

FAMILY WELFARE RESEARCH & TRAINING GROUP

# IN THE RECESSION'S WAKE: NEW APPLICANTS FOR FOOD SUPPLEMENT AND TEMPORARY CASH ASSISTANCE, 2007-2010

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## EXECUTIVE SUMMARY

Supplemental Nutrition Assistance program (SNAP) and Temporary Assistance to Needy Families (TANF) caseloads increased sizably during and since the recent recession. SNAP increases have been dramatic and unprecedented. By December 2012, 47.9 million Americans, more than one in every seven of us, were enrolled, a record high (Food Research and Action Center, 2012).

TANF caseloads also increased—by 16 percent—from the start of the Great Recession in 2007 through 2010 (Pavetti, Finch, & Schott, 2013). Program growth in TANF was much smaller, largely because its income and other eligibility requirements are much more restrictive than those of SNAP.

The Maryland story is similar. The number of state residents taking part in the Food Supplement program (FS, Maryland's SNAP program) rose 123 percent—from 324,245 to 722,629, a record high—between July 2007 and July 2012 (Food Research and Action Center, 2012). The Temporary Cash Assistance (TCA, Maryland's TANF program) caseload also grew, rising some 35 percent in the four year period from October 2007 to October 2011 (Nicoli, Passarella, & Born, 2012).

Caseload increases, however, tell only part of the story of increased economic distress because not all applications that are filed result in the award of benefits. As noted above, caseload increases have been large, but the volume of applications, has literally skyrocketed. Between July 2007 and July 2012, Maryland saw a 56 percent increase in the number of monthly TCA applications, while monthly FS applications, up by 90 percent, nearly doubled.<sup>1</sup> This volume of

requests for help is a concrete reminder of the widespread, ongoing economic pain caused by the recession.

Aid applications can come from only two sources: former clients reapplying for help or new applicants with little or no prior program involvement. At the recession's peak (September 2008), we found some signs that FS applications from new families were becoming more prevalent. One in three FS applicants that month could be considered "new" because they had no FS receipt in the previous 10 years (Ovwigho, Kolupanowich, & Born, 2008). Those new FS applicants were also generally unfamiliar with cash assistance; three-fourths had no TCA use in the preceding 10 years.

Increases in the number and share of TCA and FS applicants with no previous welfare history have program implications. Because of inexperience, naiveté, or erroneous beliefs about the programs, new applicants' cases could take longer to complete and process, causing frustration for applicants and case managers. New applications may also be more error-prone, especially if there are recent earnings and/or the client is totally unfamiliar with the job search, documentation, and other rules.

Simultaneously, front-line case managers are dealing with historically high numbers of applicants and re-applicants, as well as current recipients, and inflexible federal work requirements. A higher-than-normal proportion of applicants new to the program—or to the welfare system in general—may make it even more difficult for case managers to handle larger caseloads and hit all required federal performance targets.

This study explores the phenomenon of "new" applications by taking a look at TCA and FS applications filed in Maryland by families who had not received those benefits in the state for at least 10 years, if

<sup>1</sup> These are the authors' calculations based on the Department of Human Resources' monthly statistical reports, available at [http://www.dhr.state.md.us/blog/?page\\_id=2856](http://www.dhr.state.md.us/blog/?page_id=2856).

ever. For each program, we document changes in the volume and percentage of new applications in September in 2007, 2008, 2009 and 2010. We look to see if new applicants' profiles, approval/denial rates and denial reasons change over time, and if there are any systematic differences in the profile of cases which were approved and the profile of those which were denied.

These are important stand-alone topics, but, study findings should also remind us that Maryland families and front-line case managers continued to feel the effects of the recession long after its official end had been declared. They remind us, too, that not all requests for assistance are or can be approved, but that universal, easy access to the application process is important, and may be especially so for people who may be experiencing poverty and/or seeking FS or TCA benefits for the very first time. Key findings are summarized below.

**1. The monthly volume of applications from new families rose substantially between 2007 and 2010 for both programs and, over time, these new applications comprised a greater share of all applications filed each month.**

The number of "new" monthly FS applicants more than doubled between September 2007 and September 2010: from 4,150 to 8,821 per month, a 113% increase. The number of new TCA applications also increased over time, but at a slower pace: 61% growth from September 2007 when 1,322 new TCA applications were filed to September 2010 when applications were received from 2,123 new families.

In 2007, new FS applications accounted for about one of every four FS applications; by 2010, they represented about one out of every three. The pattern was similar but not as dramatic or consistent for TCA. Still, new TCA applications accounted for a slightly larger share of all TCA applications filed in September 2010 (32%) than they had four years earlier (30.6%).

**2. There are both similarities and a few differences in the demographic profiles of new FS and new TCA applicants and their households. Largely reflecting the programs' differing eligibility criteria, FS applicants are more likely to be male, older, and have one-person households, while TCA applicants tend to be single-parent households or child-only units.**

For both programs and in all four study periods, the majority of new applications were filed by persons who were African-American, by women, by those who had never married, and by adults in their 30s. However, new FS applicants are more likely to be male, to be older, on average, and to live in a one-person household. New TCA applications, in contrast, were largely filed by single-parent households with children or on behalf of child-only units. The cross-program demographic differences are most likely due to the programs' different eligibility criteria and certain American Recovery and Reinvestment Act (ARRA) and other policy changes during the study period.

**3. Two changes over time are notable. The percent of new applications with male caseheads increased in both programs, and the number of TCA applications filed by two-parent families with children doubled.**

The share of all new applications headed by men increased for FS and TCA. However, applications with female caseheads were still far more numerous and outnumbered male-headed applications by at least 1000 at all four time periods, for both programs.

The absolute numbers remain fairly small, but the number of new TCA applications filed by two-parent households with children doubled over time. These families' share of all new applications increased from 6.8% to 10.7% during the study period. These applications came disproportionately from counties on the Eastern Shore or in Southern or Western Maryland.

**4. New applicant adult caseheads were not strangers to the work of paid work. For both programs, most had worked in the year or two prior to applying for benefits and at least two of five, in all years, and for both programs had worked within the three to six months leading up to their application filing.**

Our many research studies over the past 15+ years have consistently shown that applicants for and recipients of TCA and FS benefits have current or recent workforce attachment. The same is true here: at least seven of every 10 new applicants had worked in the 12 to 24 months preceding their application for help. Between 40% and 50% had worked in a UI-covered Maryland job in the three to six months right before the FS or TCA application was filed.

**5. The geographic distribution of new applications, in all four years and for TCA and FS, generally mirrors poverty and population distributions across the state. Over time, however, the share of new TCA applications from Prince George's County declined, while the number from the lower Shore quadrupled.**

In September 2007, Prince George's County accounted for not quite one in five (18.2%) of all new TCA applications filed statewide. In September 2010, their share of all new TCA applications statewide was considerably less (12.9%).

Over time, there was a quadrupling in the number of new monthly TCA applications filed by residents of the lower Eastern Shore (Somerset, Wicomico and Worcester counties). The numbers are small in the statewide context (from 18 to 85 per month), but large in the context of the region itself.

**6. As expected, given different program eligibility criteria, approval and denial rates for new applications differed between FS and TCA. In general, most**

**FS new applications were approved and most new TCA applications were denied.**

Roughly two of every three FS applications filed by new families in September 2007 were approved, compared to about one of every four applications filed by families new to TCA. This general pattern was observed across all four study periods.

**7. Approval rates in both programs declined somewhat over time. Because application volume was so much larger each year than it had been the year before, however, the absolute number of cases approved in September 2010 was larger than the number approved in September 2007. This was true of both programs, but dramatically so for FS.**

Approval rates for both programs declined somewhat over time, but the general pattern was unchanged: most new FS applications were approved in each study month and most TCA applications were denied. The FS approval rate was 66.8% in our 2007 study month and 62.6% in 2010. For TCA the comparable rates were 25% and 19%.

Declining approval rates notwithstanding, the numbers of new applicant cases approved went up dramatically over time in the FS program. In September 2007 when the approval rate was 66.8%, 2,743 such cases were approved for benefits. In September 2010, when the approval rate was 62.6%, some 5,466 FS applications from new families were approved. TCA new application approval rates were 25% in September 2007 and 19% in September 2010, while the raw numbers of cases approved were 330 and 402, respectively.

**8. There was consistency over time in the reasons that new TCA new applicant cases were not approved for benefits; in all four years, the most common denial reasons were the same and in the same order. The most common FS denial reason in all four study periods was that**

**household income was above the eligibility threshold.**

For TCA applications filed by new families, the top four reasons in each study period were: voluntary application withdrawal; non-cooperation with the eligibility process; failure to complete job search; and having income above the eligibility limit. More than three of every four denials were for one or the other of these reasons.

The most common FS denial reason was that household income exceeded the permissible maximum. Other common reasons were: lack of required verification; failure to provide eligibility information; non-cooperation with eligibility process; and failure to complete the interview. Over time, the data suggest a slight shift from denials based on non-compliance with paperwork requirements to failure to cooperate or complete the interview.

**9. There are statistically significant differences between approved and denied new TCA applicants on most variables in most time periods. The differences are generally consistent with the nature of TCA eligibility requirements and with the distribution of population and poverty across the state.**

In all four study periods, TCA applications filed by new families headed by an African-American adult, a Baltimore City resident, and a single-parent with children were more likely to be approved than were applications filed by new families of other ethnicities, place of residence, or household type. Child-only cases and Montgomery County cases were less likely to be approved.

The picture is less clear-cut with regard to marital status and gender. Marital status is significant in 2007 and 2010 only but, in general, TCA applications filed by never-married adults were more likely to be approved than applications filed by persons who were or had been married. Despite the documented increase in the number and

share (from 10.7% to 17.3%) of new TCA applications headed by men, gender is not significant in three of four study months. In 2010, TCA applications headed by men were less likely to have been approved.

**10. In all four time periods, there were statistically significant differences between approved and denied new FS applicants on most variables examined.**

FS approvals were more likely when case heads were male, when the adult was or had been married, and when the applicant lived in Baltimore City. In all four years also, applications on behalf of one-person, adult-only households were more likely to be approved, as were applications filed by African-Americans (except in 2010).

The above information is informative and useful, but the takeaway points from this research are not about approvals and denials or the profile of Marylanders who filed for financial or food aid during the study time period. In truth, we find no significant “real-world” changes in the profiles of those who sought help or in the profiles of those who were and were not approved.

Rather, what this study makes starkly clear is the great increase in self-perceived and real economic distress that many Marylanders experienced, some for the first time ever, during and after the recession. Two study points make this crystal clear. The first is that monthly FS applications from persons with no program use for at least 10 years, more than doubled: from 4,108 in September 2007 to 8,737 in the month of September 2010 alone. The second is that, even though the approval rate was lower, the number of applicants poor enough to be approved for FS benefits in 2010 was also double the number in 2007. The single most important thing to keep in mind, of course, is that behind every one of these numbers and statistics are real Maryland families, many of whom may still be struggling to make ends meet.

## INTRODUCTION

Supplemental Nutrition Assistance Program (SNAP)<sup>2</sup> and Temporary Assistance for Needy Families (TANF) caseloads both increased during and after the Great Recession. SNAP caseloads grew by 60 percent between December 2007 and December 2010 and have continued to rise.<sup>3</sup> By December 2012, some 47.9 million Americans – more than one of every seven persons – were enrolled in SNAP, a record high number (Food Research and Action Center, 2012).

TANF caseloads also increased—by 16 percent—from the start of the Great Recession in 2007 through 2010 (Pavetti et al., 2013). By December 2011, 35 states had larger caseloads than in December 2007, a few more than 50% higher (Pavetti et al., 2013). Compared to SNAP, program growth in TANF was much smaller, largely because its income and other eligibility requirements are much more restrictive.

The Maryland story is similar. The number of state residents taking part in the Food Supplement program (FS, Maryland's SNAP program) rose 123 percent—from 324,245 to 722,629, a record high—between July 2007 and July 2012 (Food Research and Action Center, 2012). The Temporary Cash Assistance (TCA, Maryland's TANF program) caseload also grew, rising some 35 percent in the four year period from October 2007 to October 2011 (Nicoli, Passarella, & Born, 2012).

These caseload increases reflect the fact that, regardless of whether the case was approved for benefits or denied, the volume of applications for TCA and especially for

SNAP has risen dramatically. Between July 2007 and July 2012, Maryland saw a 56 percent increase in the number of monthly TCA applications, while monthly FS applications, up by 90 percent, nearly doubled.<sup>4</sup> This volume of requests for help is a concrete reminder of the widespread, ongoing economic pain caused by the recession, particularly among families previously unfamiliar with income support programs. Our prior research found that one in three FS applicants in September 2008 could be considered “new” because they had no FS receipt in the previous 10 years (Ovwigho, Kolupanowich, & Born, 2008). FS applicants that month were also largely unfamiliar with cash assistance, as three-quarters had no experience with TCA during the past decade.

The increase in the number and share of TCA and FS applicants with no previous welfare system experience has many program implications. Due to new applicants' inexperience with the programs' myriad rules and requirements, their aid applications could take longer to complete and to process, causing frustration for applicants and case managers. These cases might also be more error-prone, especially because case managers are dealing with historically high numbers of applicants and recipients. A higher-than-normal proportion of applicants who are new to the program—or to the welfare system in general—may make it even more difficult for case managers to handle their larger caseloads.

To explore this phenomenon in greater depth, we pose the following research questions in this study:

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<sup>2</sup> Until 2008, the Supplemental Nutrition Assistance Program (SNAP) was known as the Food Stamp Program.

<sup>3</sup> Percent increase is based on authors' calculations from data on monthly SNAP participation available at the Food Research and Action Center (<http://frac.org/reports-and-resources/snapfood-stamp-monthly-participation-data/>).

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<sup>4</sup> These are the authors' calculations based on the Department of Human Resources' monthly statistical reports, available at [http://www.dhr.state.md.us/blog/?page\\_id=2856](http://www.dhr.state.md.us/blog/?page_id=2856).

1. How much did new FS and TCA applications in Maryland increase between September 2007 and September 2010, and how were these increases distributed by program and by year?
2. What, if any, changes were there in the individual-level and case-level demographic profiles of new FS and TCA applicants between September 2007 and September 2010?
3. What are new FS and TCA applicants' historical employment and earnings patterns?
4. What percentage of new FS and TCA applications were approved, and what percentage were denied? What were the reasons for denial?
5. Did application approval and denial rates change over time, and do they vary by individual-level or case-level demographics?

These are important stand-alone topics, but may also provide useful information for the state's "No Wrong Door" initiative. This initiative "seeks to break down the silos between agencies and organizations and create a more efficient, effective, and client-friendly system" (No Wrong Door Committee, 2011:7). Most generally, study findings remind us that the effects of the recession continued to be felt by Maryland families and by front-line staff in the 24 local Departments of Social Services, long after the recession's official end had been declared. They remind us, too, that while not all requests for assistance are or can be approved, universal and easy access to the application process is important. This may be especially true for individuals and families who may be experiencing poverty and/or seeking FS or TCA benefits for the very first time.

## BACKGROUND

The Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance to Needy Families (TANF) are components of our nation's income support system for individuals and families who experience economic hardship. Both programs are "means-tested," so applicants must prove that their income, assets and other resources do not exceed each program's respective monetary thresholds in order to financially qualify for benefits. Despite this basic similarity, SNAP and TANF are dissimilar in other critical ways that affect the number of applicants and recipients for each program.

### **Key Program Features: SNAP and TANF**

SNAP and TANF differ in several key areas that affect the size and composition of their respective caseloads, as well as the amount of benefits that clients can receive. Also, while both are publicly-financed, SNAP's federal funding stream is open-ended, while TANF has a fixed level of federal funding which is not indexed for inflation.

#### **SNAP**

SNAP funding largely comes from the federal government through an open-ended funding stream. The federal government pays 100% of the cost of participant benefits and shares administrative costs with the states. This structure means that SNAP has been able to be very responsive to the increasing number of Americans in need during the recession and post-recession periods. As Pavetti and Rosenbaum (2010:12) explain: "Because it [SNAP] is a federally-funded entitlement, the additional benefits to cover newly eligible individuals have been available automatically, where they are needed; state budget crises have not stymied program growth."

The federal government also sets the financial eligibility thresholds, procedures, and rules for SNAP, and these are uniform

across the country, as are the maximum monthly benefit amounts (called allotments) that eligible families of different sizes may receive.<sup>5</sup> With regard to income, a household would be potentially eligible for SNAP benefits if gross monthly income did not exceed 130 percent of poverty level income for its family size. For a family of three living in the continental U.S. and having no elderly household members, this would have equated to \$1,984 in 2010 (Food and Nutrition Service, 2012a). The story is similar with regard to the maximum monthly benefit amounts that may be paid to eligible families. In federal fiscal year 2010, a three person household eligible to receive the maximum SNAP allotment would receive \$526 in benefits (Food and Nutrition Service, 2012b).

SNAP is intended to combat hunger and food insecurity and provides in-kind assistance to acquire food. This assistance comes in the form of debit cards that can be used to purchase eligible items from participating merchants. SNAP aid is available to anyone in any type of household (e.g., elderly couples, two-parent families with children, single adults), regardless of income source, as long as they meet the financial eligibility requirements.

#### **TANF**

TANF was created in 1996 and, since then, its federal funding has come to states in the form of block grants, the dollar amounts of which have not changed.<sup>6</sup> Because the national TANF block grant is not indexed for

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<sup>5</sup> The 48 contiguous states and the District of Columbia use common rules; slightly different rules apply in Alaska, Hawaii, American Samoa, Guam, Puerto Rico, and the Virgin Islands.

<sup>6</sup> The American Recovery and Reinvestment Act of 2009 did provide additional, temporary TANF funds (\$5 billion nationwide), but that funding ended in 2010. A separate TANF Contingency Fund of \$2 billion has also been exhausted.

inflation, it lost 26% of its value from 1997 through 2010 (Falk, 2011). Moreover, states are required to keep up a certain level of general fund spending, known as “maintenance of effort,” although these funds can be expended on a broad array of purposes, not just cash assistance.

The fixed and finite nature of TANF funding means that, as is, there is no allowance for additional federal financial program support when need increases, as it did during the recession and its aftermath. This is a key reason why SNAP caseloads increased so much more than TANF caseloads in recent, economically difficult years.

Another important difference between the two programs is that, under TANF, each state is free to set its own financial eligibility criteria and benefit payment levels. Not surprisingly, there is great variation across the country. To qualify financially for TANF, the maximum monthly income a family of three could have ranged from less than \$300 to more than \$1,200 in 2010; in Maryland the 2010 amount was \$718 (Kassabian, Vericker, Searle, & Murphy, 2011).

Maximum monthly TANF grant amounts payable to families with no other income also vary widely. In 2010, the monthly maximums for a three-person family ranged from less than \$200 to roughly \$700 across the 48 continental states (Kassabian et al., 2011). The Maryland TANF maximum for a three-person family was \$574 at that time and was raised to \$576 in October 2012.<sup>7</sup>

It is also important to note that, unlike SNAP which is available to all individuals and families of sufficiently limited means, TANF has a categorical eligibility requirement that must also be met. TANF is intended mainly

<sup>7</sup> Maryland law requires that the combined value of FS and TCA equal 61% of the state's minimum living level, so TCA grants will increase slightly in the next state fiscal year which begins in July 2013.

to provide financial assistance to needy children. Thus, program benefits are only available to families who meet the financial eligibility tests, but also have a dependent child residing in the home. This categorical eligibility restriction, combined with more stringent financial eligibility requirements, means that far fewer families qualify for TANF than for SNAP.

In summary, SNAP and TANF are both means-tested, publicly-financed human service programs, but the populations served, while overlapping, are not identical. SNAP and TANF have very different funding streams, governance, eligibility rules and benefit amounts. Largely for these reasons, the two programs also have caseloads that are very disparate in size, both nationally and locally.

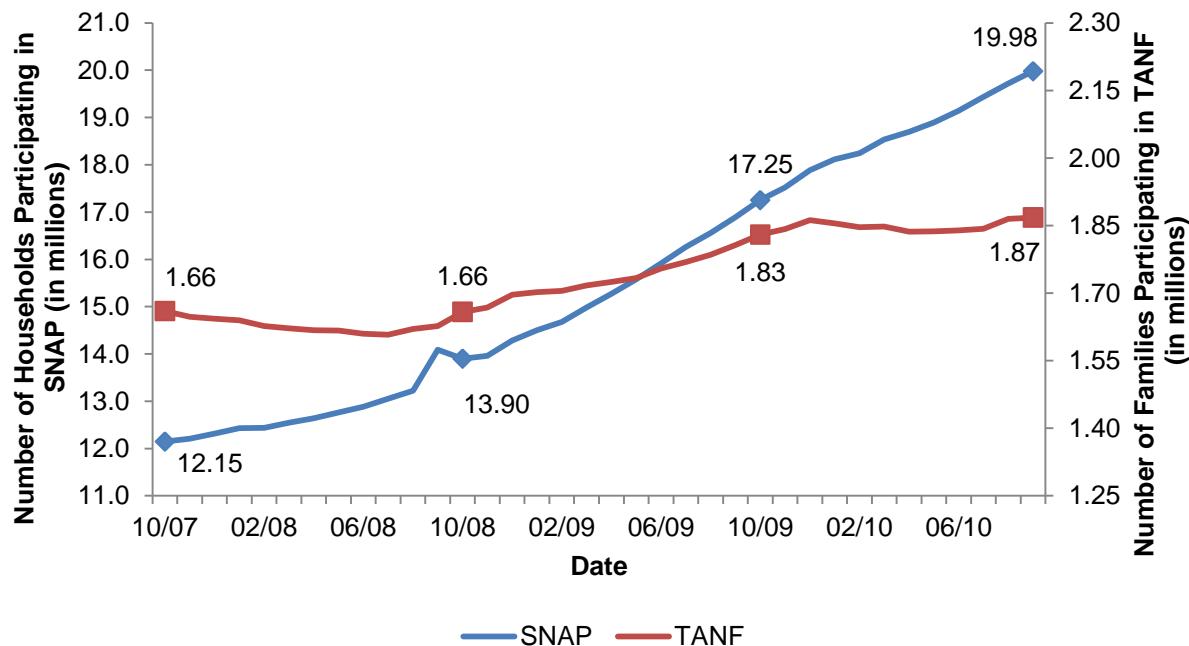
### Caseload Trends

SNAP and TANF caseloads vary over time, but, generally speaking, they rise when times are tough, and they fall when times are good. The programs do not move in lockstep, however, and the magnitude of caseload shifts is always larger and more rapid in SNAP than in TANF. This is largely due to the different eligibility, governance, and funding characteristics outlined in the preceding section.

Figure 1, displays growth in national SNAP and TANF caseloads from October 2007 to September 2010. One can see that TANF is a very small program relative to SNAP at every measuring point.

Both programs' caseloads increased markedly during the time period represented in the figure, however. Nationwide, TANF caseloads grew by 12.5% and SNAP caseloads grew 64.5%. In fact, SNAP caseloads increased in every state between September 2007 and September 2009, and 45 states (including the District of Columbia) experienced all-time highs, as more families became eligible and more eligible families enrolled (Pavetti & Rosenbaum, 2010).

**Figure 1. National SNAP and TANF Caseloads, October 2007 to September 2010**

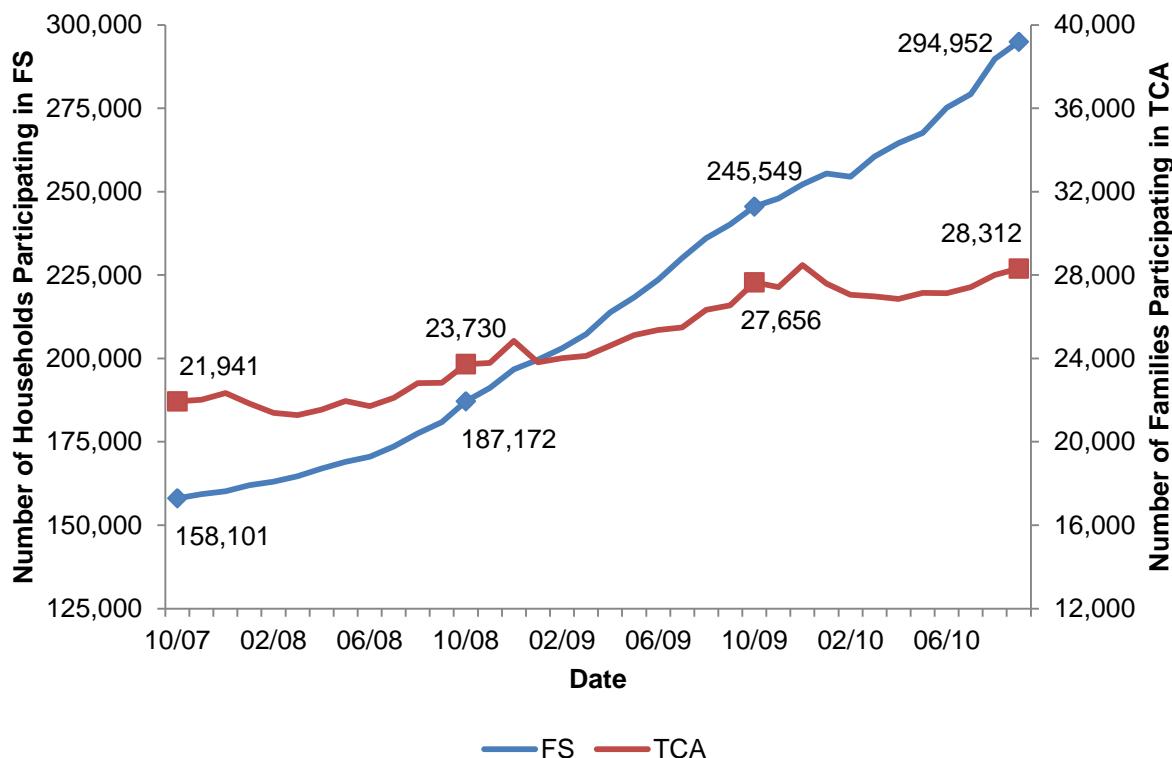


**Note:** Monthly SNAP caseload data is from the Food and Nutrition Service, available from <http://www.fns.usda.gov/pd/snapmain.htm>. Monthly TANF caseload data is from the Office of Family Assistance, available from [http://www.acf.hhs.gov/programs/ofa/resource-library/search?tag=4648#?tag=4648&type\[3084\]=3084&ajax=1](http://www.acf.hhs.gov/programs/ofa/resource-library/search?tag=4648#?tag=4648&type[3084]=3084&ajax=1).

Maryland caseload trends have been similar, as illustrated in Figure 2 on the next page. In October 2007, for example, there were 21,941 active TCA (Temporary Cash Assistance, Maryland's TANF program) cases. Three years later, in September 2010, 28,312 families were receiving aid, a 29.0% increase. By December 2011, the number of active TCA cases stood at 29,446, an increase of nearly one-third (31.8%) in just four years (Pavetti et al., 2013).

Increases were much, much larger in the Food Supplement (FS, Maryland's SNAP program) program. There were 158,101 recipient households in October 2007, but 294,952—an 86.6% increase—only three years later (September 2010). This was a record high for the state, but a record that was quickly shattered. As noted previously, the FS caseload continued to rise through March 2013 when a new high of 387,924 participants was reached (Department of Human Resources, 2013).

**Figure 2. Maryland FS and TCA Caseloads, October 2007 to September 2010**



**Note:** Monthly FS and TCA caseload data is from the Maryland Department of Human Resources, available from [http://www.dhr.state.md.us/blog/?page\\_id=285](http://www.dhr.state.md.us/blog/?page_id=285).

### Poverty and Unemployment

Changes in poverty and unemployment also affect SNAP and TANF caseloads. Their eligibility requirements differ, but both SNAP and TANF are means-tested programs and their benefits are generally available only to those with incomes at, below or just marginally above the official poverty threshold. When the number of individuals and families in poverty goes up, SNAP and TANF caseloads are likely to increase as well. Similarly, when poverty rates are low, the programs' caseloads tend to fall. Thus, information about poverty in Maryland over the time period covered by our study is also germane to our look at new FS and TCA applications and applicants. Information about unemployment rates is relevant, too, because of the massive job losses due to the recession, stubbornly elevated post-recession unemployment, and the fact that some families with an employed adult

routinely live 'one paycheck away' from being impoverished.

### Poverty

Historically, a disproportionate share of the nation's poor families has resided in our cities, especially the large ones. During the last decade, however, the geography of poverty has changed significantly. As Allard and Roth (2010:2) note: "In 1999, large US cities and their suburbs had roughly equal numbers of poor residents, but by 2008 the number of suburban poor exceeded the poor in central cities by 1.5 million. Although poverty rates remain higher in central cities...poverty rates have increased at a quicker pace in suburban areas."

By 2008 the nation's large suburbs housed almost one-third of the poor, and, for the first time in our nation's history, were home to the largest and fastest growing poor populations in the country (Kneebone & Carr, 2010). Often unappreciated is the fact

that many suburban and rural communities may not be prepared to serve a growing population of poor residents, some of whom are experiencing poverty for the first time. These areas tend to lack cities' density of public and nonprofit human service agencies; public transportation may be limited; and informal social networks that provide information about agencies and benefits may not be well-developed either (Allard & Roth, 2010).

As illustrated in Table 1, below, Maryland was not immune to the increase in poverty throughout the country. Fifteen of 24 local jurisdictions experienced an increase of at least one percentage point in their poverty rates from the 2006-2008 period to the 2009-2011 period. Just seven (Baltimore, Calvert, Carroll, Charles, Frederick, Howard, and St. Mary's counties) had rates that were relatively unchanged.

Jurisdictions with the highest poverty rates were outside metropolitan areas, with the exception of Baltimore City. Allegany, Caroline, Dorchester, Garrett, Somerset, and Wicomico counties, and Baltimore City,

all had poverty rates above 10% at both points in time. Four other counties (Cecil, Kent, Washington, and Worcester) saw increases in their poverty rates from under 10% to over 10% in this period, and six jurisdictions saw poverty rise by more than 3 percentage points. These were the counties of: Allegany (3.2); Kent (3.6); Washington (3.1); Wicomico (4.0); and Worcester (3.3); and Baltimore City (4.4).

Two jurisdictions (Garrett and Somerset counties) had a decline in their poverty rate of more than 2 percentage points. In both time periods, however, their poverty rates exceeded 10%.

In both time periods, the three jurisdictions with the highest poverty rates were the same, although their rank order changed somewhat. In Baltimore City, about one-fifth of the population (19.6%) was poor in the 2006-2008 period, and about one in four (24.0%) were impoverished in the 2009-2011 period. In Somerset County, poverty rates were 19.6% and 16.9% for the two time periods, respectively while, in Allegany County the rates were 13.6% and 16.8%.

**Table 1. Poverty Rates by Jurisdiction, 2006-2011**

Jurisdiction	Poverty Rate, 2006-2008	Poverty Rate, 2009-2011	Percentage Point Change
Allegany County	13.6%	16.8%	3.2
Anne Arundel County	4.5%	6.3%	1.8
Baltimore County	8.2%	8.7%	0.5
Calvert County	5.0%	4.5%	-0.5
Caroline County	10.4%	12.1%	1.7
Carroll County	5.3%	5.5%	0.2
Cecil County	7.7%	10.1%	2.4
Charles County	5.9%	6.2%	0.3
Dorchester County	12.7%	15.5%	2.8
Frederick County	4.9%	5.5%	0.6
Garrett County	13.0%	10.8%	-2.2
Harford County	4.9%	7.3%	2.4
Howard County	4.1%	4.9%	0.8
Kent County	9.6%	13.2%	3.6
Montgomery County	5.2%	7.0%	1.8
Prince George's County	7.4%	9.0%	1.6
Queen Anne's County	6.5%	7.5%	1.0
Somerset County	19.6%	16.9%	-2.7
St. Mary's County	7.1%	7.6%	0.5
Talbot County	6.3%	8.2%	1.9
Washington County	9.1%	12.2%	3.1
Wicomico County	12.4%	16.4%	4.0
Worcester County	8.6%	11.9%	3.3
Baltimore City	19.6%	24.0%	4.4
<b>State</b>	<b>8.0%</b>	<b>9.7%</b>	<b>1.7</b>

**Note:** Poverty data based on three-year estimates from the American Community Survey, Selected Economic Characteristics, DP03, (<http://factfinder2.census.gov/>).

## Unemployment

Not surprisingly, unemployment also increased in Maryland between 2007 and 2010 in all 24 jurisdictions, as shown in Table 2. Howard and Montgomery counties experienced the smallest increase (3.2 percentage points) while Worcester County experienced the largest (from 5.8% in 2007 to 12.8% in 2010 or 7.0 percentage points).

The five jurisdictions with the highest growth in unemployment—a 2010 rate at least six percentage points higher than the rate in 2007—were either very urban (Baltimore City) or non-metropolitan (Cecil, Somerset, Washington, and Worcester counties). These same jurisdictions, along with Dorchester County, also had unemployment rates of 10% or more in 2010.

**Table 2. Unemployment Rates by Jurisdiction, 2007-2010**

Jurisdiction	Unemployment Rate, 2007	Unemployment Rate, 2010	Percentage Point Change
Allegany County	5.1%	9.3%	4.2
Anne Arundel County	3.0%	7.1%	4.1
Baltimore County	3.5%	8.3%	4.8
Calvert County	2.8%	6.6%	3.8
Caroline County	4.1%	9.9%	5.8
Carroll County	2.9%	7.2%	4.3
Cecil County	3.8%	10.2%	6.4
Charles County	2.9%	6.6%	3.7
Dorchester County	5.7%	11.2%	5.5
Frederick County	2.9%	6.9%	4.0
Garrett County	4.4%	8.5%	4.1
Harford County	3.3%	8.0%	4.7
Howard County	2.5%	5.7%	3.2
Kent County	3.5%	8.8%	5.3
Montgomery County	2.6%	5.8%	3.2
Prince George's County	3.6%	7.7%	4.1
Queen Anne's County	3.1%	7.4%	4.3
Somerset County	5.3%	11.6%	6.3
St. Mary's County	2.9%	6.5%	3.6
Talbot County	3.3%	8.5%	5.2
Washington County	4.3%	10.9%	6.6
Wicomico County	3.9%	9.5%	5.6
Worcester County	5.8%	12.8%	7.0
Baltimore City	5.5%	11.9%	6.4
<b>State</b>	<b>3.4%</b>	<b>7.8%</b>	<b>4.4</b>

**Note:** Unemployment data based on the Bureau of Labor Statistics' monthly local area unemployment data (<http://www.bls.gov/lau/#data>). Unemployment data are not seasonally adjusted.

Many factors affect how many people apply for SNAP and TANF benefits at any given point in time. These include federal program rules and Maryland policy choices, poverty and unemployment rates and, to an unknown extent, personal choices made by low-income individuals and families. The somewhat extraordinary increases in poverty and unemployment associated with the Great Recession, not surprisingly, led to major increases in applications for SNAP and TANF, many from families seeking

assistance for the first time, and perhaps experiencing poverty for the first time as well. This report seeks to learn more about these new applicants, including their characteristics and circumstances, the outcomes of their applications, and their previous employment and earnings. Another goal is to describe if and how the characteristics of new applicants may have changed during the recession and since its official end.



## METHODS

This chapter describes the research methods used to carry out this study, including sampling, data sources, and the statistical techniques used.

### Sample

Our focus in this report is to describe the characteristics and circumstances of certain Maryland families who applied for TCA or FS. Specifically, we look at new applicants. Operationally, we define new FS applicants as those who had not applied for FS in the 10 years before the application which brought them into our study sample. New TCA applicants are defined similarly: those with no history of applying for TCA in the 10 years before the application which brought them into in this study's sample.

It is important to note that we limit our study to Maryland FS and TCA applications only. Persons in our study may have applied for either or both programs in another state during the previous 10 years. Also, we consider each program's new applicants separately. That is, our new FS applicants may have applied for TCA and, conversely, our new TCA applicants may have applied for FS within the past decade.

To learn about the extent to which the size and profile of new applicants may have changed during the recession and since then, we identified all new FS and TCA applicants in four months: September 2007, September 2008, September 2009, and September 2010. Using our stated definition of "new," there were a total of 34,381 new applications filed in the four study months. As expected, the lion's share of these (79%, n=27,087) were FS applications and the remainder (21%, n=7,294) were TCA applications.

### Data Sources

Study findings are based on analyses of administrative data retrieved from

computerized management information systems maintained by the State of Maryland. Demographic and program participation data were extracted from the Client Automated Resources and Eligibility System (CARES) and employment and earnings data were obtained from the Maryland Automated Benefits System (MABS).

### CARES

CARES has been the statewide automated data system for certain DHR programs for nearly 25 years. CARES provides individual and case level program participation data for programs including Temporary Cash Assistance (TCA, Maryland's TANF program), the Supplemental Nutrition Assistance Program (SNAP, known in Maryland as the Food Supplement Program (FS), and Medical Assistance (MA). Demographic data are available, as well as information about the type of program, application and disposition (denial or closure) date for each service episode, and codes indicating the relationship of each individual to the head of the assistance unit.

### MABS

Quarterly employment and earnings data are from Maryland Automated Benefits System (MABS), which includes all employers covered by the state's Unemployment Insurance (UI) law, roughly 91% of all civilian employment statewide. Independent contractors, commission-only salespeople, some farm workers, military members, most religious organizations' employees, and self-employed individuals are not covered by the law. Informal jobs such as those with dollars earned "off the books" or "under the table"—are not covered.

MABS only captures employment in Maryland. However, our state shares borders with Delaware, Pennsylvania,

Virginia, West Virginia, and the District of Columbia, and out-of-state employment is common. Overall, the rate of out-of-state employment by Marylanders (17.5%) is more than four times greater than the national average (3.8%)<sup>8</sup>. Out-of-state employment is very prevalent among residents of two very populous jurisdictions (Montgomery County, 29.8%, and Prince George's County, 42.4%), which have the 5<sup>th</sup> and 3<sup>rd</sup> largest TCA caseloads in the state, respectively. We cannot determine if the high rates of out-of-state employment are also characteristic of new FS or TCA applicants but it is probably safe to say that our employment findings underestimate the true rate of employment by the adults in our sample, albeit, to an unknown degree .

Finally, because UI earnings data are reported on an aggregated, quarterly basis, we do not know, for any given quarter, how much of that time period the individual was employed (i.e. how many months, weeks, or hours). Thus, it is not possible to compute

or infer hourly wages or weekly or monthly salary from these data. It is also important to remember that the earnings figures reported do not necessarily equal total household income. For TCA applicants, in particular, we have no information on earnings of other household members, if any, or data about any other income (e.g. Supplemental Security Income) available to those persons or the family.

## **Data Analysis**

We use univariate statistics to describe new FS and TCA applicants in terms of their demographic characteristics, their employment and their prior receipt of FS and TCA, if any. We also present information about the outcome of their applications (approval and denial rates) and, where appropriate and feasible, use Chi-square and ANOVA to make subgroup comparisons (e.g. between applicants who were approved and those who were denied).

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<sup>8</sup>Data obtained from U.S. Census Bureau website <http://www.factfinder.census.gov> using the 2008-2010 American Community Survey 3-Year Estimates for Sex of Workers by Place of Work – State and County Level (B08007).

## FINDINGS: NEW APPLICATIONS AND NEW APPLICANTS

Record numbers of Americans have applied for and received SNAP-FS during the past few years and TANF-TCA caseloads, after a period of steady decline, also rose by about one-fifth. These increases can be attributed to only two phenomena: households returning to aid after periods of self-sufficiency or new households applying for help, perhaps for the first-time in their lives.

In this chapter, we present findings about the number of new FS and TCA applications filed in Maryland between September 2007 and September 2010, about the profile of new applicants in that time period, and any changes over time. We begin by describing trends in the volume of new applications. Individual demographics such as age and marital status are then described, followed by information about household-level demographics, such as household type and place of residence, and findings about employment and earnings of new applicants in the time periods leading up to their seeking aid.

Our sample includes all new applicants—those whose applications were eventually denied and those whose applications were approved. It is important to bear in mind that not all applications for means-tested benefits are approved. Thus, findings we report about the new applicant sample will

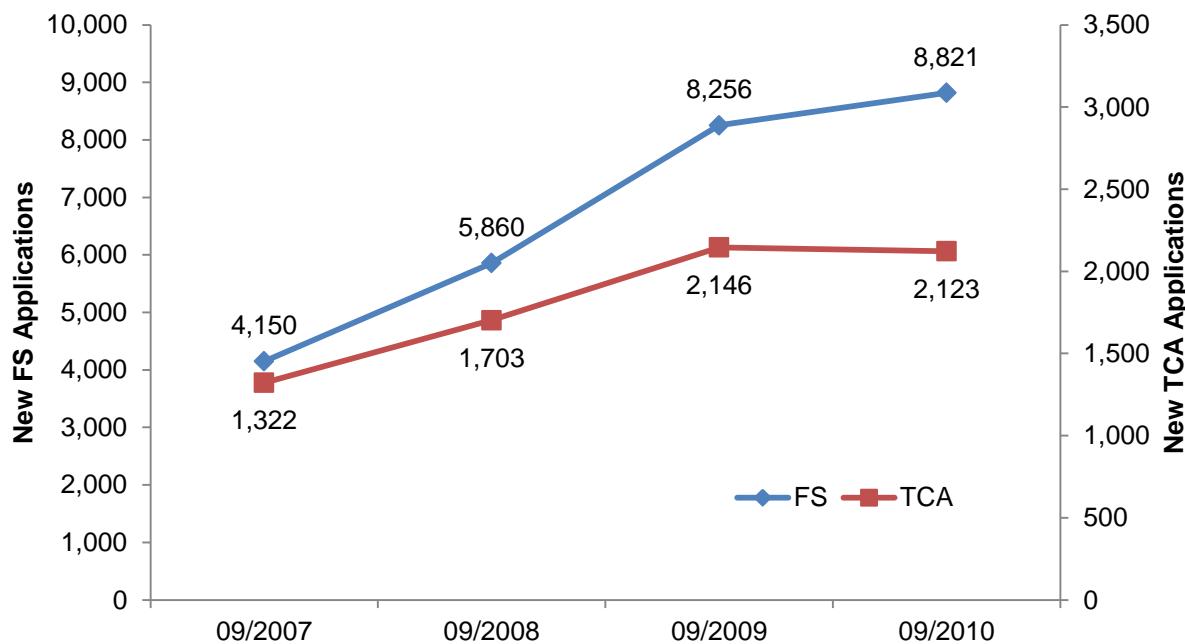
not necessarily parallel those for SNAP-FS and TANF-TCA active caseloads. This is because active cases are a sub-set of all applications filed (i.e., the ones that were approved) and their profile might differ significantly from the profile of households whose applications were denied.

### Trends in New Applications

Maryland has seen steep increases in FS and TCA in the number of new applicants—those who had not applied in at least 10 years—seeking assistance. Figure 3 on the next page details the number of applications for FS and TCA benefits that came from families who were new to those programs in September of each year from 2007 to 2010.

From 2007 to 2010, the number of new FS applicants more than doubled. In the month of September 2007, there were 4,150 new applicants, but by September 2010, that number had grown to 8,821 (a 112.6% increase). The largest year-over-year increase in new applicants occurred from September 2008 to September 2009—a one-year increase of 40.9 percent. The number of new applicants for TCA also grew, but at a slower pace: 60.6 percent growth from September 2007 (1,322 new applicants) to 2010 (2,123 new applicants).

**Figure 3. Number of New FS & TCA Applications, September 2007 - September 2010**



Not only were there more new FS applicants over time, but those new applicants comprise an increasing percentage of all FS applications as well, as shown in Table 3. In September 2007 new FS applicants accounted for a bit more than one of every four applications filed (27.6%); by September 2010, this had risen to about one of every three (34.3%).

The pattern was similar but not quite as straightforward for TCA. For this program, too, new applicants were a larger share of all September 2010 applications (32.0%) than they were in 2007 (30.6%). However, the year-to-year pattern was not a consistent one.

From September 2007 to September 2008, the proportion of new TCA applicants among all applicants did increase (30.6% to 36.6%), but declined slightly from 2008 to 2009 (from 36.6% to 35.9%). New applications as a percentage of all applications filed decreased again, albeit

slightly, from September 2009 to September 2010 (from 35.9% to 32.0%) though as noted the 2010 percentage (32.0%) was still higher than the percentage in 2007 (30.6%).

Table 3 also shows that the two programs were similar in that each experienced the largest year-over-year spike in new applications between September 2008 and September 2009. For FS there was a one year increase of 40.9%—meaning that in the month of September 2009, there were 2,396 more new FS applications filed than there were in the month of September 2008 ( $n=5,860$ ), for a total that month of 8,256.

In the TCA program, the 2008 to 2009 increase was 26.0%. In absolute terms, in the month of September 2009, there were 443 more new TCA applications filed than had been filed in September 2008 ( $n=1,703$ ) for a total that month of 2,146.

**Table 3. New FS & TCA Applications as a Percentage of All FS & TCA Applications**

	FS			TCA		
	All Applications	New Applications	% New Applications	All Applications	New Applications	% New Applications
<b>Sept 2007</b>	15,039	4,150	27.6%	4,315	1,322	30.6%
<b>Sept 2008</b>	21,532	5,860	27.2%	4,657	1,703	36.6%
<b>Sept 2009</b>	26,615	8,256	31.0%	5,972	2,146	35.9%
<b>Sept 2010</b>	25,700	8,821	34.3%	6,627	2,123	32.0%

**Note:** The number of all applications is from the Monthly Statistical Reports on Maryland's Department of Human Resources website (<http://www.dhr.state.md.us/fia/statistics.php>).

### Individual and Household Demographics

A key area of interest for policymakers, program administrators and advocates alike is the characteristics and circumstances of these families who newly applied for help during and in the wake of one of our nation's most stressful economic periods. We discuss these issues in this section of the chapter, beginning with information about the demographic profile of the new adult applicants/case heads.

#### Individual Demographics

As shown in Tables 4 and 5, following this discussion, there are similarities as well as a few differences in the profiles of new FS and TCA applicants. For both programs, the majority of new applications were filed by African-American women in their 30s who had never been married. This is consistent with the demographic profile of the active Maryland TCA caseload and, to the extent that comparable data are available, with the national profile of SNAP/FS recipients as well (Nicoli, Passarella, & Born, 2012; U.S. Department of Agriculture, 2012).

There are some differences between the two programs on these profile variables, however, which can be largely attributed to the programs' divergent eligibility criteria. For example, in September 2010, about three-fifths (59.4%) of new FS applicants are female, compared to more than four-fifths (82.7%) of new TCA applicants. The fact that FS benefits are available to low-income, one-person adult households

whereas TCA requires that at least one dependent child be present in the home likely explains much of this observed difference.<sup>9</sup>

The average age of new applicants also varies by program. New TCA applicants, on average, are about 30 years old, while the average age of new FS applicants is about 35. This is no doubt associated with the fact that new male applicants—40% of all new FS applicants, but only 15% of new TCA applicants—tend to be older than new applicants who are female. Roughly half (49.7%) of all males in our sample, to illustrate, are at least 36 years of age, compared just about one in three (33.8%) among females.

These profiles are generally consistent across the four time periods, as illustrated in Tables 4 and 5. Even though the change-over-time in all four variables is statistically significant, the absolute differences tend to be fairly small.

The notable exception in profile consistency lies in the percent of new applications to both programs in which men are the casehead. In all four years and for both programs, the absolute number of male applicants is at least 1,000 less than the number of female applicants, but men's share of all applications did increase.

<sup>9</sup> Client choice may also be a factor because, in two-parent households, applicants can choose which adult is named as the payee, the variable on which our male/female counts are based.

For TCA, about one in 10 new applications in September 2007 (10.6%) were filed by men, compared to almost two in 10 (17.3%) in September 2010. In FS, a bit more than one in three 2007 new applications (35.4%) were filed by men, compared to about two in five (40.6%) in 2010.

There were a number of federal and state policy changes between 2007 and 2010 which almost certainly account for the lion's share of observed changes in applications headed by men. Several provisions in the American Recovery and Reinvestment Act (ARRA) were specifically focused on the so-called "ABAWD" (able-bodied adults without dependents) FS population. Specifically, the stringent time limits on benefit receipt by ABAWD recipients were suspended. In addition, ARRA temporarily increased FS allotment amounts for all clients by an average of 15%. Also during this time period, many states including Maryland, mounted concerted FS outreach campaigns, expanded broad-based categorical eligibility provisions, and streamlined application and recertification processes.<sup>10</sup>

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<sup>10</sup> For additional information about male TCA caseheads, see Hall, Logan, & Born (2011).

**Table 4. Demographic Characteristics of New FS Applicants, 2007-2010**

	Sept 2007 (n=4,150)	Sept 2008 (n=5,860)	Sept 2009 (n=8,256)	Sept 2010 (n=8,821)
<b>Gender***</b>				
Female	64.6% (2,648)	61.7% (3,518)	59.8% (4,702)	59.4% (5,097)
Male	35.4% (1,450)	38.3% (2,182)	40.2% (3,164)	40.6% (3,481)
<b>Age at Application</b>				
Mean*** [Median]	36.38 [32.29]	36.05 [32.16]	35.73 [31.38]	36.98 [32.04]
<b>Race***</b>				
Caucasian	35.5% (1,345)	33.7% (1,753)	33.9% (2,425)	33.3% (2,534)
African American	55.1% (2,087)	54.5% (2,834)	53.7% (3,836)	54.2% (4,132)
Other	9.3% (353)	11.8% (611)	12.4% (886)	12.5% (952)
<b>Marital Status***</b>				
Married	13.9% (527)	14.8% (773)	15.0% (1,040)	14.9% (1,120)
Never Married	64.4% (2,446)	65.6% (3,423)	67.6% (4,702)	68.7% (5,152)
Divorced, Separated, Widowed	21.8% (828)	19.6% (1,021)	17.4% (1,212)	16.4% (1,226)

**Note:** Counts may not sum to actual sample size because of missing data for some variables. Valid percentages are reported. \*p<.05, \*\*p<.01, \*\*\*p<.001

**Table 5. Demographic Characteristics of New TCA Applicants, 2007-2010**

	Sept 2007 (n=1,322)	Sept 2008 (n=1,703)	Sept 2009 (n=2,146)	Sept 2010 (n=2,123)
<b>Gender***</b>				
Female	89.4% (1,175)	86.1% (1,453)	84.3% (1,761)	82.7% (1,731)
Male	10.6% (140)	13.9% (234)	15.7% (329)	17.3% (362)
<b>Age at Application</b>				
Mean* [Median]	31.07 [28.09]	30.30 [26.97]	30.83 [28.38]	31.36 [29.10]
<b>Race**</b>				
Caucasian	34.9% (435)	37.8% (595)	33.3% (645)	35.3% (684)
African-American	56.9% (709)	52.6% (827)	54.9% (1,064)	53.4% (1,035)
Other	8.1% (101)	9.5% (150)	11.8% (228)	11.3% (218)
<b>Marital Status**</b>				
Married	15.7% (192)	14.9% (233)	18.7% (359)	17.5% (340)
Never Married	66.4% (813)	68.8% (1,075)	67.4% (1,291)	68.2% (1,325)
Divorced, Separated, Widowed	18.0% (220)	16.3% (255)	13.8% (265)	14.3% (278)

**Note:** Counts may not sum to actual sample size because of missing data for some variables. Valid percentages are reported. \*p<.05, \*\*p<.01, \*\*\*p<.001

## **Household Demographics**

We now look at two household-level variables: the distribution of various types of households among the FS and TCA new applicant populations and their geographic distribution across the state. Tables 6 and 7, following, present this information.

### **FS**

The most common household type among new FS applicants is one adult with no children. In each study period, slightly more than half of all new FS applications were filed by this type of household.

One parent families with children were the second largest cohort in all four years, but their share of all new FS applications went down over time. These families accounted for one of every four applications in 2007 (24.9%), but not quite one in five (18.6%) in 2010. Table 6 also shows a steady increase in the share of all new FS applications filed on behalf of child-only assistance units (from 8.3% in 2007 to 14.5% in 2010) while the shares accounted for by all forms of two-adult households were stable over time.

In terms of absolute numbers, we should reiterate, household type aside, the total volume of new families applying ballooned over time, reflecting national FS trends and the battered state of the economy. Some 4,150 FS applications were filed in Maryland in September 2007 by families who had no involvement with that program for at least 10 years. By September 2010, the volume of applications from new families had more than doubled, to 8,821.

The geographic distribution of new FS applications generally mirrors population distributions across the state and is fairly stable over time. In all four time periods, the largest number of applications from new families came from residents of Baltimore City, and the counties of Prince George's, Baltimore and Montgomery. In each year, not quite one in four new FS applications were filed in Baltimore City; slightly fewer than one in five came from Prince George's County; and roughly 10% each came from residents of Baltimore and Montgomery Counties. Across time, these four jurisdictions accounted for not quite two-thirds of all applications filed by families new to the FS program.

**Table 6. Household Type and Location for New FS Applicants, 2007-2010**

	Sept 2007 (n=4,150)	Sept 2008 (n=5,860)	Sept 2009 (n=8,256)	Sept 2010 (n=8,821)
<b>Household Type***</b>				
Children only	8.3% (338)	9.3% (536)	13.5% (1,106)	14.5% (1,260)
One adult with no children	52.4% (2,142)	51.1% (2,954)	51.7% (4,224)	54.0% (4,686)
One adult with children	24.9% (1,017)	24.2% (1,400)	20.9% (1,713)	18.6% (1,616)
Two or more adults with no children	5.3% (216)	5.6% (325)	4.7% (388)	5.2% (453)
Two or more adults with children	9.2% (375)	9.8% (567)	9.1% (747)	7.6% (658)
<b>Region***</b>				
Baltimore City	23.0% (950)	23.7% (1,387)	23.4% (1,921)	22.7% (1,964)
Prince George's County	17.9% (739)	19.4% (1,134)	19.5% (1,603)	19.0% (1,642)
Baltimore County	12.7% (526)	12.3% (719)	12.1% (997)	13.0% (1,122)
Montgomery County	10.0% (413)	9.9% (579)	10.5% (865)	11.0% (957)
Anne Arundel County	6.0% (247)	6.5% (379)	7.0% (577)	6.3% (542)
Metro Region	9.7% (400)	8.8% (514)	9.9% (814)	9.6% (830)
Southern Region	4.9% (201)	4.8% (283)	4.9% (406)	5.4% (470)
Western Region	5.8% (238)	5.1% (296)	4.4% (362)	4.7% (408)
Upper Shore Region	5.7% (236)	5.2% (302)	4.5% (369)	4.4% (381)
Lower Shore Region	4.5% (186)	4.3% (253)	3.7% (301)	4.0% (346)

**Note:** The regions are defined as follows: Metro (Carroll, Frederick, Harford, & Howard Counties); Southern (Calvert, Charles, & St. Mary's Counties); Western (Allegany, Garrett, & Washington Counties); Upper Shore (Caroline, Cecil, Dorchester, Kent, Queen Anne's, & Talbot Counties); and Lower Shore (Somerset, Wicomico, & Worcester Counties). Counts may not sum to actual sample size because of missing data for some variables. Valid percentages are reported. \*p<.05, \*\*p<.01, \*\*\*p<.001

### TCA

Table 7, below, presents comparable household type and geographic distribution findings concerning TCA applications filed by persons who had not used this program in at least the past 10 years, if ever. As one would expect given the two programs' different eligibility rules, the distribution of household types is somewhat different for TCA than for FS.

Here, the lion's share of new applications were filed either on behalf of a single-parent family with at least one child or for a child-only assistance unit. In all four years, single-parent households accounted for roughly two-fifths of all new TCA applications filed,

and about one-third were filed on behalf of child-only assistance units.

Although the absolute numbers are relatively small, it is worth noting that, over time, the number of applications filed by new two-parent households with children more than doubled (from 85 in September 2007 to 219 in September 2010), such that their share of all new TCA applications rose by about four percentage points during the period (from 6.8% to 10.7%). Although not shown in the table, further analysis revealed that two-parent new applications came disproportionately from residents of smaller, less urban jurisdictions on the Eastern Shore and in Western and Southern Maryland.

The geographic distribution of TCA applications filed by new families also generally mirrors population distributions across the state. In each of our four study months the four main population centers (Baltimore City, and the counties of Prince George's, Baltimore and Montgomery) together accounted for between three-fifths (62.9%) and two-thirds (66.7%) of all applications filed by families new to the TCA program.

The most notable change over time is a near 6 percentage point decrease (5.7%) in the share of new applications filed by Prince

George's County residents, from nearly one in five (18.6%) in 2007 to roughly one in 10 (12.9%) in 2010. In contrast, the Lower Shore counties (Somerset, Wicomico and Worcester) saw steady increases in new applications; their combined volume more than quadrupled between 2007 and 2010 (from 18 per month to 85 per month). The percentage of new applications arising from the metropolitan Baltimore area (Carroll, Frederick, Harford and Howard counties) also ticked upward over time, accounting for 7.3% of all statewide TCA applications from new families in 2007 to 10.9% in 2010.

**Table 7. Household Type and Location for New TCA Applicants, 2007-2010**

	Sept 2007 (n=1,322)		Sept 2008 (n=1,703)		Sept 2009 (n=2,146)		Sept 2010 (n=2,123)	
<b>Household Type***</b>								
Children only	34.6%	(430)	32.4%	(522)	36.6%	(752)	32.5%	(664)
One adult with no children	18.6%	(231)	13.7%	(220)	11.6%	(239)	14.5%	(296)
One adult with children	38.8%	(483)	44.0%	(708)	39.4%	(808)	41.1%	(839)
Two or more adults with no children	1.2%	(15)	1.2%	(19)	1.7%	(35)	1.2%	(25)
Two or more adults with children	6.8%	(85)	8.7%	(140)	10.7%	(219)	10.7%	(219)
<b>Region***</b>								
Baltimore City	20.1%	(252)	19.8%	(321)	21.8%	(450)	19.1%	(384)
Prince George's County	18.2%	(228)	14.2%	(231)	15.9%	(327)	12.9%	(260)
Baltimore County	16.6%	(208)	17.1%	(277)	14.2%	(293)	17.7%	(355)
Montgomery County	11.8%	(148)	11.8%	(191)	12.1%	(249)	12.5%	(252)
Anne Arundel County	7.4%	(93)	9.4%	(152)	9.6%	(198)	7.7%	(155)
Metro Region	7.3%	(92)	7.7%	(125)	9.2%	(190)	10.9%	(219)
Southern Region	4.7%	(59)	5.2%	(85)	4.1%	(85)	4.7%	(94)
Western Region	5.8%	(73)	5.9%	(96)	5.2%	(107)	5.2%	(105)
Upper Shore Region	6.5%	(82)	6.3%	(103)	4.9%	(100)	5.0%	(100)
Lower Shore Region	1.4%	(18)	2.6%	(43)	3.0%	(61)	4.2%	(85)

**Note:** The regions are defined as follows: Metro (Carroll, Frederick, Harford, & Howard Counties); Southern (Calvert, Charles, & St. Mary's Counties); Western (Allegany, Garrett, & Washington Counties); Upper Shore (Caroline, Cecil, Dorchester, Kent, Queen Anne's, & Talbot Counties); and Lower Shore (Somerset, Wicomico, & Worcester Counties). Counts may not sum to actual sample size because of missing data for some variables. Valid percentages are reported. \*p<.05, \*\*p<.01, \*\*\*p<.001

## Employment and Earnings

As discussed previously, FS and TCA are means-tested programs. Thus, to qualify for benefits, applicants must have incomes and assets below the maximums allowed for their family type and size.<sup>11</sup> FS and TCA benefits are thus not available on a universal basis, but everyone does have the right to file an application, as many new households did during and after the recession.

In this section, we examine new applicants' employment and earnings histories. This information is useful on a stand-alone basis, but may also shed some light on why some new FS and TCA applications were approved and others were not.

Everything else aside, income is a major component in eligibility determination for both FS and TCA, so a description of new applicants' employment and earnings histories in Maryland UI-covered jobs is relevant to both programs. The analysis should be particularly helpful in increasing our understanding of how new applicants' prior employment and earnings patterns may be associated with the filing of benefit applications and with the outcome (i.e., approval or denial) of those applications.

### Employment History

To varying degrees, FS and TCA are both meant to supplement income from other sources, usually employment, of low-income individuals and families. Nearly one-third (30.5%) of all participating FS households in FFY 2011 had earnings from employment; the Maryland percentage was 26.9% during the period (U.S. Department of Agriculture, 2012). We also know from Maryland's landmark *Life after Welfare* study and others that the majority of TCA recipients have worked in UI-covered jobs before

coming onto cash assistance and that most work after leaving welfare too (see, for example, Nicoli, Logan, & Born, 2012; Saunders, Kolupanowich & Born, 2012).

Table 8, following this discussion, confirms that families who were new applicants for FS or for TCA had not been strangers to the world of paid employment in the years immediately preceding their applications for help. Rather, work effort was common and it was persistent, in all four time periods, and for TCA applicants, as well as FS applicants.

As shown in Table 8, a high percentage of both FS and TCA applicants were working in the years prior to their initial application. Roughly 70% of FS applicants and 75% of TCA applicants were employed in a Maryland UI-covered job for at least one quarter in the two years prior to their application for benefits. The percentage of applicants who were employed dropped dramatically—to less than half among applicants for both programs—as they approached their application date. It is also important to note that TCA applicants have slightly higher percentages of new applicants employed in most of the periods examined. Still, for both programs and in all four years, in the quarter in which the FS or TCA application was filed, at least two-fifths of caseheads had at least some earnings from a Maryland job covered by the UI program.

<sup>11</sup> Some families are 'categorically eligible' for FS because they participate in TCA, SSI, or other state programs or because they receive or are authorized to receive noncash TCA benefits.

**Table 8. Percent Employed Before Initial Application, 2007-2010**

	Sept 2007	Sept 2008	Sept 2009	Sept 2010
<b>New FS Applicants</b>				
Employed in Last 8 Qtrs	69.0% (2,447)	70.5% (3,482)	71.5% (4,860)	70.4% (4,684)
Employed in Last 4 Qtrs**	61.2% (2,172)	62.9% (3,105)	60.8% (4,130)	59.3% (3,942)
Employed in Qtr Before*	46.9% (1,665)	47.0% (2,322)	44.7% (3,038)	45.8% (3,046)
Employed in Qtr of **	45.7% (1,621)	44.1% (2,176)	42.4% (2,880)	45.2% (3,003)
<b>New TCA Applicants</b>				
Employed in Last 8 Qtrs	75.8% (869)	74.3% (1,060)	75.3% (1,303)	78.4% (1,265)
Employed in Last 4 Qtrs*	69.0% (791)	67.0% (955)	63.5% (1,100)	65.8% (1,062)
Employed in Qtr Before**	53.3% (611)	49.3% (703)	46.7% (808)	49.9% (805)
Employed in Qtr of**	48.5% (556)	43.8% (625)	42.7% (739)	47.8% (771)

**Note:** Employment analyses exclude individuals for whom we have no unique identifying information. \*p<.05, \*\*p<.01, \*\*\*p<.001

### Earnings History

As Table 9 shows, new FS and TCA applicants who were or had been employed at several different points in the two years leading up to their filing for assistance did not tend to have high median earnings.<sup>12</sup> In general, however, new applicants in the later years (2009 and 2010) tended to have higher median earnings at every measuring point than did new applicants in 2008 and 2007. Table 9 also shows that in all four years and at all work measuring points, FS new applicants tended to have higher median earnings than did new applicants for TCA.

<sup>12</sup> All earnings are median or mid-point amounts, such that half of all employed new applicants have earnings smaller than the median amount and half have earnings that are larger. We use the median rather instead of the mean to avoid the influence of extreme values (i.e., a small number of cases with very high or very low earnings).

**Table 9. Median Total and Quarterly Earnings: New FS and TCA Applicants, 2007-2010**

	Sept 2007	Sept 2008	Sept 2009	Sept 2010
<b>New FS Applicants</b>				
Total Earnings: Last 8Q	\$16,846 (2,447)	\$16,482 (3,482)	\$19,451 (4,860)	\$20,054 (4,684)
Total Earnings: Last 4Q	\$9,851 (2,172)	\$10,275 (3,105)	\$11,715 (4,130)	\$12,395 (3,942)
Earning: Q before App.	\$3,494 (1,659)	\$3,663 (2,322)	\$4,095 (3,034)	\$4,308 (3,045)
Earnings: Q of App.	\$2,573 (1,621)	\$2,778 (2,176)	\$3,196 (2,880)	\$3,302 (3,003)
<b>New TCA Applicants</b>				
Total Earnings: Last 8Q	\$13,948 (869)	\$13,620 (1,060)	\$16,544 (1,303)	\$18,530 (1,265)
Total Earnings: Last 4Q	\$8,330 (791)	\$8,357 (955)	\$10,384 (1,100)	\$12,013 (1,062)
Earnings: Q before App.	\$3,240 (611)	\$3,194 (703)	\$4,103 (808)	\$4,142 (804)
Earnings: Q of App.	\$2,609 (556)	\$2,451 (625)	\$2,816 (739)	\$3,203 (771)

**Note:** Applicants with no earnings are excluded, so the median represents the median of those with valid earnings in that period. Employment analyses exclude individuals for whom we have no unique identifying information. Valid percentages are reported.



## FINDINGS: APPLICATION OUTCOMES AND THE DEMOGRAPHICS OF APPROVALS & DENIALS

### Application Outcomes

The preceding information makes it quite clear that the workloads of FIA staff, especially those on the front-lines, has increased considerably in the past few years, much more so than is evident in statistics about the increase in the size of the active FS and TCA caseloads. This is because every FS and TCA application—whether filed by a new or a returning client—must be processed so that a decision about eligibility or ineligibility for benefits can be made.

### Approval and Denial Rates

Table 10, following this discussion, shows approval and denial rates for new FS and TCA applications in each of our four study months and how these changed over time.

As would be expected given their very different income and other eligibility criteria, the patterns for FS and TCA are quite different. Most generally, the majority of FS applications in each study month were approved, while the majority of TCA applications were denied.

In 2007 and 2008, roughly two of every three FS new applications were approved, compared to about one in four new applications for TCA. Approval rates in both programs declined somewhat in 2009 and 2010. The FS approval rates were 63.1% and 62.6% in 2009 and 2010, respectively, and for TCA, the 2009 and 2010 approval rates were 22.3% and 19.0%.

Although FS approval rates were lower in 2009 and 2010 than they had been in 2007 and 2008, the sheer number of FS approvals was higher each subsequent year than it had been the year before because of the flood of new families who were applying for help. In September 2010, to illustrate, a bit more than three-fifths (62.6%) of new FS applications were approved, compared to about two-thirds (66.8%) in September 2007. However, the total number of approvals in September 2010 (n=5,466) was just about double the number approved in September 2007 (n=2,743).<sup>13</sup>

The TCA program also saw an increase, albeit a much less pronounced one, in the number of new applications for aid between September 2007 (n=1,318) and September 2010 (n=2,121). This did result in a larger number of application approvals in the latter month (n=402) than in the former (n=330).

The majority of TCA applications in all four time periods were denied, however, and the denial rate went up over time – from 75.0% in September 2007 to 81.0% in September 2010. Thus, the effect of the large influx of new TCA applications is primarily seen in the numbers of cases denied each year. In September 2007, when the denial rate was 75.0%, a total of 988 applications from new families were denied; in September 2010, when the denial rate was 81.0%, the total number of new applications denied was 1,719.

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<sup>13</sup> The actual number of denied applications was also much larger in September 2010 (n=3,271) than it was in September 2007 (n=1,363), again reflecting the huge influx of new families to the FS applicant pool between 2007 and 2010.

**Table 10. FS & TCA Approval and Denial Rates, 2007-2010**

	Sept 2007	Sept 2008	Sept 2009	Sept 2010
<b>FS New Applicants***</b>				
Approved	66.8% (2,743)	67.2% (3,903)	63.1% (5,183)	62.6% (5,466)
Denied	33.2% (1,363)	32.8% (1,909)	36.9% (3,025)	37.4% (3,271)
<b>TCA New Applicants***</b>				
Approved	25.0% (330)	26.5% (451)	22.3% (479)	19.0% (402)
Denied	75.0% (988)	73.5% (1,249)	77.7% (1,667)	81.0% (1,719)

**Note:** Some applications are excluded from this table due to incomplete data. Valid percentages are reported. \*p<.05, \*\*p<.01, \*\*\*p<.001

### Denial Reasons

We also looked at the frequency with which various specific reasons were recorded in the administrative data system as to why the FS and TCA applications of families new to those programs were not approved. For the TCA program, this information is presented separately for each study month in Table 11.

The key finding evident from Table 11 is that the top four TCA denial codes were the same in each of our four study months, and in the same order. These were, in descending order: voluntary application withdrawal; non-cooperation with the eligibility process; the client's failure to complete up-front job search; and having total income above the eligibility limit. In

each study period, the top four codes, considered together, accounted for more than three-quarters of all denials associated with applications filed by families who were new to the TCA program.

As shown in Table 12, below, there was much less consistency over time in terms of which administrative codes were most often used when FS applications filed by families with little or no experience with that program were denied. To some extent this is not surprising because, as discussed earlier, the FS program is open to a broader range of people because, unlike TCA, it has no categorical eligibility criterion and its income eligibility thresholds are more liberal. Still, Table 12 does suggest that there were

**Table 11. Reasons for Denial: New TCA Applications, 2007-2010**

Denial Code***	Sept 2007 (n=988)	Sept 2008 (n=1,249)	Sept 2009 (n=1,667)	Sept 2010 (n=1,719)
Voluntary withdrawal of application	35.0% (330)	34.1% (407)	31.2% (500)	32.7% (542)
Non-cooperation with eligibility process	21.2% (200)	24.1% (288)	27.9% (447)	29.3% (486)
Failure to complete up-front job search	15.1% (142)	17.5% (209)	14.0% (225)	13.1% (218)
Total income above limit	7.0% (66)	5.8% (69)	6.9% (111)	9.6% (159)
No required verification information	6.2% (58)	4.1% (49)	5.9% (95)	2.7% (44)
Failure to give eligibility information	4.2% (40)	4.4% (53)	2.5% (40)	2.7% (44)
Non-cooperation with child support	2.5% (24)	2.7% (32)	3.4% (54)	2.3% (39)
All other denial codes	8.7% (82)	7.2% (86)	8.2% (132)	7.7% (128)

**Note:** Some applications are excluded from this table due to incomplete data. Valid percentages are reported. .

\*p<.05, \*\*p<.01, \*\*\*p<.001

some real shifts over time in the reasons why FS applications from new families were not approved. Broadly speaking, the shift tended to be away from denials based on failure to provide necessary information or paperwork toward denials based on the fact that the applicant did not complete the eligibility interview.

In 2007 and 2008, to illustrate, roughly one in five applications were denied because verification was lacking; but by 2010, this reason accounted for only one denial in ten. On the other hand, incomplete interviews accounted for only 5% of all denials in 2007, but for 16% by 2012. The differences in denial reasons by year are statistically significant.

**Table 12. Reasons for Denial: New FS Applications, 2007-2010**

Denial Code***	Sept 2007 (n=1,363)	Sept 2008 (n=1,909)	Sept 2009 (n=3,025)	Sept 2010 (n=3,271)
Income over limit	19.6% (267)	23.6% (450)	20.2% (611)	21.0% (686)
No required verification	18.0% (246)	19.6% (375)	15.1% (456)	9.3% (303)
Failure to give eligibility information	17.2% (235)	13.2% (252)	13.6% (412)	12.1% (395)
Voluntary withdrawal of application	13.4% (183)	12.0% (230)	10.2% (310)	10.9% (358)
Non-cooperation with eligibility process	9.0% (122)	12.2% (232)	13.3% (402)	14.4% (471)
Interview not completed	5.9% (81)	4.1% (78)	14.4% (435)	16.0% (522)
No eligible members	4.7% (64)	4.5% (86)	4.1% (125)	5.1% (168)
All other denial codes	12.1% (165)	10.8% (206)	9.1% (274)	11.3% (368)

**Note:** Some applications are excluded from this table due to incomplete data. Valid percentages are reported. .

\*p<.05, \*\*p<.01, \*\*\*p<.001

## **The Demographics of Approvals and Denials**

Earlier in this report, we observed that the overall approval and denial rates for new applicants to FS and TCA did not change much over time. Most FS applications were approved in all four study months and the approval rate did not vary by more than 4.6% over the entire study period. Most TCA applications were denied and, over the four year period, approval rates did not vary by more than 6.0%.

We also noted, however, that both programs, especially FS, saw large increases in the total volumes of new applications filed between September 2007 and September 2010, regardless of the outcomes of those applications. FS applications from new families, to illustrate, more than doubled, while TCA applications increased by 60%. These increased application volumes were also found to be associated with some changes over time in the characteristics of new applicants and their households. Most notably, between September 2007 and September 2010, there were statistically significant increases in the percentages of applications in both FS and TCA that were filed by men and by persons of an ethnicity other than Caucasian or African-American.

Both programs also witnessed a shift in the relative shares of different types of households who were applying for the first time. In FS there was a significant increase in the percentage of child-only applications and a significant decrease in the share of new applications filed by single-parent families. In TCA the most notable shift was an increase in the share of applications filed by two-parent families with children.

An important related question of course, is whether there are any significant differences between the profiles of new applicants who are approved and those who are denied. We focus on this topic in the next section of this chapter, looking separately at the FS

and TCA programs in our four study periods. We begin with the TCA program; our findings are presented in Table 13, which follows this discussion.

### **TCA**

There are a voluminous number of data cells contained in Table 13, but the essential take-away points from it can be summarized rather succinctly. The first overarching finding is that, indeed, over time there were some statistically significant differences between applicants who were approved and those who were denied, as well as some commonalities.

In all four study periods, TCA applications filed by African-American adults residing in Baltimore City with no prior history of TCA receipt were significantly more likely to be approved than were applications filed by new families of other ethnic backgrounds or places of residence. Similarly, new applications filed by one-parent households with at least one child are more likely to be approved than are other types of families, and child-only cases are less likely to be approved. Applications filed in Montgomery were less likely to result in benefit approval in each of the four study periods.

The picture is less clear-cut with regard to two other demographic variables: marital status and gender. Marital status differs significantly in only two of the four time periods (2007 and 2010), but in the other two years as well, applications filed by never-married adults were more likely to be approved than were applications filed by persons with another marital status.

Finally, despite the documented increase over time in the share of new TCA applications filed by men (from 10.7% in 2007 to 17.3% in 2010), gender is not statistically significant in the first three years. However, in 2010, Table 13 shows that TCA applications with a male case head are less likely to have been approved

than were those where the casehead was female.

Generally speaking, Table 13 does not contain any major surprises, given the financial and categorical eligibility requirements of the TCA program, and the demographic realities of poverty in our nation and state. Rather than any marked change in the characteristics of families newly accessioning to cash assistance, what we really see in Table 13 is the great increase in the numbers of families – especially those headed by women - who, during the years immediately after the recession, felt the need to apply for financial assistance through the TCA program.

**Table 13. Individual and Household Demographics for Approved and Denied New TCA Applicants, 2007-2010**

	Sept 2007			Sept 2008			Sept 2009			Sept 2010		
	Approved (n=330)	Denied (n=988)	Total (n=1,318)	Approved (n=451)	Denied (n=1,249)	Total (n=1,700)	Approved (n=479)	Denied (n=1,667)	Total (n=2,146)	Approved (n=402)	Denied (n=1,719)	Total (n=2,121)
<b>Gender</b>												
Female	90.0% (297)	89.1% (874)	89.3% (1,171)	86.7% (384)	85.9% (1,066)	86.1% (1,450)	86.9% (412)	83.5% (1,349)	84.3% (1,761)	86.6% (343)	81.8% (1,387)	82.7% (1,730)
Male	10.0% (33)	10.9% (107)	10.7% (140)	13.3% (59)	14.1% (175)	13.9% (234)	13.1% (62)	16.5% (267)	15.7% (329)	13.4% (53)	18.2% (308)	17.3% (361)
<b>Median Age</b>	28.99	27.92	28.02	26.92	26.97	26.97	27.77	28.59	28.38	27.29	29.32	29.11
<b>Ethnicity</b>												
Caucasian	27.0% (86)	37.8% (349)	35.0% (435)*	28.3% (117)	41.3% (477)	37.9% (594)*	21.1% (95)	37.0% (550)	33.3% (645)*	24.7% (92)	37.9% (592)	35.3% (684)*
African American	67.9% (216)	53.1% (491)	56.9% (707)	62.5% (258)	49.1% (568)	52.6% (826)	66.4% (299)	51.4% (765)	54.9% (1,064)	67.0% (250)	50.2% (784)	53.4% (1,034)
Other	5.0% (16)	9.1% (84)	8.1% (100)	9.2% (38)	9.6% (111)	9.5% (149)	12.4% (56)	11.6% (172)	11.8% (228)	8.3% (31)	11.9% (186)	11.2% (217)
<b>Marital Status</b>												
Married	10.7% (33)	17.4% (159)	15.7% (192)	11.7% (48)	16.1% (185)	14.9% (233)	17.2% (78)	19.2% (281)	18.7% (359)	13.2% (50)	18.6% (290)	17.5% (340)
Never Married	72.3% (222)	64.2% (587)	66.3% (809)	75.2% (309)	66.4% (763)	68.7% (1,072)	70.2% (318)	66.6% (973)	67.4% (1,291)	72.9% (277)	67.0% (1,046)	68.2% (1,323)
Other	16.9% (52)	18.4% (168)	18.0% (220)	13.1% (54)	17.5% (201)	16.3% (255)	12.6% (57)	14.2% (208)	13.8% (265)	13.9% (53)	14.4% (225)	14.3% (278)
<b>Household Type</b>												
Child-Only	23.5% (72)	38.2% (358)	34.6% (430)*	24.6% (105)	35.2% (417)	32.4% (522)*	21.1% (97)	41.1% (655)	36.6% (752)*	20.8% (81)	35.2% (583)	32.5% (664)*
1 Adult Only	28.7% (88)	15.3% (143)	18.6% (231)	16.7% (71)	12.6% (149)	13.7% (220)	13.9% (64)	11.0% (175)	11.6% (239)	16.7% (65)	14.0% (231)	14.5% (296)
1 Adult & Child	45.3% (139)	36.7% (344)	38.8% (483)	51.9% (221)	41.2% (487)	44.0% (708)	52.0% (239)	35.7% (569)	39.4% (808)	51.9% (202)	38.5% (637)	41.1% (839)
2+ Adults Only	0.0% (0)	1.6% (15)	1.2% (15)	0.2% (1)	1.5% (18)	1.2% (19)	1.3% (6)	1.8% (29)	1.7% (35)	2.1% (8)	1.0% (17)	1.2% (25)
2+ Adults & Child	2.6% (8)	8.2% (77)	6.8% (85)	6.6% (28)	9.5% (112)	8.7% (140)	11.7% (54)	10.4% (165)	10.7% (219)	8.5% (33)	11.2% (186)	10.7% (219)
<b>Region</b>												
Baltimore City	33.4% (103)	15.7% (148)	20.1% (251)*	26.1% (112)	17.4% (208)	19.7% (320)*	35.8% (165)	17.8% (285)	21.8% (450)*	32.4% (126)	15.9% (258)	19.1% (384)*
Prince George's	14.6% (45)	19.4% (183)	18.2% (228)	21.4% (92)	11.7% (139)	14.3% (231)	16.9% (78)	15.6% (249)	15.9% (327)	12.6% (49)	13.0% (211)	13.0% (260)
Baltimore County	15.3% (47)	17.1% (161)	16.6% (208)	13.1% (56)	18.5% (221)	17.1% (277)	9.8% (45)	15.5% (248)	14.2% (293)	10.8% (42)	19.3% (312)	17.6% (354)
Montgomery	5.2% (16)	14.0% (132)	11.8% (148)	4.2% (18)	14.4% (172)	11.7% (190)	4.8% (22)	14.2% (227)	12.1% (249)	6.4% (25)	14.0% (227)	12.6% (252)
Anne Arundel	6.5% (20)	7.6% (72)	7.4% (92)	7.0% (30)	10.2% (122)	9.4% (152)	6.5% (30)	10.5% (168)	9.6% (198)	6.9% (27)	7.9% (128)	7.7% (155)
Metro	7.5% (23)	7.3% (69)	7.4% (92)	7.9% (34)	7.6% (91)	7.7% (125)	8.2% (38)	9.5% (152)	9.2% (190)	7.7% (30)	11.7% (189)	10.9% (219)
Southern	2.6% (8)	5.4% (51)	4.7% (59)	8.2% (35)	4.2% (50)	5.2% (85)	2.6% (12)	4.6% (73)	4.1% (85)	6.9% (27)	4.1% (67)	4.7% (94)
Western	5.2% (16)	6.1% (57)	5.8% (73)	3.7% (16)	6.7% (80)	5.9% (96)	3.7% (17)	5.6% (90)	5.2% (107)	5.7% (22)	5.1% (83)	5.2% (105)
Upper Shore	8.4% (26)	5.8% (55)	6.5% (81)	5.1% (22)	6.7% (80)	6.3% (102)	6.3% (29)	4.4% (71)	4.9% (100)	6.2% (24)	4.6% (75)	4.9% (99)
Lower Shore	1.3% (4)	1.5% (14)	1.4% (18)	3.3% (14)	2.4% (29)	2.7% (43)	5.4% (25)	2.3% (36)	3.0% (61)	4.4% (17)	4.2% (68)	4.2% (85)

**Note:** Counts may not sum to total due to missing data for some variables. Valid percentages are shown. \*p<.001

## FS

Table 14, on the next page, provides detailed findings, by year, about if and how the profile of new FS applicants may differ depending on whether their application for benefits was approved or denied. Again, there are a large number of data cells in Table 14, but the take-away points are not difficult to summarize.

The overarching finding from Table 14 is that, generally speaking, persons whose new FS applications were approved do differ from those persons whose new FS applications were denied. In all four time periods examined, to illustrate, there were statistically significant differences between the two groups of applicants on four of the five variables represented in the table.

More specifically, when case heads on new FS applications were male, benefits were more likely to be authorized, as was also the case when applications were filed by residents of Baltimore City, and by persons who were separated, divorced or widowed.

Household composition also differed significantly between approved and denied applicants in all four time periods. In each year, applications filed on behalf of a one-person, adult-only household were more likely to be approved, while applications made on behalf of child-only assistance units were less likely to be approved, as were two-adult households (with and without children present)

In all but one time period (2010), ethnicity was also significantly different; in the other three years applications filed by African-Americans were more likely to be approved than were applications filed by persons with other ethnic backgrounds.

The Table 14 findings about the characteristics of approved and denied new FS applicants/applications have some similarities to, as well as some differences from, the findings about new TCA applicants

and applications previously discussed. For both programs African-Americans and residents of Baltimore City were more likely to have their applications approved. On the three other variables, however, there are marked differences by application outcome.

For TCA, approvals were more likely in cases of new applications filed by never-married, single-parent, females with at least one child. In contrast, new applications for FS that were filed by men, by separated, divorced or widowed persons, and by one-person single adult households were more likely to be approved.

The most instructive finding from Table 14, however, is not one about differences between approved and denied cases. Rather it is the stark documentation provided in the table about the tremendous increase in economic distress which occurred between September 2007 and September 2010. This is evident from the fact that the monthly number of FS applications—from Marylanders who had not received benefits in at least 10 years, if ever—more than doubled in this period, from 4,108 in September 2007 to 8,737 in September 2010. It is evident as well in the fact that the number of households poor enough to have been approved to receive FS also doubled during the same period of time, from 2,743 in September 2007 to 5,466 in September 2010.

**Table 14. Individual and Household Demographics for Approved and Denied New FS Applicants, 2007-2010**

	Sept 2007			Sept 2008			Sept 2009			Sept 2010		
	Approved (n=2,743)	Denied (n=1,363)	Total (n=4,106)	Approved (n=3,903)	Denied (n=1,909)	Total (n=5,812)	Approved (n=5,183)	Denied (n=3,025)	Total (n=8,208)	Approved (n=5,466)	Denied (n=3,271)	Total (n=8,737)
<b>Gender</b>												
Female	59.4% (1,615)	74.9% (1,000)	64.5% (2,615)*	57.5% (2,194)	70.5% (1,295)	61.7% (3,489)*	55.7% (2,791)	67.2% (1,886)	59.8% (4,677)*	55.8% (2,984)	65.4% (2,060)	59.3% (5,044)*
Male	40.6% (1,103)	25.1% (336)	35.5% (1,439)	42.5% (1,623)	29.5% (541)	38.3% (2,164)	44.3% (2,222)	32.8% (920)	40.2% (3,142)	44.2% (2,365)	34.6% (1,091)	40.7% (3,456)
<b>Median Age</b>	33.29	29.81	32.17	31.96	32.11	32.05	31.59	30.82	31.35	32.83	30.39	31.99
<b>Ethnicity</b>												
Caucasian	34.0% (856)	38.7% (475)	35.6% (1,331)*	32.7% (1,141)	35.7% (597)	33.7% (1,738)*	32.4% (1,492)	36.7% (920)	34.0% (2,412)*	32.6% (1,564)	34.2% (942)	33.2% (2,506)
African American	57.0% (1,433)	51.3% (630)	55.1% (2,063)	56.8% (1,979)	49.6% (830)	54.5% (2,809)	55.5% (2,554)	50.2% (1,258)	53.7% (3,812)	54.6% (2,618)	53.7% (1,480)	54.3% (4,098)
Other	9.0% (226)	10.0% (123)	9.3% (349)	10.4% (364)	14.7% (245)	11.8% (609)	12.0% (552)	13.1% (328)	12.4% (880)	12.8% (612)	12.1% (334)	12.5% (946)
<b>Marital Status</b>												
Married	11.1% (290)	20.1% (230)	13.8% (520)*	12.4% (450)	20.7% (317)	14.8% (767)*	12.9% (610)	19.4% (419)	14.9% (1,029)*	13.2% (662)	18.3% (444)	14.9% (1,106)*
Never Married	65.0% (1,698)	63.2% (724)	64.4% (2,422)	67.1% (2,442)	62.3% (955)	65.7% (3,397)	68.6% (3,252)	65.5% (1,419)	67.6% (4,671)	69.0% (3,455)	68.4% (1,657)	68.8% (5,112)
Other	23.9% (626)	16.8% (192)	21.8% (818)	20.5% (748)	17.0% (261)	19.5% (1,009)	18.6% (880)	15.1% (327)	17.5% (1,207)	17.8% (893)	13.3% (321)	16.3% (1,214)
<b>Household Type</b>												
Child-Only	2.3% (63)	20.3% (275)	8.3% (338)*	4.0% (154)	20.2% (382)	9.3% (536)*	6.1% (313)	26.4% (793)	13.5% (1,106)*	6.0% (329)	28.8% (931)	14.5% (1,260)*
1 Adult Only	60.6% (1,658)	35.8% (484)	52.4% (2,142)	59.0% (2,299)	34.7% (655)	51.1% (2,954)	60.3% (3,117)	36.8% (1,107)	51.7% (4,224)	63.1% (3,435)	38.7% (1,251)	54.0% (4,686)
1 Adult & Child	26.3% (720)	22.0% (297)	24.9% (1,017)	25.1% (978)	22.4% (422)	24.2% (1,400)	23.1% (1,195)	17.2% (518)	20.9% (1,713)	20.8% (1,131)	15.0% (485)	18.6% (1,616)
2+ Adults Only	3.8% (105)	8.2% (111)	5.3% (216)	4.1% (158)	8.8% (167)	5.6% (325)	2.9% (152)	7.8% (236)	4.7% (388)	3.7% (199)	7.9% (254)	5.2% (453)
2+ Adults & Child	6.9% (190)	13.7% (185)	9.2% (375)	7.8% (305)	13.9% (262)	9.8% (567)	7.6% (394)	11.7% (353)	9.1% (747)	6.4% (349)	9.6% (309)	7.6% (658)
<b>Region</b>												
Baltimore City	26.5% (724)	16.0% (217)	23.0% (941)*	27.8% (1,084)	15.2% (290)	23.7% (1,374)*	27.7% (1,432)	16.0% (482)	23.4% (1,914)*	25.4% (1,384)	18.1% (570)	22.7% (1,954)*
Prince George's	19.0% (518)	15.7% (214)	17.9% (732)	19.5% (761)	19.1% (364)	19.4% (1,125)	19.8% (1,020)	18.9% (569)	19.5% (1,589)	17.9% (973)	20.9% (658)	19.0% (1,631)
Baltimore County	13.0% (356)	11.8% (160)	12.6% (516)	12.6% (489)	11.5% (220)	12.2% (709)	11.5% (596)	13.1% (395)	12.1% (991)	14.1% (766)	10.8% (340)	12.9% (1,106)
Montgomery	7.8% (212)	14.6% (199)	10.0% (411)	7.5% (292)	15.0% (285)	10.0% (577)	9.0% (465)	13.1% (394)	10.5% (859)	9.8% (536)	13.0% (411)	11.0% (947)
Anne Arundel	5.7% (157)	6.2% (84)	5.9% (241)	5.7% (223)	8.1% (155)	6.5% (378)	5.9% (305)	9.0% (271)	7.1% (576)	5.6% (306)	7.3% (231)	6.2% (537)
Metro	8.7% (237)	11.6% (158)	9.7% (395)	8.4% (328)	9.6% (183)	8.8% (511)	8.7% (451)	11.9% (358)	9.9% (809)	8.6% (468)	11.3% (356)	9.6% (824)
Southern	4.6% (127)	5.4% (74)	4.9% (201)	4.8% (186)	5.0% (96)	4.9% (282)	4.9% (255)	5.0% (149)	4.9% (404)	5.5% (298)	5.4% (170)	5.4% (468)
Western	5.0% (137)	7.3% (99)	5.8% (236)	4.6% (178)	6.0% (114)	5.0% (292)	4.0% (205)	5.1% (154)	4.4% (359)	4.5% (244)	5.1% (162)	4.7% (406)
Upper Shore	5.2% (141)	6.9% (94)	5.7% (235)	4.9% (189)	5.8% (111)	5.2% (300)	4.5% (231)	4.5% (136)	4.5% (367)	4.7% (255)	3.9% (124)	4.4% (379)
Lower Shore	4.5% (123)	4.5% (61)	4.5% (184)	4.2% (163)	4.6% (87)	4.3% (250)	3.9% (201)	3.3% (98)	3.7% (299)	4.0% (217)	4.1% (128)	4.0% (345)

**Note:** Counts may not sum to total due to missing data for some variables. Valid percentages are shown. \*p<.001

## CONCLUSIONS

The so-called Great Recession officially encompassed only the 18 months from December 2007 to June 2009, according to the National Bureau of Economic Research. A Forbes columnist opined in 2010 that “the Great Recession may technically be over, but in real terms it is not” (Wingfield, 2010).

The Forbes columnist was correct in 2010 and his statement is no less true today, in 2013. The recession’s damage is still being felt “on main street” via persistently elevated rates of unemployment and long-term unemployment, and increased numbers of individuals and families receiving means-tested benefits such as TCA and FS. The increase in the number and percentage of Americans receiving in-kind FS assistance in order to put food on their tables has, in fact, been unprecedented. By December 2012, enrollment had reached a new record high. Some 47.9 million Americans—more than one of every seven persons—were enrolled in FS.

Increases in TCA and FS caseload numbers are certainly one indicator of economic distress, but they tell only part of the story. Contrary to certain strains of current punditry, not everyone who applies for TCA or FS benefits is approved to receive them. Thus, a more accurate indicator of the recession’s widespread and persistent wake is information describing changes in the volume of applications for means-tested benefits over time. In particular, increases in the numbers of applications filed by persons with no recent, if any, use of TCA or FS can be very illustrative of the economic pain being felt by our communities’ families,

some of whom may be experiencing poverty for the very first time.

Today’s report confirms not only that there has been a sharp increase in the number of families receiving TCA or FS in our state but even steeper growth in the number of applications filed overall – and the number and share of applications filed by persons new to the programs. This is particularly the case with regard to FS, where the total number of monthly applications increased by more than 10,000 between September 2007 and September 2010 and where, by 2010, one of every three applications was being filed by a household with no history of receiving benefits in at least the past 10 years.

At the same time, our study found that the increase in total and new applications aside, the profile of families whose applications were eventually approved did not change all that much over time. Rather than any marked change in the characteristics of benefit recipients, the key take-away point is that there has been a huge and persistent increase over time in the numbers of families who perceive themselves to be in need of financial or food assistance.

Another less evident, but also important take-away is that the workloads of front-line DHR staff increased dramatically over the time period covered by our data because, whether it is ultimately approved or denied, each application must be reviewed, acted upon and documented. For these front-line staff, as for low-income families, the effects of the recession are still evident daily.



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