

Children in the Family Independence Program

DEFINITION

Children enrolled in the Family Independence Program is the percentage of children less than age 18 who were living in families receiving cash assistance through the Family Independence Program (FIP) on December 1, 2003. These data measure the number of children and families enrolled in FIP at one point in time. They do not count the additional children and families who qualified for the program at other points in the year but were not enrolled on December 1, 2003.

SIGNIFICANCE

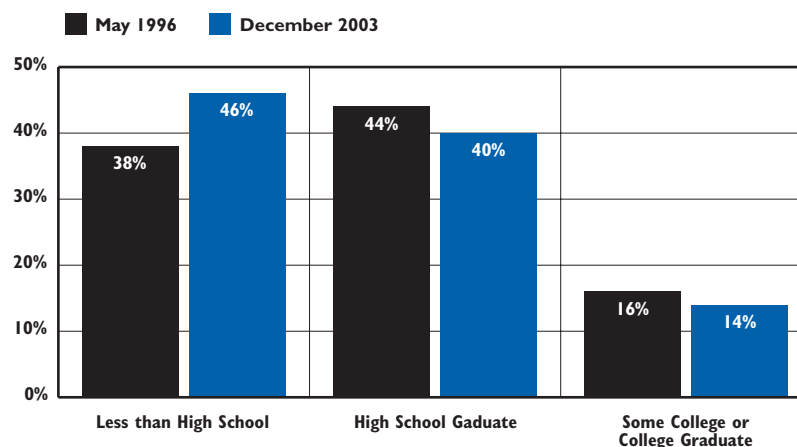
Rhode Island's Family Independence Program (FIP) seeks to help families make successful transitions to work by providing the cash assistance and work supports, including health insurance and subsidized child care, that families need to obtain and keep a job. In addition, the program provides cash assistance for children living in families where adults are unable to work.¹ As of December 1, 2003 there were 917 families enrolled in FIP who were unable to work due to illness or advanced age, and 2,128 who were exempt from work because they were in their third trimester of pregnancy or had children under age one.² If a family has no earned income, the maximum monthly FIP benefit for a Rhode Island family of three is \$554 per

month.³ With an additional \$371 per month in Food Stamps, this amount is 73% of the federal poverty line and well below the amount of income families need to pay basic living expenses.⁴ The FIP monthly payment has not increased in 15 years.⁵

Since the implementation of welfare reform in 1997, caseloads have declined across the country; however the rate of decline has steadily slowed.⁶ Rhode Island experienced a more gradual caseload reduction than other states because of policies that allow more time for education and training before beginning work and higher income disregards.⁷ Since the start of the economic recession in March 2001, Rhode Island is one of the few states that continues to see caseloads decline.⁸

As of December 2003, there were 11,727 adults and 26,168 children in Rhode Island enrolled in the Family Independence Program.⁹ More than two-thirds (69%) of all FIP beneficiaries are children under the age of 18.¹⁰ Three out of four children receiving cash assistance through FIP are ages 12 and under.¹¹ In Rhode Island, nearly 80% of children receiving FIP cash assistance lived in the six core cities (those cities with 15% or more of children living in poverty). In 2003, half (50%) of all children receiving FIP lived in Providence.¹²


Education Level, Families Enrolled in the Family Independence Program, 1996 and 2003



Source: Rhode Island Department of Human Services, INRHODES Database, May 1996 and December 2003.

- ◆ In December 2003, almost half (46%) of FIP heads of households had less than a high school education.¹³
- ◆ Compared to 1996, adults enrolled in FIP in 2003 were more likely to have low literacy levels, not have at least a high school diploma, and have limited English-speaking skills.¹⁴
- ◆ A growing number of jobs in today's labor market require a certain level of skill and/or credentials. Recent research found that the skill levels of an average high school dropout will qualify for 10% of all new jobs between 2000 and 2010, while people possessing the skills of a typical high school graduate will qualify for 22% of all new jobs.¹⁵
- ◆ For the first 24 months of enrollment, FIP permits adults receiving cash assistance to get necessary education or basic skills training before beginning work. Evaluations of FIP have found that adults who opted for training or education before they looked for jobs were more likely to be employed and have family earnings higher than before the training.^{16,17}

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Employment of Families Enrolled in FIP

◆ The percentage of FIP cases with 13 or more months of employment history while receiving cash assistance has more than doubled, from 10.7% in 1997 to 27.1% in 2003.¹⁸

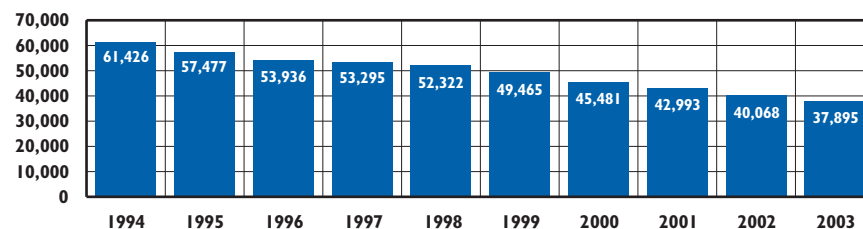
◆ As of December 1, 2003 in Rhode Island, 11,246 adults had FIP work plans in place. Of the adults receiving FIP cash assistance, 2,298 (22%) were employed, nearly double the 1997 percentage of 14%.^{19,20} In 2003, employed adult FIP recipients earned an average wage of \$7.95 per hour.²¹

◆ Among FIP cases leaving welfare, those who received post secondary education or vocational education or skills training as part of their FIP plan earned an average wage of \$10.31 per hour while the average wage for those without this education was \$8.56 per hour.²²

◆ Nationally, 78% of employed low-income single parents were concentrated in low-wage occupations, including: service and operators, fabricators, and laborers.²³ Wages for young parents and parents with limited education are less than full-time workers earned a decade ago, and work — no matter how low the wage — increases expenses for child care, workplace appropriate clothing, and transportation.²⁴

◆ Recent research demonstrates that children in low-income families have better academic and social outcomes when parents have access to work supports and subsidies, including: child care; job assistance; earnings supplements and health care.²⁵

Adults and Children Enrolled in AFDC/Family Independence Program, 1994 to 2003



Source: Rhode Island Department of Human Services, INRHODES Database, 1994 to 2003.

Note: Prior to May 1, 1997, the Family Independence Program was AFDC (Aid to Families with Dependent Children). More than two-thirds of FIP recipients are children under age 18.

◆ In 2003, there were 37,895 adults and children enrolled in the Family Independence Program. This is a 38% decline in cash assistance recipients since 1994.

Supporting Low-Income Families

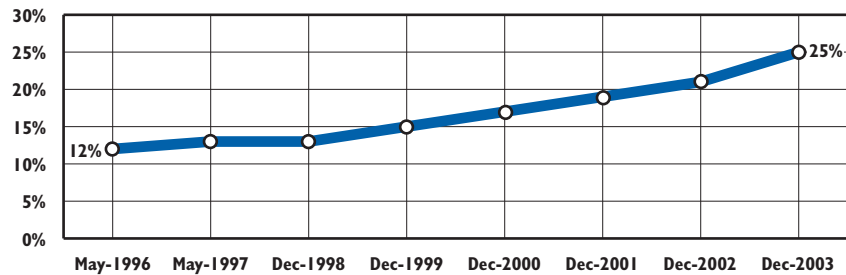
◆ Low-wage work alone is insufficient to move families to an income level that allows them to meet their families basic needs.²⁶ According to the 2003 Rhode Island Standard of Need, developed by the Poverty Institute at Rhode Island College, a single parent family with two children would need \$11.00 per hour with child care subsidies and health insurance through RItE Care in order to make ends meet, compared to more than \$21.00 per hour without these programs.²⁷

◆ Income supports including Medicaid, child care subsidies, Food Stamps and the Earned Income Tax Credit are critical in helping families successfully transition from welfare to work.²⁸

◆ Rhode Island has one of the lowest rates of uninsured children in the country and is the only state that provides an entitlement to child care for income-eligible families.²⁹

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**Child Only Cases as a Percentage of Total
AFDC/Family Independence Program Cases, Rhode Island, 1996-2003**



Source: Rhode Island Department of Human Services, INRHODES Database, 1996 to 2003, and Witte, Ann and M. Queralt. (August 2001). *Study of the Cash Assistance Program: May 1996-April 2000*. Rhode Island Department of Human Services. Wellesley, MA: Wellesley College, Department of Economics, Wellesley Child Care Research Partnership.

Note: Prior to May 1, 1997, The Family Independence Program was AFDC (Aid to Families with Dependent Children).

◆ As of December 2003 there were 3,475 child-only cases in the Family Independence Program.²⁹ Child-only cases are those that receive cash assistance only for the children in the family because the child is living with a grandparent or other non-parent relative, the parent has reached their five-year time limit, the parent is disabled and receiving Supplemental Security Income, or the parent is not a U.S. citizen.³⁰

◆ Child-only cases have increased from 12% of all FIP cases in May 1996 to 25% of all FIP cases in December 2003.^{31,32} The percentage of all cases that are child only cases will continue to increase as adults in the family reach five-year time limits. As of December 2003, 863 adults have reached their time limits.³³


Welfare and Mental Health

◆ Compared to the general population, welfare recipients have higher-than-average rates of mental health disorders. Nationally, between one-quarter and one-third of welfare recipients have a mental disorder.³⁴

◆ Depression is the most common mental health problem among welfare recipients with rates ranging from 25%-53%, compared to 13% for the general population. Post-traumatic stress disorder (15%) and anxiety disorder (7%-10%) are also more commonly found among the welfare population.³⁵

◆ There is a strong correlation between mental health and employment. People with mental health conditions are more likely to have sporadic work histories, be unemployed, and to be receiving cash assistance.³⁶ Nationally, between 70% and 90% of adults of working age with serious mental disorders are unemployed.^{37,38}

◆ Two years after exiting FIP, 19% of Rhode Island welfare leavers reported poor mental health as a barrier to employment.³⁹

◆ In Rhode Island, adults enrolled in FIP may be exempt from participating in work requirements because of physical or mental disabilities. FIP recipients are eligible for RIte Care or RIte Share, which covers a basic range of services for treating mental health conditions.

◆ A Rhode Island study indicates that families still enrolled in FIP are more likely to have children with health and developmental problems (mental health, short-term illness, chronic illness, school attendance, behavior and learning disabilities, and developmental disabilities) and to miss work or training activities due to their children's needs.⁴⁰

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Table 9.

Children Enrolled in the Family Independence Program (FIP), Rhode Island, December 1, 2003

CITY/TOWN	All CHILDREN UNDER 18	NUMBER RECEIVING FIP CASH ASSISTANCE		FIP CHILDREN AS % OF ALL CHILDREN UNDER 18
		FAMILIES	CHILDREN	
Barrington	4,745	19	28	1%
Bristol	4,399	77	125	3%
Burrillville	4,043	64	109	3%
Central Falls	5,531	771	1,539	28%
Charlestown	1,712	37	69	4%
Coventry	8,389	160	234	3%
Cranston	17,098	566	958	6%
Cumberland	7,690	100	160	2%
East Greenwich	3,564	33	45	1%
East Providence	10,546	417	656	6%
Exeter	1,589	23	39	2%
Foster	1,105	14	24	2%
Glocester	2,664	19	29	1%
Hopkinton	2,011	26	49	2%
Jamestown	1,238	12	19	2%
Johnston	5,906	202	310	5%
Lincoln	5,157	82	144	3%
Little Compton	780	5	5	1%
Middletown	4,328	74	104	2%
Narragansett	2,833	48	72	3%
New Shoreham	185	0	0	0%
Newport	5,199	411	816	16%
North Kingstown	6,848	138	224	3%
North Providence	5,936	224	375	6%
North Smithfield	2,379	28	41	2%
Pawtucket	18,151	1,586	2,792	15%
Portsmouth	4,329	42	58	1%
Providence	45,277	6,611	12,993	29%
Richmond	2,014	21	23	1%
Scituate	2,635	36	49	2%
Smithfield	4,019	37	56	1%
South Kingstown	6,284	94	186	3%
Tiverton	3,367	74	103	3%
Warren	2,454	78	134	5%
Warwick	18,780	448	736	4%
West Greenwich	1,444	13	18	1%
West Warwick	6,632	303	513	8%
Westerly	5,406	119	193	4%
Woonsocket	11,155	1,106	2,140	19%
Core Cities	91,945	10,788	20,793	23%
Remainder of State	155,877	3,330	5,375	3%
Rhode Island	247,822	14,118	26,168	11%

Source of Data for Table/Methodology

Rhode Island Department of Human Services, InRhodes Database, December 2003. The denominator is the total number of children under age 18 from Census 2000.

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

References for Indicator

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^{2,3,5,9,10,11,12,13,19,21,29,30,31,33} Rhode Island Department of Human Services, INRHODES Database, December 1, 2003.

⁴ Rhode Island Department of Human Services, INRHODES Database. Calculations by Rhode Island KIDS COUNT based on the Rhode Island Standard of Need.

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²⁸ Loprest, Pamela. (August 2003). *Use of Government Benefits Increases among Families Leaving Welfare.* Snapshots 3 of America's Families, n6. Washington, DC: The Urban Institute.

³² Rhode Island Department of Human Services, INRHODES Database, May 1996.

^{34,35} *Left Behind: Data on Adults and Children with Mental Disorders in Families on TANF.* (February 2002). Fact Sheet. Washington, DC: Judge David L. Razelon Center for Mental Health Law. Retrieved on February 10, 2004 from www.brazelon.org.

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³⁸ *Left Behind: Data on Adults and Children with Mental Disorders in Families on TANF.* (February 2002). Fact Sheet. Washington, DC: Judge David L. Razelon Center for Mental Health Law. Retrieved on February 10, 2004 from www.bazelon.org.

³⁹ Alves, B., et al. *Rhode Island Family Independence Program Leavers' Study: A Look at Program Participants Two Years After Leaving the Rhode Island Family Independence Program.* Providence, RI: Rhode Island College School of Social Work, Welfare Reform Research Project. Retrieved on February 10, 2004 from www.dhs.state.ri.us.