

# Research Brief



FEBRUARY 2015

Publication #2015-03

## Poor, Unemployed, and Not on Welfare:

THE PREVALENCE  
OF "DISCONNECTED  
FAMILIES" BY STATE

Vanessa H. Sacks

Laurel Sticklor

David A. Murphey

Kristin Anderson Moore

Child Trends  
7315 Wisconsin Avenue  
Suite 1200 W  
Bethesda, MD 20814  
Phone 240-223-9200

childtrends.org



### OVERVIEW

A considerable number of U.S. families living in poverty survive without either income from a job or from government-sponsored cash assistance; these families are sometimes referred to as “disconnected.” The program that has historically provided many low-income families with a cash benefit – Temporary Assistance for Needy Families (TANF) – has changed significantly since welfare reform in 1996. Over time, the program has shifted from being primarily a family-support program to a time-limited work-support program, dramatically shrinking a key part of the safety net formerly available to many poor families.

Since welfare reform, states have had broad discretion to determine eligibility, work requirements, time limits, and benefit levels for their TANF programs.<sup>1</sup> Nationally, caseloads fell by 50 percent between 1996 and 2011, but in individual states caseloads have declined by as little as 25 percent and by as much as 80 percent.<sup>2</sup> Given these declines and the differences among state TANF policies, policymakers and researchers want to understand how families who are living in poverty, but who are not supported by either employment or TANF, are faring. Of particular concern are the children in these families. This research brief uses data from the 2011/12 National Survey of Children’s Health (NSCH) to quantify the population of children in disconnected families in each state, and to describe the extent to which these families access other public assistance programs.

### KEY FINDINGS

- Nationally, in 2011/12, 30 percent of all children in poverty were in disconnected families (i.e., their family has no earned income or cash assistance). In five states – Alaska, Hawaii, Maine, Montana, and Vermont – the percent of poor children in disconnected families was significantly lower than the national average. Only in Texas was the prevalence of disconnected children (42 percent) significantly higher than in the U.S. as a whole.
- In every state, the majority of children in disconnected families live in a household where someone received some other form of public assistance. In particular, in each state more than 75 percent were insured by Medicaid or the state’s Children’s Health Insurance Program.



- Overall, about half of the children in disconnected families live in a household that received three other types of public assistance: Medicaid or the state's Children's Health Insurance Program, free or reduced-price school meals, and the Supplemental Nutritional Assistance Program (SNAP, or food stamps). The percent of children in disconnected families that received all three of these supports varied widely by state – from 23 percent in Colorado to 71 percent in Kentucky.

### ANALYSIS

We used data from the National Survey of Children's Health (NSCH) to quantify, in every state, the percent of children in disconnected families, and the percent who received other selected public assistance benefits. For the purposes of this brief, disconnected families are defined as those with a household income at or below the poverty line, in which (a) no one in the household worked at least 50 of the last 52 weeks, and (b) no one had received cash assistance through the TANF program in the past 12 months. The NSCH is representative of children at national and state levels, and the 2011/12 survey included a total sample of 95,677 children ages birth to 17. The survey was sponsored by the Maternal and Child Health Bureau of the U.S. Department of Health and Human Services, and collected data on a range of topics, including health, poverty, public assistance program participation, child well-being, and family functioning.

Four groups, all with household incomes at or below the federal poverty level, were compared (see Table 1):

- *Disconnected*: as described above, in which no household members were working or receiving TANF.
- *No Work/TANF*: families that received TANF, but no one in the household worked.
- *Work/No TANF*: families with at least one household member who was employed, but where no one received TANF.
- *Work/TANF*: families in which someone in the household was employed and someone received TANF.

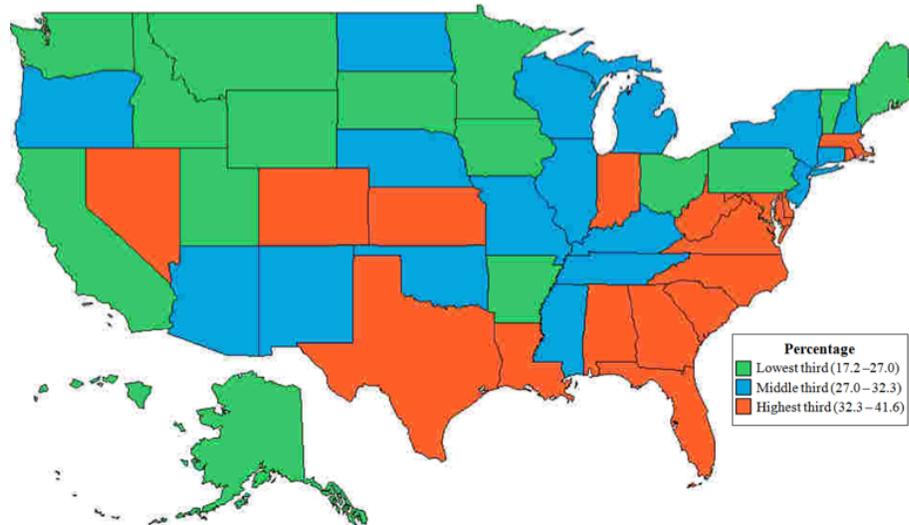
For each state, we compare the prevalence of children in disconnected families, as well as those in the other three groups, to the national average. We then compare, within each state, children in disconnected families with those in all other poor families on their receipt of non-TANF benefits. See the Data and Methods section at the end of this brief for more information.

### Nearly one in three children in poverty were in disconnected families

Nationally, 30 percent of all children in poverty (nearly five million) were in disconnected families in 2011/12 (see Table 1). Geographically, states in the southern region tended to have a high prevalence of disconnected families (see Figure 1). The lowest percentage of poor children in disconnected families was in Maine (17 percent), and the highest was in Texas (42 percent). The percent of poor children in disconnected families was significantly lower than the national average in Alaska, Hawaii, Maine, Montana, and Vermont, and significantly higher than the national average in Texas only.



Figure 1: Percentage of poor children in disconnected families, by state, 2011/12



Conversely, 70 percent of poor children were *not* in disconnected families – nearly half (48 percent) of poor children were in a Work/No TANF household, 11 percent were in a No Work/TANF household, and 11 percent were in a Work/TANF household (see Table 1). In the majority of states, poor children were similarly distributed across the four sub-groups, with a few exceptions. For example, in Alaska and Maine, more children were in families using TANF, and fewer were in families not using TANF, compared with the national averages. In Alaska, the District of Columbia, Maine, Massachusetts, Vermont, and West Virginia, fewer children were in families who were working and not receiving TANF, compared with the national average. On the other hand, in Arizona, Arkansas, Montana, Nebraska, North Dakota, Utah, and Wyoming, the percent of children in families who were working and not receiving TANF was higher than the national average.



**Table 1: Work status and TANF receipt among children in poor families, percentages by state, 2011/12**

	Disconnected (No Work/ No TANF)	No Work/ TANF	Work/ No TANF	Work/TANF
<b>United States</b>	<b>30</b>	<b>11</b>	<b>48</b>	<b>11</b>
Alabama	35	10	48	7
Alaska	22 <sub>b</sub>	20 <sub>a</sub>	35 <sub>b</sub>	24 <sub>a</sub>
Arizona	31	6 <sub>b</sub>	57 <sub>a</sub>	6
Arkansas	23	10	63 <sub>a</sub>	4 <sub>b</sub>
California	24	18	43	15
Colorado	38	11	42	9
Connecticut	27	8	53	12
Delaware	34	13	43	10
District of Columbia	23	29 <sub>a</sub>	21 <sub>b</sub>	28 <sub>a</sub>
Florida	35	5 <sub>b</sub>	50	11
Georgia	34	6 <sub>b</sub>	51	8
Hawaii	20 <sub>b</sub>	9	54	17
Idaho	27	7	56	11
Illinois	29	9	55	7
Indiana	34	16	43	8
Iowa	26	17	44	13
Kansas	36	7	49	9
Kentucky	31	15	44	9
Louisiana	33	4 <sub>b</sub>	57	6 <sub>b</sub>
Maine	17 <sub>b</sub>	26 <sub>a</sub>	35 <sub>b</sub>	22 <sub>a</sub>
Maryland	36	11	41	12
Massachusetts	37	20	33 <sub>b</sub>	11
Michigan	27	16	42	15
Minnesota	23	15	44	18
Mississippi	27	10	52	11
Missouri	29	8	51	12
Montana	22 <sub>b</sub>	9	62 <sub>a</sub>	7
Nebraska	30	5 <sub>b</sub>	59 <sub>a</sub>	6
Nevada	32	13	41	13
New Hampshire	31	20	39	10
New Jersey	29	10	48	13
New Mexico	30	7	56	8



Table 1: Work status and TANF receipt among children in poor families, percentages by state, 2011/12

	Disconnected (No Work/ No TANF)	No Work/ TANF	Work/ No TANF	Work/TANF
New Mexico	30	7	56	8
New York	27	15	46	11
North Carolina	34	8	51	6
North Dakota	28	5 <sub>b</sub>	62 <sub>a</sub>	6
Ohio	25	14	44	18
Oklahoma	28	7	56	9
Oregon	31	13	46	9
Pennsylvania	23	22 <sub>a</sub>	42	13
Rhode Island	39	13	41	7
South Carolina	33	7	50	10
South Dakota	26	12	50	13
Tennessee	30	14	39	17
Texas	42 <sub>a</sub>	3 <sub>b</sub>	51	5 <sub>b</sub>
Utah	25	5 <sub>b</sub>	62 <sub>a</sub>	7
Vermont	19 <sub>b</sub>	31 <sub>a</sub>	34 <sub>b</sub>	17
Virginia	33	5 <sub>b</sub>	59	3 <sub>b</sub>
Washington	24	17	46	12
West Virginia	33	19 <sub>a</sub>	40 <sub>b</sub>	9
Wisconsin	28	11	50	10
Wyoming	26	8	64 <sub>a</sub>	2 <sub>b</sub>

<sup>a</sup> Indicates percentage is significantly *higher* (at  $p < 0.05$ ) than the corresponding national average.

<sup>b</sup> Indicates percentage is significantly *lower* (at  $p < 0.05$ ) than the corresponding national average.

Note: Shaded cells indicate estimates with a relative standard error greater than 30%. Caution should be used in interpreting these estimates as they are below standards of precision or reliability often used in analysis of the National Survey of Children's Health 2011/12 data.

### Most children in disconnected families access other public assistance

The majority of children in disconnected families live in households where they or another child received some form of public assistance other than TANF, including Medicaid or a state Children's Health Insurance Program (CHIP), free or reduced-price school meals, or the Supplemental Nutritional Assistance Program (SNAP, formerly food stamps) (see Table 2).<sup>i</sup> In every state, at least one of these was accessed by more than 80 percent of children in disconnected families (data not shown).

The extent to which children in disconnected families accessed each of these other forms of public assistance varied. Nine out of ten (91 percent) children in poor families disconnected from TANF and employment were insured by Medicaid or CHIP, making it the most commonly received form of other public assistance nationally. This high level of use held across all states. Around three-quarters of children in disconnected families lived in a household where they or another child received free or reduced-price school meals. Use of free/reduced-price school meals ranged from 58 percent in Pennsylvania to 93 percent in Massachusetts. Additionally, about



three-quarters of children in disconnected families lived in a household where they or another child received SNAP. In every state, the majority of children in disconnected families received SNAP, except in California (49 percent) and the District of Columbia (47 percent).<sup>ii</sup>

In addition, we compared the receipt of non-TANF public assistance among the households of children in poor disconnected families to receipt among poor non-disconnected families. On average, nationally, there was no statistically significant difference in receipt of free/reduced-price school meals compared with non-disconnected poor children (77 percent versus 79 percent; not shown) or SNAP (73 percent versus 74 percent; not shown). However, children in disconnected families were more likely to be insured by Medicaid/CHIP than children in non-disconnected poor families (91 percent versus 87 percent; not shown).

There were also differences between children in disconnected families and other poor children in some states (differences are denoted by a subscript in Table 2). For example, in California, the District of Columbia, and Maryland, a lower percent of children in disconnected families received SNAP than other children in poverty. In Arizona and Louisiana, the percent of children in disconnected families who received SNAP was higher than it was for other children in poverty.

Overall, nearly half of children in disconnected families were in households that received benefits from all three of these public assistance programs (see Table 2). This varied by state, from 23 percent in Colorado to 71 percent in Kentucky. In Arizona and Louisiana, children in disconnected families were more likely than other children in poverty to have received all three types of other public assistance, while in Colorado, the District of Columbia, and Maine, children in disconnected families were less likely than other children in poverty to have received all three types of public assistance.

<sup>i</sup>The NSCH also asks parents about the use of The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), but the program only applies to pregnant women and mothers of children up to age five. For purposes of comparison with the other programs, we do not include WIC participation in this analysis.

<sup>ii</sup>The NSCH asks parents whether any child in the household receives SNAP and free/reduced-price meals, therefore the percentages presented here are the percent of children in a household where at least one child was receiving these benefits. For readers' convenience, for the remainder of this brief we will refer to "children receiving SNAP" or "children receiving free or reduced-price meals."



Table 2: Of children in disconnected families, percent whose households received selected public assistance benefits, 2011/12

	Medicaid/ CHIP	Free or reduced-price meals	SNAP (Food Stamps)	All 3 programs
<b>United States</b>	<b>91<sub>c</sub></b>	<b>77</b>	<b>73</b>	<b>49</b>
Alabama	86	84	79	52
Alaska	91	73	82	45
Arizona	96	84	86 <sub>c</sub>	66 <sub>c</sub>
Arkansas	99	78	74	60
California	84	78	49 <sub>d</sub>	33
Colorado	89 <sub>c</sub>	73	63	23 <sub>d</sub>
Connecticut	86	91	87	60
Delaware	91	78	73	56
District of Columbia	91	70 <sub>d</sub>	47 <sub>d</sub>	38 <sub>d</sub>
Florida	88	86	79	56
Georgia	89	81	79	53
Hawaii‡	84	80	63	52
Idaho	88	66	81	50
Illinois	97	80	71	49
Indiana	98	68	77	46
Iowa	83	86	76	49
Kansas	95	89	62	48
Kentucky	93	89	94	71
Louisiana	90	89	81 <sub>c</sub>	68 <sub>c</sub>
Maine	95	65	81	50 <sub>d</sub>
Maryland	97	69	55 <sub>d</sub>	41
Massachusetts	92	93	82	70
Michigan	92	82	81	61
Minnesota‡	99 <sub>c</sub>	70	69	41
Mississippi	93	79	71	49
Missouri	91	84	90	67
Montana	91	78	83	56
Nebraska	88	88	57	40
Nevada	84	71	60	43
New Hampshire‡	89	76	67	50
New Jersey	89	69	62	47
New Mexico	96	76	78	54
New York	96	77	73	47
North Carolina	93	82	80	60
North Dakota‡	94 <sub>c</sub>	66	87	46



**Table 2: Of children in disconnected families, percent whose households received selected public assistance benefits, 2011/12**

	Medicaid/ CHIP	Free or reduced-price meals	SNAP (Food Stamps)	All 3 programs
Ohio	91	75	90	63
Oklahoma	96	83	68	49
Oregon	81	64	73	40
Pennsylvania	89	58	56	39
Rhode Island	97	83	80	56
South Carolina	96 <sub>c</sub>	79	84	63
South Dakota	92	80	84	50
Tennessee	96	76	84	53
Texas	90	68	70	40
Utah	80	67	64	40
Vermont‡	100	77	72	57
Virginia‡	78	79	65	39
Washington	81	73	83	40
West Virginia	95	82	91	66
Wisconsin	93	78	90	70
Wyoming‡	100	76	71	47

<sup>c</sup>Indicates the odds of being in this category are significantly *higher* (at  $p < 0.05$ ) among disconnected poor children than among poor children in non-disconnected families.

<sub>c</sub>Indicates the odds of being in this category are significantly *lower* (at  $p < 0.05$ ) among disconnected poor children than among poor children in non-disconnected families.

‡Readers should use caution in interpreting estimates for this state as they are based on an unweighted sample size of fewer than 50 children in disconnected families.



#### CONCLUSION

---

Disconnection is common in the U.S. – in 40 states and the District of Columbia, in 2011/12, about one in three poor children lived in a household in which no adult was working or receiving cash assistance. Engagement in the workforce and use of TANF varied across the country; in some states, less than one in ten poor families received TANF. Like other families in poverty, nearly all disconnected families accessed other public assistance programs to make ends meet. In particular, in the U.S. overall and in several states, children in disconnected families were more likely than children in other poor families to be insured by Medicaid or the state's Children's Health Insurance Program. It is important to note that, unlike TANF, the other three programs examined in this brief do not impose time limits on participation. In addition, it is likely that some portion of the disconnected group are families in which adults face significant barriers to employment – from transportation difficulties and lack of affordable child care, to serious health problems – and have run up against federally- or state-mandated time limits. While public assistance is only one way disconnected families get by,<sup>3</sup> the findings presented in this brief highlight the need for decision makers to consider this potentially vulnerable group within their own state, and the opportunities available to all poor parents to provide for their children's health, safety, and well-being.

*This research was funded by the Annie E. Casey Foundation. We thank them for their support but acknowledge that the findings and conclusions presented in this report are those of the authors alone, and do not necessarily reflect the opinions of the Foundation.*

© Child Trends 2015. May be reprinted with citation.

Child Trends is a nonprofit, nonpartisan research center that studies children at all stages of development. Our mission is to improve the lives and prospects of children and youth by conducting high-quality research and sharing the resulting knowledge with practitioners and policymakers. For additional information, including publications available to download, visit our website at [childtrends.org](http://childtrends.org).



#### Data and Methods

The National Survey of Children's Health (NSCH) was conducted in 2003, 2007 and 2011/12 in all 50 states and the District of Columbia, by the National Center for Health Statistics, with funding from the Maternal and Child Health Bureau, U.S. Department of Health and Human Services. Telephone numbers from a random sampling process were used to contact households, and one child in each household with minor children was randomly selected to be the focus of the study. An adult in the household knowledgeable about the child answered questions about the child and themselves. The survey was representative of children under 18 years old nationwide and also within each state. A total of 95,677 interviews were completed in 2011/12.

The use of TANF in the household was indicated by the following question:

- At any time during the past 12 months, even for one month, did anyone in this household receive any cash assistance from a state or county welfare program, such as [state TANF name]?

The use of SNAP and free/reduced-price meals was indicated by the following questions:

- During the past 12 months, did [[S.C.]/ any child in the household] receive Food Stamps or Supplemental Nutrition Assistance Program benefits?
- During the past 12 months, did [[S.C. / any child in the household] receive free or reduced-cost breakfasts or lunches at school?

The use of Medicaid/CHIP was indicated by the following two questions:

- Does [S.C.] have any kind of health care coverage, including health insurance, prepaid plans such as HMOs, or government plans such as Medicaid?
- [Is that coverage/Is [he/she] insured by] Medicaid or the Children's Health Insurance Program, CHIP?

To assess the statistical significance of differences in the prevalence of the four groups in each state and the corresponding national averages, we compared 95-percent confidence intervals around the estimates.

To compare the use of public assistance programs other than TANF among disconnected families with their use among other poor families, we ran logistic regressions where the dependent variable was use of a given program (Medicaid/CHIP, SNAP, or free/reduced-price meals) or use of all three programs, and the independent variable was a dummy variable for being in a disconnected family.

#### REFERENCES

1. Scott, L. (2012). Policy Basics: An Introduction to TANF. Washington, DC: Center for Budget and Policy Priorities. <http://www.cbpp.org/files/7-22-10tanf2.pdf>
2. Loprest, P. (2012). How Has the TANF Caseload Changed Over Time? OPRE Report. [http://www.acf.hhs.gov/sites/default/files/opre/change\\_time\\_1.pdf](http://www.acf.hhs.gov/sites/default/files/opre/change_time_1.pdf)
3. Sandstrom, H., Seefeldt, K., Huerta, S., and Loprest, P. (2014). Understanding the Dynamics of Disconnection from Employment and Assistance, OPRE Report # 2014-42, Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, US Department of Health and Human Services.