

# ALLEGANY COUNTY: ADULTS RECEIVING TEMPORARY CASH ASSISTANCE IN 2017

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## KEY FINDINGS

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

To assist local departments in serving their Temporary Cash Assistance (TCA) customers better, we are discussing adult recipients in each of the 24 jurisdictions over the course of four years. In this brief, we focus on Allegany County, which is located in Western Maryland between Garrett County and Washington County. Like its Western Maryland neighbors, Allegany County has low wages and high poverty. At just over \$56,000, median family income in Allegany County is \$36,000 less than median family income in Maryland (\$92,049) (U.S. Census Bureau, 2017b). Poverty in Allegany County is also high, as two in 10 families (20.4%) with children under 18 years old are living below the poverty level, compared to one in 10 (10.6%) statewide (U.S. Census Bureau, 2017b).

Allegany County recipients only comprise 2% of Maryland's state fiscal year (SFY) 2017 TCA caseload. However, its caseload is still larger than those of 13 jurisdictions, so it is worth noting how they compare to recipients in other parts of Maryland. Table 1 outlines demographic characteristics of Allegany County adult recipients. While the average age (32 years) is consistent with the rest of Maryland's adult recipients, Allegany County's demographics are distinct from other jurisdictions in a number of ways. Allegany County has one of the largest percentages of male adult recipients in the state, as only 79% are female in the jurisdiction. It also has one of the largest shares of Caucasian adult recipients (89.2%), which differs from the state as a whole but is similar to other Western Maryland counties. Additionally, Allegany County recipients are far less likely to have never married (55.3%) than recipients in the rest of Maryland's jurisdictions. About one in five (19.1%) are currently married, and one quarter (25.5%) are divorced, separated, or widowed.

- ❖ Allegany County adult recipients are typically Caucasian, in their early 30s, and are less likely to have never married than recipients in other jurisdictions.
- ❖ One quarter have not finished high school, and over 40% have a disability that is expected to last over 12 months.
- ❖ Less than half worked in the year before they began receiving TCA, but only one third of those employed worked all four quarters in that year.
- ❖ Earnings among employed adult recipients in that year were among the lowest in the state, with a median just over \$5,100.
- ❖ Almost half of adult recipients who worked in the year before they received TCA were employed in restaurants, administrative & support services, or accommodation.

**Table 1. Demographics**

<b>Gender</b>	
% Female	78.8%
<b>Age</b>	
Average	32.2
<b>Race &amp; Ethnicity</b>	
% Caucasian^	89.2%
% African American^	9.3%
% Hispanic	1.1%
% Other^	0.4%
<b>Marital Status</b>	
% Married	19.1%
% Never Married	55.3%
% Divorced, Separated, or Widowed	25.5%

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

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

County adult recipients in context with adult recipients statewide and in other jurisdictions. The lines represent the range of values seen in all jurisdictions, with the bars at the top and bottom indicating the *statewide high*—the highest value across all jurisdictions—and the *statewide low*—the lowest value across all jurisdictions. The square shows what the statewide average is, and the colored diamond denotes where Allegany County falls.

Overall, educational attainment among adult recipients in Allegany County mirrors educational attainment among adult recipients statewide. A slightly smaller percentage of Allegany County’s adult recipients (26.3%) did not finish high school than the statewide average (29.3%). Although Allegany County adult recipients are below the statewide average, they are still 13 percentage points above the statewide low (13.4%), indicating that a considerable portion may still benefit from completing high school.

### Data and Study Population

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

There are a variety of limitations to MABS data. MABS only reports data on a quarterly basis, which means that it is not possible to calculate weekly or monthly employment and earnings. Another limitation is that MABS does not contain data on certain types of employment, such as self-employment, independent contractors, and informal employment; consequently, earnings from under-the-table jobs are not included. Finally, MABS has no information on employment outside Maryland. A sizeable percentage (10.3%) of Allegany County residents work out of state, which is much higher than the national average (3.7%) but below the state average (16.9%) (U.S. Census Bureau, 2017a). As a result, we may be understating employment and some earnings.

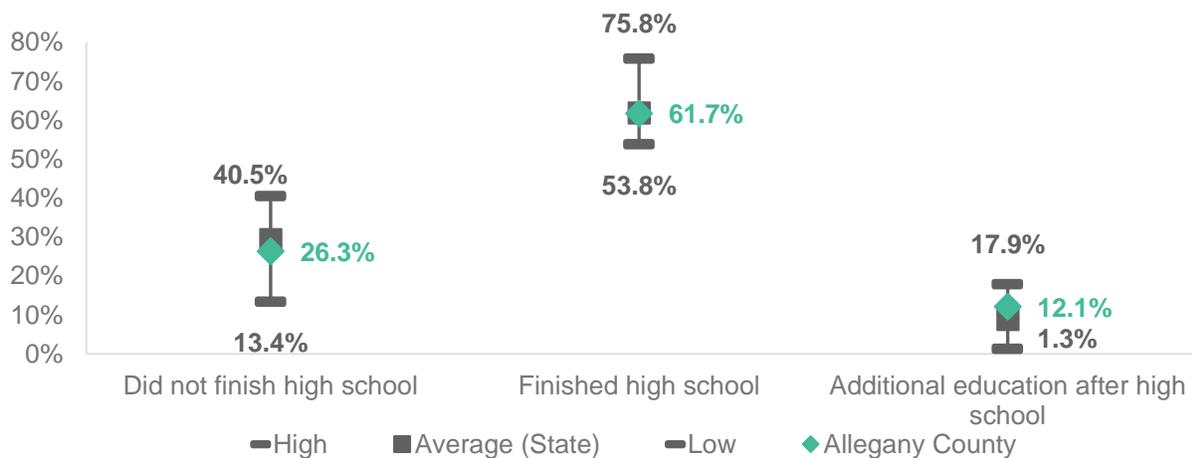
The study population in this report is the unique number of adults who received at least one month of TCA in SFY 2017 (July 2016 to June 2017). Statewide, 23,216 adults received TCA in SFY 2017; in Allegany County, 472 adults received TCA.

Nevertheless, virtually the same percentage of adult recipients in Allegany County (61.7%) and the state as a whole (61.9%) graduated from high school. Because the percentage with education beyond high school (12.1%) is above the statewide average (8.8%), adult recipients in Allegany County are slightly more likely to have education or training after high school than their counterparts elsewhere in the state. Additionally, the percentage with education beyond high school exceeds the percentage of adult recipients with education beyond high school in other Western Maryland counties.

Despite the fact that roughly three quarters of Allegany County adult recipients completed high school, some would still benefit from a high school education while others could gain additional education or credentials. Our research shows that the more education adult recipients have, the more likely they are to find good jobs or to realize economic stability (Nicoli, Passarella & Born, 2013; James & Nicoli, 2016).

The Maryland Department of Human Services (DHS) is already pursuing one potential avenue to increase educational attainment through partnering with the Maryland Department of Labor, Licensing & Regulation's (DLLR) Division of Workforce Development and Adult Learning. In Allegany County, Allegany College of Maryland offers adult education services for those who need assistance with reading, writing, mathematics, or GED preparation (Maryland Department of Labor, Licensing & Regulation, n.d.). Adult basic education can help adult recipients who lack a high school education with any number of goals, from improving literacy to completing a GED. The Workforce Innovation and Opportunity Act (WIOA) encourages this kind of partnership, and Maryland has been a leader in ensuring that high-need adults, such as TCA recipients, receive priority of service for programs like adult education as the law mandates (Center for Law and Social Policy, 2016).

**Figure 1. Educational Attainment**



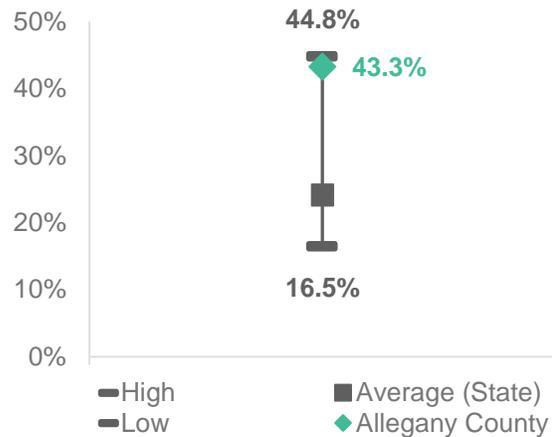
**Note:** *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported. General Education Development program (GED) certificates are included in high school completion rates.

Partnerships with other entities within Maryland’s workforce system may be beneficial for adult recipients with disabilities. Figure 2 shows the percentage of adult recipients who have disabilities that are expected to last longer than 12 months.<sup>1</sup> As with education, the figure includes the percentage for Allegany County adult recipients, the statewide average, and the highest and lowest percentages among all 24 jurisdictions. More than two in five (43.3%) adult recipients in Allegany County have a disability lasting longer than 12 months, a percentage that is close to double the statewide average of 24%. In fact, Allegany County has the second-highest percentage of adult recipients with disabilities lasting more than 12 months.

Due to the high rate of disabilities among adult recipients in Allegany County, many of those recipients may require disability-related services. This could be anything from assistance with applications for federal disability programs, such as Supplemental Security Income (SSI), to support for finding and keeping jobs while also managing disabilities. Through a statewide contract with a vendor, caseworkers can offer assistance to those who need help with applications for disability programs. For those with long-term disabilities who want to work, the Division of Rehabilitation Services (DORS) may be an excellent resource—and it has an office in Cumberland. Like the TCA program, DORS is part of Maryland’s workforce system, so this is another way that closer collaboration with workforce partners may benefit TCA customers.

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

**Figure 2. Percent with Disabilities Lasting 12+ Months**



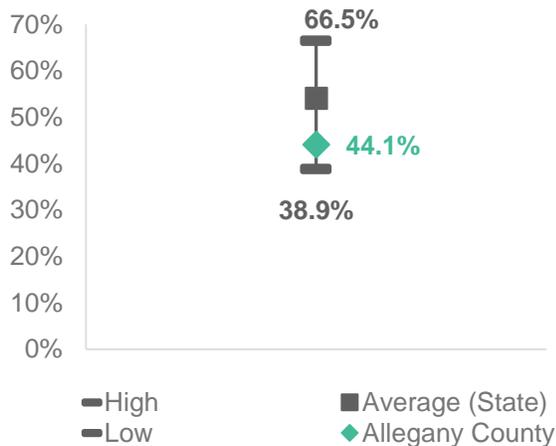
**Note:** *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported.

As TCA moves toward being more fully integrated with its workforce partners, understanding adult recipients’ work histories is even more important. After all, past employment experiences can shape future employment and earnings. To that end, Figure 3 displays the percentage of adult recipients who worked in the year before they began receiving TCA.<sup>2</sup> Less than half (44.1%) of Allegany County’s adult recipients were employed in the year prior to TCA receipt, which is 10 percentage points less than the statewide average (54.1%) and over 20 percentage points less than the statewide high (66.5%). One reason for low employment among adult recipients may be high unemployment throughout the jurisdiction in recent years. In 2017, the unemployment rate in Allegany County (5.8%) was the fourth-highest in the state (U.S. Bureau of Labor Statistics, 2018). With comparatively high

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

unemployment among all residents in the county, then, it is not surprising that employment participation among TCA adult recipients is on the lower end of the state.

**Figure 3. Percent Employed**  
Year before TCA Receipt



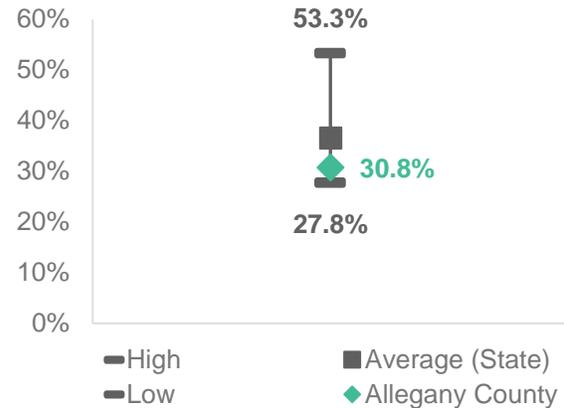
**Note:** *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported.

While these percentages provide useful information, it may also be helpful to know how many quarters adult recipients worked in the year before they began receiving TCA. Each year contains four quarters, so Figure 4 presents the percentage of employed adult recipients who worked all four quarters of that year. Like employment among adult recipients, full-year employment in Allegany County is low compared to the rest of the state. Less than one third (30.8%) of employed adult recipients in Allegany County worked all four quarters during the year prior to TCA receipt, which is about six percentage points lower than the statewide average (36.6%).

These findings indicate that many adult recipients have worked in the recent past, but over two thirds of those who were employed did not work consistently over the course of a year. Thus, Allegany County's

adult recipients may need more assistance than other jurisdictions with finding as well as retaining employment.

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



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

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

TCA recipients often have very low earnings compared to other workers in Maryland, but Allegany County adult recipients have some of the lowest earnings in the state. The median earnings in the year before TCA receipt in Allegany County were \$5,136, which was slightly below the statewide median (\$5,763). Garrett County and Washington County also fall below the statewide median, showing that low earnings are pervasive in the region.

Allegany County's low wages and high unemployment may play a role in inconsistent work among adult recipients. We know that many adult recipients work before receiving TCA, but they often do not work in all four quarters. At the same time, being unable to work a full year is likely to drive earnings downward. Adult recipients may not be able to work consistently because they do not earn enough to cover their job-related expenses, such as transportation, uniforms, and child care, which may lead to an inability to work. Research shows that inconsistent work for low-wage workers also negatively affects career advancement by limiting opportunities to search for better jobs, build additional skills, or attain more education or credentials (Smith & Halpin, n.d.). Better employment stability, then, can assist TCA adult recipients in achieving self-sufficiency in the short- and long-term.

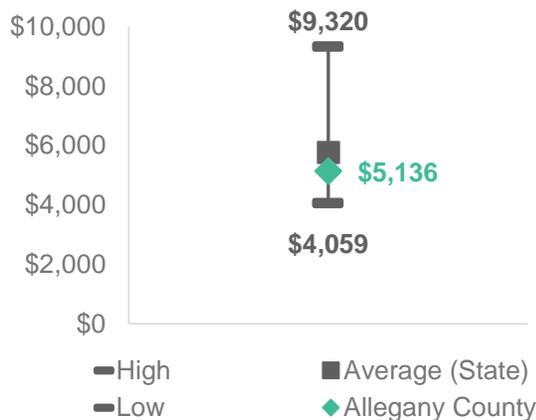
One strategy to improve job stability focuses on the industries in which adult recipients work. Helping adult recipients find employment in industries that offer higher pay is one way to increase self-sufficiency.

In Table 2 we report the three most common industries among Allegany County adult recipients who worked in the year before receiving TCA.<sup>3</sup> Over one in five (22.1%) adult recipients in Allegany County worked in the restaurant industry, while 14% worked in the administrative & support services industry, and about one in 10 (9.1%) worked in the accommodation industry. Aside from the Eastern Shore, jobs in the accommodation industry among adult recipients are uncommon in the state. In Allegany County, tourism surrounding Cumberland, historical sites, and numerous recreational areas may explain why adult recipients tend to work in this industry.

Prior research has found that Allegany County's two most common industries among employed adult recipients are not associated with high earnings. Individuals who left TCA and initially worked in these industries, particularly restaurants, have below-average earnings, and they were more likely to return to TCA (Nicoli, Passarella, & Born, 2014). They were also less likely to realize economic stability after exiting TCA (James & Nicoli, 2016).

Individuals who left TCA and initially worked in industries such as outpatient health care, nursing homes, hospitals, and education had above-average earnings (Nicoli et al., 2014) and were more likely to attain economic stability after exit (James & Nicoli, 2016). While some training is usually

**Figure 5. Median Earnings**  
Year before TCA Receipt



**Note:** *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Earnings are standardized to 2016 dollars.

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

required before entry into these industries, the county and state are equipped to provide assistance to adult TCA recipients pursuing such careers. Thus, helping adult recipients work in industries that require more specialized or technical skills, and offer better pay than Allegany County's three most common industries, is one potential pathway to increase earnings for adult recipients.

**Table 2. Three Most Common Industries**  
*Year before TCA Receipt*

<p><b>Restaurants</b> Full-service or fast food restaurants as well as caterers and mobile food services. (NAICS 722)</p>	22.1%
<p><b>Administrative &amp; Support Services</b> Organizations that support day-to-day operations—clerical, cleaning, and general management activities—and temporary employment services. (NAICS 561)</p>	13.5%
<p><b>Accommodation</b> Establishments that provide lodging or short-term accommodations for travelers, vacationers, and others. (NAICS 721)</p>	9.1%

**Note:** Valid percentages reported.

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