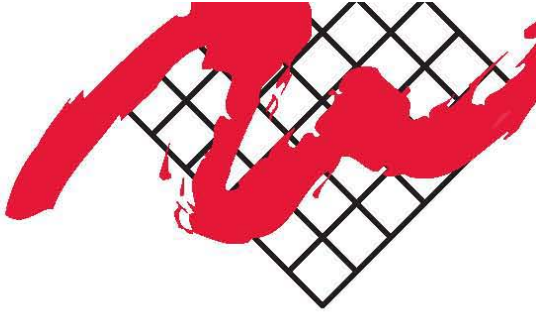
INSTITUTE FOR WOMEN'S POLICY RESEARCH



Briefing Paper

IWPR #D493 September 2010

Women in Poverty During the Great Recession

Public Benefits Do Not Always Respond to Rising Need
Variation Across States is Substantial

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Women across the United States continue to feel the effects of the recession that began at the end of 2007. For women who live at or below the poverty line[1]—especially women with dependents, and without personal savings, work benefits, or family supports—the hardships of the recession could be lessened through greater access to assistance through TANF, food stamps, and publicly provided health insurance.

IWPR analysis of American Community Survey (ACS) data from the U.S. Census Bureau reveals that 15.5 million women live in poverty.[2] The data also show that the number of women who receive help through health coverage, nutritional support, or cash assistance is much smaller than the number of those whose income level suggests they need assistance.

Although 10.6 million, slightly more than two thirds, of adult women in poverty have health insurance to help cover costs, another 4.9 million (32 percent) are not covered. For nutritional support, 5.9 million women in poverty are using food stamps, but 9.6 million (62 percent) are not.[3] Meanwhile, fewer than 750,000 poor adult women with children receive cash aid through TANF (Temporary Assistance for Needy Families), while 5.4 million—a substantial majority of women in poverty with children (88 percent)—do not get that support.[4] As IWPR shows in this briefing paper, the rates of adult women in poverty during the recession who are not receiving assistance vary among different public programs and across the states and regions.

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[1] The terms "women who live at or below the poverty line," "women living in poverty," or "poor women" include all women age 18 or older with incomes at 100 percent or below the federal poverty threshold as calculated in the American Community Survey (ACS).

[2] In this briefing paper, IWPR uses total family income at or below 100 percent of the poverty threshold as calculated in the ACS to define poverty; the poverty threshold, determined by the U.S. Census Bureau, is distinct from federal poverty guidelines used administratively for program eligibility, as described in the "Benefit Programs" box on the next page (U.S. Census Bureau 2010a; 2010b). Both measures vary by family size, composition, and age of the household head. The IPUMS version of the ACS (see Ruggles et al. 2010) used in this briefing paper identifies the poverty status of subfamilies, which are smaller families living with larger families, and IWPR includes women and children in these subfamilies in its measure of poverty here.

[3] In October 2008, the federal food stamp program was re-named the Supplemental Nutrition Assistance Program, or SNAP; states may use different names (U.S. Department of Agriculture Food and Nutrition Service 2010).

[4] Data on the percentage of women who are eligible for these different safety-net programs are not available through the American Community Survey. This analysis looks at rates of reported recipiency of SNAP and Medicaid among all adult women who live in poverty, and at rates of reported recipiency of TANF among all adult women with at least one child who live in poverty.

Benefit Programs

The following describes elements of some key assistance programs to which families with dependents and individuals may turn for help. All of these supports are "means-tested": they require evidence that any adult or child for whom an application is submitted has income and assets at or below a certain level. [5] The U.S. Department of Health and Human Services (HHS) sets poverty guidelines each year, based on a combination of U.S. Census data and reports of regional costs of living. One set of guidelines apply to the 48 contiguous states and the District of Columbia and another set to Hawaii and Alaska. These guidelines form the basis to assess eligibility within each state for food stamps and a portion of Medicaid programs (31 percent in fiscal year 2004). For TANF and for the majority of Medicaid programs, each state sets its own income-asset levels for residents, and individual states may set higher income-asset limits than the federal guidelines for certain programs. States also can vary, within federal limits, other requirements for the children and primary caregivers of children who may receive cash support and coverage (U.S. Department of Health and Human Services 2010).

Medicaid:

Medicaid is the public health insurance program for qualifying individual children and adults, with no upper age limit. Medicaid eligibility can be determined at the state level following the federal guidelines through several criteria that include age, pregnancy status, disability status, as well as income and assets. Medicaid payments are dispensed to medical providers rather than to those who are insured through the program, and individuals who are enrolled in Medicaid might have to make co-payments for health care (U.S. Department of Health and Human Services: Centers for Medicare and Medicaid Services 2010). In 2008, Medicaid was state-administered with funding almost equally shared by federal and state governments; after 2010, the portion covered by the federal government is expected to increase (Angelus and Broaddus 2010).

Supplemental Nutrition Assistance Program (SNAP):

SNAP, formerly called "food stamps," provides benefits to qualifying households to purchase food (U.S. Department of Agriculture Food and Nutrition Service 2010). Federal funding covers 100 percent of the cost of nutritional benefits, and 50 percent of the cost of administering the program, with states providing the other administrative 50 percent. States assess eligibility and distribute the allotted amounts. Unlike TANF, states cannot use the money to pay for other programs (Pavetti and Rosenbaum 2010).

Temporary Assistance for Needy Families (TANF):

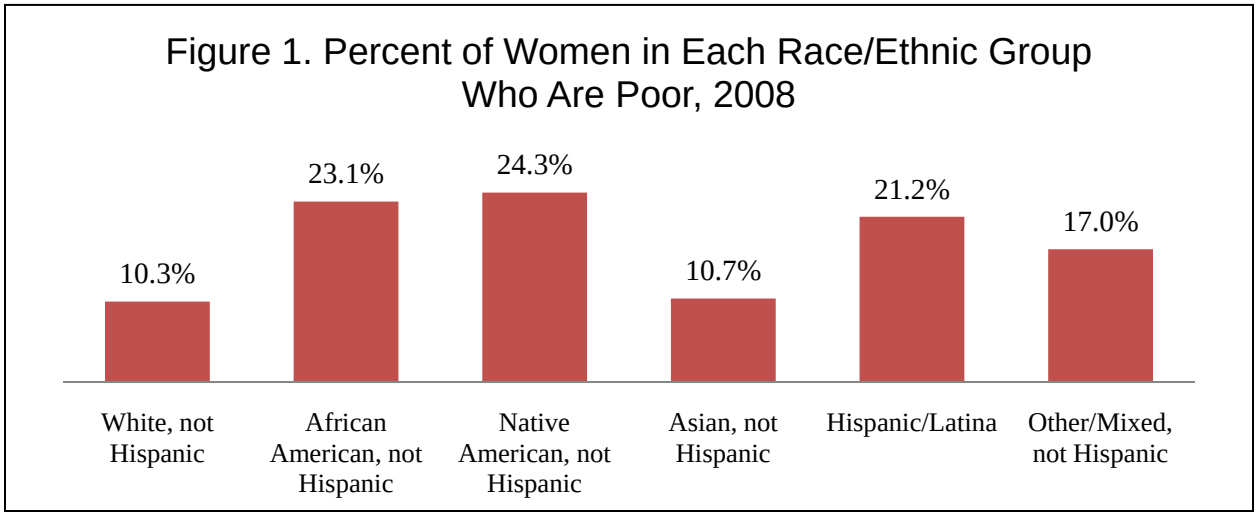
TANF provides cash assistance in the form of electronic benefits to qualifying households and contributes to the costs of programs considered helpful to the economic stability of families with dependent children. The federal government allocates TANF funds to states through block grants, and states provide "Maintenance of Effort" (MOE) amounts. The state-level contribution remains fixed at 80 percent of the amount each state would have spent in 1994 under the earlier cash program called Aid to Families with Dependent Children (AFDC) (Merriman 2002; Pavetti and Rosenbaum 2010; Schott 2009). States determine the percentage of TANF funds put into non-cash programs rather than given directly to families as cash: in 1996, cash benefits were 76 percent of welfare spending (Zedlewski, Merriman, Staveteig, and Finegold 2002), in 2008, 28 percent (Bone and Lower-Basch. 2009) and in 2009, 27.8 percent (Schott 2009).

[5] Specific programs can provide assistance without means-testing; for example, in 2005, the Medicaid Long-Term Coverage Partnership Program—within four states—could by-pass that eligibility requirement for individuals who could show they had used at least a portion of private long-term coverage and needed more help (Stone-Axelrad 2005).

The social safety net must be strengthened to ensure that during an economic downturn poor women do not experience extreme hardship. This IWPR briefing paper presents general information about adult women in poverty during the recession, and shows state-by-state data on health insurance and food stamp coverage for adult women in poverty, and on TANF for poor women and their children.

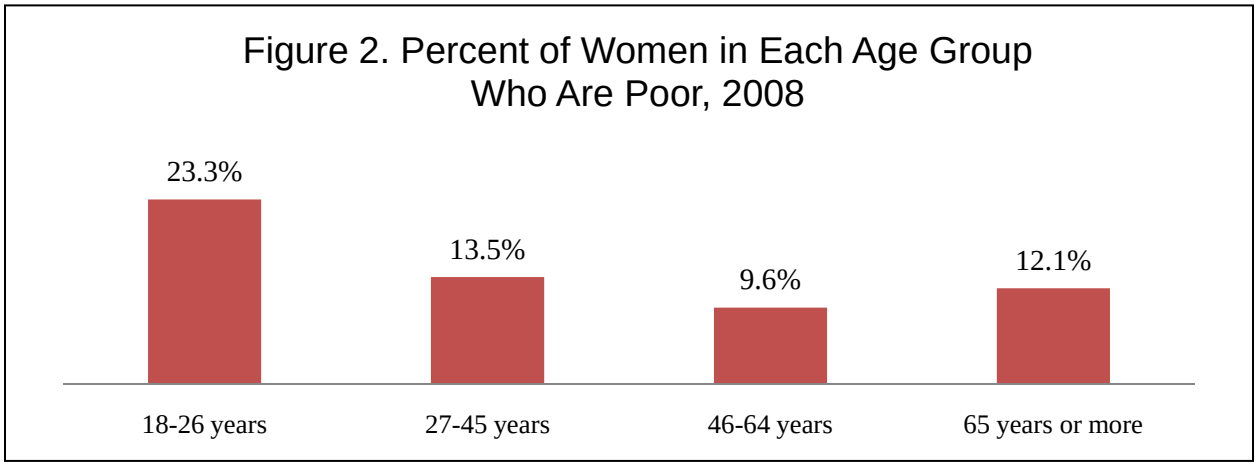
Women of Color and Younger Women More Likely to Live in Poverty

Among all adult women in poverty, women of color are more likely to be impoverished than are white women (Figure 1). Among white women 10.3 percent are poor. The level of poverty is slightly higher among Asian women (10.7 percent). Poverty levels among African American, Native American, and Hispanic women are all more than ten percentage points higher than among white women.



Note: "Hispanic/Latina" includes respondents of any race who identified as "Hispanic" or "Latina." Native American includes Alaskan Native. Asian includes Pacific Islander.
Source: IWPR Analysis of 2008 American Community Survey data.

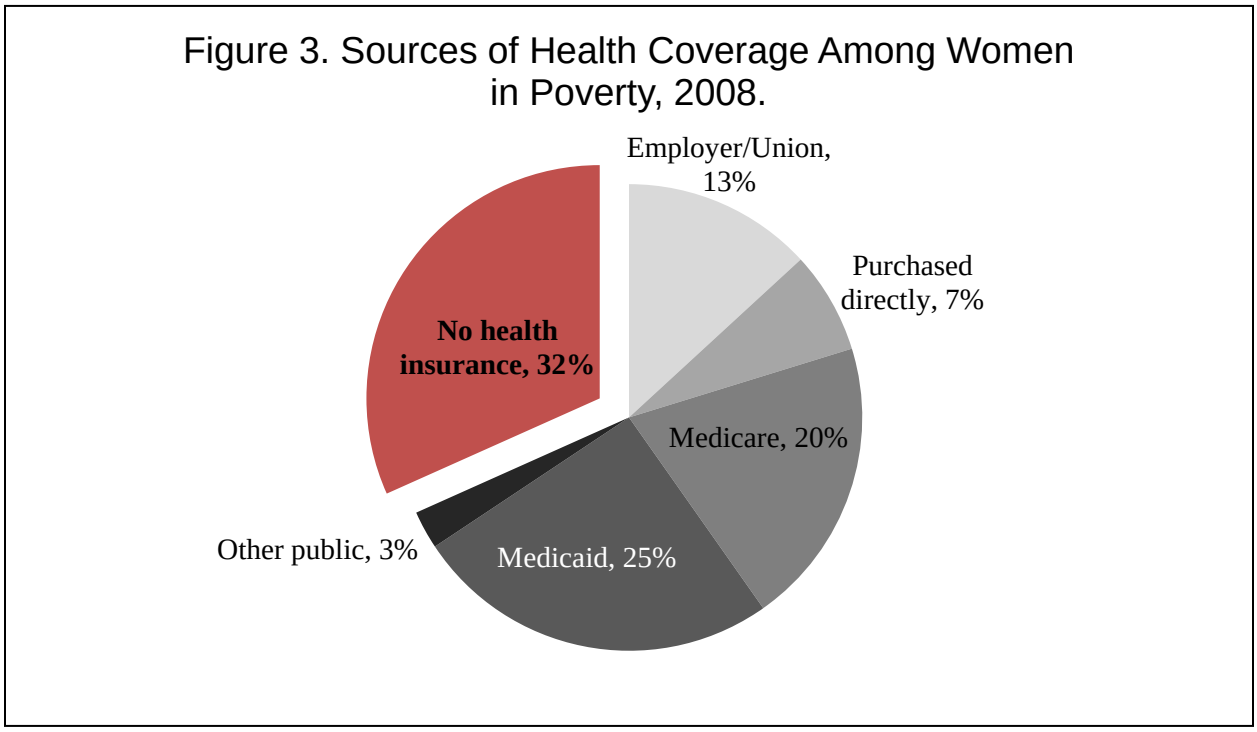
As Figure 2 shows, nearly a quarter (23.3 percent) of women between the ages of 18 and 26 are poor. This rate of living in poverty for the youngest age group shown is ten percentage points higher than among women older than age 26.



Source: IWPR Analysis of 2008 American Community Survey data.

Nearly One Third of Adult Women in Poverty Lack Health Coverage

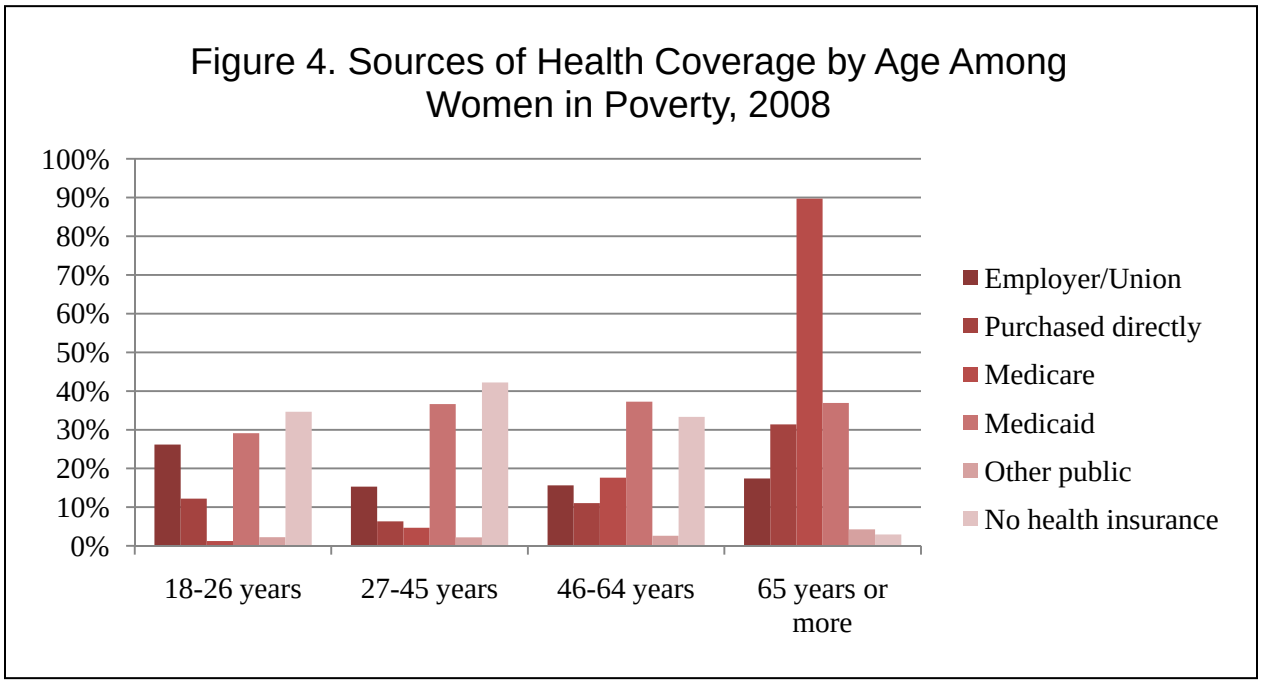
Analysis of ACS data shows that almost one third (32 percent) of adult women in poverty lack any kind of health coverage, while for those with some form of health insurance, sources of coverage are diverse (Figure 3).



Note: Individuals can report more than one form of health coverage in the ACS. To calculate the percentages shown in Figure 3, each person was assigned to a category in the following priority: “Other public” (including Indian Health Services), “Medicare,” “Medicaid,” “Purchased directly,” or “Employer/Union.” For example, a woman who has coverage through an employer as well as access to Veterans Administration (VA) hospitals is included in "Other public," based on her VA benefit.
Source: IWPR Analysis of 2008 American Community Survey data.

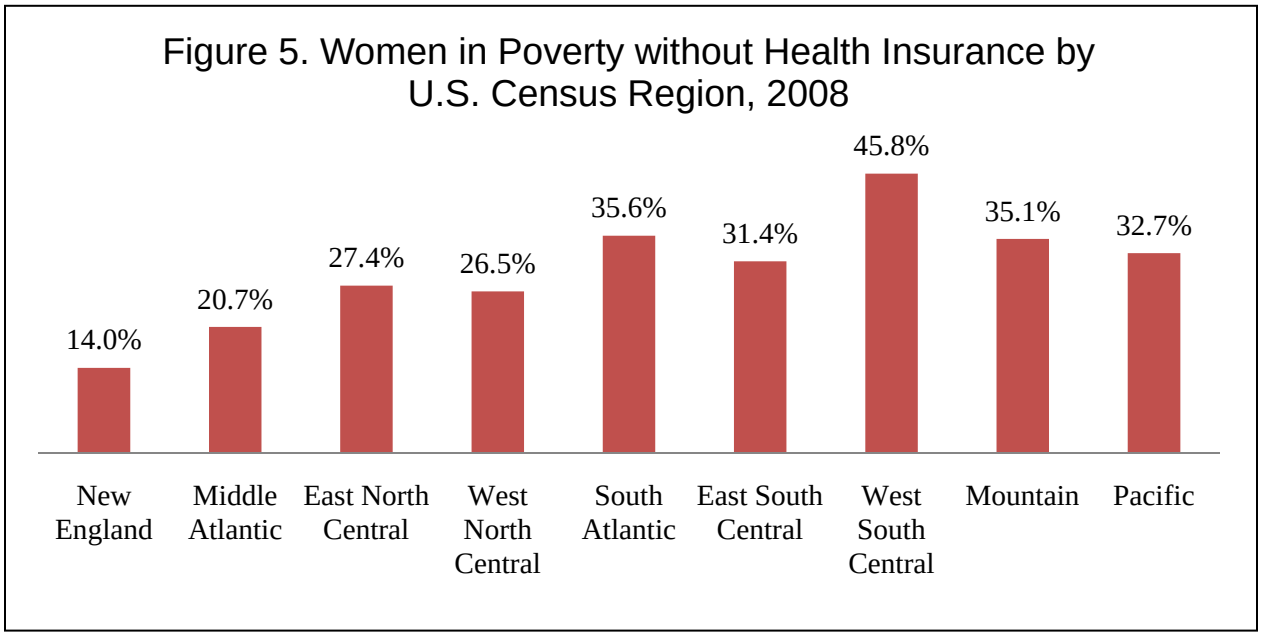
As Figure 3 shows, Medicaid is the most common source of health coverage for women in poverty, with 25 percent receiving coverage through the program. More than 20 percent of adult women in poverty are enrolled in Medicare, the public health insurance program for people aged 65 and older as well as younger people with certain disabilities, while 3 percent are covered through population-specific public programs such as the Indian Health Service, the Tri-Care program for members of the armed forces and their dependents, and Veterans Administration hospitals. Thirteen percent of women in poverty receive employer or union sponsored health coverage and 7 percent purchase health insurance individually.

Figure 4 shows the different sources of health coverage and lack of coverage by age among women in poverty. Women in poverty ages 18 through 45 are more likely to lack any health coverage at all than they are to purchase insurance or receive coverage through employers, unions, Medicare, or Medicaid.



Source: IWPR Analysis of 2008 American Community Survey data.

Figure 5 illustrates differences in health insurance coverage across U.S. Census Regions.[6] In the New England region, 14 percent of women in poverty have no health coverage while higher rates appear in other regions. The rate in the West South Central region is more than triple that in New England.

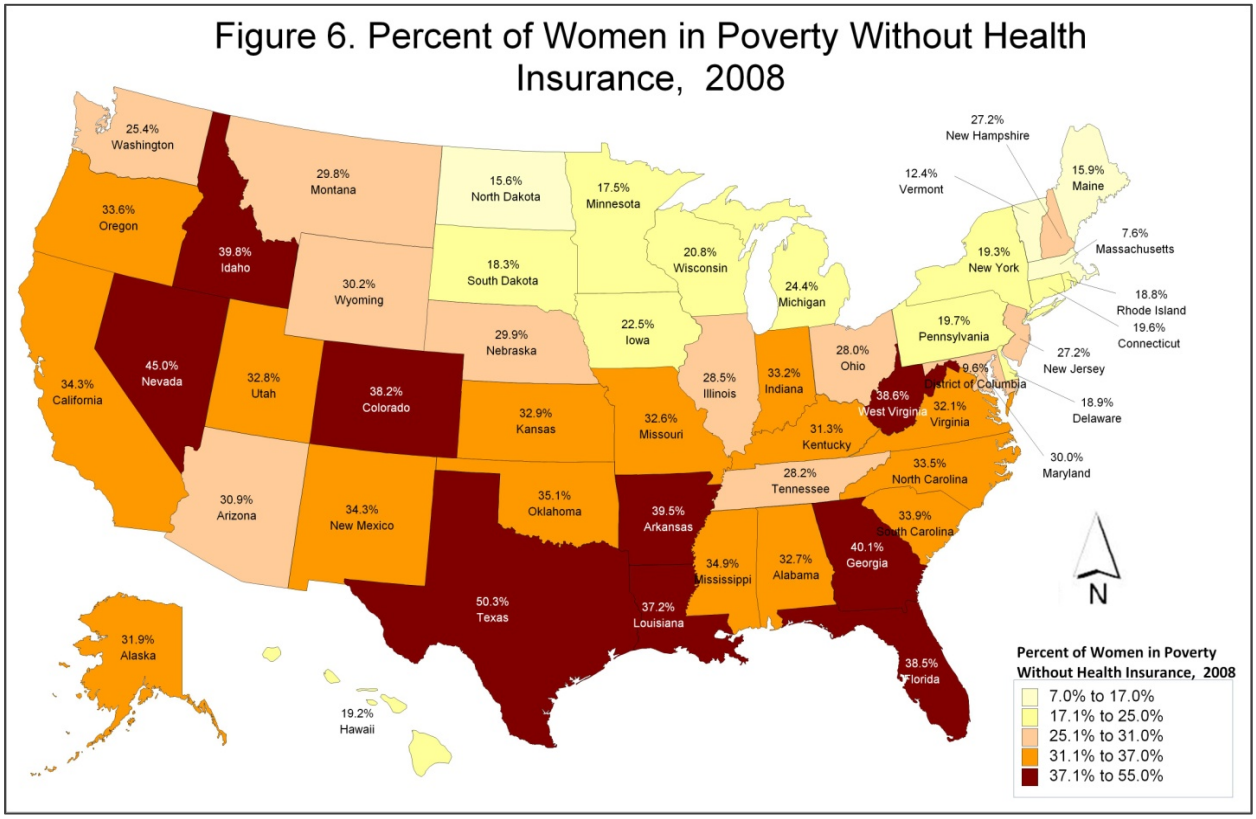


Source: IWPR Analysis of 2008 American Community Survey data.

[6] The U.S. Census Regions group the states and the District of Columbia into the following categories: New England: CT, ME, MA, NH, RI, VT; Middle Atlantic: NJ, NY, PA; East North Central IL, IN, MN, OH, WI; West North Central: IA, KS, MI, MO, NE, ND, SD; South Atlantic: DE, DC, FL, GA, MD, NC, SC, VA, WV; East South Central: AL, KY, MS, TN; West South Central: AK, LA, OK, TX; Mountain: AZ, CO, ID, MO, NV, NM, UT, WY; Pacific: AL, CA, HI, OR, WA.

Figure 6 illustrates how health coverage of women in poverty varies across the states. Only 7.6 percent of women in poverty in Massachusetts, the top state, lack health coverage, while in Texas, at the bottom, 50.3 percent lack coverage.

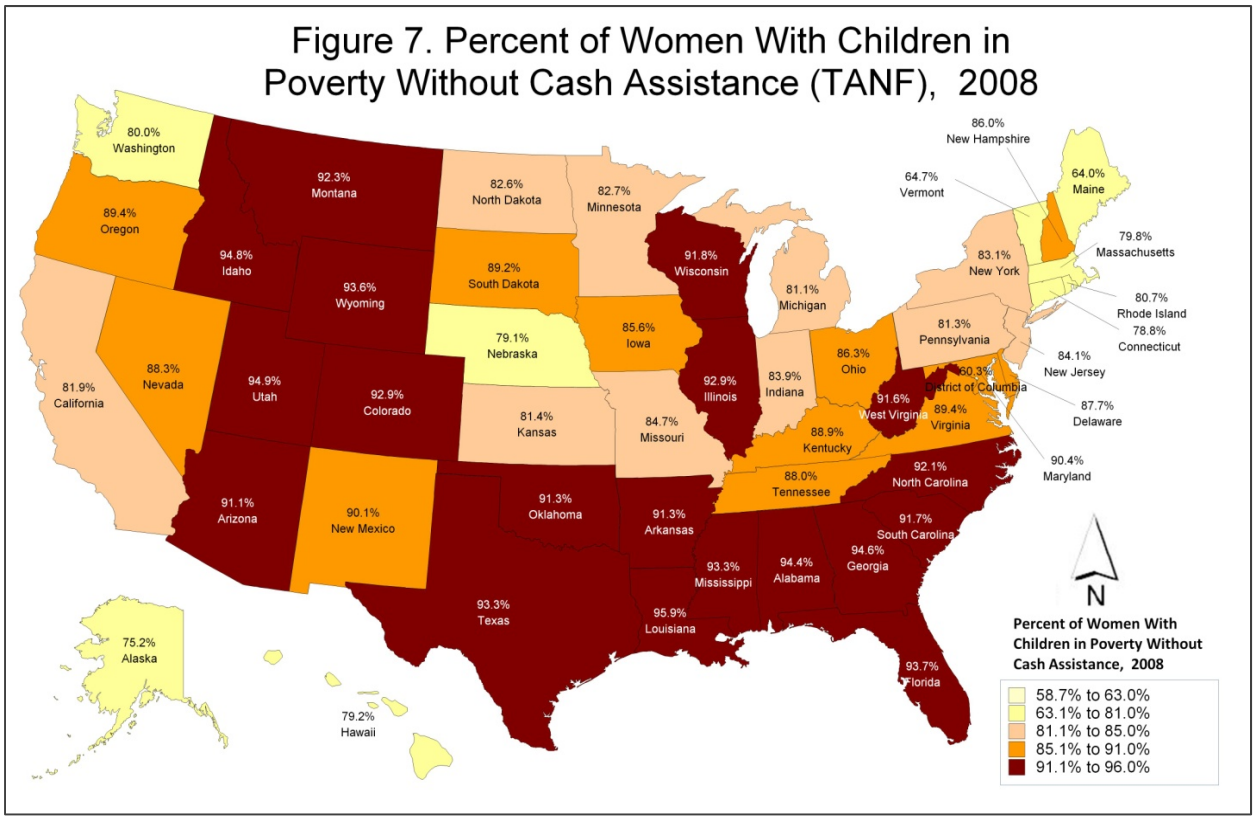
The Appendix to this briefing paper shows state level data in more detail. In it, all states are ranked in terms of the percent and number of poor women without health insurance.



Source: IWPR Analysis of 2008 American Community Survey data.

Most Women with Children in Poverty Do Not Receive TANF Support

TANF is available for needy children and their primary caregivers, so that individual adults without children are ineligible (please see box, "Benefit Programs"); this section therefore focuses on those adult women who have dependent children. Nationally, only 12 percent of impoverished adult women with dependent children reported receiving TANF cash assistance in 2008, compared with 38 percent of all adult women in poverty who received food stamps and 48 percent who were enrolled in any form of publically funded health insurance plan. In each state, the percentage of women and children in poverty lacking cash assistance ranges from 60 percent to 96 percent, with the highest percentages clustered in the southern states of Alabama, Florida, Georgia, Louisiana, Mississippi, and Texas (Figure 7).

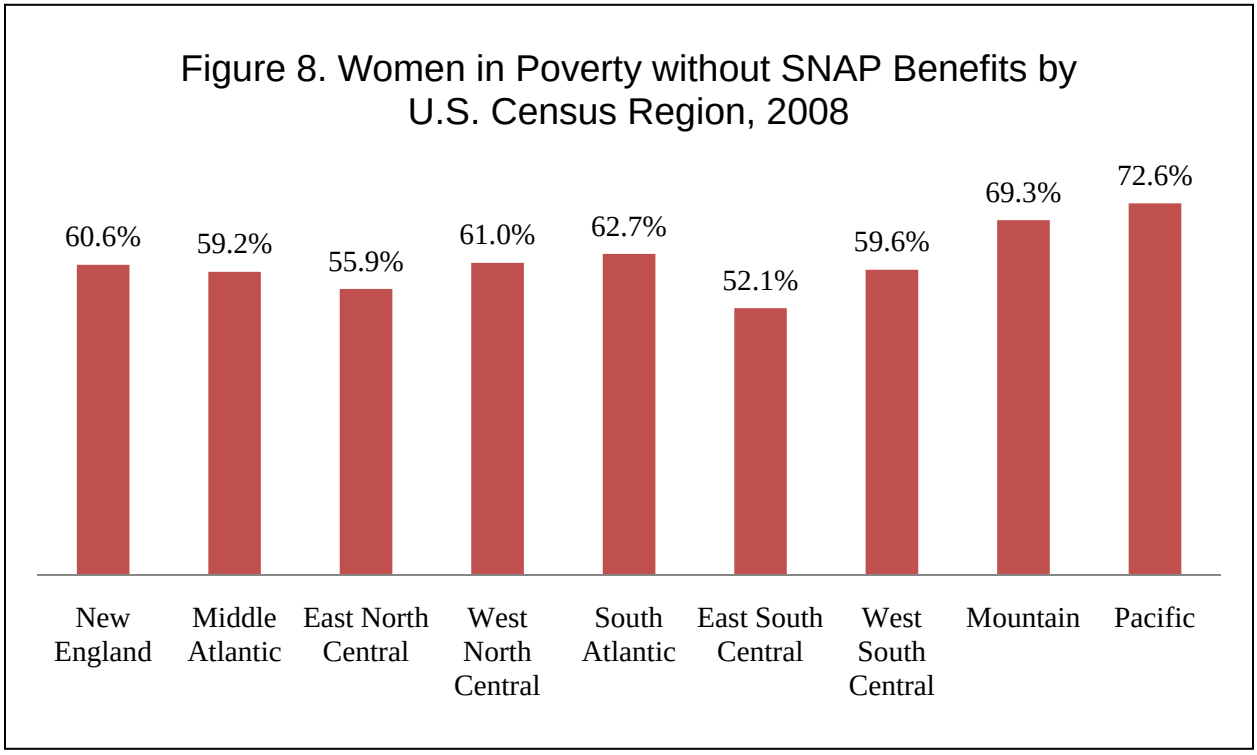


Source: IWPR Analysis of 2008 American Community Survey data.

A number of factors have been found to explain low enrollment in TANF. Many families took up cash assistance in the past primarily because of its pre-1996 link to Medicaid so that, when the programs were split, enrollment in TANF declined; in 1996, lifetime TANF assistance was limited to 60 months in most states, and any states' waivers to delay that limit have expired, so some individuals have "timed out"; restrictions in many states create barriers to families receiving assistance; the stigma toward those who receive "welfare" can influence enrollment decisions; and some individuals and families experience state eligibility and enrollment offices and staff as actively discouraging (Edin and Lein 1997; Henrici 2006; Lower-Basch 2010).

In the Appendix to this briefing paper, TANF state level data appear in more detail. Each state is ranked in terms of the percent and number of poor women without cash assistance.

A Majority of Women in Poverty Do Not Receive Food Stamps, but Coverage Fairly Consistent Across States



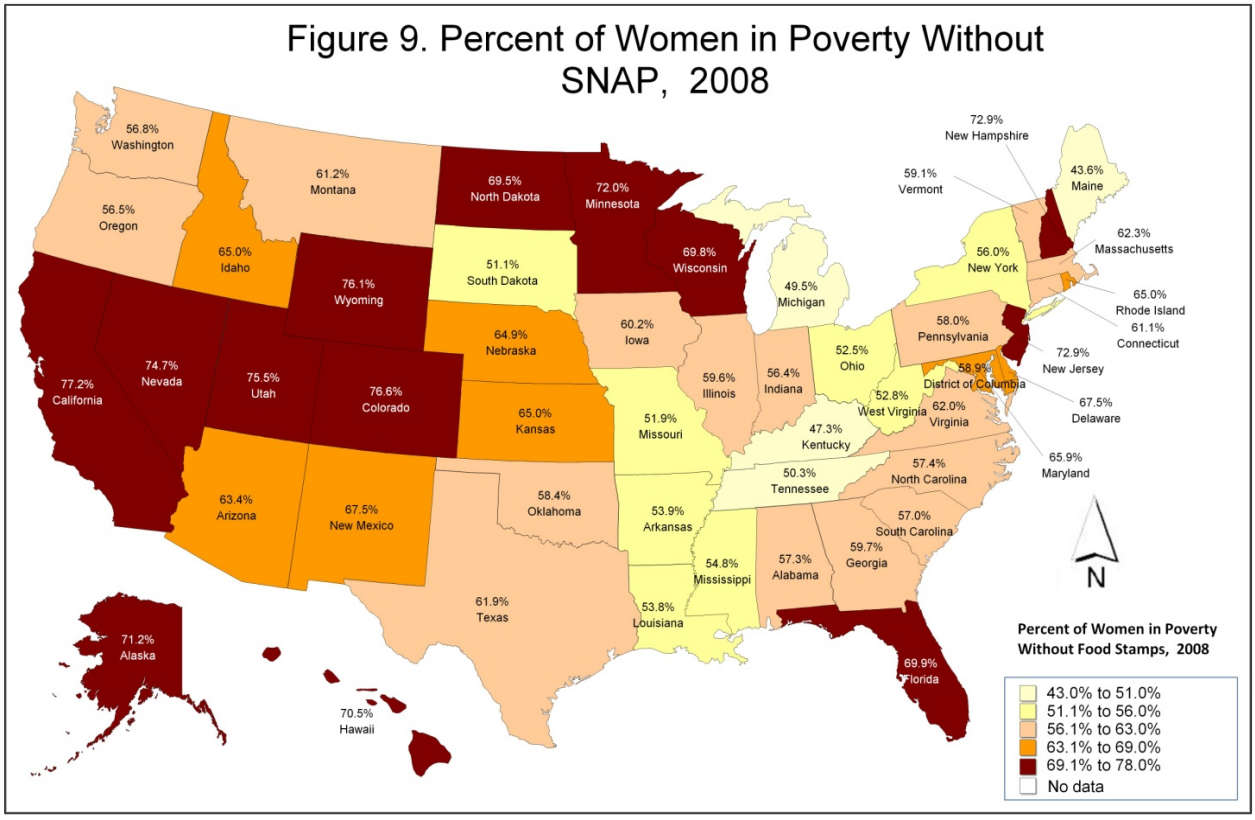
Source: IWPR Analysis of 2008 American Community Survey data.

Nearly two-thirds of adult women in poverty, 62 percent, are not enrolled in SNAP. Among the women who do receive those benefits, however, food stamps are more evenly distributed across the states than are either health coverage or TANF.

Figure 8 shows percentages of poor women not receiving food stamps by U.S. Census Region. Compared especially with a lack of health coverage for poor adult women, for which the percentage in the West South Central region is nearly triple that in the New England region (Figure 5), most of the regions of the United States fall in a range between 50 to 60 percent of poor women in those parts of the country who are not enrolled in SNAP. The rate of non-participation is about 10 percentage points higher in the Mountain and Pacific regions.

Figure 9 maps the variation by state in the percentage of women in poverty not enrolled in SNAP. Again in contrast to health insurance coverage, which ranges from 92 percent in the best state to 50 percent in the worst state (a range of 42 percentage points; Figure 6), poor women receive food stamps at a more uniform level across the United States, a range from 56 percent in the best state (Maine) to 23 percent in the worst state (California), or 33 percentage points..

For additional state level detail, the Appendix of this briefing paper shows SNAP enrollment among all adult women in poverty, and ranks each state by the percent and number of those women who do not receive nutrition support.



Source: IWPR Analysis of 2008 American Community Survey data.

According to the U.S. Department of Agriculture, in 2002 the states began to reach out more deliberately to low-income households about nutrition support, and to make applying for food stamps more straightforward for eligible individuals (Leftin 2010). This effort, combined with federal funding of SNAP (see “Benefit Programs” box), might contribute to the relatively even distribution of food stamps to poor women across the United States. The need for assistance among women who do not receive it through SNAP, TANF, or health coverage nevertheless remains a concern.

Appendix. Women in Poverty without Supports, 2008									
State	**Women in poverty without health insurance**			**Women in poverty without nutritional assistance (SNAP/Food stamps)**			**Women with children in poverty without cash assistance (TANF)**		
	Percent	**Number**	**Rank**	**Percent**	**Number**	**Rank**	**Percent**	**Number**	**Rank**
Alabama	32.7%	98,935	32	57.3%	173,271	17	94.4%	112,917	47
Alaska	31.9%	6,128	29	71.2%	13,671	43	75.2%	5,300	4
Arizona	30.9%	104,882	26	63.4%	215,297	31	91.1%	121,102	33
Arkansas	39.5%	76,121	47	53.9%	103,867	10	91.3%	76,186	35
California	34.3%	603,998	39	77.2%	1,361,483	51	81.9%	595,243	14
Colorado	38.2%	84,630	44	76.6%	169,603	50	92.9%	70,703	42
Connecticut	19.6%	26,356	12	61.1%	82,027	26	78.8%	39,572	5
Delaware	18.9%	7,595	9	67.5%	27,100	37	87.7%	12,063	24
D.C.	9.6%	4,173	2	58.9%	25,521	21	60.3%	7,579	1
Florida	38.5%	371,381	45	69.9%	674,896	41	93.7%	322,084	46
Georgia	40.1%	214,583	49	59.7%	319,147	24	94.6%	218,351	48
Hawaii	19.2%	9,751	10	70.5%	35,902	42	79.2%	11,244	7
Idaho	39.8%	30,785	48	65.0%	50,374	35	94.8%	31,219	49
Illinois	28.5%	171,053	22	59.6%	357,822	23	92.9%	233,165	41
Indiana	33.2%	106,560	35	56.4%	180,881	13	83.9%	112,774	18
Iowa	22.5%	32,268	15	60.2%	86,470	25	85.6%	40,228	21
Kansas	32.9%	41,387	34	65.0%	81,710	33	81.4%	38,119	13
Kentucky	31.3%	92,806	28	47.3%	140,122	2	88.9%	104,205	27
Louisiana	37.2%	113,521	43	53.8%	163,987	9	95.9%	118,216	51
Maine	15.9%	11,652	5	43.6%	31,938	1	64.0%	17,299	2
Maryland	30.0%	56,799	24	65.9%	124,890	36	90.4%	59,936	32
Massachusetts	7.6%	20,109	1	62.3%	164,829	30	79.8%	69,948	8
Michigan	25.1%	140,652	16	49.5%	277,295	3	81.1%	181,828	11
Minnesota	17.5%	36,569	6	72.0%	150,222	44	82.7%	55,349	16
Mississippi	34.9%	81,382	41	54.8%	127,505	11	93.3%	100,281	44
Missouri	32.6%	103,003	31	51.9%	164,152	6	84.7%	108,282	20
Montana	29.8%	14,565	23	61.2%	29,894	27	92.3%	17,206	40

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State	**Women in poverty without health insurance**			**Women in poverty without nutritional assistance (SNAP/Food stamps)**			**Women with children in poverty without cash assistance (TANF)**		
	Percent	**Number**	**Rank**	**Percent**	**Number**	**Rank**	**Percent**	**Number**	**Rank**
Nebraska	31.0%	23,630	27	64.9%	49,430	32	79.1%	21,975	6
Nevada	45.0%	47,829	50	74.7%	79,359	47	88.3%	37,373	26
New Hampshire	27.2%	11,749	18	72.9%	31,519	46	86.0%	11,554	22
New Jersey	27.2%	81,869	19	72.9%	219,380	45	84.1%	95,608	19
New Mexico	34.3%	43,625	40	67.5%	85,814	38	90.1%	44,881	31
New York	19.3%	201,331	11	56.0%	583,699	12	83.1%	338,785	17
North Carolina	33.5%	177,237	36	57.4%	303,555	18	92.1%	194,826	39
North Dakota	15.6%	4,782	4	69.5%	21,306	39	82.6%	7,272	15
Ohio	28.0%	167,360	20	52.5%	313,789	7	86.3%	208,613	23
Oklahoma	35.1%	76,578	42	58.4%	127,493	20	91.3%	82,827	34
Oregon	33.6%	68,693	37	56.5%	115,397	14	89.4%	64,677	30
Pennsylvania	19.7%	119,051	13	58.0%	350,729	19	81.3%	179,541	12
Rhode Island	18.8%	9,529	8	65.0%	32,956	34	80.7%	12,177	10
South Carolina	33.9%	96,529	38	57.0%	162,401	16	91.7%	107,258	37
South Dakota	18.3%	6,875	7	51.1%	19,216	5	89.2%	14,269	28
Tennessee	28.2%	108,304	21	50.3%	192,727	4	88.0%	134,959	25
Texas	50.3%	687,517	51	61.9%	847,455	28	93.3%	594,153	43
Utah	32.8%	33,748	33	75.5%	77,789	48	94.9%	33,377	50
Vermont	12.4%	3,529	3	59.1%	16,838	22	64.7%	4,847	3
Virginia	32.1%	104,052	30	62.0%	200,853	29	89.4%	115,082	29
Washington	25.4%	74,488	17	56.8%	166,738	15	80.0%	87,083	9
West Virginia	38.6%	48,215	46	52.8%	65,866	8	91.6%	41,817	36
Wisconsin	20.8%	48,185	14	69.8%	161,883	40	91.8%	71,312	38
Wyoming	30.2%	6,823	25	76.1%	17,207	49	93.6%	6,959	45
United States	31.7%	4,913,172		61.8%	9,577,275		87.8%	5,391,624	

Source: IWPR Analysis of the American Community Survey data.

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