

FAMILY WELL-BEING AND WELFARE REFORM IN IOWA

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

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. 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.

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.¹ 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: Iowa Welfare Families

Much is not known about the families in this study. The findings are based on one in-depth interview with a small number of families. 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

Key Study Conclusion

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.

¹The communities were Cedar Rapids, Marshalltown, Fort Madison, Storm Lake, Manchester, Hampton, and Mount Ayr.

Composite case studies highlight the diversity among the families. Taken together, they provide a better understanding of low-income families in Iowa's communities.

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 was a full- or part-time student. About one-fourth 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 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.

The authors developed composite case studies to highlight the diversity among the families. The possibilities and constraints of achieving self-sufficiency were emphasized in each case. Each composite 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—Tina, 23, and her two children, Sarah, 5, and Jake, 18 months, are struggling to make ends meet on Food Stamps, Medicaid, and support from the Limited Benefits Program (LBP) of FIP. Tina is on LBP because she has not kept PROMISE JOBS appointments. She does not have a car, nor does she have dependable baby-sitting for Jake, who is a handful. She has a high school diploma, but no further education. The support of her father and of her brother and his wife, who help her out with transportation in exchange for baby-sitting their 4-year-old 2 nights a week, are crucial to Tina's survival. Such support is her personal safety net, helping her meet her day-to-day needs and providing her with a margin of error when things get tight. She figures that she needs a job paying \$10 an hour with health insurance to "pay off my bills and get back on my feet." The reality, however, is that she will be receiving no cash benefits in 2 months.

Mary—Mary, 33, lives with her daughter, Patti, 8 in a federally-subsidized apartment. Patti was diagnosed with Attention Deficit and Hyperactivity Disorder (ADHD) 2 years ago. Soon after diagnosis, Mary began receiving SSI payments for Patti. Patti's symptoms remain acute. "She starts fires, she beats on me, she kicks, she bites." Patti's SSI was terminated in the recent redetermination review. The cessation of SSI benefits caused their monthly income to drop dramatically. 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." They are covered by Medicaid, however, which is fortunate because of the number of medications Patti takes. Because of the responsibilities for Patti's care, Mary finds it virtually impossible to take a full-time job. "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—Anne, a 21-year-old single parent of 3-year-old Jared, is expecting a baby due in 4 months. She lives in the basement of her grandparents' house. She pays them \$150 a month rent when she can. Her boyfriend, Kevin, moved in about 6 months ago. He does seasonal construction work. Anne dropped out of high school when she was 16, but finished a 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 and problems getting to the factory 25 miles away. She has been fired from several jobs. "I guess I'm just lazy," she says, blaming herself rather than the seemingly impossible barriers to a good job: education, transportation, and child care. When Anne applied for FIP benefits, the DHS worker talked with her about taking classes at the community college, but that seems overwhelming to Anne. The college is 35 miles away, she has no car and no real interest in going to school.

Sarah and Bill—Sarah, 35, and Bill, 43, live in a two-bedroom rented house with Stacy, 10, Joey, 9 (Sarah's children from a previous marriage), and Michelle, 6. Sarah and Bill are among Iowa's working poor. Sarah works 37 hours a week at the local nursing home, earning \$7.15 per hour with no benefits. 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 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. Sarah smiles when asked about her children. "I have three great kids. They're doing well in school." Sarah struggles to pay the bills. Her FIP check and food stamps vary from month to month, depending on the number of hours she works, and they are covered by Medicaid, although it is sometimes difficult to find a physician in their small community who accepts 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—Renee, 33, is the divorced mother of two children, Becca, 14, and Braden, 9. She feels that each day brings a new situation for her to deal with. She and her children live in a three-bedroom rental unit that is subsidized through Section 8. Renee worked as a nurse's aide and at the school cafeteria in their previous hometown until she was 30. At that time, she began requiring frequent hospitalization for her rheumatoid arthritis. Her periodic bouts of depression contributed to her husband's decision to leave the family. Three years ago, Renee and the children moved to this community 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 SSI disability payments. The family also receives FIP payments and food Stamps each month. She tries to rest 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. She says she and her sister,

Amy, are "real close," and see each other about three times a week. She feels like neither of her kids understands what kind of pain she's in, and how tired she can get.

Chandra—Chandra, a 23-year-old single mother of 4-year-old Eric, is a full-time student at the local community college and works 12 hours a week as a Certified Nurse's Aide (CNA). She hopes to receive her Associate of Arts (AA) degree at the end of the next semester. Chandra got pregnant her second semester at UNI and moved back home. Two years ago, she moved into a two-bedroom house 2 miles from her mother, who keeps Eric when he's sick and can't go to child care. They eat with her parents at least three times a week. 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. Chandra is buying a 1989 Grand Marquis and pays \$130 per month for the car payment and insurance. She had a boyfriend, but they broke up recently. Chandra's 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.

Julia—Julia, a 22-year-old Mexican immigrant, is the single mother of two children, Enrique, 4 and Imelda, 18 months. The children's father 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 shares a two-bedroom mobile home with a friend, her friend's daughter and her friend's brother. Julia has been in the United States for 5 years. She would like to work, but as a non-English speaker with little education and without papers, she cannot find a job. She thinks about returning to Mexico to her family, but even that would cost her more money than she can scrape together. Because her children were both born in the United States and they have been abandoned by their father, they receive FIP benefits and are covered by Medicaid. The family also receives food stamps and the baby is eligible for Women, Infants, and Children (WIC) benefits. She

The individuals who grapple every day with the welfare system can contribute much insight into social welfare programs and policies.

Prepared by Cynthia Needles Fletcher, professor and extension specialist, Department of Human Development and Family Studies; Barbara J. Gaddis, research associate, Department of Human Development and Family Studies; Mary Winter, associate dean, College of Family and Consumer Sciences, and professor, Department of Human Development and Family Studies; Jackie Litt, assistant professor, Department of Sociology, and Michelle Overstreet, former graduate assistant, Department of Human Development and Family Studies.

For the complete report, visit this Web site: <http://www.extension.iastate.edu/Pages/pubs/reform.html>

... 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.

File: Economics 3

finds free clothing for the children at churches in the area, and pays her share of the utilities from the FIP benefits. Although the home is in disrepair, Julia feels fortunate that she doesn't have to pay rent to her friend. 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

Social Isolation—Most of the families are not connected to churches, school groups, social clubs, or community activities. Their primary connection is to DHS 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 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 getting by and not making it.

Quality, Affordable Child Care—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 commitment to and concern for the welfare of their children. Many of the unemployed parents that were interviewed questioned the quality of available child care 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 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.