of earnings, contributing nearly 40 percent of total earnings compared to 30 percent in similar counties. Unemployment averaged 5.5 percent in 1997, considerably higher than the statewide rate of 3.3 percent.

<sup>1</sup>Urban non-metropolitan counties contain an urban population of 20,000 or more. There are nine urban non-metro counties in Iowa.

**Table 14. Lee County Socioeconomic Profile**

	Lee County	Urban non-metro	Iowa
Population characteristics (1997)			
% White	96.0	96.7	96.5
% Black	3.3	1.7	1.9
% Hispanic origin (can be of any race)	1.8	3.0	2.3
Age distribution (1990)			
% population age 0–17	25.7	25.1	25.9
% population age 18–44	37.5	40.1	39.9
% population age 45–64	20.2	19.0	18.8
% population age 65+	16.6	15.8	15.4
Educational status (1990)			
% population 25+ high school graduates	43.9	37.6	38.5
% population 25+ bachelor's degree	7.3	10.6	11.7
Family status (1990)			
% married couples w/related children	37.5	38.4	39.4
% female headed w/related children	8.7	7.8	7.0
Income and employment			
Median household income (\$) 1993	29,498	30,652	28,867
Earnings per job (\$) 1996	25,662	24,856	24,646

While 11.6 percent of Lee County residents were poor in 1995, the incidence of poverty among Lee County's children was considerably higher (17.0 percent). Mirroring its poverty and unemployment rates, a higher proportion of Lee County residents receive Family Investment Program (FIP) benefits and food stamps compared to similar counties and the state as a whole. Nearly one in three school children receives free or reduced-price meals at school in Lee County and the numbers have increased more than 8 percent between 1992-93 and 1997-98.

**Moving Families from Welfare to Work** Like the residents of many non-metropolitan counties in Iowa, Fort Madison's low-income families obtain some services from agencies and organizations that are located in the community while others must be accessed from Keokuk, some 21 miles away, or Burlington, 16 miles to the north. Because Fort Madison does not have bus or taxi service, residents must rely on personal vehicles or rides from family and friends.

Once a family has applied for FIP benefits in Fort Madison, the family is referred to the local PROMISE JOBS (PJ) program which is coordinated through Iowa Workforce Development (IWD) in Burlington. If clients need to enroll in programs offered by the community college, they likely would register at Southeastern Community College located in Keokuk. The local IWD caseworkers report high caseloads. Approximately half of FIP clients are "moved into the labor market quickly and the other half are targeted for further training to raise job skills." One caseworker believed Iowa's welfare reform is working. "Family Investment Agreements help people set goals and see ways to work toward them. They feel proud and a sense of accomplishment

when they meet goals.” However, there is a clear message in other community interviews that the PJ program is not meeting the needs of all clients. Short-term training is not producing clients who are truly “ready to work.” One elected official suggested that there is some impatience with regard to welfare reform; people may not be able to go to work “tomorrow” without needed skills to enter the job market. It may require commitment to training that fosters life-long skills and jobs paying more than subsistence wages.

Frustrations voiced by one FIP recipient illustrate the concerns expressed by community informants about the PJ program and the goals of welfare reform. This woman, separated from an abusive spouse, wanted to go back to school. Instead, she was encouraged to find work. She earns \$5.50 per hour with no benefits working the night shift at Catfish Bend Riverboat Casino. She said, “You can’t live on a \$5.50-per-hour job. How do they figure they can reform you on welfare?”

Child Care Resource and Referral (CCRR) serves a four-county area including Lee County. CCRR has played an active role in improving quality of child care and expanding the availability of care for infants and for children with special needs. Community informants reported that daytime care was available in the community, but there were a limited number of infant caretakers, and evening- and weekend-care providers were practically nonexistent. The CCRR spokesperson indicated concern that some families may not be aware of the child care services that are available in the county. She also voiced concern about working families whose incomes exceed the current income guidelines for child care subsidies and must bear the full cost of child care while working at low-wage jobs. Availability of transportation to deliver children to a provider is another common barrier. There is a sense that the current reimbursement rate under the DHS child care subsidy program is viewed as “generous” by local providers, however some dislike receiving payment only once per month.

Community informants in Lee County had little to say about local job opportunities. The local Job Training Partnership Act (JTPA) staff person stated that just about anyone could find a minimum wage job without benefits, but finding a “better paying job with benefits” was more difficult. Local extension staff suggested that if people “have the skills there are all sorts of jobs waiting.” A community leader concurred, describing the county as “employee poor.”

While community informants cited many structural barriers to family self-sufficiency, a number of interviews identified personal and family problems as major barriers to clients successfully entering and staying in the job market. Drug addiction, alcoholism, depression, and physical abuse by boyfriends and ex-spouses create serious problems that are not being adequately addressed by welfare reform programs.

**Meeting Emergency Needs** Through the combined efforts of public and private agencies and organizations, Fort Madison provides a wide range of services to meet basic and emergency needs of families. A consistent message from service providers was an upward trend in the demand for assistance.

Food and Shelter—The government-funded EICHACKER Center serves many of the needs of low-income families in Fort Madison. It houses the Southeast Iowa Community Action Organization, Head Start and County Relief (General Assistance, GA). In addition to GA, community leaders also mentioned that the local police distribute vouchers for gas, food, and/or a night’s lodging.

Community Services Inc. (CSI) operates the “official” food bank and provides energy assistance, medical emergency funding, and transportation for emergency purposes. CSI also provides hot meals and lodging for transients. Located in the First United Methodist Church, CSI is operated by a close-knit and enthusiastic all-volunteer staff of 22 people representing a variety of denominations. According to the director, CSI is serving approximately 125 families each month and that number has increased primarily because of unemployment and welfare reform initiatives. Because of the demand for assistance, the director estimated it would take at least five more volunteers to be adequately staffed. At the time of the interviews, rules limited families to food assistance four times per year, receiving 7 days of food for each member of the family. However, in emergencies, CSI will provide food assistance regardless of the rules. Local fund-raising and garden produce from the prison farm support the food bank.

Community informants reported a growing demand for emergency housing assistance. The Emma Cornelius Hospitality House in Fort Madison is the only homeless shelter in a four-county area. Domestic abuse shelters are located in Keokuk and Burlington. There is no youth shelter in the area. Lack of space in the Fort Madison shelter limits the ability to adequately serve families with children.

The county-funded GA program provides limited emergency cash assistance to low-income individuals and families, but an interview with a local religious leader illustrated the important role the faith community plays in filling the demand for “relief money of last resort” in Fort Madison. Although there are virtually no “low-resource folks” in the parish membership, the church faces a growing number of requests for money for food, gas, or a night’s stay at a local motel if the homeless shelter is full. Due to increasing demand, the parish was considering making this type of assistance a line item in its budget rather than funding it through a monthly special collection.

Health Care—One of the most basic needs is access to health care. The Lee County Health Department provides care to low-income and uninsured populations through state public health grants, sliding fee scales, and county funding. A significant shift in fiscal and administrative responsibility from the state to local health departments had occurred prior to the time of the interviews. Local officials reported no increase in state funds for the past 7 years, but the need for public health services has steadily increased. To accommodate the increased costs of health care, local public health staff have become very aggressive grant writers and do a lot of “fund shifting” to maintain a variety and balance of prevention and treatment programs. Local officials report that public health’s role in caring for low-income families has increased for numerous reasons: physicians are less willing to provide service to or may not accept Medicaid patients; managed care programs increasingly require accelerated treatment and recovery regimens; child abuse rates are high; gang-related violence is apparent. Public health officials reported that half of all births in Lee County are to Medicaid families. About one-third of families seen by the Health Department are uninsured. Public health officials view the trend toward managed care as a critical issue that may negatively affect quality and availability of health care in the county.

**Coordination of Services** Formal efforts to coordinate services for low-income families in Fort Madison have focused on development of a decategorization (decat) plan for family services and an Innovation Zone. In addition, it appears that social service providers are knowledgeable of each others’ programs and a great deal of informal networking goes on. There is a sense of confidence among community leaders that “somebody will come through” to meet family needs in Fort Madison. An extension staff person shared this view: “I think there’s quite a

bit of networking that goes on between agencies ... they know that if the family can't get food through DHS, through their food stamps, that they can go to the food pantry and if all else fails you call Father Ev." On the other hand, uncertainty was expressed as to how families could "get into the system to begin with." Doubts also were raised regarding the match between available services and the unique needs of families; the "help" to be provided and the "need" to be met were perhaps incongruent. After describing a "bad experience" with the school-based services program, one FIP recipient concluded, "many people are unfriendly; there is a lack of community support." When another FIP recipient was asked about her experiences with social service agencies in Fort Madison, she voiced distrust of the welfare system and felt she did not know about all services that might be in the community.

It appears that the decat committee which serves Lee and VanBuren counties has helped to facilitate collaboration among numerous public service organizations within Lee County. One member of the committee described decat as a systematic approach to accomplishing social welfare goals of the counties, rather than simply a funding source. Decat may be a way to "fix the system ... DHS is a broken animal and they don't know how to fix it." Yet the decat committee is experiencing struggles as it coordinates "two very different counties." The committee has yet to recruit the participation of key organizations such as local schools, employers, and the ecumenical board.

Lee County is one of the few early successful applicants for Innovation Zone status, receiving approval in 1997. According to one spokesperson, "They are still working through the process and figuring out what exactly being an Innovation Zone means and involves." A proposal is being drafted to tackle two issues simultaneously: access to child care and welfare to work. The goal is to employ FIP clients whose children are in a targeted child care center as center employees and to request that their earnings not affect FIP benefits for a 6-month period. One informant reported that interpretation or clarification of regulations is the issue, rather than a need for waivers from regulations. To date, it seems that Innovation Zone status is receiving mixed reviews in Lee County. Some are proud of the designation, another person discounted the impact it will have, while still another key player said "it is getting nearly impossible to keep the programs straight," referring to decat, Innovation Zones, and Empowerment Areas.

**Issues** Low-income families living in Fort Madison face numerous structural barriers along the path to self-sufficiency. How the community will respond is uncertain. A number of important issues raised by the community informants will have implications for the future success of welfare reform in Fort Madison.

**Role of County Government**—To date, the county board of supervisors has played an important proactive role in social service planning and programming in Lee County. The board chair serves on the decat committee. County funds support Healthy Family HOPES, an early childhood education and intervention program administered by public health. The interview with a spokesperson for the board revealed particularly insightful comments about the importance of assessing the impacts of welfare reforms and a need for an outcomes-based assessment model that could be used within the county. An elected official believed that the sanctions and subsequent benefit reductions built into the state and federal assistance programs should not necessarily be picked up by local government: "If the system is going to work, it may require letting people get cut off so they know these initiatives are serious."

Roles of Ecumenical Board and Employers—While the faith community in Fort Madison plays an important role in meeting emergency needs of families, churches have not been involved in community-level decision-making. The ecumenical board does not interact much with local social services agencies and there is a sense that the faith community perceives its mission as somewhat separate from the public agencies. However, community informants who are intimately involved in social services observed that welfare reform goals could be better accomplished with increased involvement of local employers and the ecumenical board. An elected official observed that both groups have been “slow to show up at the table on welfare reform discussions, however, no one has helped them understand why they should be at the table.” Interestingly, extension staff reported that several employers politely declined to be interviewed for this study, not because of indifference, but because they simply were unfamiliar with the issues of welfare reform.

Youth Services—A recurring theme in many interviews was a concern about the well-being of children and youth and the adequacy of programs and services to meet growing needs. Gang-related activity, racial tensions in the schools, and lack of help and respite care for troubled adolescents are concerns in Fort Madison. A juvenile detention center near Fort Madison was at capacity. At the time of the interviews, the city council was considering establishing a curfew to respond to vandalism and other problems associated with unsupervised youth. While River City Mental Health provides life skill programs, the BRIDGES family resource center at the school serves high-risk students, and county funds support work with families struggling with mental health issues, community informants do not believe funding for these services is adequate. Troubled youth requiring educational and therapeutic day treatment are served by Young House, located in Burlington. One informant voiced dissatisfaction with the state’s decisions to reallocate dollars away from prevention programs for teens, wishing legislators would see that prevention programs are much more cost effective. Another community leader voiced frustration that “there’s lots of talk, but no (prevention) programs.”

**Summary** Fort Madison is a community that prides itself on a social service network of public and private agencies that provides for the most basic needs of its residents. The faith community plays an important role in meeting the emergency needs of families. Community leaders are engaged in several projects that require collaboration across agencies and community sectors. Serving a non-metro county, planners often struggle with the logistics of programs and services that cover multi-county areas. While agency staff are generally optimistic about welfare reform policies and programs, low-income families in the community voice concerns about the maze of programs and services, and barriers they face in meeting the expectations of the welfare system. There appears to be dedicated and creative leadership in public agencies and in county government to address the challenges of welfare reform; however, it does not appear that the community has engaged the private sector in local planning efforts. Fort Madison offers many low-wage, no-benefits jobs, but also cannot find skilled workers to meet workforce needs.

It will be interesting to watch Fort Madison and Lee County as the state of Iowa moves forward with plans to devolve decision-making to the local level. At the time of the interviews, there was a successful track record of collaboration and grantsmanship. It appears that Fort Madison will face a number of challenges in addressing the needs of low-income families and the demands of welfare reform:

- maintaining the momentum of community leaders who are currently active in several innovative, community-based projects;
- engaging low-income families in the planning process as new projects take shape;

- addressing many of the underlying personal and family problems that are directly related to welfare dependence;
- engaging employers and other members of the private sector in community-based projects; and
- balancing the growing demands of grant-writing, administration, and coordination that devolution of government services will place on professionals and volunteers, with the on-going work within their agencies and organizations.

## A Profile of Storm Lake

**B**uena Vista County and its county seat, Storm Lake (population 8,880), are located in northwest Iowa. This community is home of Iowa's fourth largest lake and Buena Vista University. The county's population in 1997 was estimated at 19,565, a 2 percent decrease since 1990. Compared with similar rural Iowa counties that are not adjacent to metropolitan areas, Buena Vista County has proportionately more residents age 18 to 44 and more people age 25 and older who are college graduates.<sup>1</sup> (See Table 15.)

Storm Lake has seen considerable growth in its minority population as evidenced by school enrollments. In 1987, minorities were 2.1 percent of the K–12 students. A decade later, minorities represented 16.3 percent of enrollments. This included 408 Hispanics, 258 Asian Americans, and 43 African American students. ISU Census Services estimates that the Hispanic population of Buena Vista County grew from 160 in 1990 to 3,095 in 1997 (15.8 percent of the total population).

Median household income for 1993 in Buena Vista County (\$30,452) exceeded that of similar rural nonadjacent counties (\$27,468) and the statewide average (\$28,867). The unemployment rate in 1997 was very low (2.2 percent) and average earnings per job in 1996 of \$22,779 exceeded that of similar counties (\$20,965), but was lower than average earnings per job in the state (\$24,646). Services, manufacturing, and retail provide the bulk of the employment in the county (about one-fifth of full- and part-time jobs were in each of the three sectors in 1996), but manufacturing and farming were the top two sectors in terms of earnings (23 and 21 percent of proprietor, wage, and salary income of all firms in Buena Vista County in 1996). Two of the largest employers are meat processing (turkey and pork) plants. Bil-Mar and Iowa Beef Processors (IBP) together employ 1,700 workers, about 500 of whom are minorities.

Buena Vista County has proportionately fewer residents participating in the Family Investment Program (FIP) or receiving food stamps compared with like counties. However, a higher percentage (37.3) of school children receive free or reduced price school meals than is true for similar counties or for the state as a whole. Some of these children are from immigrant families, who

<sup>1</sup>Rural nonadjacent counties have no cities with populations of more than 20,000 and are not adjacent to a metropolitan area. Iowa has 45 rural nonadjacent counties.

**Table 15. Buena Vista County Socioeconomic Profile**

	Buena Vista County	Rural nonadjacent	Iowa
Population characteristics (1997)			
% White	96.9	99.1	96.5
% Black	0.3	0.2	1.9
% Hispanic origin (can be of any race)	15.8	1.2	2.3
Age distribution (1990)			
% population age 0–17	25.8	25.9	25.9
% population age 18–44	38.9	34.3	39.9
% population age 45–64	17.4	19.8	18.8
% population age 65+	17.9	20.0	15.4
Educational status (1990)			
% population 25+ high school graduates	40.2	41.5	38.5
% population 25+ bachelor's degree	11.6	8.7	11.7
Family status (1990)			
% married couples w/related children	41.9	39.1	39.4
% female headed w/related children	4.7	4.8	7.0
Income and employment			
Median household income (\$) 1993	30,452	27,468	28,867
Earnings per job (\$) 1994	22,779	20,965	24,646

generally tend not to seek out the welfare system (or are barred from certain programs, even if they are legal immigrants). These data support the view of one community informant who stated that “immigrants are viewed as ‘those people’ and they tend to get blamed for welfare problems even though the truth is few of them benefit from welfare.”

**Moving Families from Welfare to Work** The network of social services in Storm Lake serves a diverse ethnic population, making communication difficult and time-consuming. A small Department of Human Services (DHS) staff struggles with large caseloads (reported by one worker as 230 cases per worker compared with 145 in the 1980s) and complicated policies increasing the likelihood of calculation errors for which their unit may be sanctioned. Two income maintenance workers process FIP applications in the Storm Lake office. A DHS spokesperson said that overall, FIP was a successful program because people were motivated to get off welfare and find pride in becoming self-sufficient.

The local DHS office strives to meet the needs of its non-English speaking clientele. At the time of the interviews in fall 1997, a Spanish interpreter was available on Tuesday mornings and materials were available in Spanish. However, other non-English speakers must bring their own interpreter to apply for DHS assistance. The staff's repeated requests to obtain a Spanish version of an important orientation videotape that is shown to all clients explaining their rights and responsibilities have gone unmet. One DHS staff person indicated that these conditions can cause frustration and low morale.

She also noted that some barriers to reform lie with clients themselves. Some fail to meet with the PROMISE JOBS (PJ) caseworker because they do not believe that benefits will be reduced, or they simply don't understand what they are supposed to do (which may be due to language barriers). Other clients are taking reform policy seriously and struggle to hold onto low-paying jobs despite the high cost of transportation and child care. Although DHS staff commented that there is an expectation to treat all clients with respect, one Latino recipient disagreed: "Some of their people are racist—that I have seen. Some people are not treated the way they should be ... and there are people who are charged with giving adequate care, but who do not perform the way they should." A DHS employee has seen a change in attitude among clientele over the years. She observed, "Before people were grateful and thanked you because they could get some help. But now they come in and demand and expect it. 'It's my right to have this.' ... I don't know if it's their attitude or my attitude that has changed over the years. I think a lot of it is their attitude."

PJ staff, located in Spencer (35 miles north of Storm Lake), contact FIP applicants by mail, arranging for them to meet with a caseworker who visits Storm Lake 1 day a week. Local DHS staff expressed their confidence in the PJ program for placing FIP clients in training and employment programs, although it also is faced with staff shortages. Currently, there is a single PJ worker for the entire county. Insufficient staff is considered the biggest challenge Workforce Development faces in achieving its goals as well as the lack of a reliable management information system to track client participation hours.

Child Care—Child care is an important link in moving welfare families into the workforce. Storm Lake is proud of its efforts to address this need. However, several community informants expressed concerns about the availability and quality of child care in general, the lack of infant care, the lack of third-shift care, and the inability of low-income working families to pay for quality child care. When asked what would be of greatest benefit to her in helping her toward self-sufficiency, one FIP recipient in Storm Lake commented, "It would be nice if they had more care in the workplace so you could take your kids with you." Another commented "a day care that was affordable."

The Gingerbread House is Storm Lake's largest child care center. Informants spoke highly of the center's reputation for offering quality care and employing a professional staff, with fees based on families' ability to pay. The Gingerbread House is not open during evenings or weekends and the two meat processing plants do not provide child care facilities. A manager from one of these firms said there had been a few cases, especially for third-shift employees, where workers had to give up their job because they couldn't find child care (most new employees work third shift to get their foot in the door). The Gingerbread House would like to accommodate requests for evening and weekend care but finding, and paying for, qualified employees is currently not feasible without community-wide commitment for such an expansion. Describing the growth and success of this nonprofit center, one informant explained that Storm Lake residents are "much more educated about the need for quality child care ... we were able to get \$200,000 from the community to help build this place." An elected official spoke with pride of Buena Vista County's 10-year history of subsidizing child care. At the time of the interviews the board of supervisors budgeted more than \$10,000 to subsidize care for working parents who have gone off welfare, and whose income has increased enough to make them no longer eligible for sliding fee scales. Through a cooperative effort with DHS, the county helps six to eight families each month, until their next pay increase allows them to pay for it themselves.

Job Opportunities—An informant representing the business community cited low unemployment and a favorable job market as factors that have facilitated absorption of the welfare population seeking work. Meat cutting and boning jobs pay more than \$8.00 per hour and are readily available at Bil-Mar and IBP. Sales and service jobs with downtown employers pay lower wages, in the \$5–\$6 per hour range, and often lack insurance benefits. Issues related to welfare reform have not come up in Chamber of Commerce discussions or decisions relating to economic development and job expansion. The Storm Lake Area Development Corporation is actively seeking other types of manufacturing business and job creation, but low unemployment rates discourage new companies from moving to the area. “For now there is certainly no lack of opportunity to work for people willing to put in an honest day’s work,” said one local manager. However, many of the best paying jobs are second and third shift. A local DHS worker said one of the fears clients face when going off public assistance is the loss of medical benefits: “They panic and would almost rather take a cut in pay, cut in hours, anything so that they don’t have to lose their medical assistance.”

**Meeting Emergency Needs** Public and private resources provide for many of the emergency needs of Storm Lake families, yet several “holes” exist in the local safety net. In 1997 county government spent \$34,975 on General Assistance (GA) to meet emergency needs of 172 individuals. Local residents can request assistance no more than three times each year. Interestingly, GA expenditures have decreased somewhat in recent years. However, an informant suggested that the faith community isn’t giving as much money to energy assistance as it used to because of increased demands for charitable assistance among church members. Bil-Mar and IBP have been described as being “good about giving” to the community action agency. An elected official does not anticipate that private charities will take a bigger role in meeting the needs of low-income families unless they “are brought to the table and become aware of certain needs.”

Legal services and homeless programs were identified as important unmet needs. Upper Des Moines Community Action Agency at one time employed a legal services worker but dropped the program a few years ago due to a lack of funding. There is no organization within the community that has as its mission serving the homeless population. An elected official said homelessness in the county isn’t in the form of people living in boxes or under bridges, but the doubling or tripling up of families in a single home. She described one situation in which more than 30 people resided in a single unit, with 11 school-age children leaving for school in the morning. The children were healthy, safe, and never without a mother’s supervision. For short-term emergency shelter, people can stay at the Salvation Army for one night. Other than in cases of abuse, there is no local organization providing short-term shelter for the homeless.

Health Care—Several community informants discussed the impacts of current health care policies on the local health care system. One informant predicted that Public Health might have to spend more time and money on treatment services and prevention programs if local citizens could not afford health insurance or were ineligible for Medicaid. A public health official described tuberculosis (TB) prevention as a big challenge, stating that the county has the highest percentage of residents with TB in the state (one informant attributed this to the county’s high number of foreign-born residents).

This informant saw the community’s ability and willingness to serve low-income populations as contingent upon private physician practice. Some have a “closed door to low-income” residents because of their current patient load and financial risks associated with serving them. Language barriers can lead to misunderstandings of symptoms and health history. Clients who cannot pay

often go to the Buena Vista County Hospital emergency room (ER) or, in nonemergency situations, are sent to Sioux City or Iowa City for treatment. In addition, even when adequately understood and treated, low-income immigrants may be unable to afford prescription medications. Commented one, "I had Medicaid. Then they took it away according to the new regulations they adopted. It was very difficult for me and I worried a lot about it. I have asked for help from my doctors and they help me out with samples ... some medicines I have to buy because there are no samples available."

Uncompensated services are the fastest growing line items in the hospital's revenue picture. These services have grown from 1.2 percent to nearly 25 percent of the total services in the past 10 years. Uncompensated services include amounts over both Medicare- and Medicaid-approved charges, charity, and bad debt. A high proportion of children is treated in the ER. Transient residents contribute substantially to the number of patients without a regular physician seeking treatment there. The hospital recently formed a nonprofit foundation and purchased an adjacent clinic with hopes that access to the clinic will reduce the burden on the ER. However, there are conflicting reports on how many doctors will accept new (and low-income) patients.

A case management worker employed by the hospital reported that work is becoming increasingly complex and demanding: "Our jobs just melt together with DHS, the court system, juvenile justice—you find yourself filling so many roles." This caseworker is concerned about the effect of welfare reform on the vulnerable populations, given the high percentage of women and children she sees who receive some form of low-income benefits. She is very concerned about the 5-year limit (on FIP benefits) and about what will happen to those who will never be off welfare. As many as eight different language groups come to the ER. The hospital has relied on nearly 40 on-call volunteers for translation services, but began paying translators 2 years ago to avoid burnout. When treating people with different cultural beliefs, case managers are crucial because they are familiar with the community and become trusted by the clients.

**Coordination of Services** The Storm Lake community relies mostly upon the skills and experience of agency workers to establish connections between organizations and make appropriate referrals for low-income families. Many workers feel very positive about this referral system although they may not have the time and resources to follow-up with clients. An informal interagency council meets monthly to discuss common concerns and issues. The meetings are fairly "relaxed," focusing on information exchange among the various agencies. Public Health, PJ, DHS, Child Abuse Prevention, ISU Extension, and the Area Education Agency are organizations represented at these meetings. Representatives of local government, law enforcement, and the faith community have not attended.

At the time of the interviews in fall 1997, decategorization of youth services had not been implemented in Buena Vista County. Perhaps the only specific effort to move toward greater community collaboration and a broader case management approach, was a plan to create a "community team" of support for families receiving DHS child welfare services. Several informants described this as an effort to promote a strength-based approach to deal with the isolation of many families. It will be interesting to watch the extent to which either or both of these initiatives fuel a broader-based effort to coordinate services for low-income families in Storm Lake.

**Issues** Important issues that affect many different segments of the community were identified by informants as they discussed the future of welfare reform and the challenges facing low-income families in Storm Lake as they attempt to move from welfare to work and self-sufficiency.

Immigrant Issues—Nearly every service provider mentioned the challenges of working with a diverse ethnic population. One informant said, “There used to be an attitude that if we ignore them, they will go away—but the community is now getting to know them and not exclude them as much ... starting to see their needs.” Many informants cited positive steps that specific agencies have taken to respond to an increasingly diverse population. The Catholic Diocese of Sioux City supports an outreach ministry to welcome new immigrants to the “community” (which includes Estherville, Denison, Fort Dodge, and Storm Lake), but because of the large service area and a lack of funds for additional workers, many needs go unmet. A person knowledgeable about this project believed that as people are cut off welfare, more will be seeking aid and assistance while “the generosity of people wears out.” This person described service professionals who “hide behind their desks instead of relating to people” and a community that is not doing its part to support immigrants. An individual who acts as a volunteer interpreter, especially at clinics and dentists’ offices, said that immigrants in general are treated with a demeaning attitude. A notable shortcoming of the social service system is inadequate staff and funding for translation services. There is concern that the child welfare services are not reaching immigrant families because of these barriers that hamper efforts to identify families in need. Despite the diverse ethnic population in Storm Lake, there are few professionals from different cultures. The formation of a diversity task force in Storm Lake is a clear signal that the community is attempting to deal with its changing structure. The Even Start program is available for non-English speaking families to help children prepare for school, and English as a Second Language (ESL) classes are available through the schools.

Crime and Youth Issues—Crime, particularly among youth, is a growing concern for residents and local government. Youth problems may begin at an early age when many youth are “on their own,” as one social worker put it, while “mom works days and dad works nights.” A local mental health counselor stated that she was seeing more teenagers involved with drugs and alcohol and diagnosed with depression. An elected official viewed crime as related to family well-being and parenting skills. Failing to support low-income families “will cost the county dearly in housing them (referring to juvenile offenders) and processing them through the court system.” With a direct cost of \$100 per day to house juveniles at a detention center in Cherokee, the county at the time of the interviews budgeted \$50,000 but needed \$90,000 one year to cover these costs. With funding from juvenile court services, two “trackers” have been employed to monitor attendance in the schools in Buena Vista County and work with parents of truant children. The local probation officer is described as seriously overworked. The Mayor’s Youth Council, consisting of youth and an adult coordinator, was created in recent years to look at community issues from the youths’ perspective. This proactive effort may be a step toward addressing youth needs and viewing youth as assets in the community.

Role of Local Governments—Storm Lake city government is not directly involved with issues related to welfare reform; a city official doubted the new legislation would have any dramatic impact on the town. A traditional city government, its priorities include public safety, emergency services, maintenance of physical infrastructure, and economic development. The city council does not have goals for low-income families, but goals addressing the needs of all families. A new comprehensive community plan is being formulated and includes the goals of preserving housing stock and helping make home ownership affordable for low-to-moderate income residents. Plans for the construction of a new civic center take into consideration accessibility for residents of all socioeconomic backgrounds. To accommodate growing ethnic populations (Hispanic and Asian), Storm Lake has added two “community service” officers to the police force.

Local residents describe the board of supervisors as having one “designated caring supervisor” who is the driving force behind county government’s involvement in family and children’s issues. When asked how the board was preparing for welfare reform, an individual knowledgeable about county government replied, “We’ve known this is coming, but are poorly prepared—welfare reform may be the single largest test for local government.” However, other than subsidizing child care, the board has no formal goals or vision regarding welfare reform issues.

**Summary** Storm Lake is actively addressing many concerns related to low-income families in general, but efforts are directed towards issue-specific projects or groups—child care, immigrants, and to a lesser extent, youth. With low unemployment and entry-level jobs available at the meat packers, the community is not taking a proactive, collaborative approach to moving families from welfare to work. Immigrants are much more of an immediate issue on the forefront of the community’s collective conscience rather than low-income families in general. And, the community is making progress in integrating immigrants into the community.

There is a sense that the social service community is keeping its head above water, but work in these organizations is stressful. In this rural county 70 miles from the Sioux City metropolitan area, some services are staffed within the county whereas others are provided by agencies that make periodic visits to the county. Several critical services require families to travel to Fort Dodge, Spencer, or Sioux City, relying at times on a network of volunteers for transportation services.

As state and federal welfare reforms shift more of the responsibility of policy and program determination to the local community, Storm Lake will need to consider

- creating a vision for the role of community in supporting families in their efforts to be self-sufficient;
- establishing a collaborative, community-based mechanism for comprehensively addressing the barriers that face Storm Lake families in their movement from welfare into secure jobs;
- engaging employers, local government, the faith community as well as the traditional social services in collaborative planning efforts;
- joining with low-income families, including minorities, in planning and developing community-based projects; and
- pursuing the resources that are needed to support the delivery of services and programs in a rural community with a diverse population.

# A Profile of Manchester

**M**anchester (population 5,398) is located in northeast Iowa. Delaware County had an estimated 18,449 residents in 1997, an increase of 2.3 percent since 1990. Manchester families are within commuting distance of the metropolitan counties of Dubuque bordering on the east and Linn (Cedar Rapids) bordering on the south; as well as the Waterloo/Cedar Falls metro area some 50 miles away. In contrast to similar rural Iowa counties that are adjacent to metropolitan areas, Delaware County has more residents age 0–17 (31.0 percent compared with 26.7 percent) and fewer residents over age 65 (14.7 percent compared with 18.5 percent).<sup>1</sup> Compared with similar counties and Iowa counties overall, Delaware County proportionately has more people age 25 and older who have graduated from high school; more married couples with children; and fewer-female headed families. Delaware, like other rural adjacent counties, has proportionately fewer college graduates compared with the state as a whole. (See Table 16.)

Data from 1993 show that median household income in Delaware County (\$30,754) exceeds that of similar rural adjacent counties (\$29,514) and Iowa counties in general (\$28,867). Average earnings per job of \$21,889 is higher than similar counties (\$20,501), but significantly less than the state average (\$24,646) in 1996. Unemployment averaged 4.9 percent in 1997, above the statewide rate of 3.3 percent. Farming and manufacturing provide a strong employment base in the county, with 24 and 21 percent, respectively, of total earnings coming from these two sectors in 1996.

Only 1.6 percent of Delaware County's residents are on the Family Investment Program (FIP), whereas 3.8 percent receive food stamps. The FIP caseload has dropped 25 percent since 1993 while food stamp participation is down 30 percent over the same period. One in four (24.4 percent) school children receives free or reduced-price school meals in the county, mirroring the statewide rate of 25.0 percent. The proportion of students receiving meal subsidies has remained steady in recent years.

**Moving Families from Welfare to Work** As residents of a rural county, low-income families in Manchester have access to many social services that are dispersed throughout the community, but they must travel nearly 40 miles to Northeast Iowa Community College (NICC) for General Equivalency Diploma (GED) or other coursework. High school graduates may pursue formal short-term training at NICC for careers such as certified nursing assistant, emergency medical technician, or truck driving. Some Manchester residents travel to Kirkwood (Cedar Rapids), Hawkeye (Waterloo), or Dubuque Community College campuses to take coursework or combine work and schooling in the same trip. The local Iowa Workforce Development (IWD) office reports few openings for full-time jobs with benefits and wages capable of supporting a family. Job opportunities or enrollment in community college programs in Dubuque, Cedar Rapids, or Waterloo/Cedar Falls require 80- to 100-mile daily commutes. Community informants repeatedly cited a lack of transportation, affordable child care, educational opportunities, and well-paying local jobs as barriers to moving Manchester families from welfare to work and self-sufficiency.

<sup>1</sup>Rural adjacent counties have an urban population less than 20,000 and are adjacent to a metropolitan area. Iowa has 35 rural adjacent counties.

**Table 16. Delaware County Socioeconomic Profile**

	Delaware County	Rural adjacent	Iowa
Population characteristics (1997)			
% White	99.2	99.1	96.5
% Black	0.2	0.2	1.9
% Hispanic origin (can be of any race)	1.2	1.2	2.3
Age distribution (1990)			
% population age 0–17	31.0	26.7	25.9
% population age 18–44	35.7	34.8	39.9
% population age 45–64	18.6	20.0	18.8
% population age 65+	14.7	18.5	15.4
Educational status (1990)			
% population 25+ high school graduates	47.5	44.0	38.5
% population 25+ bachelor's degree	8.2	8.4	11.7
Family status (1990)			
% married couples w/related children	47.1	39.7	39.4
% female headed w/related children	4.2	5.3	7.0
Income and employment			
Median household income (\$) 1993	30,754	29,514	28,867
Earnings per job (\$) 1996	21,889	20,501	24,646

Local Department of Human Services (DHS) employees express optimism about their agency's performance, and changes in Iowa's welfare policy that reflect the "public's attitude that people need to take personal responsibility for their support." Collections for child support have gone up and the agency has stayed within budget while providing more services to people through collaborative efforts with local schools and mental health. In the future, DHS staff members anticipate the need to work more intensively with clients with multiple barriers to employment. Within the agency, they struggle to keep up with changing policies and high turnover among social workers due to the demanding and stressful nature of the job. DHS staff noted that 2.5 workers currently serve the child welfare needs of the county, down from a staffing of four social workers and a child abuse investigator.

Staff members view a steady drop in the number of FIP clients and the majority of clients leaving the program with jobs as a success. They acknowledge that "some clients are not [successful] but we are not seeing them." An informant from another agency suggested that rather than moving families to self-sufficiency, she is seeing growth in the number of the working poor. This provider said "it costs money to work—increased transportation, food, child care, and fewer food stamps—in some cases working has made their situation worse, but we do whatever we can to help these working families succeed."

DHS refers FIP clients to IWD, located in downtown Manchester, for PROMISE JOBS (PJ) programs. Local staff recognize the importance of the link between DHS and IWD in welfare reform. DHS caseworkers attend client conferences with PJ to maintain continuity between the two local agencies. Two IWD staff posted more than 300 job vacancies last year, however, many

are service positions involving part-time and evening or weekend hours. The agency does not receive many orders for full-time jobs with benefits and wages capable of supporting a family. In seeking job opportunities for welfare clients, IWD staff reports that small employers are most likely to use PJ services, whereas large employers are generally not interested. PJ assists clients needing job skills, but IWD has limited staffing and resources to assist those in need of basic social skills, such as dressing or speaking appropriately; to deal with clients who lack an understanding of the work world such as getting to work on time or dealing with criticism from a boss; or to address the complex interpersonal and health problems facing the “hardest-to-serve” clients.

One informant observed that to move welfare families into the workforce “employers need training and patience with employees. They must be willing to work with employees who are not experienced—don’t just put them on the job like everybody else; especially if they (employers) are getting incentives.” An elected official voiced concern about a segment of the population for whom employment and self-sufficiency may be an unrealistic goal without extensive treatment and support: “It boggles my mind how many mental health clients they are finding in the low-income population; there has been a major increase in the number of people served in this category and there are more mentally disabled young people than the public realizes.”

**Meeting Emergency Needs** Operation: New View (ONV), the local Community Action Program (CAP), county government, and the faith community are key players in providing for the emergency needs of residents and transients in the community. ONV assists up to 700 clients a year and demand for its services is growing. Headquartered in Dubuque with an office in Manchester, ONV offers a variety of services: referrals to the food pantry, crisis help, budget counseling, weatherization, emergency rent and utility assistance, Head Start, referrals to employment services, help with resumé writing, and referrals to job openings through a small job registry.

One informant also described a “new poor population” in the community who never sought assistance before, but due to layoffs and plant closings needs help. These clients are unfamiliar with the local services available, and sometimes pride makes them hesitant to seek assistance.

Budget restrictions and personnel turnover are major challenges facing the local CAP agency. Because of limited funding, a low pay scale makes it difficult to retain workers. One CAP employee reported that efforts to shift discretion from state to local levels allow the staff to be innovative within certain guidelines. However, she saw the shift as an outcome of decreased funding more than a philosophy that local professionals can best decide how to serve their clients. She viewed decreasing funds as the result of public attitude: “People are tired of seeing handouts and want budget cuts.” The agency is in the process of developing benchmarks to measure its effectiveness and increase its accountability. In the interim, various informal indicators suggest the agency is meeting critical needs. The agency receives positive feedback from clients, sees a lot of participation in various programs, and is able to gain the support of volunteer workers.

Housing and Food—People are drawn to the Manchester area hoping to find good-paying jobs and low-cost housing. According to one government official, some people arrive without jobs and then do not get hired; in the meantime they have moved into the affordable housing and remain in the community. City officials undertook efforts to provide low-cost, subsidized housing and now have the largest number of households (64 units) receiving rental assistance in a five-county area. Residents faced with eviction can receive up to 2 months of emergency rent from the county. Rent and utility assistance is also available through ONV. No local program pays rental deposits or utility reconnect fees. Local ministers report an increasing number of families needing help

with utility payments, gas for cars, and food—many going from church to church requesting assistance. Most churches have emergency funds for their members, but have limited means to assist nonmembers. A spokesperson for the faith community observed that demands for emergency assistance in Manchester had grown and feared “it will get worse.”

The ministerial association operates a local food pantry that serves from seven to 30 families each week and delivers food baskets to needy families during the holidays. Supported and staffed by local churches and other community fund-raising efforts, the pantry is very well stocked and compared with many similar food pantries is generous in its allocations to needy families. Pantry services are coordinated with DHS to determine eligibility. Families with children are the most common clients and are eligible for a 3-day supply of food each month. In addition to overseeing the operation of the local food pantry, the ministerial association has a Good Samaritan Fund for transients requesting food, gas, and overnight motel accommodations.

**Health Care**—Health professionals report that most underinsured and low-income populations are able to receive medical care in Manchester if they seek it. One health provider felt that uninsured and underinsured farmers were the largest population with unmet health needs. However, several informants described the inadequacy of dental care, family planning services, and prenatal care. One community leader said, “Health care for low-income families is pretty non-existent ... in Manchester.” Because of dissatisfaction with Medicaid reimbursements, no dentist in the county is accepting new Medicaid patients. DHS officials are concerned that many people don’t understand that they may be entitled to Medicaid without qualifying for FIP.

Delaware County Memorial Hospital treats an increasing number of uninsured and underinsured people. County appropriations cover the \$250,000 charity care fund for uncompensated services each year. Most vulnerable are uninsured children who do not qualify for Medicaid, and young children from families with substance abuse and mental health problems. The hospital recognizes a need for increased preventive health programming and hopes to obtain grants to fund outreach caseworkers to serve at-risk families and expand community education efforts. Hospital (mental health) social workers have become established in each school system and communication between the schools and the hospital has improved, helping them reach out to at-risk students. County funding supports the hospital’s community health services, which include public health nursing, home care aid visits, and immunization clinics for adults and children.

Like many other rural communities, some preventive health programs in the county are offered through coordination with agencies located elsewhere. Headquartered in Dubuque, the Women, Infants, and Children (WIC) Supplemental Food clinic is available 2 days a month and Hillcrest Family Planning visits 1 day each month. One informant saw a need for family planning services by those who either couldn’t afford it or were reluctant to visit a local doctor, although services were underutilized. The Visiting Nurses Association, also based in Dubuque, runs well child clinics.

**Coordination of Services** Manchester has an interagency council that meets monthly under the direction of a sponsoring organization that accepts and passes on the responsibility every few years. The council is made up mainly of representatives of social service agencies who exchange information and ideas over lunch. One member of the council saw it as an important coordinating instrument for the community and would like more organizations to become involved regularly, such as the Chamber of Commerce, local schools, law enforcement, and local

government. This person said if funds were available for organization and support, the council might become more effective and influential.

A DHS administrator credited a decategorization of youth services project with helping move the agency from crisis to preventive programming, and reported that all community agencies, schools, and churches participate. Informants who work directly with low-income families described communication and transportation as real barriers to effective service delivery. Transportation is a problem because services are located in different offices in different sections of the city. Many low-income families lack a phone, which requires home visits. Timing and scheduling of services is another issue in a county that offers limited weekend services and a monthly or bi-weekly offering of several health care services. While some families receive case management services from DHS or County Community Services, Manchester has no single umbrella organization or networking system linking the service providers.

## Issues

Children and Youth—Community informants voiced a wide range of concerns about children and youth. A general lack of quality, affordable child care, particularly during second and third shift hours, was mentioned repeatedly. One young mother told of losing a job prospect paying relatively good wages due to lack of child care for her sick children. “I got along with everybody that I knew. My kids got sick and I had to leave. She [the supervisor] said that was the reason I didn’t get hired on—because the kids got sick. They said my work was great—better than satisfactory—it was just that time I missed. It was a rough time.” There are concerns about the growing ramifications of children being unsupervised while their parents work. A need for tutoring, mentoring, and efforts to prevent school dropouts were mentioned in several interviews. The problems are becoming more complex. More children are experiencing drug, alcohol, and domestic abuse in their homes. A child welfare administrator said one of the biggest gaps in services occurs when children are removed from their home; there is no place for them to stay in Delaware County. This worker also described the bureaucracy involved in diagnosing, treating, and funding treatment for mental health and substance abuse problems. At the time of the interviews, child welfare staff were utilizing three different funding streams which required DHS to deal with a large amount of paperwork, red tape, and delays. This staff person hoped that decategorization would address some of those issues.

The middle school has a program for at-risk children, involving students in smaller classes with greater teacher contact. Similar programs do not exist at the elementary or high school level. Outside of the public schools, the East End Youth Center gives kids a “place to go,” and Youth for Christ sponsors spiritual and social activities for approximately 250 students each week. The city has a recreation program for youth. There is a Brother/Big Sister Program but community informants had little knowledge of its activities.

Role of the Faith Community—The faith community plays an important role in meeting the emergency needs of low-income families in Manchester. As one informant stated, “If not government funded and the churches are not doing it, not much is being done.” In addition to operating the food pantry and helping transients through the Good Samaritan Fund, the ministerial association participates in Manchester’s inter-agency council. One member said the ministerial association has engaged in dialogue about its potential role in welfare reform and the consequences of becoming involved. The association believes local churches have a natural capacity to assist with reform because they are “closer to the people” and understand their needs.

However, they are uncomfortable with the thought of organizing and managing social services funded by the government because the administrative requirements could be overwhelming. If churches were provided funds to assist low income-families, they would prefer the fund be used for education programs (on topics such as family budgeting, child care, parenting, computer training) rather than “handouts.” Functioning as a family resource center, the churches would “teach families to fish rather than give them the fish.”

Role of Local Governments—Working with the county, Manchester’s city government has taken an active role in improving housing conditions in the community. But one city official “does not view the city as having the resources or the responsibility” to deal specifically with the needs of low-income residents. Ramifications of welfare reform did come up in a city planning session at the time of the interviews. City officials voiced concern about the lack of employment opportunities, the potential increase of families in the community living without support, and the potential for increasing demands on police and law enforcement. The city recognizes the need for child care in the community but one spokesperson said the city is not sure how the need could best be met.

Though generally quite supportive of policy changes that move decision-making from the federal and state to local levels, county elected officials voiced some concern that changes may be happening too fast. Increased flexibility and responsibility, coupled with the need to set a broad range of policy and to monitor progress, can be overwhelming for the county. County officials view welfare reform as “a good experiment because the old policy was not working.” However, informants voiced concern that as people are cut off of welfare, greater burdens may be placed on the county due to crime and child neglect and abuse. Delaware County Community Services and Community Relief reported that total expenditures for general assistance would surpass \$100,000 in 1998, compared to \$63,000 in 1994 and over \$80,000 in 1997. The largest portion of these funds goes to families needing help with rent and utilities, but allocations for health-related needs are increasing substantially. Because of state mandates and funding cuts, the counties are covering a larger share of the costs of the disabled population and the growing need for mental health services. If demand on county resources continues to increase, local families may have to rely more on the charity of non-government organizations or family members, according to this official. The county has increased grant applications. One spokesperson believed it was crucial to develop staff expertise in this area in order to compete with larger cities that employ professional grant writers.

**Summary** Social service providers in Manchester expressed a positive attitude about welfare reform and the role they play in assisting low-income families in gaining independence. Almost uniformly, community informants voiced enthusiastic support for the policy changes which emphasize work and responsibility. While voicing optimism, they also were realistic about a number of barriers to self-sufficiency that families and the community must face. This rural county’s location within commuting distance of three metropolitan areas, is both an asset and a barrier. Well-paying jobs are available in the cities. However, service providers and clients struggle with the dispersed location of services and a lack of local jobs paying a living wage. Nearly every service provider identified lack of transportation as a major barrier for low-income families living in Manchester. The optimism associated with declining welfare rolls is tempered by a concern about a growing number of working poor families and an increasing demand for emergency support. Government agencies with the support of the faith community appear to be meeting the crisis needs of low-income families at this time. The long-range challenge in meeting the needs of

low-income families as welfare reform progresses will include

- expanding the resource base in order to meet the increasing demand for emergency services;
- continuing collaborative efforts to meet the needs of children and youth;
- strengthening collaboration among local governments, employers, and community service organizations to address the shortage of job opportunities that can adequately support families;
- working with low-income families to develop community-based projects that will enhance job-readiness skills and address the complex needs of “difficult to serve” families; and
- pursuing resources to address the transportation and child care needs in the community.

## A Profile of Hampton

**F**ranklin County is located in north central Iowa in the path of Interstate 35. The county's population in 1997 was estimated at 10,874, declining 4.3 percent since 1990. Hampton, the county seat, has an estimated population of 4,030. Census Services at Iowa State University estimates that in 1997, 4 percent of the population and 7 percent of school enrollment in Franklin County was Hispanic, but that likely excludes most seasonal cannery and agricultural workers. (See Table 17.)

Franklin County is a prosperous farming county—at least when agricultural commodity prices are high. In 1996, services and farming generated the greatest employment (19 and 18 percent, respectively, of full- and part-time jobs) in Franklin County. Since 1996 was a good agricultural year, farming outpaced all other sectors in earnings (30.4 percent), followed by manufacturing (16.7), and services (14.5). County unemployment in 1997 was low (3.2 percent), comparable to the 3.3 percent statewide rate. The 1993 estimates show that median household income in Franklin County (\$28,342) exceeds that of similar rural counties that are not adjacent to metropolitan areas (\$27,468) and is comparable to Iowa overall (\$28,867).<sup>1</sup> Higher earnings per job in 1996 for Franklin County (\$24,228) compared with that of similar counties (\$20,965) is largely attributable to a prosperous farming sector; and is comparable to Iowa's statewide average earnings per job (\$24,646). In the mid-1990s, farm proprietors' incomes in Franklin County were more than double the incomes from nonfarm jobs, suggesting that there are many low-wage jobs in the nonfarm sector, particularly in the retail and agricultural service sectors.

A slightly smaller portion (9.6 percent) of Franklin County residents were poor in 1995 than those in other rural nonadjacent counties (10.9 percent). The poverty rate among people of all ages and for children under 18 was slightly lower than the rate in similar counties and the state. That was reflected in a lower proportion of the county's population receiving Family Investment Program (FIP) benefits and food stamps. In the 1997-98 school year, Franklin, as well as other rural nonadjacent counties, had slightly more school children receiving free or reduced-price school meals than the state over all (29.0 percent and 30.6 percent compared with 27.6 percent).

<sup>1</sup>Rural nonadjacent counties have no cities with populations of more than 20,000 and are not adjacent to a metropolitan area. Iowa has 45 rural nonadjacent counties.

**Table 17. Franklin County Socioeconomic Profile**

	Franklin County	Rural nonadjacent	Iowa
Population characteristics (1997)			
% White	99.6	99.1	96.5
% Black	0.1	0.2	1.9
% Hispanic origin (can be of any race)	4.0	1.2	2.3
Age distribution (1990)			
% population age 0–17	25.2	25.9	25.9
% population age 18–44	34.5	34.3	39.9
% population age 45–64	20.2	19.8	18.8
% population age 65+	20.0	20.0	15.4
Educational status (1990)			
% population 25+ high school graduates	39.1	41.5	38.5
% population 25+ bachelor's degree	8.9	8.7	11.7
Family status (1990)			
% married couples w/related children	40.8	39.1	39.4
% female headed w/related children	3.0	4.8	7.0
Income and employment			
Median household income (\$) 1993	28,342	27,468	28,867
Earnings per job (\$) 1996	24,228	20,965	24,646

This pattern (low FIP use and above-average qualification for free and reduced school lunches) may be due to low wages in the county (families being near poverty) and residence of low-income immigrant families living in the county, who may not be eligible for or choose not to participate in FIP.

**Moving Families from Welfare to Work** Three income maintenance workers assist Franklin County residents who participate in FIP. A local Department of Human Services (DHS) administrator emphasized that a very professional staff treats Franklin County clients with respect and consideration. Through their longevity, local DHS caseworkers have extensive knowledge of the community and services available and have established credibility with their clients. According to this informant, this helps deter dishonesty and system abuse. Franklin, along with Bremer, Butler, and Grundy counties, is part of a four-county service cluster with the office headquarters in Butler County.

The local DHS office was ready for welfare reform, according to this administrator, because personnel encouraged self-sufficiency long before FIP became a reality. Statewide training on the 1996 federal welfare reform regulations and state-mandated but locally organized community forums were well attended by clients and providers. The forums helped build connections and coordination among agencies, and reduced duplication of services. In spite of these advances, a DHS employee assessed the future of welfare reform as follows:

I see welfare in layers where PROMISE JOBS is taking off the top layers of clients who will get training or schooling and be successful. What's left are the non-disabled, but

socially inept clients who aren't employable. How can they be helped? Who will hire them? The private sector has to be partially responsible, but what is their incentive? Is all of this cost-effective? Does it make sense to spend thousands of dollars in transportation and child care to train a client who has a more vested interest right now in staying home with her children? Maybe the best care for those children is at home? Coordinating child care of second and third shifts, where most will be employed, is extremely challenging.

**Job Opportunities**—Despite high productivity within the farming sector, various community informants cited the problem of a lack of well-paying jobs. One local business manager said that most jobs at his company are production-line work and require high school graduates able to “read, write, and follow directions.” This manager reported that some welfare recipients, having been offered jobs, turned them down, saying they can “make more money on welfare.” One FIP recipient put it somewhat differently: “There aren't enough good paying jobs—you have to go to a bigger town. In order for people to make it any more, you have to be getting \$12 to \$16 per hour.” One of the larger private employers was not aware of incentives available to firms for hiring welfare recipients, and had little contact with PROMISE JOBS (PJ).

**Child Care**—In Hampton, difficulty in obtaining child care is the most commonly cited barrier that low-income families face when attempting to work and/or attend training. Adults employed during evenings or weekends and those attending evening classes for General Equivalency Diploma (GED) completion struggle to find supervision for children of all ages. At the time of the interviews in 1997, there were no registered child care centers in town. Frances Lauer Youth Services has an after-school program for middle school children. A Head Start worker indicated the need for 24-hour care, with the greatest need between 6:00 a.m. and 6:00 p.m. Hampton has “little or no” before- and after-school child care, protective services for children (they must go 28 miles to Mason City), services for disabled children, or infant care. Parents must rely on private home care providers, relatives, or friends. One informant questions the quality of non-licensed providers because many lack formal training and take in more children than they should.

Head Start recently opened a second center in Hampton (closing a much smaller one across the border in an adjacent county). Consequently, the long waiting list has been eliminated. Head Start staff report an increasing number of referrals to other social services because more families and children are experiencing emotional stress and because the noncustodial parent fails to pay child support. Many parents are turned away from Head Start because they fail to meet the program's income guidelines. Families may “fall between the cracks” if both parents work at minimum wage jobs. This staffperson says “we are seeing two-parent working families—if you've got two children in child care and you're not making very much money, then child care is a big part of your income.”

### **Meeting Emergency Needs**

**Food and Shelter**—A local church started Hampton's food pantry in 1984, but it was closed for 6 months in 1995 for lack of funding. The pantry then was reorganized as an independent organization supported by various churches, service clubs, and a few generous individuals. At the time of the interviews, the pantry, operated by an all-volunteer staff, was open Tuesdays and Fridays from 10:00 a.m. to noon. Franklin County residents could receive a 4-day supply of food once every 2 months. In 1996, the pantry served an average of 25 families or 96 people per month. Numbers are higher in the summer months when migrant workers are in the area. The pantry struggles to meet increasing demand. At the time of the interviews, food drives had not

been very successful, which may be attributed to a widespread negative attitude toward the migrant worker population. Contributions drop off noticeably during the months they are in town.

Low-income families can seek assistance from North Iowa Community Action (NICA) for crisis help; housing assistance; rent/utility deposit loans; the Supplemental Food Program for Women, Infants, and Children (WIC); and child health services. A Family Development worker heads Hampton's one-person NICA office, which receives applications for the various programs, and passes them on to NICA headquarters in Mason City. The fact that she must keep the office open means she has limited time for her home visits. This informant wasn't sure where people would go when they were no longer eligible for welfare because the local churches and food pantry are "stretched to their limit."

The local ministerial association oversees and the local Catholic Church administers the Crisis Assistance Fund for transportation, medical supplies, utilities, and rent assistance (the most requested service). In 1996, \$18,000 was given out, but that fell short of the need. The fund is apparently known by low-income residents. One said "I have a Catholic Church down here that helps us if we get kind of low on our electric bill or something. They'll help us a little bit. If I need some extra, they're pretty good about that. They have funds we can use." Lately, the assistance fund has had to turn some people away or give them only small amounts. Churches are the primary source of support, although some local civic organizations contribute. Some pastors feel uncomfortable requesting assistance because their congregations do not always react positively. The ministerial association discussed devoting one Sunday sermon to the problems of low-income families—Hispanics in particular—but some pastors, being sensitive to public sentiment, didn't agree to it.

Health Care—Hampton's Public Health Department reported that its caseload is increasing and includes more medically indigent people. Anticipating a continuation of these trends, one official said that Public Health will have to be "choosier" in accepting clients—they must be truly needy. WIC and child health clinics are available through NICA, but at the time of the interviews the number of clients served at child health clinics decreased from the previous year because of a change in WIC program requirements. NICA still sponsors the program, but the agency contracts with local physicians to serve the children. However, the doctor shortage sometimes means that not all children are examined. In general, Public Health has adequate staff to provide care for low-income and uninsured populations but the quality of care for medically indigent (uninsured) clients in the future will depend on how much the county is willing to pay. Local physicians are reportedly resistant to taking on more Medicaid and uninsured low-income patients. And, according to community informants, "local dentists refuse to treat both groups."

Hispanics are one of the most vulnerable populations because many are not insured. Public Health conducts tuberculosis (TB) testing and follow-up, especially with Hispanics. Hispanics often seek medical help from the local hospital emergency room, increasing costs to the hospital. There are no local family planning services. An Iowa Falls doctor comes once a week to see uninsured pregnant women but is not taking new patients. Medicaid patients must go to Mason City for obstetrics services.

An uninsured resident told of an incident with the local hospital:

Not too long ago I got an attack and I called the hospital and wanted to go into the emergency room and they wouldn't take me because I had no funds ... She told me just

to go get a bottle of 7-Up and said I would have to wear it out. Told me not to eat anything for 24 hours. They wouldn't take me because I have no funds for the emergency room, so I had to tough it out on my own.

**Coordination of Services** Local providers make no mention of any formal or informal structure for guiding families through the social service system other than referrals made by different agency personnel. Logistically, coordination of services can be difficult because Franklin County is in a very rural area. Some services are located in one county, but not another. An informant with a severely handicapped child recounted her troubles with respite care. "If I drive 40 miles [to Mason City], I can get the respite care so I can do my grocery shopping and my errands. But I didn't use it one month—the month we had all the bad weather—so they cancelled it. When he's in school, it's hard to get up there between 4:00 and 6:00 p.m. So I've had a real problem with that."

Despite these difficulties, service workers indicate they are getting better at communicating and collaborating with each other although it is time consuming and difficult to "give up one's turf," as one informant put it, but "we are mandated to collaborate and it just makes sense to not duplicate services." However, another former recipient commented, "Some of these programs are available, but people don't have resources to find them. That's what's hard. Such as North Iowa Regional Housing who helps with my daycare. Nobody knows about them. I know they are on limited funding just like everybody else, but how can you use them if you don't know?"

## Issues

**Personal Barriers**—Low-income families in rural Iowa have less immediate access to social services and employment opportunities than do those in urban areas; for these families, transportation is always an issue. Low-income families also face numerous personal barriers and challenges to becoming self-sufficient. Social service workers in Hampton report an increasing number of families (both adults and children) who battle mental illness. Some FIP families are reported to consider themselves already "independent" because they are "making it on their own"—receiving FIP cash benefits and food stamps without having to rely on relatives or friends. One DHS worker said, "It's hard to make them understand they are not [self-sufficient] or that in 5 years they will be off the program." Stated one FIP recipient when asked about the 5-year limit, "I think about it, but I figure we've come this far. You just have to take one day at a time and see what happens. Who knows—by that time you never know what might be going on."

**Youth**—There are few local preventive services for youth. At the time interviews were conducted in fall 1997, Franklin County had not yet initiated a decategorization program for child welfare services. Interviews with a number of informants suggest that the most pressing needs are parental involvement and local opportunities for young people. The parent of a 14-year-old girl experiencing drug and alcohol problems elaborated: "There could be more support groups for people in general having the same problem with kids. I wished there would have been more help. She was into drinking, she was starting to experiment with drugs—and there was nowhere to go." A worker at the food pantry reported that their most successful food drives were those conducted by the local Boy Scouts, but there no longer is a troop in the community. In recent years Hampton-Dumont Schools hired a student advocate to serve the increasing number of at-risk students in all grades. When the grant money ran out, the school district picked up the cost. Dropouts have no other local option for obtaining a diploma (such as an alternative school or a GED completion program). One school teacher believed parenting classes would be beneficial, as would services for children with Attention Deficit Disorder (ADD) and those who cannot manage their anger.

Immigrant Issues—An increasing number of Hispanic immigrants are moving to the area, although many of them are employed in seasonal jobs and stay only a few months of the year. Some are employed as line workers in a pesticide plant in Hampton and many work in an egg-packing operation 5 miles outside of town. Others commute to outlying areas to work for hog producers, as migrant field workers for a seed corn company in Eldora (nearly 40 miles from Hampton), and in a canning plant in Ackley. The chicken de-boning plant in Charles City (50 miles away) sends a bus to Hampton to pick up its employees. A knowledgeable informant said many Hispanics locate in Hampton because of family in the community and available housing.

The Catholic Diocese of Dubuque's Hispanic Ministries serves 11 parishes in the area. The director, a religious leader with experience in El Salvador, is based in Hampton. A spokesperson for Hispanic Ministries said welfare reform will have little effect on immigrants because few access government services and many are transient workers. The spokesperson said that although Hampton residents are becoming more comfortable with a diverse population, the community would be "surprised at the number of Hispanics in town," because they're not seen much. "They don't make an effort to be part of things in the community, but tend to stay among themselves and their families." A local pastor said few attend church because of language barriers or because they feel unwelcome. One informant believed that the community on the whole is not open to Hispanics because of the perception that they get in trouble, drink excessively, and drive expensive vehicles while seeking assistance from social service agencies. Another informant believed prejudice is a greater barrier to immigrants becoming part of the community than is language. Other FIP recipients harbored resentments against them. One older Anglo FIP recipient stated "Some people just get it for the getting. Like some of the Mexicans. They can get anything. Us Iowa people go up there and you're either turned down or whatever."

One city official reported that the increasing Hispanic population makes some Anglo residents uncomfortable. In an effort to accommodate a more diverse community, the city developed bilingual publications and hired a Spanish-speaking police officer to help prevent conflict due to cultural differences. Local leaders established a diversity task force and English as a Second Language (ESL) classes are being offered. However, it is difficult for families to attend classes because child care is not readily available and the classes are not offered on weekends. Immigrants do seek assistance from the crisis fund and food pantry. Nearly one-third of NICA's clients are Hispanic. Several service providers made brief positive references to the work of Proteus, but knew little of its role in serving migrant workers other than providing medical and emergency funds.

Local Government—Neither city nor county government is actively involved in planning related to low-income families. As a city official saw it, the primary role of the city of Hampton is providing economic infrastructure and community protection for its residents. The city is concerned about improving the housing stock for low-income families. One official said Hispanics are likely to violate zoning ordinances regulating square footage per person. He said landlords, who are sometimes Hispanic themselves, charge migrant workers three times fair market rent for what is often substandard housing. A county official anticipated that welfare reform would have a negative impact on the budget because people who didn't become independent would still require help. These families will continue to rely on General Assistance (GA), NICA, and local churches. A city official, when asked what resources would be available to people who lose eligibility when the 5-year limit is up, said, "I don't have the slightest idea." He noted that the food pantry and energy assistance program were already working at capacity.

**Summary** With limited job opportunities and a shrinking population base, Hampton and Franklin counties face several challenges in meeting the needs of low-income families:

- increasing the number of jobs paying a living wage—even dual income families struggle to afford dependable transportation and quality child care;
- providing services and opportunities for youth;
- maintaining the support of the faith community which struggles to establish solidarity and obtain resources to meet increasing demand for these charities;
- acknowledging and addressing the “invisibility” of low-income people in the community;
- coordinating service providers and local government planning to deal with multiple barriers to self-sufficiency;
- addressing the lack of transportation for welfare recipients to services provided outside the county;
- continuing to explore ways to incorporate a diverse population into community life and increase acceptance of Hispanics—many Anglos see immigrants as a drain on resources rather than an asset to a county with declining population; and
- increasing the knowledge of employers about welfare-to-work provisions.

Still, there is reason to be hopeful. Hampton’s social service community appears to demonstrate a great deal of care for its low-income clients. The underlying goal of welfare policy, to move low-income families from dependence to self-sufficiency, did not take DHS and local government by surprise because they had encouraged this notion prior to welfare reform. Although some progress is being made in building collaboration among agencies, it is made difficult because some services are not available in the county. Staff members of various agencies are generally optimistic about welfare policy, but realistic about possible future difficulties. For instance, county supervisors see that the exclusion of immigrants from Medicaid may well cause them to have to increase health-related funding. City government and various agencies are taking positive steps to incorporate Hispanic residents into the community. Efforts are being made to develop more affordable housing. Still, much remains to be done.

## A Profile of Mount Ayr

**R**inggold County is located in the rolling hills of south central Iowa, bordering Missouri. In 1996, Mount Ayr, the county seat, had an estimated population of 1,694, a decline of 5.5 percent since 1990. County population in 1997 was estimated at 5,337, declining 1.5 percent since 1990. Compared with other rural nonadjacent counties and with Iowa as a whole, Ringgold has proportionately fewer residents in the younger productive ages (18 to 44) and a higher proportion of elderly residents 65 and older (24.2 percent), suggesting a pattern of recent and long-term net out-migration.<sup>1</sup> The proportion of college graduates is less than that of similar counties or the state of Iowa, but the proportion of residents who are high school

<sup>1</sup>Rural nonadjacent counties have no cities with populations of more than 20,000 and are not adjacent to a metropolitan area. Iowa has 45 rural nonadjacent counties.

**Table 18. Ringgold County Socioeconomic Profile**

	Ringgold County	Rural nonadjacent	Iowa
Population characteristics (1997)			
% White	99.4	99.1	96.5
% Black	0.1	0.2	1.9
% Hispanic origin (can be of any race)	0.2	1.2	2.3
Age distribution (1990)			
% population age 0–17	24.1	25.9	25.9
% population age 18–44	29.0	34.3	39.9
% population age 45–64	22.7	19.8	18.8
% population age 65+	24.2	20.0	15.4
Educational status (1990)			
% population 25+ high school graduates	44.7	41.5	38.5
% population 25+ bachelor's degree	6.6	8.7	11.7
Family status (1990)			
% married couples w/related children	35.7	39.1	39.4
% female headed w/related children	3.3	4.8	7.0
Income and employment			
Median household income (\$) 1993	23,324	27,468	28,867
Earnings per job (\$) 1996	13,548	20,965	24,646

graduates is notably higher than these two comparison groups. Ringgold County has less than 1 percent racial or ethnic minority population. (See Table 18.)

Ringgold County is a family farming community, with 28 percent of its jobs in farming. However, farming represented only 5.5 percent of total earnings in 1996, suggesting that most farmers are part-time farmers. The next largest sectors are services and government, each representing less than 18 percent of total county full- and part-time employment. The retail sector is not strong—nearly 60 percent of residents' retail purchases are made outside the county. The 1993 estimates show that median household income in Ringgold County (\$23,324) falls significantly below that of similar rural nonadjacent counties (\$27,468) and Iowa overall (\$28,867). Earnings per job in 1996 was very low, averaging \$13,548 in Ringgold County compared with \$20,965 in similar counties and \$24,646 for the state. The lowest earnings per job was that of farmers (at a time when agriculture was doing well in Iowa as a whole), followed by retail trade and services. Unemployment in 1997 was below the average for Iowa (3.0 percent versus 3.3 percent), and well below the national rate; underemployment may be substantially higher. Comparatively few people are employed in manufacturing; the largest single source of earnings is from government-related jobs (27.2 percent of earnings in 1996; mostly state and local government).

Ringgold County has high poverty rates among children and people of all ages (21.1 and nearly 16 percent, respectively, 1995 figures). Compared with the state overall, slightly higher percentages of the population receive Family Investment Program (FIP) benefits. The county has high percentages of the population on food stamps, and school children receiving free or reduced-price

school meals. Ringgold County exceeds the state average by around 50 percent on these measures. Even recipients seem aware of the high use of government programs. One commented, “They help out a lot of families in Mount Ayr that need help. Actually, I would say half of Mount Ayr is on some kind of state assistance. When you live in a small town like Mount Ayr, it’s hard to find jobs. If you don’t have no job, where else are you going to go?”

**Moving Families from Welfare to Work** Although Iowa’s FIP client population has decreased 26 percent between 1993 and 1997, the number of recipients in Ringgold County has declined about 16 percent over the same period. Regardless, one local Department of Human Services (DHS) official reported that implementation of FIP was going well; increased resources (such as funding for child care and transportation) and more information management support (by way of computers, training, and staff support positions) have contributed to improved agency operations. The DHS office in Mount Ayr is part of a four-county cluster. The headquarters of the cluster is in Leon in neighboring Decatur County. The clustering of county offices has facilitated the subsequent move to greater job specialization. In previous years, agency workers held “generic” positions serving clients in all programs. Increased specialization is one way the organization has dealt with job complexity and regulation manuals that “are like encyclopedias.” At the time of the interviews, 10 professionals collectively served the four counties. One difficulty local FIP clients encounter is that PROMISE JOBS (PJ) and the local community college are located in Creston, which is 35 miles away. Clients can be reimbursed for transportation expenses incurred for travel to PJ or the college but many still struggle with the overall expense of maintaining a dependable vehicle. In general, FIP clients with higher skill levels have been the most successful in finding work.

**Job Opportunities**—Many local residents travel to Osceola (46 miles away) and even Des Moines (85 miles away) for work because well-paying jobs in Ringgold County are hard to find and few new jobs have been created. A local manager explained that typical jobs available for entry-level workers included non-skilled production, waiting tables, retail, clerical, and construction. A starting wage of \$5.50 is common for such jobs and salaries increase little, if any, over the years. Some people get their first work experience in the nursing home, which is feeling increased competition for workers from home health care. Many families must seek low-income housing, food stamps, and Medicaid (many employers do not provide insurance) to maintain an adequate standard of living. Local manufacturing firms pay higher wages (between \$6 and \$7 per hour) for seasonal work involving occasional short weeks, layoffs, and overtime hours. Most manufacturers run both day and evening shifts, and employ a sizable number of commuters from northern Missouri (25 miles away). Finding new hires who are willing to work, are motivated, and possess positive self-esteem can be difficult. One employer who had sent descriptions of open positions to PJ was not aware of incentives for hiring people making the transition from FIP to work.

**Child Care**—At the time of the interviews in fall 1997, child care availability in Mount Ayr had increased when one local nonprofit child care facility moved from its original location to the new Family Resource Center. Community support from civic organizations, a community fund-raiser, and leadership from a bank employee were central in establishing the resource center (along with a federal grant of \$600,000). The child care center, originally licensed for capacity of 30, can now accept up to 48 children. It is open 12 hours per day (starting at 5:45 a.m.) Monday through Friday, but weekend, overnight, or sick-child care is not available. When it first opened it had mostly DHS clients and few private-pay clients; but at the time of the interviews that situation has reversed itself. The child care center charges “by the hour” only for the time children are there, \$1.65 for the first child and \$1 for each additional child. Two children for a full-working

day would cost approximately \$21. This amount approaches half the daily earnings of a family with one wage earner, if he or she has an entry-level job in Ringgold County and receives no subsidy for child care. Direct caregivers make only minimum wage because the center operates on a very tight budget. In addition to the center, some 30 individual providers are licensed, although they may not all be active at any given time. The Head Start program in Mount Ayr is administered through the six-county community action agency, MATURA, headquartered in Creston. Subsequent to the interviews, it moved into the Family Resource Center.

### **Meeting Emergency Needs**

**Food and Shelter**—Families with incomes of less than \$2,800 during a 3-month period can turn to the local food pantry each month for a 5- to 7-day supply of groceries. According to an informant, the number of families served by the pantry has increased steadily over the past 4 years. The pantry is associated with the food bank in Creston, and is housed in the Ringgold Neighborhood Center (Community Action Program, CAP agency). One staff person oversees coordination of the pantry and its 25 volunteers (some serve up to 40 hours per month). Clients of the pantry are families of all ages, many of whom run out of food stamps or Social Security money for the month. Area churches provide most of the food, and local schools and cub scouts organize yearly food drives.

Local demand for fuel assistance also has increased in recent years. One neighborhood center worker reported that some families rely upon open wood burning in barrels and the kitchen stove to warm their homes during winter. Sometimes the cost of utilities drives some families to near homelessness. In such dire situations, they may qualify for up to \$500 of emergency assistance.

Both local residents and transients can seek assistance from the ministerial association twice a year; they can receive a \$20 voucher for groceries and \$10 for gas, which are distributed through the sheriff's office. In emergency situations local families are sometimes provided up to \$200 for rent and/or utilities. The association collects food for the neighborhood center food pantry and receives referrals from Public Health for clients needing help with medical bills and medicines they cannot afford. A local minister said the financial needs of low-income families were real, but he believed a more pressing need among them was to overcome isolation and become part of the greater community. The association is composed of 20 churches that donate membership fees of \$35 and special offerings to the charity fund. The annual operating budget is between \$3,000 and \$4,000 depending upon demand. At the time of the interviews, the association did not have the resources to help more families (ministers sometimes gave their own money when funds were short).

**Health Care**—Ringgold County Hospital is affiliated with a large hospital in Des Moines that provides management, support services, and some of the visiting physicians that staff the hospital's outpatient clinics. In 1994, the hospital bought a private physician's practice and at the time of the interviews the three most recent doctors recruited to the community were hospital employees. The hospital does not refuse treatment to anyone but attempts to "address payment problems up front," according to one official. Low-income families are charged fees based on a graduated income scale and those in danger of incurring extreme expenses or requiring long-term care may be referred to the University of Iowa Hospitals and Clinics. Hospital administration and staff experience ongoing and increasing problems operating the emergency room because families without insurance or a family doctor tend to show up there. Among the most vulnerable low-income people in the county are farm families that don't qualify for assistance programs and cannot afford private insurance.

Market and demographic forces challenge the hospital's attempt to provide comprehensive care to its rural population. A declining and aging population due to chronic out-migration complicates the recruitment of health care professionals. Physicians moving to the community do not qualify for loan forgiveness, babies are not delivered locally, and there is an influx of low-income families (referred to by one informant as the "rural ghetto from Kansas City"), perceived as draining county and community resources.

A public nonprofit agency, Ringgold County Public Health provides free services to those who can't pay and services to others on a sliding fee scale. Public Health offers two major personal health services: home health and immunizations. Home health visits increased by 25 percent in the year prior to the interviews (from 4,000 to 5,000). Immunizations are provided free to the schools, to families and children who are Medicaid eligible, and on a sliding fee scale or for a nominal "donation" to others without health insurance. With few doctors serving the community, some patients are dissatisfied with the overbooked physician clinics. Instead, they choose to be seen by a public health nurse. Public Health officials are concerned that changes in federal and state programs will decrease the availability of Women, Infants and Children (WIC) and Maternal and Child Health clinics (sponsored 1 day a month in Mount Ayr by the local CAP agency). To ensure access to care and to expand services, Public Health actively seeks grant money. Grant writing was described as "tough work" by one Public Health worker because proposals must often be submitted for multicounty areas since the number of clients served in a single-county area may not be sufficient to qualify.

**Coordination of Services** Families rely on referrals from agency workers in key organizations such as DHS, Public Health, and the neighborhood center, as well as recommendations from acquaintances, to locate services they need. An interagency council meets monthly for agency workers to share information and discuss needs of their clients, although few informants from the service community mentioned it. A spokesperson for the ministerial association said pastors were unaware of what other groups were doing for low-income families.

County supervisors voiced similar concerns about lack of information regarding implementation of welfare reform. Neither city nor county government has specific goals for low-income children and families. However, both were involved with activities (grant writing and fund raising) for development of the Family Resource Center. In addition to child care services, the center will serve as a site for Head Start, a preschool for handicapped children, and community college adult literacy programs. County government is involved with low-income families indirectly because it funds programs for mentally handicapped residents and allocates General Assistance (GA) dollars. Mount Ayr city government has as major concerns improving local housing and increasing employment opportunities. Quality housing at an affordable price is difficult to find so the city has plans to increase rental housing for low-income families of all ages. City and county governments seem to collaborate little on these efforts, and do not appear to consult with social service agencies in planning for housing programs.

## **Issues**

Outcomes of Welfare Reform—Several respondents mentioned that generating decent-paying jobs is key to welfare reform having a positive outcome in Ringgold County. County officials believed that both positive and negative outcomes would be associated with welfare reform. On one hand, they anticipated more crime and child neglect, leading to the need for increased law enforcement. On the positive side, they believed that if the state would increase

funding for social welfare programs for a while and they could draw in a few small factories to improve employment opportunities, welfare reform would be a positive factor. An emergency services worker reported that the changes in welfare have driven some people to “stealing and dishonesty,” including cattle rustling and operating methamphetamine labs in nearby counties. One informant expressed concern regarding the influx of outsiders (thought to be coming from Omaha and Kansas City) to the area and felt they were contributing to the crime rate. These newcomers were “transient families” (younger people) living in substandard houses and trailers. A local landlord reportedly had actively recruited these families to the area.

Demand for child welfare services in the county is increasing as children and parents experience more problems, said a DHS official. Multiple respondents reported child neglect/abuse and spousal/partner abuse to be on the rise in the county. One argued that many clients lack parenting skills, don't spend enough time with (and supervise) their children, and do not reinforce appropriate behaviors in their children. Thus, welfare reform may be positive when parents go to work and their children spend time in a structured child care setting. However, this informant believed that as more welfare parents go to work or school there would be increased need for services that help families deal with the new challenges and pressures associated with balancing work and family responsibilities.

Transportation—People who seek out assistance and job opportunities must overcome the most commonly cited barrier for low-income families in Mount Ayr—lack of transportation. There is a local “trolley service” operated by the Area Agency on Aging, which serves a seven-county area. The trolley transports a variety of riders (elderly, Head Start children, physically and mentally disabled residents, DHS clients) to both close and distant locations. Although a ride within the community is fairly inexpensive (\$1 per person), fees for nonregularly scheduled routes are more substantial because riders pay hourly rates and mileage fees. For example, the trolley makes a regularly scheduled run to Des Moines once a month, which costs approximately \$10; the same ride to Des Moines (nonscheduled) might cost \$100 or more. A spokesperson for the trolley service said Ringgold County residents were at a disadvantage because many needed services were not local. The trolley is somewhat underused, but apparently does not pick up people in the country.

Lack of adequate housing and transportation problems reinforce each other as is illustrated by the situation of a FIP recipient who was forced to move to the country because of substandard housing in town:

It's out in the middle of nowhere. If there's an emergency ... I'm without transportation. There's nothing I could do. I have no phone ... We have problems with electricity when the wind blows. The wires flap and everything goes. The water is well water. It turns itself off—you have to go outside, try to find your way through it, and turn it back on with a switch inside the well. ... It's well water ... it tastes like rust.

Youth Issues—Many typical youth activities are available in the community such as 4-H, Boy Scouts, Girl Scouts, church groups, and organized sports. However, there are minimal support groups for at-risk and troubled youth. One social worker said many clients' children did not participate in these mainstream activities because of their financial status, as well as the commitment and time demands they place on parents. Members of the city council are concerned by recent reports of violence among local juveniles; one member said their youth must experience better quality of living for things to improve in the community in years to come.

Family planning is one service that is least accessible locally; residents must seek help from a private physician (which is expensive) or go to Planned Parenthood in Creston (35 miles away). Pregnancy prevention is first introduced in the sixth grade at local schools and then is part of the curriculum up to 10th grade. One school official reported that teenage students seeking birth control tend to be from middle- and upper-income families, whereas those seeking help dealing with pregnancy tend to be from low-income families. This informant believed there were adequate agencies and services to address teen pregnancy issues. She felt that one positive impact welfare reform might have would be to discourage “pregnancy as a way out.” If teenagers are required to stay in school to receive welfare benefits, it could help break the welfare cycle.

**Summary** Mount Ayr demonstrated its ability for successful goal setting and collaboration when it built the Family Resource Center. The community is fortunate to have support from local churches. The local DHS cluster has increased its technical efficiency since the introduction of FIP. Members of the social service community, government officials, and private citizens express guarded optimism toward welfare reform. Still, Mount Ayr and Ringgold County face difficult economic and social issues. A general concern is that with limited job opportunities and already high rates of poverty, the likelihood of most low-income families making the transition from “welfare to work” is questionable. Those who do find employment may not be better off financially because of the local wage structure. Demand for social and emergency services continues to increase while a geographically dispersed service network creates difficulties for providers as well as clients. The community faces significant challenges in addressing the needs of low-income families and demands of welfare reform. These include the need to

- improve local job opportunities (quality is more important than quantity);
- increase transportation options;
- strengthen the collaboration among social service organizations, including the “emergency” services run by the faith community, and with local government;
- continue to meet increasing demand for emergency services and maintain support of the faith community; and
- increase opportunities for youth.

Among all the counties studied, Ringgold County arguably lacks an economic engine for employment growth and for improving job quality. It may represent several agricultural counties in southern Iowa. But, unlike some of its neighbors, Mount Ayr has a strong civic orientation. People are attached to their community, are locally oriented, and are very active in community organizations, and there is a strong base for community development efforts (see Ryan et al., 1995). Whether that strong social capital extends to most low-income residents (one respondent suggested that it did not) remains to be determined. Self-development (home grown economic initiatives) may be an appropriate approach. That does not preclude—in fact it requires—community and economic development assistance from the outside.

# Understanding Families and Welfare Reform in Iowa

**No study of welfare reform would be complete without a close look at the well-being of children and families.**

The third phase of this study describes the everyday existence of welfare families, how they perceive life, cope with daily challenges, and interact with the community in which they live. The individuals who grapple every day with the welfare system can contribute much insight into social welfare programs and policies. This section of the report presents seven composite case studies based on interviews with 39 families that live in the seven Iowa communities in the Family Well-being and Welfare Reform project.

A semi-structured interview was conducted in fall 1997 with five families who were participating in the Family Investment Program (FIP) in each of the seven communities in the study. In addition, four families who previously had received Supplemental Security Income (SSI) benefits for a disabled child, but were denied benefits due to changes in SSI regulations, were interviewed. Two of the SSI families lived in one of the communities in the study; two lived in nearby counties. FIP families were randomly selected from Iowa Department of Human Services (DHS) participant rolls in the seven communities. SSI families volunteered to participate in the study, responding to a mailing that was sent to families who were re-assessed for eligibility.

# Case Studies of Iowa Welfare Families

**M**uch is not known about the families in this study. The findings are based on one in-depth interview with a small number of families. Although it is fair to assume that the individuals were capable of sharing significant insights into their own behavior, the authors cannot assume that they were willing to reveal directly all their thoughts and reactions. The authors will re-interview the families semi-annually over three years. Over time, the authors should gain a better insight into the families' situations and discern the differences between wishful thinking, rationalization, and objective assessments. In addition, findings cannot be generalized. The families were not randomly selected from the entire welfare population. And, although a relatively small number of families were interviewed, it is not easy to describe them in general terms. Each family differs from the others, but some common patterns have emerged.

More than half of the families were headed by unmarried women, almost one-third were married, and the remainder were living with a partner. One of the respondents was receiving benefits for her sister's children who were living with her; two others were the legal guardians of grandchildren. The number of children in the household ranged from one to 11; 70 percent had one or two children. Half of the respondents had a high school diploma or a General Equivalency Diploma (GED). One-fourth of the respondents did not finish high school; the last quarter had some training beyond high school. Almost half were employed either full- or part-time. One in four respondents was a full- or part-time student. About one-fourth of the respondents had health problems that limited their employability; one in three families had children with special needs that required unusual care on the part of the parent. In addition to receiving Family Investment Program (FIP) funds, food stamps, and/or Medicaid, one-third lived in publicly subsidized housing and one-fifth lived in housing subsidized by a friend or family members. Two-thirds of the respondents had an automobile, invariably described as undependable.

**Findings** To highlight the diversity among the families, the findings are presented as a series of composite case studies organized around the key differences among welfare recipients:

- those who see welfare as a transition and temporary safety net,
- those with extensive informal networks,
- those who are demoralized,
- those who care for disabled children,
- those who are immigrants, and
- those who work but remain poor.

The possibilities and constraints of achieving self-sufficiency are emphasized in each case. The composites were generated by identifying key features from a group of families whose situations were similar. The composites do not represent particular people but a combination of the lives of several families. Each composite blurs specific facts about any one family, but paints an accurate picture of the life situation of a group of the households. To protect privacy, pseudonyms for the individuals are used throughout.

The composites should be read as a package. It is impossible to pull out one composite and find it to be representative of welfare recipients as a whole. Rather, each should be read as a partial and particular perspective on living on welfare. Taken together, they provide a better understanding of low-income families in Iowa's communities.

# Tina

**W**hen asked to describe her life right now, Tina, 23, responds, “What life? It seems like I can never get ahead!” Tina lives in a two-bedroom apartment in an older home in a community of 6,000 in southeast Iowa with her two children, Sarah, 5, and Jake, a very active 18 months. Sarah is in half-day kindergarten, and Jake will attend Early Head Start in another year.

Tina is on the Limited Benefit Plan (LBP) of the Family Investment Program (FIP). She is receiving \$361 a month right now, and \$216 in food stamps. Health care for the three of them is covered by Medicaid. Sarah has breakfast at school under the school lunch program. Although ordered to pay \$150 a month child support, her ex-husband works “under the table so his income can’t be garnished for child support.” She pays \$200 a month rent and electricity for her apartment. Heat is included in the rent or “it would be even tougher to get along!” Even then, Tina sometimes has difficulty making it to the end of the month. “My dad is really good to us. He will help out with groceries and give us money when something unexpected comes up.”

Besides her dad, she sees her brother and sister-in-law quite often. They are both going to school and working second shift, so Tina takes care of their 4-year-old daughter 2 nights per week. Tina does not own a car; they give her rides to the grocery store and the laundromat each week. Otherwise, she walks everywhere. Tina does not belong to a church, nor does she participate in activities related to Sarah’s school. She does not have a boyfriend right now, but she hopes that situation is not permanent. Her only contact with people outside of her family is limited to the woman living next door. They swap baby-sitting so each can go grocery shopping alone. “When the food stamps come, I stock up for the month, and I don’t need two little kids pulling at me while I do it!” Her family will baby-sit in a pinch, but the arrangements are not regular. “Jake is a handful, so it is hard to find people who will watch him.” The money, food, and other assistance Tina receives from her family and friends are invaluable as she tries to provide for herself and her children. They help her meet her day-to-day needs and provide her with a margin of error when things get tight. They are, essentially, her personal safety net.

Because she does not have a car, she has found it difficult to keep PROMISE JOBS appointments, which is why she is in the LBP program. At the end of 3 months, she will receive no more assistance through FIP, although she will still be eligible for Medicaid, and her food stamp benefits will be increased to \$321 a month.

Tina graduated from high school, but has no further education. She worked before Jake was born, but has not gone back to work since his birth. When he is in first grade, she would like to find a job between 7:45 a.m. and 3:00 p.m., the time her kids would be in school. She would like to get a stable job that pays well, one that would let her provide a “real home for the three of us, one with a big yard for the kids to play in, in a nice part of town.” Right now that goal seems fairly remote to her. “There are no jobs in this town paying \$10 an hour, which is what I would need to pay off my bills and get back on my feet.” The reality of losing her FIP check in 2 months is looming, but Tina has no plan for replacing that income for her family.

# Mary

**M**ary, 33, lives with her daughter, Patti, 8, in federally-subsidized housing in a community of 10,000 in central Iowa. Patti was diagnosed with Attention Deficit and Hyperactivity Disorder (ADHD) and an eating disorder 2 years ago. The problem was first noticed by teachers, who observed Patti's behavior. Soon after diagnosis by a child psychiatrist, Mary began receiving Supplemental Security Income (SSI) payments for Patti of \$484 a month. Today, Patti's symptoms remain acute. "I'm going through a real hard time," Mary says. "She starts fires, she beats on me, she kicks, she bites. And she's got this thing, she wants to kill somebody. I can't get a sitter for her 'cause nobody wants to watch her because they don't want the responsibilities. You gotta be there all the time."

Patti's SSI was terminated in the recent redetermination review conducted by the Social Security Administration. Mary appealed the decision, but did not request the continuation of benefits during the appeal. "What if they still denied [the benefits] and I'd have to pay all that money back? I didn't want to have to deal with that. It's bad enough that they cut me off." She described the appeal process as "a pain in the butt. You're on your own. If you want to get a lawyer, you do that on your own. If you want somebody from mental health, you do that on your own. Any kind of outside help you do on your own. To go ahead with the process of appealing, it all falls on you."

The cessation of SSI benefits caused their monthly income to drop dramatically, from \$667 to only \$183 plus \$64 in food stamps. Raising a disabled child is itself a demanding prospect; doing so in the face of a sudden income cut adds to the burden. "It does a number on the wallet, on food on the table, to paying bills, and it puts the stress on me, not on Patti." In response to the loss of SSI, Mary recently applied to the Department of Human Services (DHS) for an increase in benefits. She now receives \$361 in Family Investment Program (FIP) benefits, \$155 in food stamps, and Medicaid, which is fortunate, because Patti is currently taking three medications, one for bed-wetting, one for hyperactivity, and a "heart medicine," used as a sedative. The medications need constant readjusting, which involves visits with primary care providers and specialists, sometimes in Iowa City, 2 hours away.

Noticing that Patti's difficulties at home were aggravated by school problems, Mary instituted part-time home-schooling 6 months ago. Mary works with the school teachers to monitor Patti's behavior at school and has developed an Individual Evaluation Plan (IEP) for Patti's goals for the year. Mary worries that home-schooling will become impossible with the loss of SSI funding because the educational field trips and teaching resources are expensive.

Because of the responsibilities for Patti's care, Mary finds it virtually impossible to take a full-time job. She believes that she cannot hold down a job because she "wants to work on my own terms, have it flexible enough that if she needs me I can leave." She explains, "In a given month, I spend 7 days running Patti to doctors' appointments. If I had a regular job, I'd have been fired a long time ago for all the time I've spent going to the doctors."

# Anne

**A**nne describes her life as “really boring. You just can’t believe all the excitement at my house,” she says, tongue-in-cheek. Anne is a 21-year-old single parent of 3-year-old Jared and is expecting a baby due in 4 months. She lives in the basement of her grandparents’ house in a small town in southern Iowa. Her boyfriend, Kevin, moved in about 6 months ago. He does seasonal construction work. Anne was in an abusive relationship with Jared’s father and has had no contact with him since Jared was born. “I don’t get child support and I doubt I ever will.”

The basement apartment is sparsely furnished and smells of stale smoke and cats. Anne says a typical day has no set schedule. They eat when they are hungry and have no regular meals. When the weather is nice, she lets Jared play outside. Most of the time she watches television during the day or goes over to her mother’s house to visit. Jared goes to bed anywhere between 9:00 p.m. and 1:30 a.m.—“it just depends.”

Anne dropped out of high school when she was 16, but finished a General Equivalency Diploma (GED) 2 years ago. She is unemployed now, but worked at a food processing factory for about a year. She quit because of the long hours of standing on her feet, coupled with transportation problems to the factory 25 miles away. She has been fired from several jobs. “I guess I’m just lazy,” she says, a response that may be an indication of her demoralization. It is easier to blame herself than thread her way through the seemingly impossible barriers to a good job: education, transportation, and child care. With Jared and a baby on the way, Anne can’t imagine getting any job in this community that would pay enough to cover child care and still pay the bills.

Anne’s family provides a lot of financial and moral support. She pays her grandparents \$150 per month rent when she can. That hasn’t happened for the past 2 months. They don’t charge for the utilities. Her phone was disconnected last month. Her best friend moved to Missouri and long distance bills got out of hand. Her parents are divorced and she rarely sees her father. Her mother lives six blocks away and does a lot of baby-sitting for her. “I’d like to have my own place, but I wouldn’t want to move too far away from my mother.” Anne’s older brother lets her use his car to get groceries, go to the doctor, or do other shopping on the weekends. Kevin has a 1982 truck that frequently fails to run.

When Anne applied for Family Investment Program (FIP) benefits, her Department of Human Services (DHS) worker talked with her about taking classes at the community college, but that seems overwhelming to Anne. The college is 35 miles away, and she has no car and no real interest in going to school.

Anne describes her relationship with Kevin as “pretty good.” She’d like to get married, but she and Kevin haven’t talked about that. When asked about the future, Anne is quick to say that she wants her kids to get a better education than she did. School was difficult for her and she frequently had “anxiety attacks.” “My kids are the most important thing to me. I can’t see getting a minimum wage job and having someone else take care of them.”

## Sarah and Bill

**S**arah, 35, and Bill, 43, live in a two-bedroom rented house on the edge of town in a southwestern Iowa community of about 6,000, with Stacy, 10, Joey, 9, and Michelle, 6. Stacy and Joey are Sarah's children from a previous marriage. They have no contact with their father and receive no child support payments. Bill and Sarah have been married for 7 years and Bill is Michelle's father. Sarah smiles when asked about her children. "I have three great kids. They're doing well in school." The older children are involved in school activities and Sarah tries to attend PTA meetings.

Sarah and Bill are among Iowa's working poor. Sarah has worked at the local nursing home since Michelle was born. She works an average of 37 hours per week in housekeeping, earning \$7.15 per hour; she receives no benefits. She loves working with the elderly and she never misses a day of work. Bill has had a more difficult time holding down a full-time job. He describes himself as a "nervous" person who works best "by myself." He has a history of migraines. He currently delivers the local newspaper and the Sunday Des Moines Register. In good weather, he places an ad in the local shopper and does yard work and minor house repairs, charging \$6.00 an hour.

Schedules are full for everyone in this family. Sarah and Bill get up at 5:30 a.m. They get the kids up at 6:00 a.m. and Sarah leaves for work at 6:30 a.m. in the family's 1980 Chevy Impala; she gets off at 3 p.m. Bill gets the kids off to school. Supper is always at 6:30 p.m. and bedtime is 9 p.m. sharp on school nights. On the weekends they try to do activities "that don't cost money."

Sarah and Bill have no close friends or family in town. Bill's family lives in northern Iowa. Sarah's mother, brother, and sisters live in central Iowa and they get together at least three times a month. She says just talking to her mother "does a lot of help" in dealing with life.

Sarah feels she has a good relationship with her children. Although she had some problems with Stacy after the divorce, they can now sit down and talk about anything. Sarah's wish is to do "better by my kids." She would like to have a house of her own and a better-paying job. Otherwise, she is happy with her life.

Sarah struggles to pay the bills. Her job coincides with school hours, so she does not need child care. She feels it is important for her to be home when the kids are there. She plans to stick with this job until the older children are in high school. Besides, given her skills, she can't think of a better job available in the community. Her Family Investment Program (FIP) check ranges from \$25 to \$180 per month, depending on Bill's income and the number of hours she works. She also gets food stamps, anywhere from \$85 to \$200 a month. Fortunately, they are all covered by Medicaid, although it is sometimes difficult to find a doctor in their community who will accept Medicaid patients. Sarah works hard and wishes she didn't need to rely on the welfare system, but "the checks are about the only way we can make ends meet."

# Renee

**R**enee, 33, would describe her life as “chaotic.” As the divorced mother of two children, Becca, 14, and Braden, 9, Renee feels that each day brings a new situation for her to deal with. She and her children live in a three-bedroom rental unit (the bottom story of an older home) that is subsidized through Section 8. They have access to the backyard, as well as to the storage shed behind the house. Renee has a car, but it is not very dependable. Renee says that the recent changes in her health status have taken a toll on her family and on her economic situation.

With a high school degree, Renee worked as a nurse’s aide and at the school cafeteria (her kids received free lunches while she worked there) in their previous hometown until she was 30. At that time, she began requiring frequent hospitalization for her rheumatoid arthritis and mental stress. She was fired from the cafeteria (the work was too taxing physically and she was always asking for time off). Her frequent bouts of depression contributed to her husband’s decision to leave the family. Three years ago, Renee and the children moved to this community, a town of 15,000 in northeast Iowa, to be closer to her only sister.

Renee was considered to be unemployable because her arthritis was getting so bad, so she applied for and was awarded Supplemental Security Income (SSI) disability payments of \$484 per month. The family also receives monthly Family Investment Program (FIP) payments (\$361), and \$107 in food stamps each month. “Thank goodness Medicaid covers our medical costs,” she says. When she first began receiving FIP benefits, her income maintenance worker tried to get her to participate in the PROMISE JOBS program. After she began receiving SSI, the worker left her alone. She is glad that she “doesn’t have to deal with PROMISE JOBS anymore.” Keeping up with changes in her assistance “gets to be a real pain.” Sometimes she doesn’t know how much she’s getting each month, so it is hard to plan ahead.

She rests while the kids are in school so she’ll be able to talk with them when they come home. She can’t do much around the house. Cooking is especially tough, so it’s hard to fix good meals. Her friend next door comes to see her almost every day. Sometimes her friend cooks meals for them when Renee isn’t able to cook.

She says she and her sister, Amy, are “real close” and see each other about three times a week. Sometimes, Becca and Braden spend the night with Amy. And sometimes Amy pays Becca to help her with her own kids. Becca is “your typical teenage girl” who fights with everyone. She gets angry because Braden’s father tries to see Braden about once a month. Becca has never met her father. The three of them are now trying to use in-home counseling provided by the local social service agency. She feels like neither of her kids understands what kind of pain she’s in, and how tired she can get; they also don’t understand that “no means no.”

Renee is still paying on bills accumulated before her divorce. Every once in a while, her boyfriend will bring groceries, or will fill up her car with gas. In 5 years, she hopes she will still be eligible for SSI disability payments and that her kids will have made it through this stage of not getting along. She wants both of her kids to go to college.

# Chandra

Chandra, a 23-year-old single mother of 4-year-old Eric, lives in a small city in eastern Iowa. She is a full-time student at the local community college and works 12 hours a week and one weekend a month as a Certified Nurse's Aide (CNA), for which she is paid \$6.15 an hour. She is in her second year at the college, and hopes to receive her associate of arts degree in occupational therapy assistance at the end of August. She'll be interning at the local hospital this summer. Unfortunately, she won't be able to work the double hours she worked last summer, but she'll have to get by. Her parents can lend her some money if she needs it. She receives \$242 from the Family Investment Program (FIP) and gets food stamps, but the amount fluctuates every month, so she doesn't like to count on getting them. She said the people who abuse the welfare system "really make her angry because it makes everyone involved look bad."

Chandra began school at the University of Northern Iowa, but got pregnant her second semester and had to move back home. Eric was born prematurely and had many health complications. Her mother told her that she was going to have to get a job to help pay the bills at the same time she was applying for FIP. She decided to get her CNA certification and her mother agreed to keep Eric while she did. It was at this time that she began receiving benefits through the Women, Infants, and Children (WIC) program, FIP, and Medicaid, along with PROMISE JOBS funds to pay her child care and travel to and from school. Pell Grants have covered her tuition.

Two years ago, she moved into a two-bedroom house 2 miles from her mother. She receives federal assistance with rent and utility payments. Her mother keeps Eric when he's sick and can't go to the child care center, and they eat with her parents at least three times a week. She really appreciates the home-cooked meals, because she is very tired at the end of the day. Last semester Eric got pneumonia and she had to drop two classes, which delayed her graduation by a semester.

Help from Eric's father stopped after Eric was about 2; she rarely sees him anymore, but does get an occasional gift from his parents for Eric. Eric still has semiannual appointments with a specialist in Iowa City. He's very small for his age, and "they just want to follow-up on the issue." Chandra thinks this will continue until he's 6.

Transportation isn't a problem for Chandra. She is buying a 1989 Grand Marquis and pays \$130 per month for the car payment and insurance. She has three close friends, one of whom has children Eric's age. They all go grocery shopping together and may go out sometimes for a movie or get together and do crafts. If Eric is sick and her mom isn't available, one of her friends might keep him so she doesn't have to miss class. She had a boyfriend, but they broke up recently.

When asked about her goals, Chandra quickly says that her immediate goal is to finish her degree. She says she's had to give up a lot of things, and wants a chance to get a fresh start with a good-paying job. She also wants to be able to make it without benefits in the near future and to pay off her car. Long-term goals include making sure Eric is happy and that he gets a good education. She wants to have a "stable life" and to buy a house.

# Julia

**J**ulia, a 22-year-old Mexican immigrant, lives in a city of 15,000 in central Iowa. She is the single mother of two children, Enrique, 4, and Imelda, 18 months. She shares a two-bedroom mobile home with a friend, her friend's daughter, and her friend's brother. A quiet young woman, her life revolves around her children and her interaction with the Department of Human Services (DHS).

Julia has been in the United States for 5 years, but in this community 2 years. She doesn't have all her papers. She has spoken with a lawyer, who says it could take 4 to 5 years to get her a green card, and that the process would cost her about \$3,000. She would like to work, but as a non-English speaker with little education and without papers, she cannot find a job. She has thought about baby-sitting, but that would disturb her roommates. She thinks about returning to Mexico to her family, but even that would cost her more money than she can scrape together. She wonders what she should do, but mostly she doesn't dwell on her problems. Instead, her attention is focused on the immediate needs of her children.

Julia has no source of income other than what she receives from DHS, \$361 for her children, both born in the United States and abandoned by their father; \$155 in food stamps; and Women, Infants, and Children (WIC) benefits for her 18-month-old, which provides milk, eggs, cheese, juice, beans, and cereal. She receives no rent assistance, and has never been involved in PROMISE JOBS because she speaks little English, and, without her green card, would not be able to work legally anyway. She manages to subsist by finding free clothing for the children at churches in the area, and by sharing utilities and telephone expenses with her friend. Although the home is in disrepair, with many broken windows and a pest control problem, Julia feels fortunate that she doesn't have to pay rent. Although her children's medical expenses are covered by Medicaid, Julia has never been able to afford medical or dental care for herself. Once she had to make a visit to the emergency room of the local hospital. She feels badly that that bill is outstanding, but she has no way to pay it.

Prior to living in Iowa, Julia lived in other parts of the United States, following the father of her children as he pursued employment at various food processing plants. She has not seen him for 2 years. He returned to Mexico shortly after they moved to this community, when she learned she was pregnant with the younger child. He provides no child support, and she has no idea where he is right now.

Julia does not have a car, so she relies on other people to transport her to the grocery store and laundromat. A devout Catholic, she often misses church services because she is unable to get to them. Julia belongs to no other organizations.

Julia hopes life will be better for her children than it has been for her. She wants them to stay in school and graduate from high school so they can get "a real good job."

# Conclusions

**P**erhaps the most important conclusion to be drawn from the initial interviews with the families in this study is that the solution to welfare reform is really many different solutions, each tailored to a specific set of needs. Yet, the life stories of these families reveal common issues that have implications for social welfare policy and programs in Iowa.

**Social Isolation** Most of the families are not connected to churches, school groups, social clubs, or community activities. Their primary connection is to the Department of Human Services and in some cases, to the school system. Few social institutions incorporate the poor and nonpoor effectively in regular interaction. Many of the families interviewed miss out on the social support and community resources that others routinely draw upon. If community organizations want to reach out to these families, they will need to overcome this significant barrier and find creative ways to make connections.

**Education** The majority of the adults in this study lack the education and training that well-paying jobs demand. Some struggled with school and lack the basic skills that technical job training would require. Those who see education as a way to get ahead often seem overwhelmed by the demands that the roles of student, parent, and breadwinner would require. Still others are using public assistance as a support while they complete a General Equivalency Diploma (GED) or a job training course.

**Coping Strategies** The people described in this study do not have sufficient financial resources to meet their needs. There is almost a constant shortage of money that creates a perpetual juggling act to meet certain needs while others often go unmet. Many of these families rely on an informal network of family and friends to enable them to cope, to survive, enjoy some pleasures, and to help raise their children. Often these are two-way exchanges of time and other resources. Most families hover between just getting by and not making it.

**Quality, Affordable Child Care** In order to hold a job, most families in this study need access to affordable, quality child care and reliable transportation. The mothers in the study voiced a strong commitment to and concern for the welfare of their children. Many of the unemployed parents that were interviewed questioned the quality of much of the child care that was available and doubted whether they could afford good care if they were employed in low-wage jobs.

**Transportation Barriers** Most families in this study either did not own a car or commented that their car was very old and unreliable. Many relied on family or friends for transportation. Even those families in urban areas with public transportation systems noted that schedules often did not coincide with school, work, and child care patterns.

**Chronic Health Problems** There is evidence that some adults in this study have serious social, emotional, and/or physical barriers that restrict their abilities to hold a job. An expectation for some adults to take on the roles of wage earner, homemaker, and parent seems overwhelming and perhaps unrealistic. For some families, a chronic illness or disability of a child creates severe demands on a parent, making it seemingly impossible for the family to hold a job without major intervention and support to care for a child.

**Limited Job Opportunities** The success of welfare reform hinges on the availability of jobs that provide sufficient income to support workers and their families. Some of the families in this study cannot find jobs that pay a sufficient wage to cover health care insurance and child care costs and meet other basic needs. This is particularly true in rural communities. Other families lack basic job-readiness skills or the training needed for the jobs that are available. The incentives to work that are a cornerstone of the Family Investment Program (FIP) appear to be less of a factor in moving families off welfare than is the adequacy of employment opportunities: availability of jobs, appropriate jobs for parents of young children, better wages and benefits, and potential for job advancement.



# Appendices

**Appendix A. Notes**

**Appendix B. List of Interview Sources**

**Appendix C. Project Interviewers**

**Appendix D. Glossary of Abbreviations**

# Appendix A. Notes

## Setting the Stage: Iowa's Programs and Policies

Iowa: A Brief Overview

1. Woods and Poole Economics, Inc. (1997, January). 1997 State profile: Iowa (p. 74). Washington, D.C.: Author.
2. Burke, S.C. (1999, March). Counts (1990) and estimates (1997) of Iowa residents of Hispanic origin. (Census Services Publication No. CS99-3). Ames, IA: Iowa State University Department of Sociology.
3. Iowa Kids Count. (1995). Baselines and benchmarks: Indicators of well-being for Iowa children. Des Moines, IA: Author.
4. Iowa State University Extension. (1994, September). Iowa employment, earnings, and income 1981-1991, (CRD 322, p. 20). Ames, IA: Author.
5. State of Iowa. (1999). Governor's program and budget summary, fiscal year 1999. [On-line]. <http://www.state.ia.us/government/dom/bib.htm>
6. Des Moines Register. (1998, April 24). Iowa department of management data reported in "Candidates: Tax system flawed." (p. 2M). Des Moines, IA: Author.

Setting the Social Policy Context

1. Iowa Department of Human Services, Division of Economic Assistance. (1997, May 28). Report of the welfare reform advisory and work groups. Des Moines, IA: Author.
2. Legislative Fiscal Bureau. (1997, June). 1997 Session fiscal report: Executive summaries. Des Moines, IA: State of Iowa 77<sup>th</sup> General Assembly.
3. Legislative Fiscal Bureau. (1994, June). 1994 Session fiscal report: Executive summaries. Des Moines, IA: State of Iowa 75<sup>th</sup> General Assembly.
4. Petit, M. R., and Curtis, P. A. (1997). Child abuse and neglect: A look at the states, 1997 SCLA stat book. Washington, D.C.: Child Welfare League of America Press.

Basic Income Support

1. Iowa Department of Human Services, Division of Economic Assistance. (1997, July 25). Welfare reform FY 1997. Internal Document. Des Moines, IA: Author.
2. Iowa Department of Human Services, Division of Economic Assistance. (1997, September). Welfare reform in Iowa: An overview of Iowa's family investment program (FIP). Internal Document. Des Moines, IA: Author.

3. United States Department of Health and Human Services. (1997, October). Indicators of welfare dependence. Annual report to Congress. Washington, D.C.: Author.
4. Iowa Welfare Reform Advisory Group. (1996, October 1). Agenda. Des Moines, IA: Author.
5. U.S. General Accounting Office, Report to the Ranking Minority Member, Committee on Finance, U.S. Senate. (1997, May). Welfare reform: States' early experience with benefit termination. Washington, D.C.: Author.

#### Programs That Promote Financial Independence

1. Iowa Workforce Development. (1997, August 4). Regional service delivery system implementation guidelines. Internal Document. Des Moines, IA: Author.
2. Iowa Workforce Development. (1996, July 10). Facts on Iowa workforce development. Des Moines, IA: Author.
3. Department of Human Services. (1998, December). Report to the Iowa Legislature on the availability, affordability, accessibility, and quality of child care services in Iowa. Des Moines, IA: Author.
4. Adams, G., Schulman, K., and Ebb, N. (1998, March). Locked doors: States struggling to meet the child care needs of low-income working families. Washington, D.C.: Children's Defense Fund.
5. Azer, S. and Capraro, K. (1997). Data on child care licensing. Boston, MA: Center for Career Development in Early Care and Education, Wheelock College.
6. Department of Human Services. (1999). The Iowa council on human services budget recommendations: FY 1999- FY2000. Des Moines, IA: Author.
7. Iowa Legislative Fiscal Bureau. (1997, October 30). Issue review, state child care assistance. Des Moines, IA: Author.
8. Iowa Child Support Recovery Unit Services, Department of Human Services. (1998, January 28). Department of Human Services Memo. Des Moines, IA: Author.
9. Committee on Ways and Means, U.S. House of Representatives. (1996, November 4). 1996 Green Book: Background material and data on programs within the jurisdiction of the Committee on Ways and Means. Washington, D.C.: U.S. Government Printing Office.
10. Iowa Kids Count. (1994). Family matters: Indicators of well-being for Iowa children. Des Moines, IA: Author.

#### Medicaid and Other Health Care Programs

1. DeParle, N., & Fox, C. E. (1998). Letter to state health officials. [On-line]. <http://www.hcfa.gov/init/choutrch.htm>

2. Iowa Department of Human Services. (1997, November). Iowa kids. Des Moines, IA: Author.
3. Children's Defense Fund. (1998a). State budget surpluses and maximum state spending under CHIP. [On-line]. [http://www.childrensdefense.org/health\\_surplus.html](http://www.childrensdefense.org/health_surplus.html)
4. Children's Defense Fund. (1998b). States should not overreact to fears of so-called "crowd-out." [On-line]. [http://www.childrensdefense.org/health\\_crowd2.html](http://www.childrensdefense.org/health_crowd2.html)
5. Iowa Department of Public Health. (1997). Executive summary: Report to the governor and the Iowa General Assembly on the FY96 Iowa healthy family program. Des Moines, IA: Author.
6. Coughlin, T. A., Rajan, S., Zuckerman, S., and Marsteller, J. A. (1997). Health policy for low-income people in Minnesota. Washington, D.C.: The Urban Institute.
7. VanZandt, K. (1998). EPSDT care for kids. [On-line]. [http://idph.state.ia.us/fch/fam\\_serv/epsdt.htm](http://idph.state.ia.us/fch/fam_serv/epsdt.htm)

#### Last-Resort Safety Net Programs

1. Iowa Department of Human Services, Division of Adult, Children and Family Services. (1998). FY 1998 budget presentation to human services appropriation subcommittee. Internal Document. Des Moines, IA: Author.
2. Petit, M.R., and Curtis, P.A. (1997). Child abuse and neglect: A look at the states, 1997 CWLA stat book. Washington, D.C.: Child Welfare League of America.
3. Iowa Legislative Fiscal Bureau. (1998, January). History of child welfare treatment services paid by the medical assistance program. Des Moines, IA: Iowa Legislative Fiscal Bureau Issue Review.
4. Dail, P. W., Shelley, M. C., Fitzgerald, S., & Baker, J. (1998). Homelessness in Iowa: Findings from the 1997 statewide study final report. Des Moines, IA: Iowa Department of Education.

## Welfare Reform in Seven Iowa Communities

### Monitoring Welfare Reform at the Local Level

Burke, S.C. (1999, March). Counts (1990) and estimates (1997) of Iowa residents of Hispanic origin. (Census Services Publication No. CS99-3). Ames, IA: Iowa State University Department of Sociology.

Goudy, W., Burke, S.C., and Hanson, M. (1998, October). Iowa's counties: Selected population trends, vital statistics, and socioeconomic data. (Census Services Publication). Ames, IA: Iowa State University Department of Sociology.

Iowa PROfiles: Public resources online. [On-line]. <http://www.profiles.iastate.edu/county/>

Novenario, M.J., Jensen, H.H., and Otto, D. (1998, May). Local economic impacts of welfare reform in Iowa: A state and local database. (CARD Staff Report 98-SR 86). Ames, IA: Iowa State University Center for Agricultural and Rural Development.

U.S. Bureau of the Census. (1998) Small area income and poverty estimates program. [On-line]. <http://www.census.gov>

A Profile of Cedar Rapids, A Profile of Fort Madison, A Profile of Hampton, A Profile of Manchester, A Profile of Marshalltown, A Profile of Storm Lake

Burke, S.C. (1999, March). Counts (1990) and estimates (1997) of Iowa residents of Hispanic origin. (Census Services Publicaton No. CS99-3). Ames, IA: Iowa State University Department of Sociology.

Iowa PROfiles: Public resources online. [On-line]. <http://www.profiles.iastate.edu/county/>

Novenario, M.J., Jensen, H.H., and Otto, D. (1998, May). Local economic impacts of welfare reform in Iowa: A state and local database. (CARD Staff Report 98-SR 86). Ames, IA: Iowa State University Center for Agricultural and Rural Development.

A Profile of Mount Ayr

Burke, S.C. (1999, March). Counts (1990) and estimates (1997) of Iowa residents of Hispanic origin. (Census Services Publicaton No. CS99-3). Ames, IA: Iowa State University Department of Sociology.

Iowa PROfiles: Public resources online. [On-line]. <http://www.profiles.iastate.edu/county/ringgold.html>

Novenario, M.J., Jensen, H.H., and Otto, D. (1998, May). Local economic impacts of welfare reform in Iowa: A state and local database. (CARD Staff Report 98-SR 86). Ames, IA: Iowa State University Center for Agricultural and Rural Development.

Ryan, V., Besser, T., Lasley, P., and Flora, J. (1995). Comparing Mount Ayr with Sigma: Iowa's typical community. (RDI-01 to RDI-99). Ames, IA: Iowa State University, College of Agriculture.

# Appendix B. List of Interview Sources

## State-Level Respondent Agencies/Organizations

Alliance for the Mentally Ill of Iowa  
Coalition for Family and Children's Services in Iowa  
Community Mental Health Centers Association of Iowa, Inc.  
Ecumenical Ministries of Iowa  
Governor's Developmental Disability Council  
Iowa Association of Business and Industry  
Iowa Association of Counties  
Iowa Child Health Specialty Clinics, University of Iowa Hospitals and Clinics  
Iowa Citizen Action Network  
Iowa Coalition for Housing and the Homeless  
Iowa Department of Education  
Iowa Department of Human Rights  
Iowa Department of Human Services  
Iowa Department of Management  
Iowa Department of Personnel  
Iowa Department of Public Health  
Iowa Department of Workforce Development  
Iowa State House of Representatives  
Iowa State Senate  
Legislative Fiscal Bureau

## Cedar Rapids (Linn County) Respondent Agencies/Organizations

Cedar Rapids Chamber of Commerce  
Cedar Rapids City Housing Services  
Cedar Rapids Community School District  
Department of Human Services  
Employment Training Consortium  
Hawkeye Area Community Action Program  
Jane Boyd Community Center  
Kirkwood Community College  
Legal Services Corporation of Iowa  
Linn Community Food Bank  
Linn County Board of Supervisors  
Linn County Day Care  
Linn County General Assistance  
Linn County Homeless Coalition Board  
Lutheran Social Services  
Madge Phillips Center  
Mercy Hospital  
Metro Area Housing Program  
United Way of East Central Iowa  
Visiting Nurses Association  
Willis Dady Emergency Shelter  
Young Parent's Network  
YWCA Domestic Violence Shelter

### **Fort Madison (Lee County) Respondent Agencies/Organizations**

Bridges  
Child Care Resource and Referral  
Community Services Inc. Food Pantry  
Department of Human Services  
Fort Madison Community Hospital  
Homeless Coalition  
Juvenile Detention Officer for North Lee County  
Lee County General Relief  
Lee County Health Department Community Health Education  
Lee County Health Department Nurse Administration  
Local Government and Board of Supervisors  
PROMISE JOBS/JTPA  
River Center Mental Health  
Southeast Iowa Community Action Organization  
St. Mary's Church

### **Hampton (Franklin County) Respondent Agencies/Organizations**

Community Action Program Family Development  
Community Care Services  
Franklin County Crisis Fund  
Department of Human Services  
Hampton-Dumont School System  
Frances Lauer Youth Services  
Franklin County Alcoholism Service Center  
Franklin County Board of Supervisors  
Franklin County Community Food Pantry  
Franklin County Public Health  
Hampton City Personnel  
Head Start  
Hispanic Ministry  
Imperial Incorporated  
Lutheran Social Services

### **Manchester (Delaware County) Respondent Agencies/Organizations**

Community Health  
Delaware County Board of Supervisors  
Delaware County Community Services  
Delaware County General Relief  
Delaware County Hospital  
Department of Human Services  
PROMISE JOBS/JTPA  
Lambert Elementary School  
Manchester City Personnel  
Ministerial Association Food Pantry  
Operation: New View  
West Delaware Middle School  
Workforce Development  
Youth for Christ

### **Marshalltown (Marshall County) Respondent Agencies/Organizations**

Abuse, Sexual Assault Center  
Child Abuse Prevention Services  
Community Services  
Department of Human Services  
Hispanic Ministries  
House of Compassion  
Housing and Urban Development/Section 8 Housing  
Marshall County Board of Supervisors  
Marshall County Child Care Services  
Marshall County Relief  
Marshall County Youth and Violence Prevention Committee  
Marshall Economic Development Impact Committee  
Marshalltown Chamber of Commerce  
Marshalltown City Administration  
Marshalltown Community Schools—Caring Connection Program  
Marshalltown High School  
Marshalltown Medical and Surgical Center  
Mid-Iowa Community Action  
Public Health/Home Care Plus  
Quakerdale  
Substance Abuse Treatment Unit of Central Iowa  
Workforce Development Center  
YMCA/YWCA  
Youth and Runaway Services

### **Mount Ayr (Ringgold County) Respondent Agencies/Organizations**

Cradle to Crayons Child Care Center  
Department of Human Services  
Head Start  
Lutheran Social Services  
Ministerial Alliance  
Mount Ayr City Council  
Mount Ayr Community Schools  
Mount Ayr Health Care  
Mount Ayr Products  
Neighborhood Center Food Pantry  
Nursing Home Administration  
Ringgold County Board of Supervisors  
Ringgold County Hospital  
Ringgold County Neighborhood Center  
Ringgold County Public Health Administration  
Ringgold County Sheriff's Office

## **Storm Lake (Buena Vista County) Respondent Agencies/Organizations**

Arrowhead Area Education Agency  
Bil-Mar Turkey Processing Plant  
Buena Vista County Board of Supervisors  
Buena Vista County Hospital  
Buena Vista County Public Health  
CADA Short Term Shelter  
Department of Human Services  
Gingerbread House  
Head Start  
Northwest Iowa Drug and Alcohol Treatment Unit  
Pastoral Outreach for Minorities—Catholic Diocese of Sioux City  
PROMISE JOBS/JTPA  
Season's Mental Health  
Storm Lake Chamber of Commerce  
Storm Lake City Administration  
Storm Lake City Council  
Upper Des Moines Opportunity

# **Appendix C. Project Interviewers**

## **State-Level Interviews**

Connie Betterley  
Cynthia Needles Fletcher  
Barbara J. Gaddis  
Diane Klemme  
James Meek  
Nancy Norman  
Karen Shirer  
Mary Winter

## **Cedar Rapids (Linn County)**

Linda Bigley  
Linda Bostwick  
Don Brown  
Roberta Chrystal  
Kristi Cooper  
Barb Swanson Dunn  
Jan Fields  
Janet Garkey  
Julie Mather  
Mark Settle

Jan Temple  
Susan Uthoff

**Fort Madison (Lee County)**

Mary Crooks  
Bob Dodds  
Susan Hooper  
Gail Kerns  
Patti Steiner

**Hampton (Franklin County)**

Janet Brown  
Cheryl Clark  
Bob Cole  
Sue McDonnell  
Bev Peters  
Barb Ristau

**Manchester (Delaware County)**

Beverly Berna  
Darrell Hanson  
Fran Passmore  
Sandy Scholl  
Ellen Spurlock

**Marshalltown (Marshall County)**

Donna Andrusyk  
Sherry Glenn  
Pat Gorman  
Bill Helgen  
Ralph Manning  
Jill Weber

**Mount Ayr (Ringgold County)**

Donna Donald  
Tim Eggers  
Judy Hensley  
Alan Jensen  
Sharon Johnson

**Storm Lake (Buena Vista County)**

Rhonda Christensen  
Paulelda Gilbert  
Eugenia Hanlon  
Earl Morris  
Veronica Stantana  
Mary Winter  
Barb Wollan  
Beatriz Zapata

# Appendix D. Glossary of Abbreviations

ABE	Adult Basic Education
AEA	Area Education Agency
AFDC	Aid to Families with Dependent Children
CAP	Community Action Program
CCR	Child Care Resource and Referral
CHSC	Child Health Specialty Clinics
CINA	Child in Need of Assistance
CSR	Child Support Recovery
CSRU	Child Support Recovery Unit
decat	Decategorization of Child Welfare Funding
DHS	Department of Human Services
DOE	Department of Education
EA	Emergency Assistance
EITC	Earned Income Tax Credit
EPSDT	Early and Periodic Screening, Diagnosis, and Treatment
ESGP	Emergency Shelter Grants Program
ESL	English as a Second Language
ET	Entrepreneurial Training
FaDSS	Family Development and Self-Sufficiency Program
FFY	Federal Fiscal Year (October 1 through September 30)
FIA	Family Investment Agreement
FIP	Family Investment Program
FMAP	Federal Medical Assistance Program
FSET	Food Stamp Employment and Training

GA	General Assistance (County Relief)
GED	General Equivalency Diploma
HAWK-I	Healthy and Well Kids in Iowa
HCFA	Health Care Financing Administration
HIPP	Health Insurance Premium Payment
HMO	Health Maintenance Organization
HOPES	Healthy Opportunities for Parents to Experience Success
HSOGP	Homeless Shelter Operation Grant Program
IA Plan	Integrated Access Plan for Mental Health and Substance Abuse
IDED	Iowa Department of Economic Development
IDPH	Iowa Department of Public Health
IM	Income Maintenance
IMSACP	Iowa Managed Substance Abuse Care Plan
IWD	Iowa Workforce Development (formerly Employment Services)
JTPA	Job Training Partnership Act
LBP	Limited Benefit Plan
MCH	Maternal and Child Health
Medicaid	Title XIX
MediPass	Medicaid patient access to service system
MHAP	Mental Health Access Plan, Medicaid Mental Health Managed Care Program
MH/MR	Mental Health/Mental Retardation
PCCM	Primary Care Case Management
PROMISE JOBS (PJ)	Promoting independence and self-sufficiency through employment job opportunities and basic skills program
SCHIP	State Child Health Insurance Program

SFY	State Fiscal Year (July 1 through June 30)
SHIP	State Human Investment Project
SSI	Supplemental Security Income
TANF	Temporary Assistance for Needy Families
Title XIX	Medicaid, Medical Assistance
WIC	Supplemental Food Program for Women, Infants, and Children



# About the Authors

Cynthia Needles Fletcher is professor and extension specialist in the Department of Human Development and Family Studies. She coordinated the Family Well-Being and Welfare Reform project interviews, analyses, and preparation of this report.

Barbara J. Gaddis is a research associate in the Department of Human Development and Family Studies. In addition to conducting many of the income support state-level interviews, she contributed to the state, community, and family sections of the report.

Jan Flora is professor and extension sociologist in the Department of Sociology. He concentrated on the analysis of the community interviews and the preparation of that section of the report.

Hugh B. Hansen is a graduate student in the Department of Sociology. He was responsible for the community analyses and initial drafts of those reports.

Karen Shirer, former assistant director, ISU Extension to Families, took the lead responsibility for the health-related interviews as well as the preparation of that section of the state case study.

Mary Winter, associate dean, College of Family and Consumer Sciences, and professor in the Department of Human Development and Family Studies, conducted both state-level and family interviews and contributed to the family section of the report.

Jackie Litt is assistant professor in the Department of Sociology. She conducted family interviews and helped with preparation of the family section of the report.

Nancy Norman is associate director of the Rural Mental Health Center at Iowa State University. She conducted many of the health-related interviews and contributed to that section of the state report.

Connie Betterley is extension nutritionist in the Department of Food Science and Human Nutrition. She conducted health-related interviews and helped prepare that section of the state report.

Michelle Overstreet, former graduate student in the Department of Human Development and Family Studies, assisted with the development of the project and analyses of the community and family interviews, and contributed to the family section of the report.

Also contributing to this project were Mary Jane Novenario, graduate student; Helen H. Jensen, professor; and Daniel Otto, professor and extension economist; all in the Department of Economics. This team prepared *Local economic impacts of welfare reform in Iowa: A state and local database* (Center for Agricultural and Rural Development Staff Report 98-SR 86) that was used in the preparation of the community reports.

In addition, Seongyeon Auh and Ann M. Perkins, graduate students in the Department of Human Development and Family Studies, provided research assistance at many stages of the project. Gayle Randolph, graduate student in the Department of Sociology, assisted in the initial phase of the project's development.

The report was edited by Laura Sternweis, extension communication specialist, and designed by Cooper Smith and Company.