

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 Manchester

Manchester (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).¹ 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 1.)

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

Manchester, Delaware County

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

Table 1. 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

“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.”

—Agency informant

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.

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

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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.

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—Community leader

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

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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.

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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, and one or two private employers and/or their representatives (such as Chamber of Commerce personnel). The interview team in Manchester consisted of Beverly Berna, Darrell Hanson, Fran Passmore, Sandy Scholl, and Ellen Spurlock. 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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