

FREDERICK COUNTY: ADULTS RECEIVING TEMPORARY CASH ASSISTANCE IN 2017

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KEY FINDINGS

Despite its small size, Maryland is a diverse state. Its 24 jurisdictions sometimes have very different populations, and, consequently, may have very different needs. While statewide data can be extraordinarily helpful to state-level program managers and policymakers, it may not reflect the customers that local departments of social services see in their offices.

To assist local departments in serving their Temporary Cash Assistance (TCA) customers better, we are examining adult recipients in each of the 24 jurisdictions over the course of four years. In this brief, we focus on Frederick County, which is located in the central part of the state between suburban Washington, DC and rural Western Maryland. In general, Frederick County has a low percentage of families with children under 18 years of age living in poverty—only 7% of families live below the poverty level compared to one in 10 (10.6%) in Maryland (U.S. Census Bureau, 2017b). Similarly, the median family income (\$100,640) in Frederick County is slightly higher than the median family income in Maryland as a whole (U.S. Census Bureau, 2017b). Thus, it is not surprising that Frederick County has a larger share of the state's total population (4%) than it does of the state's TCA caseload (2%) in state fiscal year 2017 (Maryland Department of Commerce, 2018).

Even though adult recipients in Frederick County are a small portion of the state caseload, it is worth noting ways in which they differ from recipients in other parts of the state. Table 1, on the following page, provides an overview of the demographic characteristics of Frederick County adult recipients. Frederick County TCA recipients are Caucasian (51.0%) women (89.6%) in their early 30s who never married (76.2%), which is mostly similar to adult recipients statewide. Compared to the rest of the state, Frederick County recipients are more likely to be Caucasian or Hispanic—and less likely to be African American—and they are about as likely to have never married as TCA recipients statewide.

For adult recipients who are required to work or to participate in work-related activities, educational attainment is a particularly important characteristic, as it can affect the job opportunities that are available to customers. Figure 1 places educational attainment among

- ❖ Frederick County adult recipients are typically Caucasian women in their early 30s who never married.
- ❖ Slightly less than one in four have not finished high school, and over 20% have a disability that is expected to last over 12 months.
- ❖ Three in five Frederick County adult recipients worked in the year before they began receiving TCA, but only 40% of those employed worked all four quarters in that year.
- ❖ Earnings among employed adult recipients in that year were low, with a median close to \$5,200.
- ❖ More than 40% of Frederick County adult recipients who worked in the year before they received TCA were employed in restaurants, administrative and support services, or nursing homes.

Table 1. Demographics

Gender	
% Female	89.6%
Age	
Average	32.6
Race & Ethnicity	
% Caucasian [^]	51.0%
% African American [^]	38.4%
% Hispanic	7.7%
% Other [^]	2.9%
Marital Status	
% Married	9.4%
% Never Married	76.2%
% Divorced, Separated, or Widowed	14.4%

Note: [^]=non-Hispanic. Valid percentages reported.

Frederick County adult recipients in context with adult recipients statewide and in other jurisdictions. The lines represent the range of values seen in all 24 jurisdictions, with the bars at the top and bottom indicating the *statewide high*—the highest value across all

jurisdictions—and the *statewide low*—the lowest value across all jurisdictions. The square shows what the statewide average is, and the colored diamond denotes where Frederick County falls.

Comparing Frederick County with the rest of the state shows that adult recipients in Frederick County have somewhat higher educational attainment than their counterparts elsewhere. About one quarter (23.7%) of Frederick County adult recipients have yet to finish high school or receive a GED, which is lower than the statewide average (29.3%) and substantially lower than the statewide high (40.5%).

The percentage of adult recipients in Frederick County who have finished high school (62.4%) is about the same as the statewide average. However, educational attainment among adult recipients is much higher in some jurisdictions. Fully 75% of adult recipients in the jurisdiction with the

Data and Study Population

Data comes from the Client Automated Resource and Eligibility System (CARES) and the Maryland Automated Benefits System (MABS), which are the administrative data systems for TCA and Unemployment Insurance (UI), respectively. CARES provides individual- and case-level data on demographics and program participation for families receiving TCA. Additional data on adult recipients' disabilities comes from WORKS, which documents participation in work and work-related activities. The MABS system includes data from all employers covered by the state's Unemployment Insurance (UI) law and the Unemployment Compensation for Federal Employees (UCFE) program. Together, these account for approximately 91% of all Maryland civilian employment.

There are a variety of limitations to MABS data. MABS only reports data on a quarterly basis, which means that it is not possible to calculate weekly or monthly employment and earnings. Another limitation is that MABS does not contain data on certain types of employment, such as self-employment, independent contractors, and informal employment; consequently, earnings from under-the-table jobs are not included. Finally, MABS has no information on employment outside Maryland. A sizeable percentage (9.9%) of Frederick County residents work out of state, which is much higher than the national average (3.7%) but below the state average (16.9%) (U.S. Census Bureau, 2018a). As a result, we may be understating employment and some earnings.

The study population in this report is the unique number of adults who received at least one month of TCA in SFY 2017 (July 2016 to June 2017). Statewide, 23,216 adults received TCA in SFY 2017; in Frederick County, 375 adults received TCA.

highest percentage have finished high school.

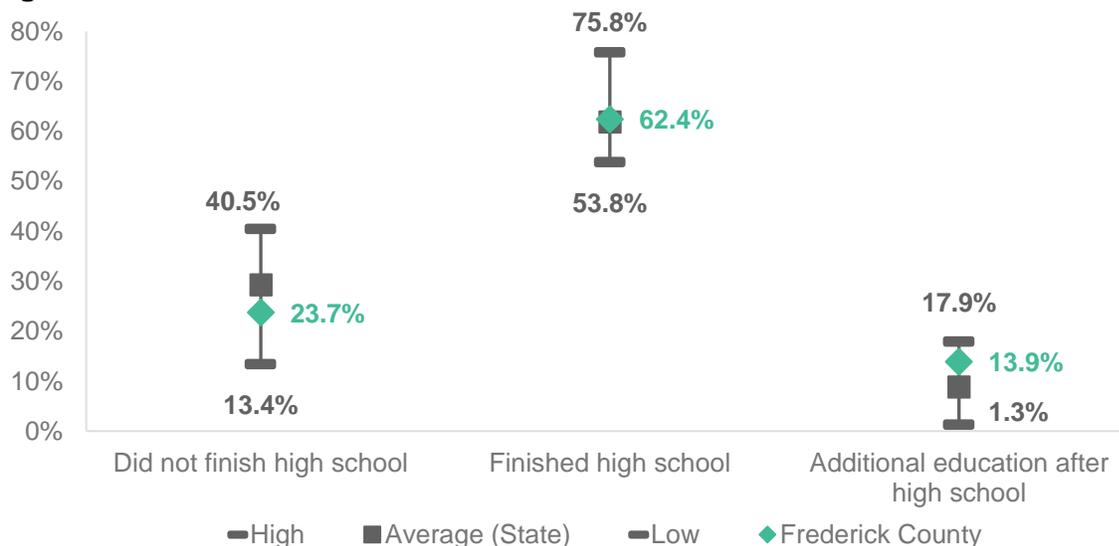
The percentage of adult recipients in Frederick County who have additional education after high school is also higher than the statewide average. The 14% of Frederick County recipients with additional education is four percentage points away from the statewide high of 18%. This suggests that some recipients in Frederick County may have education or training that could lead to well-paid jobs.

While Frederick County adult recipients are slightly more educated than recipients are across the state, providing opportunities for increasing educational attainment could prove beneficial. Our research shows that economic stability and good jobs are both more likely when adults have more education (Nicoli, Passarella, & Born, 2013; James & Nicoli, 2016). Obtaining additional

education thus improves the chances of Frederick County adult recipients achieving self-sufficiency.

The Maryland Department of Human Services is already pursuing one potential avenue to increase educational attainment through partnering with the Maryland Department of Labor, Licensing & Regulation's Division of Workforce Development and Adult Learning. Adult basic education can help adult recipients who lack a high school education with any number of goals, from improving literacy to completing a GED. Furthermore, federal law, in the form of the Workforce Innovation and Opportunity Act, encourages this kind of partnership, and Maryland has been a leader in ensuring that high-need adults, such as TCA recipients, receive priority of service as the law mandates (Center for Law and Social Policy, 2016).

Figure 1. Educational Attainment



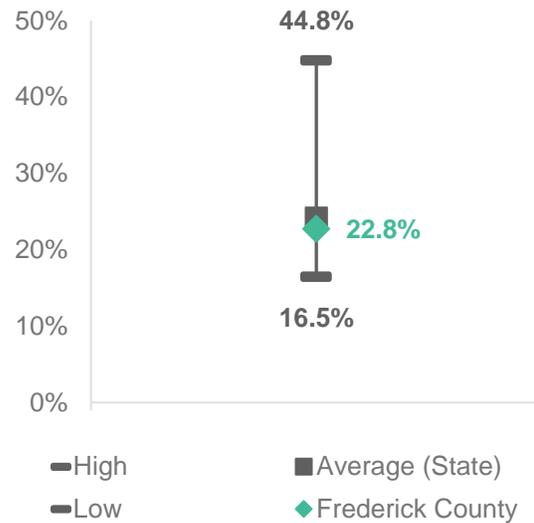
Note: *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. General Education Development program (GED) certificates are included in high school completion rates. Valid percentages reported.

Partnerships with other entities within Maryland's workforce system may also be beneficial for adult recipients with disabilities. Figure 2 shows the percentage of adult recipients who have disabilities that are expected to last longer than 12 months.¹ As with education, the figure includes the percentage for Frederick County adult recipients, the statewide average, and the highest and lowest percentages among all 24 jurisdictions. Just over one in five (22.8%) adult recipients in Frederick County has such a disability, which is very close to the statewide average. The range across the state is much larger, though. In the jurisdiction with the highest percentage, 45% of adult recipients have long-term disabilities, compared to only 17% in the jurisdiction with the lowest percentage.

Even though the percentage of Frederick County adult recipients with disabilities is well below the statewide high, there are still a substantial number of customers in Frederick County who may require disability-related services. This could be anything from assistance with applications for federal disability programs, such as Supplemental Security Income (SSI), to support for finding and keeping jobs while also managing disabilities. Through a statewide contract with a vendor, caseworkers can already offer assistance to those who need help with applications. For those who want to work, the Division of Rehabilitation Services (DORS), located within the Maryland State Department of Education, may be an excellent resource. Like the TCA program, DORS is part of Maryland's workforce system, so this is

another way that closer collaboration with workforce partners may benefit TCA customers.

Figure 2. Percent with Disabilities Lasting 12+ Months



Note: *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported.

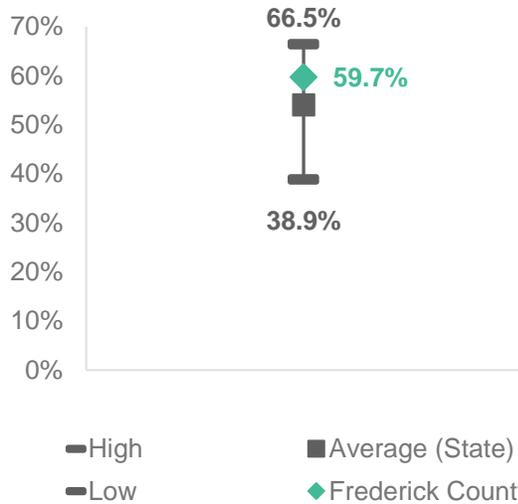
As TCA moves toward being more fully integrated with its workforce partners, understanding adult recipients' work histories is even more important. After all, past employment experiences can shape future employment and earnings. To that end, Figure 3 displays the percentage of adult recipients who worked in the year before they began receiving TCA.² Three in every five (59.7%) Frederick County adult recipients were employed in that year, which is above the statewide average. It also places Frederick County toward the top of the range across jurisdictions, as the

¹ This data, which comes from WORKS, represents the percentage of adult recipients with an *OTD* code at any point in SFY 2017. *OTD* is a state-defined activity code indicating that the individual has a disability that is expected to last over 12 months.

² This percentage reflects adult recipients who were engaged in formal employment in a job covered by the Maryland Unemployment Insurance system. Please see the sidebar on data on page 2 for more information.

statewide high was 67% and the statewide low was 39%.

Figure 3. Percent Employed
Year before TCA Receipt



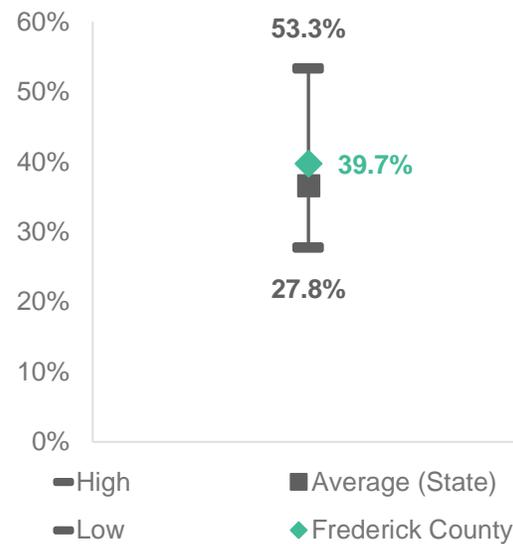
Note: *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported.

While these percentages provide useful information, it may also be helpful to know how many quarters adult recipients worked in the year before they began receiving TCA. Each year contains four quarters, so Figure 4 presents the percentage of employed adult recipients who worked all four quarters of that year. Two in five (39.7%) employed Frederick County adult recipients worked four quarters in the year before TCA receipt, which is just above the statewide average. There is considerable variation across the state, however. In the jurisdiction with the highest percentage, over half of employed adult recipients worked in all four quarters, but the statewide low is 28%.

Knowing that slightly more than half of Frederick County adult recipients were employed in the year before receiving TCA—but that only two fifths of those employed worked in all four quarters—

provides some context on what these recipients may need in order to become self-sufficient. These findings indicate that many adult recipients have worked in the recent past, but three fifths of those who were employed did not work consistently over the course of a year. Thus, while some adult recipients may need substantial assistance in finding a job, those who find jobs may need ongoing services, at least at first, to help them maintain employment.

Figure 4. Percent Who Worked Four Quarters
Year before TCA Receipt



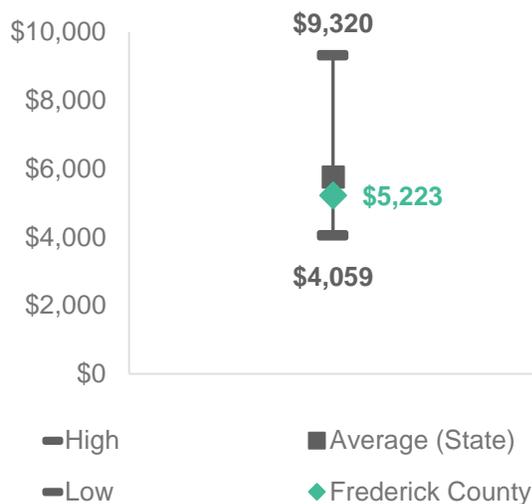
Note: *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported.

Another critical aspect of adult recipients' employment histories is how much they are able to earn. Figure 5 shows median earnings in the year before adult recipients began receiving TCA for Frederick County, the state, and the jurisdictions with the highest and lowest earnings. Even though these earnings represent what employed adult recipients earned in one year, it is important to remember that these earnings usually do not reflect full-time, full-year

employment. As Figure 4 revealed, most employed adult recipients work less than four quarters in a year.

In Frederick County, and across the state, median earnings are very low. Employed adult recipients in Frederick County earned \$5,223 in the year before TCA receipt, which is slightly below the state median. It is still over \$1,000 more than the statewide low, although it is about \$4,000 less than the statewide high. Regardless, even in the jurisdiction with the highest median earnings (\$9,320), earnings were far below \$20,420, which was the 2017 federal poverty threshold for a three-person household (U.S. Department of Health and Human Services, 2017).

Figure 5. Median Earnings
Year before TCA Receipt



Note: *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Earnings are standardized to 2017 dollars.

These low wages add another piece to the puzzle. From earlier figures, we know that

many adult recipients work before receiving TCA, but they often do not work in all four quarters. Low wages may be both cause and consequence of this inconsistent work. Adult recipients may be unable to earn enough to cover their job-related expenses, such as transportation, uniforms, and child care, which may lead to an inability to work. At the same time, being unable to work consistently is likely to drive wages downward.

One strategy to increase wages focuses on the industries in which adult recipients work. Some jobs can be performed in a number of different industries. For example, administrative assistants may work in health care settings, in schools, or in private firms, but each of these industries may compensate administrative assistants differently. Helping adult recipients find employment in industries that offer higher pay is one way to increase self-sufficiency.

In Table 2 we report the three most common industries among Frederick County adult recipients who worked in the year before receiving TCA.³ Almost one quarter (23.1%) worked in restaurants, and 12% worked in administrative and support services, which includes temporary employment agencies. About 8% worked in nursing homes. Over 40% of all employed adult recipients in Frederick County worked in one of these industries.

Prior research has found that restaurants and administrative and support services are not associated with high earnings. Individuals who left TCA and initially worked in these industries, particularly restaurants, have below-average earnings, and they

³ Industries were identified with three-digit North American Industry Classification System (NAICS) codes and are described in Table 2.

were more likely to return to TCA (Nicoli, Passarella, & Born, 2014). They were also less likely to realize economic stability after exiting TCA (James & Nicoli, 2016).

Table 2. Three Most Common Industries
Year before TCA Receipt

<p>Restaurants Full-service or fast food restaurants as well as caterers and mobile food services. (NAICS 722)</p>	23.1%
<p>Administrative & Support Services Organizations that support day-to-day operations—clerical, cleaning, and general management activities—and temporary employment services. (NAICS 561)</p>	12.2%
<p>Nursing Homes Organizations that provide health and social services such as nursing homes, substance abuse facilities, or residential care for the mentally ill. (NAICS 623)</p>	7.7%

Note: Valid percentages reported.

However, individuals who left TCA and initially worked in health care industries, including nursing homes, and education have above-average earnings (Nicoli et al., 2014) and were more likely to attain economic stability after exit (James & Nicoli, 2016). The second-largest employer in Frederick County is the Frederick Memorial Healthcare System, which suggests that jobs in health care may be attainable for TCA recipients (Maryland Department of Commerce, 2018). Furthermore, Frederick Community College, Mount St. Mary's University, and Hood College are among the top 20 employers in the county (Maryland Department of Commerce, 2018), indicating that jobs in education may also be available. Helping adult recipients work in these industries is one potential pathway to increase earnings.

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