Bridging the Gaps

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Purpose of Research Project

• To assess the *hardships gap* between resources and living costs for families over many income ranges

• To examine the *eligibility gap* by measuring the actual use of benefits among eligible families

• To engage potential partners to discuss outreach strategies and possible uses of this information
Scope of Project - Phase 1

• Analyze state and local program policies, resources and living expenses (using Family Resource Simulator* data) to assess differences across states and communities

• Analyze Census SIPP data to determine utilization of benefit programs in state and local areas

* The Family Resource Simulator (FRS) was developed by the National Center for Children in Poverty (www.nccp.org).
Scope of Project - Phase 1

- Engage local and state program practitioners and advocates to determine usefulness of analysis in their work

- Develop plans and partnerships for future phases of this work
RMC Role in BTG Project

• Analyze Texas benefit program policies (2004) for use in Texas FRS simulations and SIPP program utilization calculations

• Analyze FRS simulations for a hypothetical family in four Texas communities -- Dallas, Houston, Laredo and San Antonio

• Organize brown bags to discuss presentation and possible uses of findings (with CPPP)

• Write Texas report on Phase 1 work
Texas Children - Demographics

- 50% of Texas children live in low-income families (200% of poverty level or ~ $40K for a family of 4)
- 24% live in poor families (~$20K for family of 4)

Characteristics

<table>
<thead>
<tr>
<th></th>
<th>Low-Income</th>
<th>Poor</th>
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<tbody>
<tr>
<td>Employed parent</td>
<td>86%</td>
<td>76%</td>
</tr>
<tr>
<td>Single parent</td>
<td>43%</td>
<td>52%</td>
</tr>
<tr>
<td>Immigrant parents</td>
<td>33%</td>
<td>38%</td>
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<tr>
<td>Percent Latino</td>
<td>58%</td>
<td>70%</td>
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Source: NCCP analysis of U.S. Current Population Survey Data (2003-05) with additional RMC calculations
Simulation Details

- Single parent with 2 children ages 3 & 8
- Parent works 40 hours per week
- Receives all tax benefits (e.g., EITC, Child Tax Credit)
- Uses family homes for child care, regardless of subsidy
- Assumes use of Medicaid and CHIP when eligible, otherwise employer-based insurance
- Assumes no child support
- No savings, own car worth $2,000, no car debt

Notes:
$11,000 = minimum wage of $5.15
$26,000 = Texas median wage (per BLS)
Simulation: Houston, TX

Simulation: Laredo, TX

Simulation: San Antonio, TX

First break-even point for different combinations of earnings/benefits

<table>
<thead>
<tr>
<th>Resources</th>
<th>Dallas</th>
<th>Houston</th>
<th>Laredo</th>
<th>San Antonio</th>
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<tbody>
<tr>
<td>Tax credits, Medicaid, FS, TANF, CCDF, &amp; Housing</td>
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<td>Tax credits, Medicaid, &amp; FS</td>
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<td>Tax credits only</td>
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State median wage

State minimum wage

First break-even point for different combinations of earnings/benefits

Multiple Break-even Points: Houston, TX

For the following benefits: Tax Credits, Medicaid, FS, TANF, and CCDF

Possible Discussion Topics

• Usefulness of graph formats
• Inclusion of child support in future simulations
• Simulations for two-parent families
• Implications for children in immigrant families
• How to frame when reaching out to policymakers, the media, and other advocates
Next Steps

• Refine project based on what we learn today
• Discuss the usefulness of doing focus groups in Texas with low income families and providers
• Develop strategies to outreach to policymakers and media, in both Texas and nationally
For More Information

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