

Children in Families Receiving Cash Assistance

DEFINITION

Children in families receiving cash assistance is the percentage of children under age 18 who were living in families receiving cash assistance through the Rhode Island Works Program (RI Works). These data measure the number of children and families enrolled in RI Works at a single point in time. Children and families who participated in the program at other points in the year but who were not enrolled on that day are not included.

SIGNIFICANCE

The Rhode Island Works Program (RI Works) replaced the Family Independence Program (FIP), effective July 1, 2008. The goal of RI Works is to help families successfully transition to work by providing cash assistance and work supports, including employment services, SNAP/food stamp benefits, health insurance and subsidized child care.¹ Children and families qualify for cash assistance based on their income, resources and the number of people in their families.²

RI Works cash assistance recipients must participate in an employment plan focused on supporting rapid entrance or re-entrance into the workforce, unless they meet specific criteria for a work exemption. Most plans begin with job search and

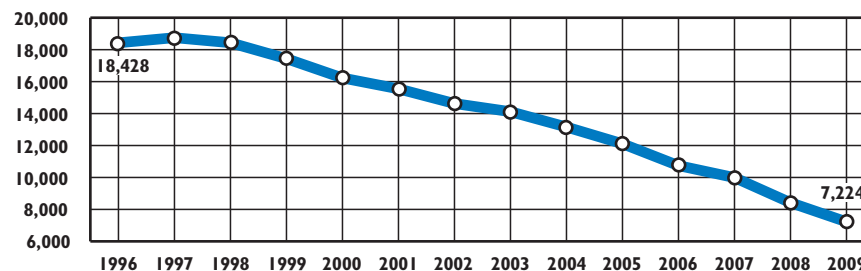
placement and job skills development. Plans may also include work experience, literacy and GED programs, vocational education, English-language programs, or post-secondary education.³

RI Works provides a safety net for children whose parents are unable to work due to a disability and functions as an unemployment system for parents who did not have sufficient earnings or work experience to qualify for unemployment benefits. RI Works also provides time-limited supplementary cash assistance to very low-income working families.⁴ In December 2009, the average hourly wage of parents enrolled in RI Works and working was \$9.67 per hour.⁵

RI Works also connects families to the Office of Child Support Services, which assists families in establishing paternity (when applicable), establishing child support orders and collecting money from non-custodial parents. In Rhode Island, the first \$50 of child support paid on time each month on behalf of a child enrolled in RI Works goes to the custodial parent caring for the child. The balance is shared by the state and federal governments.^{6,7}

If a family has no earned income, the maximum monthly RI Works benefit for a family of three is \$554 per month.⁸ Rhode Island's monthly benefit has not increased in 20 years.⁹

Cash Assistance* Caseload, Rhode Island, 1996 – 2009



Source: Rhode Island Department of Human Services, InRhodes Database, December 1, 1996 – 2009. Cases can be child-only or whole families and multiple people can be included in one case. *The Rhode Island cash assistance program was called Aid to Families with Dependent Children (AFDC) until May 1, 1997, then called the Family Independence Program (FIP) until July 1, 2008, when it became the Rhode Island Works Program (RI Works).

- ◆ Between 1996 and 2009, the Rhode Island cash assistance caseload decreased by 61% from 18,428 to 7,224. In just the past year, from 2008 to 2009, the caseload decreased by 14% or 1,200 cases.^{10,11,12}
- ◆ A large part of the recent decline in the caseload was the result of new policies implemented when the program changed from FIP to RI Works. These policies include a new 48-month lifetime limit for benefits, closing child-only cases when parents reach their time limit, and limiting eligibility for legal permanent residents to those who have had that status for five years.¹³ An additional 950 cases are due to close on June 30, 2010 due to the new periodic time limit which limits assistance to no more than 24 months of assistance in any 60-month period.¹⁴
- ◆ In December 2009, there were 5,271 adults and 10,846 children under age 18 enrolled in RI Works. More than two-thirds (67%) of all RI Works beneficiaries were children, and more than half (54%) of the children enrolled in RI Works were under the age of six.¹⁵
- ◆ In December 2009, there were 529 teen heads of household enrolled in RI Works, representing 7% of the total caseload.¹⁶ Teen parents without a diploma receive mandatory parenting skills training and are supported in completing their high school education while enrolled in RI Works. Teen parents are required to live in an adult-supervised setting if such an arrangement is available and appropriate.¹⁷

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RI Works Policies

Work Requirements

◆ Single-parent families must participate in a work activity for a minimum of 20 hours per week if they have a child under age six and a minimum of 30 hours per week if their youngest child is age six or older. Single parents can combine 10 hours of job skills training, education that is directly related to employment, or a GED program with 20 hours of work to reach the 30-hour work requirement.¹⁸

Time Limits

◆ The lifetime limit for RI Works is 48 months. Families also are limited to no more than 24 months of cash assistance in a 60-month period. All cash assistance issued in Rhode Island or any other state since May 1997 counts toward the lifetime limit, while assistance received since July 1, 2008 counts toward the 24-month periodic time limit.¹⁹

Hardship Extensions

◆ Families can apply for hardship extensions that allow them to continue receiving cash assistance after reaching the time limit if the parent has a documented physical or mental incapacity, is caring for a disabled family member, is unable to pursue employment due to a domestic violence situation, or is unable to work because of “a critical other condition or circumstance.”²⁰ Families apply for a three-month extension and can receive a maximum total extension of one year.

Child-Only Cases

◆ Child-only cases are those that receive assistance for only the children in the family because the child’s parent is ineligible. Child-only cases include children living with a non-parent or a parent who is disabled and receiving Supplemental Security Income.²¹

Sanctions

◆ If a parent misses a required appointment, refuses or quits a job or in some other way fails to comply with an employment plan and is not able to establish “good cause” (e.g., lack of child care, illness, a family crisis, or other allowed circumstance), the family’s cash benefit is reduced for three months. After three months of reduced benefits due to non-compliance (consecutive or not), the family’s case is closed and the entire family loses the RI Works benefit.²²

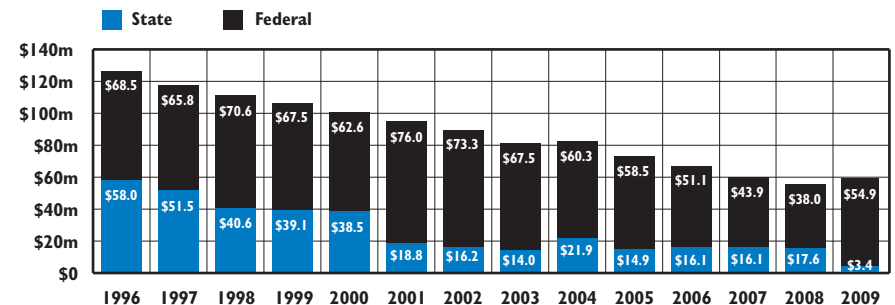
RI Works by Case Type, 2009

Total RI Works caseload	7,224
Child-only cases	2,502
Cases with adults required to engage in a work activity	3,130
Cases with adults exempt from a work activity*	1,592

Source: Rhode Island Department of Human Services, InRhodes Database, 2009.

*RI Works regulations require that all parents and caretaker relatives included in the cash assistance grant participate in a work activity unless they receive a temporary exemption. Exemptions from work activities include: caring for a disabled spouse or child (57), in third trimester of pregnancy (337), and youngest child under age one (1,198).

Rhode Island Cash Assistance Expenditures, State Fiscal Years 1996-2009



Source: Rhode Island Department of Human Services, *Family Independence Program 2007 Annual Report*. (FY 1996-2001); House Fiscal Advisory Staff. (2004-2009). *Budget as enacted: Fiscal Years 2005-2010*. (FY 2002-2007). House Fiscal Advisory Staff. (2010). *Governor’s FY 2010 revised budget*. (FY 2008-2009).

◆ Between State Fiscal Year (SFY) 1996 and SFY 2009, state general revenue spending for cash assistance decreased 94% from \$58 million to \$3.4 million.^{23,24}

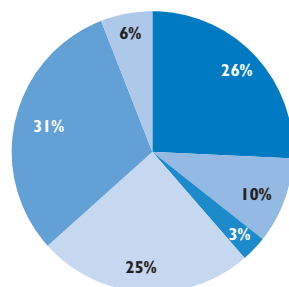
◆ In SFY 2009, cash assistance represented less than 1% of Rhode Island’s total federal and state budget expenditures of \$7.19 billion.²⁵

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Activities of Families Enrolled in the RI Works Program, December 2009

By Type of Activity

26% (803)	Employed
10% (319)	Education/Training
3% (89)	Work Experience
25% (769)	Job Search/Job Readiness
31% (956)	Assessment/Transition
6% (194)	Sanctioned



n=3,130

Source: Rhode Island Department of Human Services, InRhodes Database, December 2009.

◆ As of December 2009, 26% of families that were required to engage in work-related activities were employed, down from 38% in December 2007.^{26,27} During this same period, from December 2007 through December 2009, the unemployment rate in Rhode Island more than doubled from 6.0% to 12.9%.²⁸ One-half (50%) of the RI Works cases that closed in 2009 closed because the parents' employment income exceeded the eligibility limit.²⁹

◆ Parents with limited literacy or English-language skills can participate in a six-month basic education and work skills program. Parents can also receive up to one year of vocational education.³⁰ As of December 2009, 10% of families were participating in education or training programs. An additional 3% with limited work histories were participating in work experience programs.³¹

◆ One-quarter (25%) of families were participating in job search/job readiness activities, including job search and job skills development programs delivered in partnership with the RI Department of Labor and Training, primarily through their netWORKri one-stop career center locations, and vocational rehabilitation services delivered by the Office of Rehabilitation Services. Almost one in three families (31%) was in assessment or transition, which includes preparing an employment plan, receiving educational or vocational assessments, or waiting to begin an education program or job.^{32,33}

◆ Slightly more than 1 in 20 families (6%) required to engage in a work-related activity were sanctioned, meaning they lost benefits due to non-compliance with their employment plan.³⁴

Support for Unemployed and Low-Wage Families

◆ Many states, including Rhode Island, provide supplementary cash assistance to families after a parent is employed until they reach their time limits. This type of assistance encourages parents to work by helping them make ends meet when they are earning low wages.³⁵

◆ In Rhode Island, a single parent with two children who works full time and earns the minimum wage would be eligible for \$78 per month in supplementary cash assistance. Combined with the Earned Income Tax Credit (EITC), this supplementary payment would bring the family's income to just above the federal poverty level.³⁶

◆ The high rate of unemployment in Rhode Island coupled with stricter eligibility and shorter time limits for cash assistance may leave many families without employment or a cash assistance safety net, resulting in a rise in deep poverty, hardship and homelessness.³⁷

◆ Families can continue to receive cash assistance for up to one year after they reach their time limit if they have a documented hardship.³⁸ As of December 1, 2009, 666 families had hardship extensions, 275 for a physical or mental disability, 26 to care for a disabled family member, 24 who were unable to work due to a domestic violence situation, 9 for homelessness and 332 for another reason (e.g., unable to find work due to the recession).³⁹

Support for Families with Disabilities

◆ Nationally, more than one-quarter (27%) of cash assistance recipients have physical, mental, or emotional problems that keep them from working or limit the type or amount of work they can do, compared to 6% of all low-income single mothers.⁴⁰

◆ Under RI Works, parents with disabilities are not exempt from work requirements. Parents who report having a disability and who are not receiving SSI may be referred to the Office of Rehabilitation for further assessment, vocational rehabilitation services, and help applying for SSI.⁴¹

◆ Families that include children with disabilities face special challenges, including difficulty finding appropriate child care. Parents may need to miss work to provide for their children's special needs and missing work puts them at risk of being sanctioned.⁴²

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Education and Training Supporting Employment

- ◆ Twenty percent of Rhode Island’s adult working age population (ages 16-64) that is not enrolled in school lacks a high school diploma, has limited English-language skills or faces both of these obstacles to success in the labor market.⁴³
- ◆ The skill levels of average high school dropouts qualify them for only 10% of the jobs created between 2000 and 2010, while people possessing the skills of typical high school graduates qualify for 22% of these jobs.⁴⁴ Between 2006 and 2008, the unemployment rate for Rhode Islanders without high school diplomas (12.3%) was almost twice as high as it was for those with high school degrees (6.7%).⁴⁵
- ◆ Parents enrolled in RI Works face even greater barriers to success in the labor market. Almost one half of the parents (44%) enrolled in RI Works report not finishing high school.⁴⁶ Among a recently tested group of parents receiving cash assistance, almost one third (30%) tested at or below the 6th grade reading level. Almost three-quarters (71%) of native Spanish speakers enrolled in RI Works tested at or below a 6th grade reading level on a Spanish-language version of the test.⁴⁷
- ◆ The U.S. Department of Human Services recommends combining basic skills and career and technical training with supportive services, such as child care, as a promising practice for transitioning parents receiving cash assistance to work.⁴⁸

Source of Data for Table/Methodology

Rhode Island Department of Human Services, InRhodes Database, December 2009. The denominator is the total number of children under age 18 from U.S. Census Bureau, Census 2000. Summary File 1, Table P12.

Communities may have more families than children receiving cash assistance because a pregnant woman without children is eligible if in the final trimester of her pregnancy.

Core Cities are Central Falls, Newport, Pawtucket, Providence, West Warwick and Woonsocket.

References

^{1,2,3,4,6,17,18,19,20,21,22,30,33,38,41} Rhode Island Department of Human Services. (2010). *Rhode Island Department of Human Services Code of Rules: RI Works Program*. Retrieved February 23, 2010 from www.policy.dhs.ri.gov/1400.htm

⁷ Rhode Island Department of Human Services, Office of Child Support Services, 2010.

^{5,8,11,14,15,16,26,29,31,32,34,39,46} Rhode Island Department of Human Services, InRhodes Database, December 2009.

^{9,35,36} *Comparison of work supports in Rhode Island and other New England states*. (2008). Providence, RI: The Poverty Institute at the Rhode Island College School of Social Work.

(continued on page 163)

Table 12. Children in Families Receiving Cash Assistance (RI Works), Rhode Island, December 1, 2009

CITY/TOWN	# OF CHILDREN UNDER 18	NUMBER RECEIVING CASH ASSISTANCE		% OF CHILDREN RECEIVING CASH ASSISTANCE
		FAMILIES	CHILDREN	
Barrington	4,745	7	6	<1%
Bristol	4,399	46	76	2%
Burrillville	4,043	62	75	2%
Central Falls	5,531	371	615	11%
Charlestown	1,712	13	17	1%
Coventry	8,389	77	95	1%
Cranston	17,098	334	469	3%
Cumberland	7,690	76	96	1%
East Greenwich	3,564	19	25	1%
East Providence	10,546	203	277	3%
Exeter	1,589	8	13	1%
Foster	1,105	8	11	1%
Glocester	2,664	20	21	1%
Hopkinton	2,011	14	16	1%
Jamestown	1,238	6	13	1%
Johnston	5,906	117	150	3%
Lincoln	5,157	62	94	2%
Little Compton	780	7	10	1%
Middletown	4,328	59	81	2%
Narragansett	2,833	27	29	1%
New Shoreham	185	1	0	0%
Newport	5,199	220	336	6%
North Kingstown	6,848	74	119	2%
North Providence	5,936	151	197	3%
North Smithfield	2,379	30	46	2%
Pawtucket	18,151	734	1,081	6%
Portsmouth	4,329	19	37	1%
Providence	45,277	3,039	4,725	10%
Richmond	2,014	10	23	1%
Scituate	2,635	12	16	1%
Smithfield	4,019	20	52	1%
South Kingstown	6,284	36	28	<1%
Tiverton	3,367	61	75	2%
Warren	2,454	41	61	2%
Warwick	18,780	243	309	2%
West Greenwich	1,444	8	14	1%
West Warwick	6,632	186	281	4%
Westerly	5,406	71	95	2%
Woonsocket	11,155	732	1,162	10%
Core Cities	91,945	5,282	8,200	9%
Remainder of State	155,877	1,942	2,646	2%
Rhode Island	247,822	7,224	10,846	4%