

ACCESS TO INCOME SUPPORTS FOR WORKING FAMILIES IN CHICAGO

Lise McKean
Center for Impact Research
Chicago, Illinois
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EXECUTIVE SUMMARY

A large number of eligible working families in Chicago do not participate in income support programs such as Food Stamps, the Child Care Subsidy, Medicaid, and KidCare. Participation rates in Medicaid and Food Stamps have declined since TANF reauthorization in 1996 as many former TANF recipients no longer receive the benefits they had before and to which they are still entitled. Low take-up rates for income supports mean that many low-income working families in Chicago are unable to provide the basic necessities for their families. These low rates also mean that local communities and businesses are not benefiting from the expenditures made possible by participation in income support programs.

The Income Support Access Project was developed in conjunction with an initiative undertaken in 2001 by the Center for Law and Human Services (CLHS) to distribute information about income support programs to low-income participants at its Tax Counseling Project sites. Building on this initiative, the Center for Impact Research (CIR) undertook research in order to identify barriers to accessing income supports and ways to improve outreach and application support. The research involved surveying over 600 low income adults at tax service sites and job training agencies about their knowledge and experience of benefits programs. CIR also interviewed caseworkers at job training agencies as well as outreach workers and project directors. The findings and recommendations have been developed in consultation with the project working group whose members represent a range of Chicago-area community agencies and advocacy organizations.

FINDINGS

Many working families did not know it is possible to receive food stamps, Medicaid, and the child care subsidy independently of TANF.

- ▶ Nearly one-half of the tax service respondents and one-third of the job training respondents said they did not know it is possible to receive benefits such as food stamps, Medicaid, KidCare, and child care assistance after leaving TANF.
- ▶ The Illinois Department of Human Services (IDHS) was the most frequently reported source for knowing that it is possible to receive benefits after leaving TANF. A smaller proportion of respondents reported learning this from family and friends; one-third of job training respondents reported learning this from the job training agency.
- ▶ Outreach workers and community agencies interviewed by CIR reported that many immigrants do not know about programs for which they and their children may be eligible.

They also reported that misinformation and fear about the effect of benefits receipt on immigration status are widespread.

Many working families are not accessing benefits programs although their incomes are within the limits.

- ▶ The median employment income of survey respondents was \$10,000, with a large number of them having incomes low enough to make them potentially eligible for one or more income support programs. Fifty-five percent of tax respondents and 48% of job training respondents with children under 18 had 2000 income less than \$10,000. In addition to low pay, working families also face a high level of job insecurity. Fifty-seven percent of the tax group and 42% of the job training group were employed at their main job for six months or less. By the first quarter of 2001, one-third of tax respondents and three-quarters of job training respondents no longer worked at the main job they had in 2000.
- ▶ Work schedules of respondents present a barrier to applying for and retaining benefits, which in most cases require repeated visits to IDHS offices. Over three-quarters of respondents reported working during all or a portion of the hours between 8 a.m. and 5 p.m. on Mondays through Fridays; nearly one-half of respondents did not have paid vacation days at their main job.
- ▶ Eighteen percent of tax respondents and 16% of job training respondents worked a second job during 2000 at the same time as their main job.
- ▶ Outreach workers and community agencies interviewed by CIR reported that accessible application support is the crucial next step after outreach. According to outreach workers, many eligible families do not complete the application process without it because of low literacy levels, limited English proficiency, and lack of comfort or fear of involvement with government agencies.

The majority of respondents said they would apply for food stamps, child care assistance, and KidCare if they were eligible and knew how to apply.

- ▶ Four-fifths of respondents said they would apply for child care assistance, with three-fifths to one-half reporting that they would apply for food stamps. Four-fifths of respondents with uninsured children said they would apply to KidCare.
- ▶ When asked about how they learned about the tax service or job training program, respondents reported a range of sources. When asked about their usual sources of news and information, the most frequently cited sources were family and friends, television, newspaper, and radio.

RECOMMENDATIONS

Given the instability of employment, low levels of income, and low participation rates among working families, there is an urgent need to ensure that eligible households have access to benefits programs. Access is also crucial for meeting the goal of supporting TANF recipients in leaving welfare and retaining employment. The diversity of working families and their

circumstances requires the development of a multifaceted strategy that coordinates ongoing outreach with services that make the application and renewal processes more accessible.

Expand outreach activities throughout the community and coordinate them with media campaigns and application assistance.

More working families need to know about their potential eligibility for programs and how and where to apply for them. Outreach materials must be designed to address the fear of stigma that deters people from applying for these programs by positively promoting them as benefits for working families. To maximize their efficacy, outreach activities, media campaigns, and application support need to be carefully coordinated. In this way, a range of trustworthy sources communicates information about the programs and directs potentially eligible families to locations where they can receive application assistance. The need for a broad-ranging approach to outreach is indicated by the survey's findings about the different ways that respondents obtain information. Outreach workers reported to CIR that application support is the crucial next step after outreach; many eligible families do not complete the application process without it.

Increase accessibility of the application and renewal processes.

Most working families in the survey were not available to go to IDHS offices during standard office hours and outreach workers reported there is considerable aversion to going there for fear of the stigma or possible ill-treatment. Addressing these issues and increasing the accessibility of the programs require that application and renewal services be available at community sites that offer evening and weekend hours.

Expand the availability and capacity of user-friendly Internet-based screening and application tools.

Access can be increased by expanding the availability and capacity of innovations such as the Real Benefits initiative, which currently makes an Internet-based screening and application tool for food stamps available for use at selected community agencies in Chicago.

Address needs of immigrant households through outreach and application assistance.

Outreach workers reported that many immigrant families are misinformed about programs and eligibility requirements. Intensive outreach and application support is necessary to gain trust of immigrant groups and assist them in navigating the application and renewal processes.

Introduce administrative measures that facilitate increased access to and retention of benefits.

Adoption of administrative options that modify requirements and procedures would remove barriers for working families. Such actions include: extending the period of eligibility for both food stamps and child care assistance; simplifying the recertification/redetermination process; and providing more training to IDHS caseworkers on details of programs, eligibility of working families, and immigrant issues.

Undertake and evaluate a demonstration project that places application services in accessible community locations.

Best practices for improving access can be developed through a demonstration project. Such a project would involve placing application workers at accessible community sites that offer evening and weekend hours. Possible sites are the neighborhood Human Services Centers of the Chicago Department of Human Services, food pantries, and other community agencies.