

Bridging the Gaps: Structuring Benefits to Promote Mobility for Low Wage Workers

A collaboration of the
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January 2007

Low-wage workers have always faced difficulties earning enough to meet their basic needs in the context of the complex financial tradeoffs between receiving public benefits and taking on any or more employment. However, welfare reform and skyrocketing housing and medical costs have exacerbated these challenges to low income families, policy makers, and the providers and agencies that serve them. Employment – often at low-wages – is imperative for most families and, even with supplementary public benefits, financial independence is not easy to achieve for many working families. Wages are too often too low to meet the high cost of living in the state, many benefits are sometimes difficult to get even when eligible, and eligibility for benefits phase out at relatively low earnings.

The Center for Social Policy (CSP) at UMass Boston and the DC-based Center for Economic and Policy Research (CEPR) have teamed up with policy groups in nine states and the District of Columbia to highlight these issues, bring public and policy attention to solutions, and provide usable information to advocates. In Massachusetts, CSP leads the research and dissemination activities and collaborates with advisors on the project (see list provided). At the national level, CSP collaborates with CEPR in national outreach activities and analyzes qualitative data generated by state level partners.

The *Bridging the Gaps* project has three important research goals surrounding low-wage workers and work support programs intended to help them get and keep employment. The first goal is to assess the size of the “hardship gap” the difference between resources (earnings plus benefits) and the costs low-income families face. The second goal is to examine the “eligibility gap” by measuring the actual utilization of work-support benefits among eligible benefits. The third goal is to understand the difficulties low-income workers who do use work-support benefits face and the strategies they use in trying to make ends meet. There is considerable academic and policy-oriented research on each of these issues, although with few exceptions, they have not addressed these issues comprehensively, especially across states.

This project is taking place in two phases. In the first phase all the research partners, including Massachusetts, are currently or have already collected and summarized various aspects of eligibility and use of six public benefits (Transitional Assistance for Needy Families; Child Care Development Fund child care subsidies; Food Stamps; Medicaid including SCHIP; the Earned Income Tax Credit, and Section 8 and public housing). A preliminary report on Massachusetts’ findings is available at <http://bridgingthegaps.org/publications.html>. Using this information and several large data sets, CEPR is estimating the percentage of eligible families that actually receive any of these benefits and the hardship gaps across a range of family income in the nine states and the District of Columbia.

We are now at the second phase, which includes qualitative research on how low-wage workers in low-income families, providers, and policy makers and advocates experience and manage the delicate balance of low-wage work and public benefit receipt. Three states (Massachusetts, Minnesota and North Carolina) and the District of Columbia are conducting focus groups with low and moderate income workers to explore how they manage to make ends meet and juggle earnings and benefits for which they are eligible. Throughout the project, CSP researchers will be consulting with policy groups on how to best present findings to make them most useful.

The final products in this project will include:

- a report on the hardship and eligibility gaps, the context for access to benefits, and the experiences facing families and providers with the income-benefit tradeoffs;
- a report focusing on the national policy issues that will be based on nationally representative micro-data and compares the findings across states; and
- outreach activities with advocates, policy makers, and the media at the national and state levels.

In Massachusetts, where the Center for Social Policy directs the project, outcomes will include:

- a Massachusetts report that details the hardship and eligibility gaps in specific cities and the context for access to benefits, and how families and providers experience income-benefit tradeoffs. Information from the five focus groups highlight people's personal experiences with getting access (or not) to public benefits and strategies people use to meet their family's needs.
- convenings of policy advocates and advisors to discuss findings and messaging.
- two statewide briefings for the release of this report followed by outreach to the provider community, advocates, policy makers, as well as dissemination to the local and state media and the public.
- participation by the team in a national outreach and dissemination effort coordinated by the CEPR. The team will contribute to briefings of the Massachusetts congressional delegation as well as those of other states.

The ultimate outcome of this project will be concrete, accessible information about the trade offs faced by families over a range of low to mid-level earnings. This information will be presented to policy makers engaged in policy decisions with direct implications for the state's low-income population.

This project is funded through a grant to the Center for Social Policy from the Stoneman Family Foundation as well as grants to the Center for Economic and Policy Research from the Annie E. Casey Foundation and the Ford Foundation

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1/18/07

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EXISTING AND POTENTIAL
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