



WORCESTER COUNTY: ADULTS RECEIVING TEMPORARY CASH ASSISTANCE IN 2016

Lisa Thiebaud Nicoli & Letitia Logan Passarella

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 next four years. In this brief, we focus on Worcester County, which is located in the Lower Eastern Shore region and the only jurisdiction in Maryland that borders the Atlantic Ocean. It is also home to Ocean City, the popular beach resort town. In the county, 13% of families with children under 18 years of age live below the poverty level, compared to one in 10 (10.7%) in Maryland (U.S. Census Bureau, 2016b). Additionally, median family income was \$68,558, just over \$20,000 less than the median family income in Maryland (U.S. Census Bureau, 2016b). However, the population of TCA customers is very small at less than 0.5% of the statewide caseload.

Because adult recipients in Worcester County are such a miniscule portion of the state caseload, it is worth noting ways in which they differ from recipients in other parts of the state.

Table 1 provides an overview of the demographic characteristics of Worcester County adult recipients. Worcester County TCA recipients are African American (59.7%) and Caucasian (37.3%) women (91.4%) in their early 30s who never married (75.7%). Compared to the state, Worcester County recipients are more likely to be Caucasian and less likely to be Hispanic or another race or ethnicity; otherwise they are remarkably similar to adult 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 Worcester 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

KEY FINDINGS

- ❖ Worcester County adult recipients are typically women in their early 30s who never married. About 60% are African American, and 37% are Caucasian.
- ❖ Just over 20% have not finished high school, and two in five have a disability that is expected to last over 12 months.
- ❖ Half worked in the year before they began receiving TCA, but less than one third 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 \$5,900.
- ❖ About 40% of Worcester County adult recipients who worked in the year before they received TCA were employed in restaurants.

Table 1. Demographics

Gender	
% Female	91.4%
Age	
Average	32.2
Race & Ethnicity	
% Caucasian^	37.3%
% African American^	59.7%
% Hispanic	1.5%
% Other^	1.5%
Marital Status	
% Married	11.4%
% Never Married	75.7%
% Divorced, Separated, or Widowed	12.9%

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

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 Worcester County falls.

Comparing Worcester County with the rest of the state reveals that adult recipients in Worcester County typically have more education than their counterparts elsewhere. Just over 20% of Worcester County adult recipients have not finished high school or received a GED, which is about 10 percentage points less than the state average. In the jurisdiction with the highest percentage, over 40% of adult recipients do not have a high school diploma. Worcester County adult recipients are still several percentage points higher than the statewide low (14.4%). This suggests that Worcester County does not face a uniquely challenging lack of education among its adult TCA recipients.

As might be expected, the percentage of adult recipients in Worcester County who have finished high school is above the state average. Slightly more than two in three (68.6%) Worcester County adult recipients have a high school diploma, which is about eight percentage points above the state

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. About 10% of Worcester County residents work out of state, which more than double the national average (3.8%) but below the state average (17.1%) (U.S. Census Bureau, 2016a). As a result, we are likely understating employment and may be missing some earnings.

The study population in this report is the unique number of adults who received at least one month of TCA in SFY 2016 (July 2015 to June 2016). Statewide, 25,467 adults received TCA in SFY 2016; in Worcester County, 70 adults received TCA.

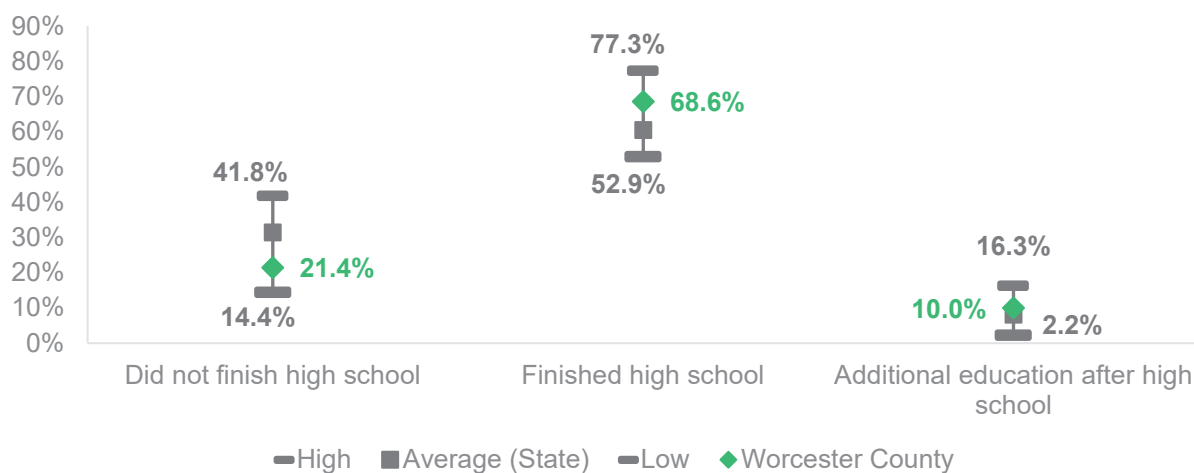
average. This is also about 15 percentage points higher than the jurisdiction with the lowest percentage of adult recipients who have finished high school (52.9%). Educational attainment among adult TCA recipients is still higher in some jurisdictions. More than 75% of those in the jurisdiction with the highest percentage have finished high school.

In terms of education beyond high school, Worcester County adult recipients were closer to the statewide average. Fully 10% have additional education after high school; the statewide average is 8%. While Worcester County adult recipients are well above the jurisdiction with the lowest percentage (2.2%), they are also about six percentage points below the statewide high (16.3%). Even though Worcester County adult recipients are more likely to have education beyond high school than other adult recipients in the state, 10% is still relatively low and suggests that few customers may have specialized education or training that could lead to well-paying jobs.

Despite the fact that Worcester County adult recipients tend to have more education than their counterparts elsewhere in the state, providing opportunities to increase their educational attainment may still make sense. It can be difficult to find jobs that pay enough to support a family with only a high school diploma. Our research shows that the more education adult recipients have, the more likely they are to find good jobs or to realize economic stability (Nicoli, Passarella & Born, 2013; James & Nicoli, 2016). Thus, acquiring more education could be crucial to Worcester County adult recipients' efforts to achieve self-sufficiency.

The Maryland Department of Human Services is already pursuing one potential avenue to increase educational attainment by 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.

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.

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).

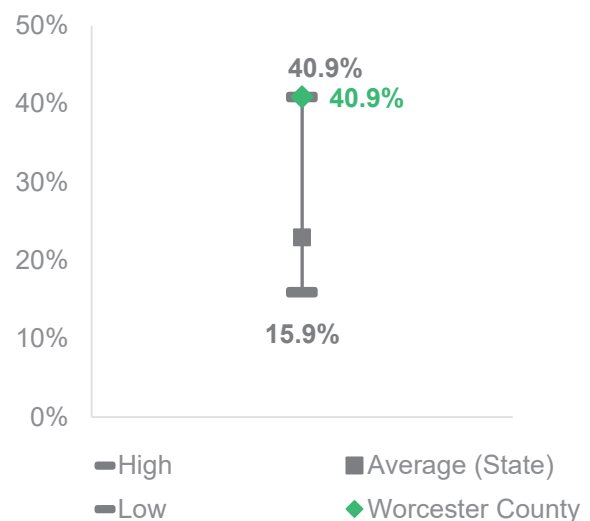
Partnerships with other entities within Maryland’s workforce system may also be beneficial for adult recipients with disabilities. Figure 2 shows the percentage of adult recipients who have disabilities that are expected to last longer than 12 months.¹ As with education, the figure includes the percentage for Worcester County adult recipients, the statewide average, and the highest and lowest percentages among all 24 jurisdictions. Two in five (40.9%) adult recipients in Worcester County have such a disability, which is the statewide high. The statewide average is much lower at 23%, suggesting that Worcester County adult recipients are considerably more likely to have disabilities that may impact their abilities to work than their counterparts elsewhere in the state. This is reinforced by the statewide low, which is only 16%.

Because the percentage of Worcester County adult recipients with disabilities is so high, customers in Worcester County may be particularly likely to 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

¹ This data, which comes from WORKS, represents the percentage of adult recipients with an *OTD* code at any point in SFY 2016. OTD is a state-defined

with applications for disability programs. For those with long-term disabilities 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



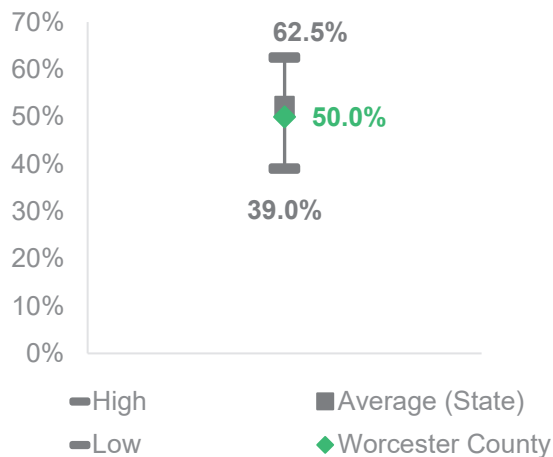
Note: *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported.

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

activity code indicating that the individual has a disability that is expected to last over 12 months.

before they began receiving TCA.² Exactly half (50.0%) of Worcester County adult recipients were employed in that year, which is slightly below the statewide average. It also places Worcester County in the middle of the range across jurisdictions, as the statewide high was 63% 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.

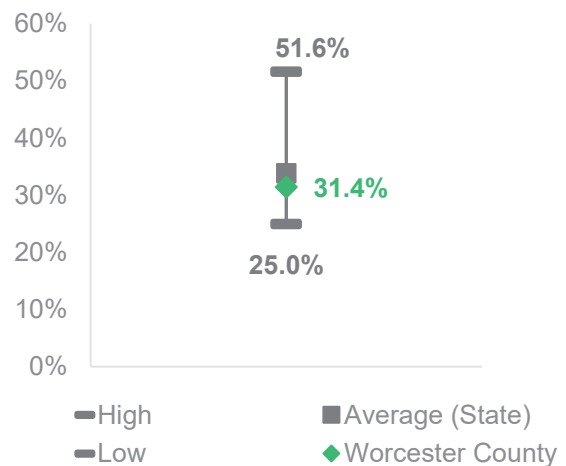
While these percentages provide useful information, it may also helpful to know how many quarters adult recipients worked in the year before they began receiving TCA. Each year contains four quarters, so Figure 4 presents the percentage of employed adult recipients who worked all four quarters. Fewer than one in three (31.4%) employed Worcester County adult recipients worked four quarters in the year before TCA receipt, which is very close to the statewide average. There is considerable variation

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.

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 25%.

Knowing that half of Worcester County adult recipients were employed in the year before receiving TCA—but that less than one third 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 two thirds of those who were employed did not work consistently over the course of a year.³ Thus, while some adult recipients may need substantial assistance in finding a job, those who find jobs may need services to help them maintain employment or to navigate seasonal 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.

³ Seasonal employment may be a factor, as Worcester County's economy is particularly dependent on tourism (Maryland Department of Commerce, n.d.).

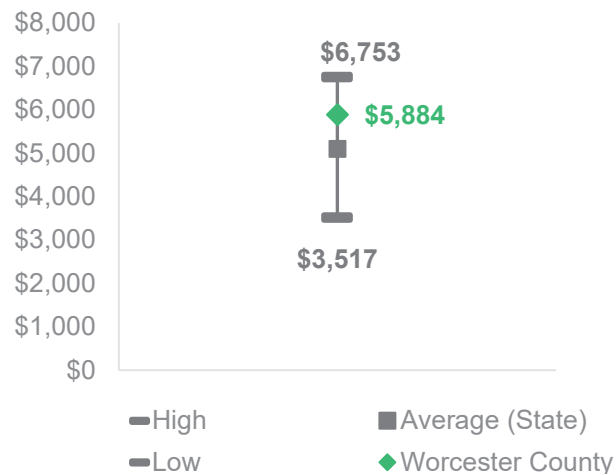
Another critical aspect of adult recipients' employment histories is how much they are able to earn. Figure 5 shows median earnings in the year before adult recipients began receiving TCA for Worcester County, the state, and the jurisdictions with the highest and lowest earnings. Even though these earnings 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 Worcester County, and across the state, median earnings are very low. Employed adult recipients in Worcester County earned \$5,884 in the year before TCA receipt, which is above the state average. It is still about \$900 less than statewide high earnings, although it is about \$2,400 more than the statewide low. Regardless, even in the jurisdiction in which median earnings were \$6,753, earnings were far below \$20,160, which was the 2016 federal poverty threshold for a three-person household (U.S. Department of Health and Human Services, 2016).

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—or only being employed

seasonally—is likely to drive wages downward.

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. One jurisdiction was excluded from this figure as it represented an outlier in the data. Earnings are standardized to 2016 dollars.

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.

Unfortunately, the number of adult recipients in Worcester County who worked in an identifiable industry in the year before receiving TCA was very small.⁴ As a result, we can only report that the most common industry among Worcester County adult

⁴ Only 35 adult recipients had industry data. Industries were identified with three-digit North American Industry Classification System (NAICS) codes.

recipients is restaurants.⁵ Fully 40% of those who were employed in the year before receiving TCA worked in that industry.

Prior research has found that working in the restaurant industry is not associated with high earnings. Individuals who left TCA and initially worked in restaurants have below-average earnings, and they 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). In contrast, individuals who left TCA and initially worked in industries such as outpatient health care, nursing homes, hospitals, and education have above-average earnings (Nicoli et al., 2014) and were more likely to attain economic stability after exit (James & Nicoli, 2016). Thus, helping adult recipients work in industries that pay better than restaurants is one potential pathway to increase earnings.

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⁵ Restaurants, which have 722 as their NAICS code, are defined as full-service or fast food restaurants as well as caterers and mobile food services.

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For additional information, please contact Dr. Lisa Nicoli (410.706.2763; lnicoli@ssw.umaryland.edu) at the School of Social Work.

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525 W. Redwood Street
Baltimore, MD 21201
410-706-2479
www.familywelfare.umaryland.edu