

# FAMILY WELL-BEING AND WELFARE REFORM IN IOWA

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

## A Profile of Fort Madison

Lee 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 1.)

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.

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.

## Fort Madison, Lee County

*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.*

<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 1. 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

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—Iowa Workforce Development caseworker

**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 (CCR) serves a four-county area including Lee County. CCR 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 CCR 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

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*—FIP recipient*

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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.

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*—Elected official*

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.

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# About the Study

This report is part of a larger study of welfare reform in Iowa. In addition to a study of state-level policy and practice, seven communities representing a continuum along a rural-urban gradient were chosen for in-depth examination.

In fall 1997, a different team of extension field staff persons conducted interviews with service providers and other community leaders in each of the seven communities, and carried out the first wave of interviews with five welfare recipients in that community. The local service-provider interviews were conducted with Department of Human Services, PROMISE JOBS, and other public-sector personnel in the areas of health and education, with non-profit and for-profit service providers (including those providing

emergency services such as soup kitchens, food pantries, and homeless shelters), city and county government officials. The interview team in Fort Madison consisted of Mary Crooks, Bob Dodds, Susan Hooper, Gail Kerns, and Patty Steiner. Taped interviews, summary notes, and supporting materials were forwarded to the community analysis team on the ISU campus, which consisted of Cynthia Needles Fletcher, Jan Flora, Barbara Gaddis, and Hugh Hansen, who drafted the community reports.

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For the complete report, visit this Web site:

<http://www.extension.iastate.edu/Pages/pubs/reform.html>

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File: Economics 3