

# Understanding Racial and Ethnic Differences in SSA and Means-Tested Benefit Receipt and Their Anti-Poverty Effects for Children in Multigenerational Families

Berger, et. al.

RDRC Annual Meeting

August 5 2022

The research reported herein was performed pursuant to a grant from the U.S. Social Security Administration (SSA) funded as part of the Retirement and Disability Consortium. The opinions and conclusions expressed are solely those of the author(s) and do not represent the opinions or policy of SSA or any agency of the Federal Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of the contents of this report. Reference herein to any specific commercial product, process or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply endorsement, recommendation or favoring by the United States Government or any agency thereof.

# Understanding Racial and Ethnic Differences in SSA and Means-Tested Benefit Receipt and Their Anti-Poverty Effects for Children in Multigenerational Families

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## Wisconsin Administrative Data Core (WADC)

Developed and maintained by the Institute for Research on Poverty (IRP) with state agency partners. This study uses Client Assistance for Re-employment and Economic Support System (CARES) data.

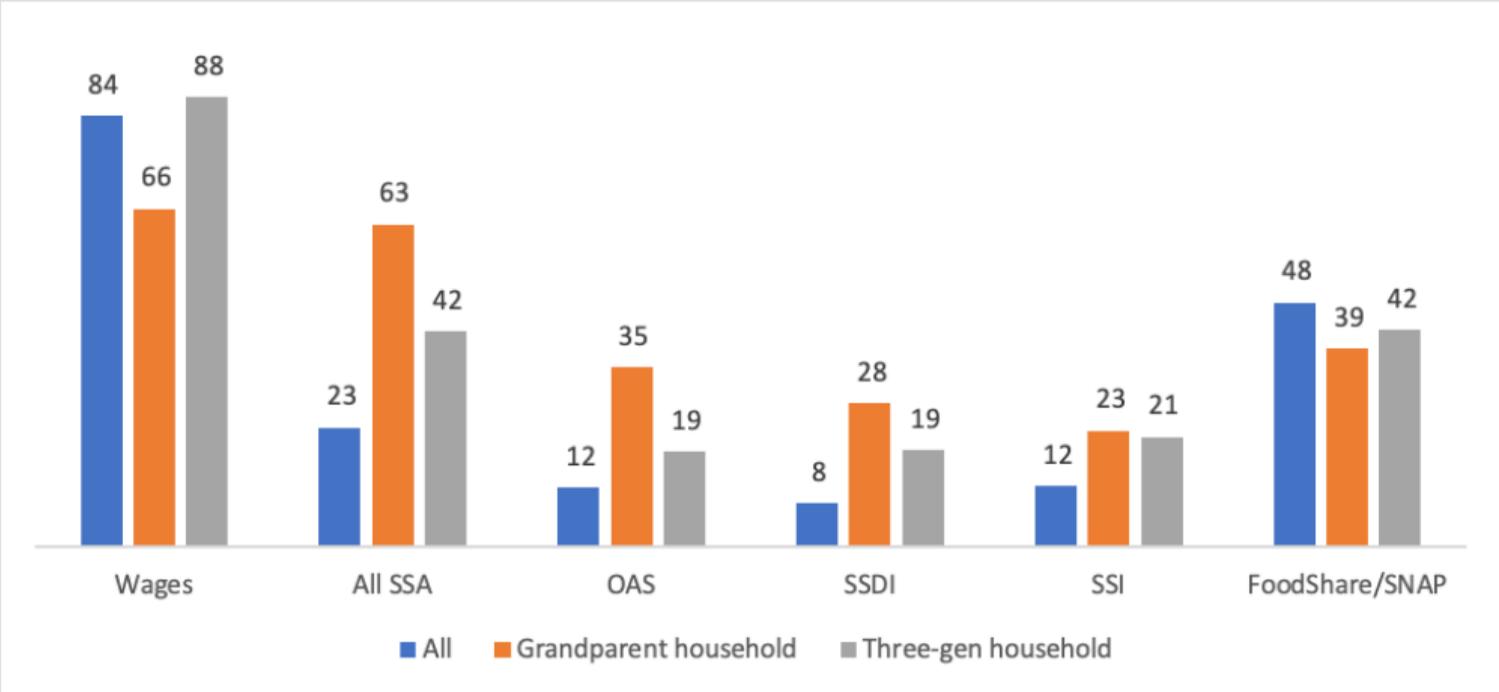
- Department of Health Services (DHS): Food Share/SNAP/Food Stamps
- Department of Children and Families (DCF): TANF/W-2/Child Care/Caretaker Supplement; Child Support
- Department of Workforce Development (DWD): Unemployment Insurance (UI) wage records

*Grateful for IRP programming staff for research assistance. Also to DHS, DCF, and DWD for the use of data, but acknowledge that these agencies do not certify the accuracy of the analyses presented.*

## Wisconsin WADC/CARES Data Family Sample

- People in the CARES public assistance eligibility determination system 2010 to 2019
- Aggregate persons in a case record ('household') by Primary Person
- 3,772,300 case-year pairs; 400,000 low-income 'households' with minor children per year
  - Primary person and minor child and in CARES: 'All'
  - Primary person is grandparent: 'Grandparent Household' (1.8 % of 'All')
  - Primary person also has their parent in household: 'Three-Gen Household' (7.3 % of 'All')
- Aggregated 'income' by year at the household level (2019 dollars):
  - Wages (per UI system, 16+ with SSN)
  - Child support
  - Unemployment compensation
  - WI Caretaker Supplement
  - SNAP
  - Medicaid
  - Childcare subsidies
  - TANF
  - + **SSA payments**

# Income Sources by Household Type (Percent with any support in a year)

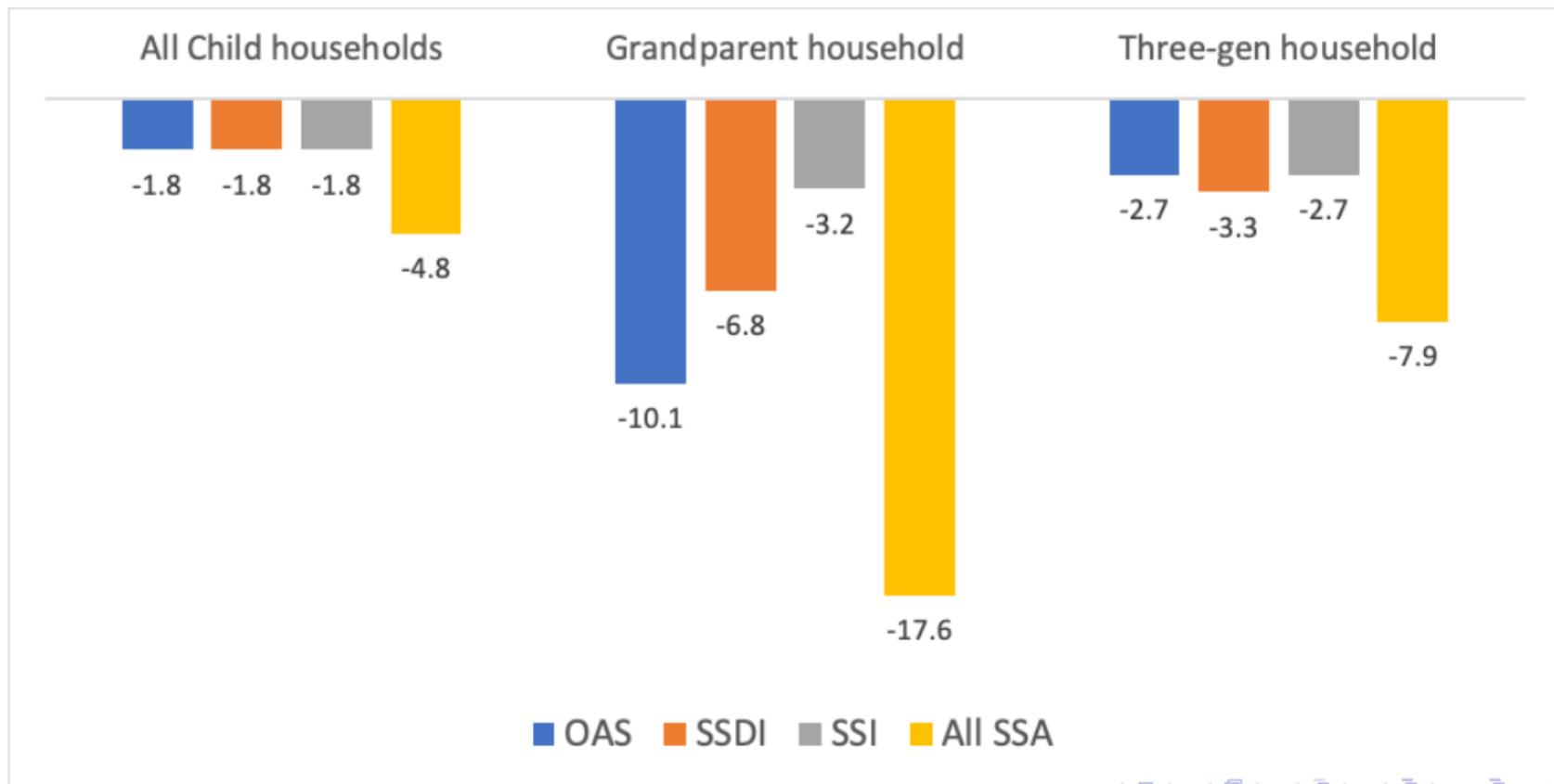


## Overall Poverty Rates By Annual Census Threshold

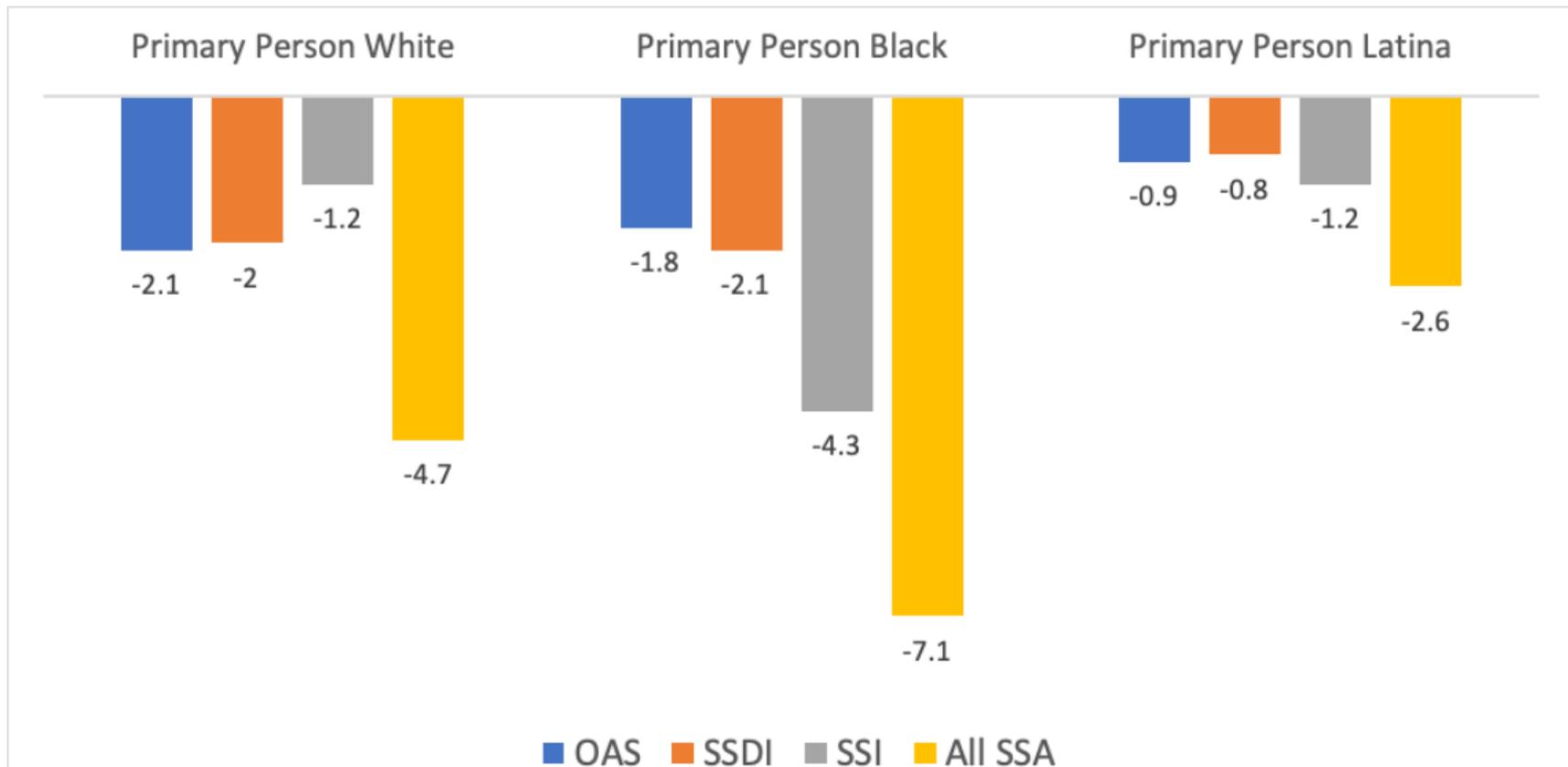
| Group                           | Poverty Rate |
|---------------------------------|--------------|
| All CARES households with minor | 50.2%        |
| Grandparent household           | 48.1         |
| Three-generation household      | 50.2         |
| Primary person White            | 42.9         |
| Primary person Black            | 61.3         |
| Primary person Latina           | 66.8         |

*WADC 2010-2019. Includes earned wages, child support receipt, unemployment insurance compensation, TANF payments, and SSA program benefits. Wages includes reported wages and child support payments. Scaled if recipient is in multiple households in a given year. 2010 Census OPM poverty thresholds in 2019 \$*

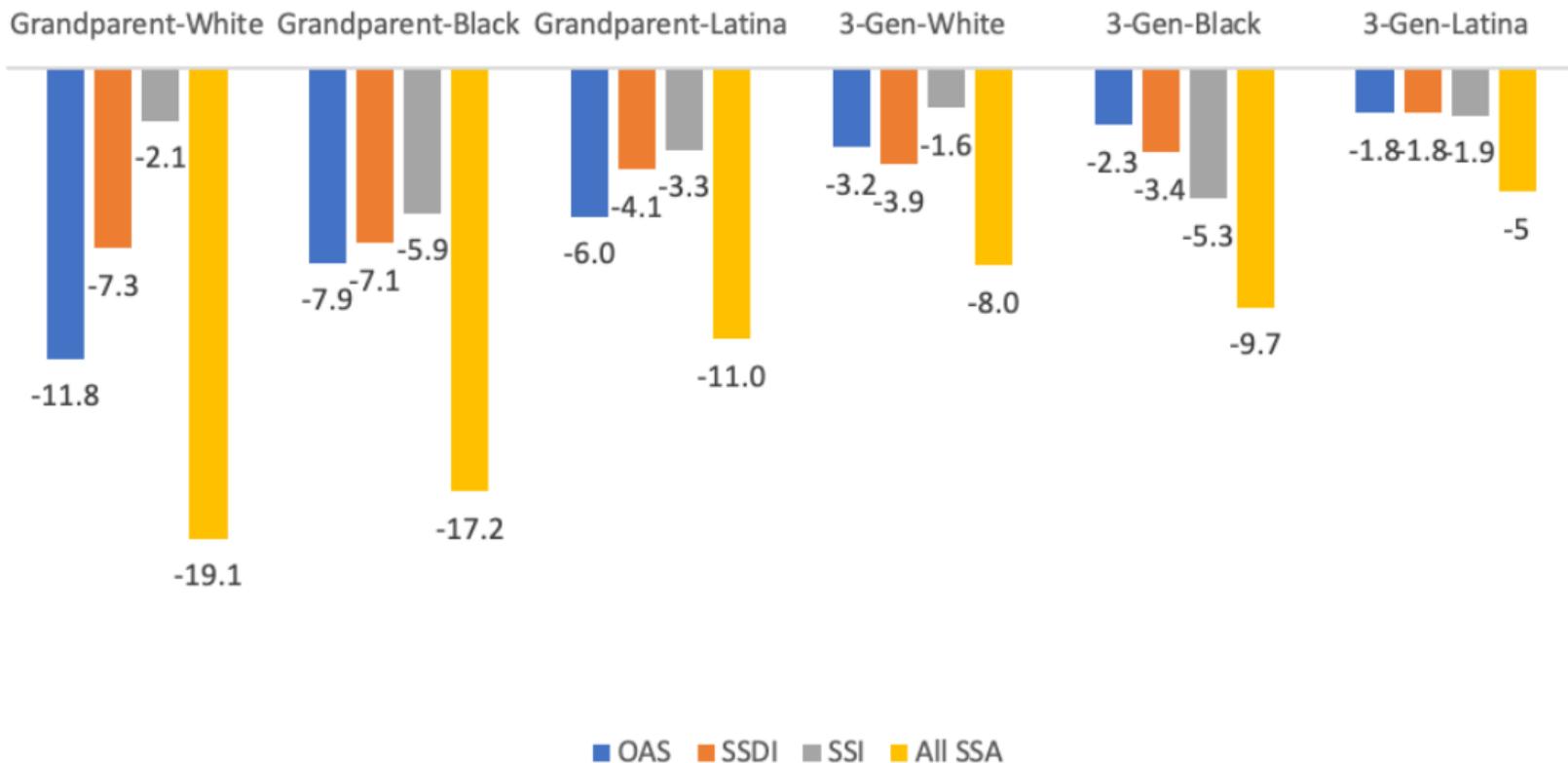
# Poverty Rate Reduction From SSA Programs: Grandparents and 3-Gen



# Poverty Rate Reduction by Race: All with Minors



# Poverty Rate Reduction: Race and Grandparents / 3-Gen Combined



# Descriptive Findings from Low-Income Households with Children in Wisconsin CARES data 2011-2019

- Two-thirds of grandparent households receive Social Security support
- Half of three-generation households receive Social Security support
- Poverty rates for grandparent households are lower when counting SSA programs by nearly 18 points; 8 points lower for three-generation households.
  - Black grandparent households show relatively more SSI support
  - Latina households have highest poverty rates and smaller reductions in poverty from SSA programs
- Implications
  - Program coordination to support children in these households (e.g. child support, foster care)
  - Need to be attentive to evolving household structures and program use (e.g. deeming and the re-determination)

# Studying Low-Income Families with Children Using SSA Programs

- Grandparent and Three-Generation households are a relatively small but financially vulnerable population
- SSA programs play an important role in keeping families out of poverty
- Key racial differences, partially due to means-tested vs. employment-based programs
- These families draw on multiple programs; Complementary roles of State Programs/Supplements, also SNAP
- Administrative data can be valuable for understanding focal populations not well-covered in many surveys