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# THE SELF-SUFFICIENCY STANDARD FOR FLORIDA 2007

WORK SUPPORT AND WAGE ADEQUACY MODELING TABLES

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Prepared for:



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*The conclusions and opinions contained within this document do not necessarily reflect the opinions of those who sponsored this report. Data published in this report is the author's responsibility.*

# Modeling the Impact of Child Support & Work Support on Wages Required to Meet Basic Needs

## INTRODUCTION

While the Self-Sufficiency Standard provides the amount of income that meets a family's basic needs without public or private assistance, many families cannot achieve self-sufficiency immediately. "Work supports" used to reduce costs for child care, food, health care, and housing can help a family achieve stability without compromising nutrition, living in overcrowded or substandard housing, or leaving children in unsafe and/or unstimulating child care environments. This stability also can help a family retain employment, which is a necessary condition for improving wages.

This document includes a brief discussion of the available work supports, summarized in Figure 1. Although not a "work support," child support can assist a family in meeting basic needs and is therefore included and modeled along with the other work supports discussed below.

This document contains two modeling tables. Table 1 shows the *Impact of the Addition of Child Support and Works Supports on the Monthly Costs and Self-Sufficiency Wage*. Table 2 shows the *Impact of Work Supports on Wage Adequacy*. Both tables model a family with one parent and two children (an infant and a preschooler) in Miami-Dade County, Florida.

A second document, the *Methodological Appendix, Florida 2007*, outlines the assumptions used for calculating the 2007 Florida Self-Sufficiency Standard, including taxes and tax credits.

## CHILD SUPPORT & WORK SUPPORTS: ASSUMPTIONS & SOURCES

**Child Support:** Unlike additional earned income, child support is not taxable and can significantly reduce the amount families need to earn both directly and through reduced taxes. In 2007, the

national average monthly child support for families who received payments with the assistance of state department of child support enforcement agencies was \$205. The average child support payment in Florida is \$194 per month.

Although 60% of custodial parents in the United States have child support awards, only 45% receive the full amount owed to them. Of the remaining 55% of custodial parents with child support awards, 31% receive a portion of the child support payment awarded, and 24% receive no support at all.

**Child Care Assistance:** Child care represents a major expense for families with children, thus child care assistance can greatly reduce monthly costs. However, according to the U.S. Department of Health and Human Services:

Over eight million children were potentially eligible for child care subsidies in 2003, under the eligibility rules of the Child Care and Development Fund (CCDF). While we do not know how many of these children were in families that needed help paying for child care, 28% of the potentially eligible children received subsidized care through CCDF or related funding streams in fiscal year 2003.

In Florida, approximately 105,200 children, or 63,500 families per month, received CCDF subsidies in fiscal year 2004. Those children represent 6% of Florida's 1,678,000 children under age 19 who lived in households with incomes at or below 200% of the Federal Poverty Level as of 2004.

**Food Stamp/Women, Infants, and Children:** The Food Stamp Program and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) are work supports used to reduce food costs. Food stamps are available to most

FIGURE 1: SUMMARY OF FLORIDA CHILD SUPPORT AND WORK SUPPORTS

WORK SUPPORT PROGRAM	BENEFIT	INCOME ELIGIBILITY
CHILD SUPPORT	Payment of \$194 per month (Florida average) from non-custodial parent	No income limit
SCHOOL READINESS PROGRAM	Child Care Subsidy	Up to 200% of FPL
SECTION 8 HOUSING CHOICE VOUCHERS	Housing costs set at 30% of monthly adjusted gross income	50% of area median income
MEDICAID	Fully subsidized health benefits	Family (parents included) up to 23.2% of FPL, and assets up to \$2,000. Children: under 1 up to 200% FPL, 1-5 years up to 133% FPL, 6-19 years 100% of FPL
FLORIDA KIDCARE	Partially Subsidized Health Benefits for Children	Children who are ineligible for Medicaid with family income up to 200% of FPL
FOOD STAMPS	Maximum benefit for a family of 3 is \$408	130% of FPL
SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)	\$39.99 benefit to purchase supplemental nutritious foods	Pregnant or parenting women with children up to age 5 who are at or below 185% of FPL
THE 2007 FEDERAL POVERTY LEVEL (FPL) FOR A FAMILY OF THREE IS \$17,170 (ANNUAL INCOME)		

households with a gross monthly income below 130% of the Federal Poverty Level (FPL).

Enrollment in the Food Stamp Program in 2005 reached 25.7 million people or 11.2 million households nationally. However, many families that leave the Temporary Assistance for Needy Families (TANF) cash assistance programs, though they remain eligible, do not continue to receive food stamps.

In Florida, participation in the Food Stamp Program has risen from 985,130 participants in fiscal year 2002 to 1,417,749 in fiscal year 2006, a 44% increase (not controlling for population increase), which is slightly higher than the national increase in food stamp participation.

WIC is a federal supplemental food program that helps pay for specific nutrient-rich foods and nutrition counseling for pregnant or postpartum women, infants, and children up to age five if their income falls at or below 185% of the FPL. In Florida, the WIC benefit averages \$39.99 (FY 2006) per month, while the food stamp benefit varies by income and other costs.

#### Children's Health Insurance Program (CHIP):

In Florida, and in most other states, families who enter the workforce from welfare are eligible for

continued coverage by Medicaid for themselves and their children for up to 12 months. When Medicaid is modeled as a work support, the Self-Sufficiency Standard assumes health care costs are zero for the adult(s) and child(ren). In some states, after one year of Medicaid transition, adults are covered only if family income is less than the state's Medicaid eligibility levels.

Children under 19 years of age in families who do not have private or employer-sponsored health insurance, and are not eligible for Medicaid, may be eligible for state CHIP (or S-CHIP), a joint federal-state program. In Florida, where the state CHIP program is called Florida KidCare, families with incomes up to 150% of the FPL pay a \$15 monthly premium, and families with incomes up to 200% of the FPL pay a \$20 monthly premium for children's coverage.

Florida KidCare programs served approximately 385,000 children in 2005, representing about 23% of children in 2005 under age 19 with family incomes at or below 200% of the FPL.

Overall, 9.5% of children (393,000 children) in Florida families who earn wages at or below 200% of the FPL did not have health insurance in 2005.

Because parents are not covered under Florida KidCare, when children are covered by Florida KidCare the Standard assumes no costs for the children, but for the single parent, assumes the health care costs of a single adult (\$178 per month).

**Housing Assistance:** Housing is a major expense for a family. Generally, housing assistance reduces housing costs to 30% of monthly-adjusted gross income for rent and utilities. However, despite their importance, housing subsidies are extremely limited due to funding and availability. Nationally, one-fourth of families eligible to receive federal housing assistance actually receive it; about 60% of U.S.

households receiving Section 8 housing vouchers include children. In March 2005, there were 89,806 Section 8 housing vouchers authorized for Florida, a cut of 3,522 families assisted from the previous year.

**TABLE 1: MODELING THE IMPACT OF CHILD SUPPORT & WORK SUPPORTS**

In Table 1, the Impact of Child Support and Work Supports on Monthly Costs is modeled for a family with one adult, one infant, and one preschooler in Miami-Dade County, Florida. Costs reduced by work supports in this table are noted in bold. (Note that while TANF, or Temporary Assistance for Needy Families, is available for the families with very low

Table 1  
Impact of the Addition of Child Support and Work Supports on Monthly Costs and Self-Sufficiency Wage  
*Single Parent with One Infant and One Preschooler, Miami-Dade County, FL 2007*

	#1	CHILD SUPPORT AND WORK SUPPORTS				
	SELF-SUFFICIENCY STANDARD	#2 Child Support	#3 Child Care and Child Support	#4 Child Care, [Food Stamps]/ WIC* & Medicaid	#5 Child Care, [Food Stamps]/ WIC* & FL KidCare	#6 Housing, Child Care, Food Stamps/ WIC* & FL KidCare
<b>MONTHLY COSTS:</b>						
Housing	\$1,018	\$1,018	\$1,018	\$1,018	\$1,018	\$540
Child Care	\$1,002	\$1,002	\$365	\$208	\$286	\$130
Food	\$414	\$414	\$414	\$374	\$374	\$323
Transportation	\$293	\$293	\$293	\$293	\$293	\$293
Health Care	\$484	\$484	\$484	\$0	\$178	\$173
Miscellaneous	\$321	\$321	\$321	\$321	\$321	\$321
Taxes	\$633	\$576	\$287	\$122	\$196	\$69
Earned Income Tax Credit	\$0	**	**	**	**	**
Child Care Tax Credit (-)	-\$100	-\$100	-\$91	-\$58	-\$77	-\$31
Child Tax Credit (-)	-\$167	-\$167	-\$62	-\$17	-\$34	\$0
Child Support		<b>-\$194</b>	<b>-\$194</b>			
<b>SELF-SUFFICIENCY WAGE:</b>						
HOURLY	\$22.15	\$20.72	\$16.11	\$12.84	\$14.52	\$10.33
MONTHLY	\$3,898	\$3,647	\$2,835	\$2,260	\$2,556	\$1,818
ANNUAL	\$46,781	\$43,764	\$34,020	\$27,125	\$30,669	\$21,818
Total Federal EITC (refundable, received annually)**		\$0	\$792	\$2,245	\$1,498	\$3,362
Total Federal CTC (refundable portion, received annually)**		\$0	\$1,259	\$1,791	\$1,594	\$1,510

\* WIC is the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) in Florida. Assumes average monthly value of WIC benefit \$39.99 (FY 2006).

\*\* See discussion in Methodological Assumptions and Sources for 2007 Florida Self-Sufficiency Standard

Note: Work supports in brackets [ ] indicate that we attempted to model this work support; however, if the income was high enough to meet the family's needs, it was too high to qualify for the work support.

incomes, it is not modeled here because the income required for TANF eligibility is well below the self-sufficiency income baseline.)

The first column of the modeling table is the Self-Sufficiency Standard. Serving as the “benchmark,” the Self-Sufficiency Standard column shows this family’s expenses, including taxes, without any child support or work supports to reduce these costs (except tax credits where applicable). The required Self-Sufficiency Wage for this Miami-Dade County family is **\$22.15** per hour.

The second column adds Florida’s average child support award of \$194 per month to the base Self-Sufficiency Standard. Unlike additional earned income, child support is not taxable and reduces the amount this family needs to earn by \$1.43 per hour to **\$20.72**.

The third column models the impact of child support and child care assistance. With the addition of the child care work support, child care costs are reduced substantially from \$1,002 to \$365 per month. The impact of child care assistance is dramatic; the family’s Self-Sufficiency Wage reduces to just over **\$16** per hour.

The fourth column models child care assistance, food stamps, WIC, and Medicaid. Medicaid reduces health care costs to zero and WIC reduces the cost of food from \$414 per month to \$374 per month (note that while food stamps are modeled, if the income is high enough to meet the family’s needs it remains above the food stamp eligibility level). With the reduction of health care and food costs, this family is eligible for child care assistance, reducing their cost of child care to \$208 per month. This family now only needs to earn **\$12.84** per hour to be self-sufficient.

When Florida KidCare is substituted for Medicaid (in the fifth column), the parent must begin paying his or her own health insurance costs, increasing the Self-Sufficiency Wage; therefore causing child care assistance to decrease. The Self-Sufficiency Wage is raised to **\$14.52** per hour.

Finally, with the addition of a housing subsidy, housing costs are reduced by nearly half, from \$1,018 to \$540. This parent’s Self-Sufficiency Wage reduces to **\$10.33** per hour. Even with the assistance of multiple work supports, the lowest Self-Sufficiency Wage is still almost \$4 more than the 2007 Florida minimum wage of \$6.67 per hour.

Note that the shaded rows at the bottom of the table show how much is received in tax credits *annually* for all modeled columns. This is done in order to be as realistic as possible because the refundable Earned Income Tax Credit (EITC) and the refundable portion of the Child Tax Credit (CTC) are overwhelmingly received *annually* by those families who are eligible. The Child Care Tax Credit, which is not refundable, is only shown as a *monthly* credit against federal taxes in both the Self-Sufficiency Standard and modeling columns.

## TABLE 2: THE IMPACT OF WORK SUPPORTS ON WAGE ADEQUACY

In the second modeling table, the Impact of Work Supports on Wage Adequacy is modeled. Wage Adequacy measures how well a given wage meets basic needs, taking into account the availability of various work supports—or lack thereof. If Wage Adequacy is at or above 100%, it means this wage is adequate or more than adequate to meet the family’s needs. Costs in the Wage Adequacy Table that are reduced by work supports are noted in bold. As in Table 1, the Wage Adequacy calculations in Table 2 assume that the refundable tax credits (EITC and the refundable portion of the CTC) are received *annually* and thus are not shown as available to reduce costs monthly.

The four wages (\$6.67, \$8.50, \$10.27, and \$11.76) are modeled in Panels A to D for the same family type as Table 1 (one adult with one infant and one preschooler) and in the same area (Miami-Dade County). Panel A, at the wage of \$6.67 per hour, represents the 2007 minimum wage for Florida. Panel B, \$8.50 per hour, represent the mid point between the minimum wage and the Living Wage. The Living

Table 2  
Impact of Work Supports on Wage Adequacy  
Single Parent with One Infant and One Preschooler, Miami-Dade County, FL 2007

PANEL A: WAGE ADEQUACY AT \$6.67 (FL MINIMUM WAGE)					
	WAGES ONLY	WAGES WITH WORK SUPPORTS			
	#1	#2	#3	#4	#5
	No Work Supports	Child Care	Child Care, Food Stamps, WIC & Medicaid	Child Care, Food Stamps, WIC & FL KidCare	Housing, Child Care, Food Stamps, WIC & FL KidCare
<b>TOTAL MONTHLY INCOME:</b>	\$1,174	\$1,174	\$1,174	\$1,174	\$1,174
<b>MONTHLY COSTS:</b>					
Housing	\$1,018	\$1,018	\$1,018	\$1,018	\$352
Child Care	\$1,002	\$78	\$78	\$78	\$78
Food	\$414	\$414	\$59	\$59	\$59
Transportation	\$293	\$293	\$293	\$293	\$293
Health Care	\$484	\$484	\$0	\$173	\$173
Miscellaneous	\$321	\$321	\$321	\$321	\$321
Taxes	\$112	\$112	\$112	\$112	\$112
Earned Income Tax Credit (-)	\$0	*	*	*	*
Child Care Tax Credit (-)	\$0	\$0	\$0	\$0	\$0
Child Tax Credit (-)	\$0	\$0	\$0	\$0	\$0
<b>TOTAL MONTHLY EXPENSES</b>	<b>\$3,644</b>	<b>\$2,720</b>	<b>\$1,882</b>	<b>\$2,055</b>	<b>\$1,389</b>
<b>SHORTFALL (-) or SURPLUS</b>	<b>(\$2,470)</b>	<b>(\$1,547)</b>	<b>(\$708)</b>	<b>(\$881)</b>	<b>(\$215)</b>
<b>WAGE ADEQUACY (Total Income/Total Expenses)</b>	<b>32%</b>	<b>43%</b>	<b>62%</b>	<b>57%</b>	<b>85%</b>
PANEL B: WAGE ADEQUACY AT \$8.50					
	WAGES ONLY	WAGES WITH WORK SUPPORTS			
	#1	#2	#3	#4	#5
	No Work Supports	Child Care	Child Care, Food Stamps, WIC & Medicaid	Child Care, Food Stamps, WIC & FL KidCare	Housing, Child Care, Food Stamps, WIC & FL KidCare
<b>TOTAL MONTHLY INCOME:</b>	\$1,496	\$1,496	\$1,496	\$1,496	\$1,496
<b>MONTHLY COSTS:</b>					
Housing	\$1,018	\$1,018	\$1,018	\$1,018	\$449
Child Care	\$1,002	\$104	\$104	\$104	\$104
Food	\$414	\$414	\$128	\$128	\$128
Transportation	\$293	\$293	\$293	\$293	\$293
Health Care	\$484	\$484	\$0	\$173	\$173
Miscellaneous	\$321	\$321	\$321	\$321	\$321
Taxes	\$137	\$137	\$137	\$137	\$137
Earned Income Tax Credit (-)	\$0	*	*	*	*
Child Care Tax Credit (-)	\$0	\$0	\$0	\$0	\$0
Child Tax Credit (-)	\$0	\$0	\$0	\$0	\$0
<b>TOTAL MONTHLY EXPENSES</b>	<b>\$3,669</b>	<b>\$2,771</b>	<b>\$2,002</b>	<b>\$2,175</b>	<b>\$1,606</b>
<b>SHORTFALL (-) or SURPLUS</b>	<b>(\$2,173)</b>	<b>(\$1,275)</b>	<b>(\$506)</b>	<b>(\$679)</b>	<b>(\$110)</b>
<b>WAGE ADEQUACY (Total Income/Total Expenses)</b>	<b>41%</b>	<b>54%</b>	<b>75%</b>	<b>69%</b>	<b>93%</b>

\* EITC is not received as a credit against taxes, so it is not shown as a monthly tax credit; likewise, only the nonrefundable portion of the Child Tax Credit (which is a credit against federal taxes) is shown, if any (see text for explanation).

Note: Brackets [ ] indicate that this family is not income eligible for this work support.

Table 2 Continued  
 Impact of Work Supports on Wage Adequacy  
 Single Parent with One Infant and One Preschooler, Miami-Dade County, FL 2007

PANEL C: WAGE ADEQUACY AT \$10.27 (MIAMI-DADE LIVING WAGE WITH EMPLOYER SPONSORED HEALTH BENEFITS)					
	WAGES ONLY	WAGES WITH WORK SUPPORTS			
	#1	#2	#3	#4	#5
	No Work Supports	Child Care	Child Care, Food Stamps, WIC & Medicaid	Child Care, Food Stamps, WIC & FL KidCare	Housing, Child Care, Food Stamps, WIC & FL KidCare
<b>TOTAL MONTHLY INCOME:</b>	\$1,808	\$1,808	\$1,808	\$1,808	\$1,808
<b>MONTHLY COSTS:</b>					
Housing	\$1,018	\$1,018	\$1,018	\$1,018	\$542
Child Care	\$1,002	\$130	\$130	\$130	\$130
Food	\$414	\$414	\$195	\$195	\$195
Transportation	\$293	\$293	\$293	\$293	\$293
Health Care	\$484	\$484	\$0	\$173	\$173
Miscellaneous	\$321	\$321	\$321	\$321	\$321
Taxes	\$191	\$191	\$191	\$191	\$191
Earned Income Tax Credit (-)	\$0	*	*	*	*
Child Care Tax Credit (-)	(\$30)	(\$30)	(\$30)	(\$30)	(\$30)
Child Tax Credit (-)	\$0	\$0	\$0	\$0	\$0
<b>TOTAL MONTHLY EXPENSES</b>	<b>\$3,693</b>	<b>\$2,821</b>	<b>\$2,119</b>	<b>\$2,292</b>	<b>\$1,816</b>
<b>SHORTFALL (-) or SURPLUS</b>	<b>(\$1,885)</b>	<b>(\$1,014)</b>	<b>(\$311)</b>	<b>(\$484)</b>	<b>(\$9)</b>
<b>WAGE ADEQUACY (Total Income/Total Expenses)</b>	<b>49%</b>	<b>64%</b>	<b>85%</b>	<b>79%</b>	<b>100%</b>
PANEL D: WAGE ADEQUACY AT \$11.76 (MIAMI-DADE LIVING WAGE WITHOUT EMPLOYER SPONSORED HEALTH BENEFITS)					
	WAGES ONLY	WAGES WITH WORK SUPPORTS			
	#1	#2	#3	#4	#5
	No Work Supports	Child Care	Child Care, [Food Stamps], WIC & Medicaid	Child Care, [Food Stamps], WIC & FL KidCare	Housing, Child Care, [Food Stamps], WIC & FL KidCare
<b>TOTAL MONTHLY INCOME:</b>	\$2,070	\$2,070	\$2,070	\$2,070	\$2,070
<b>MONTHLY COSTS:</b>					
Housing	\$1,018	\$1,018	\$1,018	\$1,018	\$621
Child Care	\$1,002	\$156	\$156	\$156	\$156
Food	\$414	\$414	\$374	\$374	\$374
Transportation	\$293	\$293	\$293	\$293	\$293
Health Care	\$484	\$484	\$0	\$173	\$173
Miscellaneous	\$321	\$321	\$321	\$321	\$321
Taxes	\$237	\$237	\$237	\$237	\$237
Earned Income Tax Credit (-)	\$0	*	*	*	*
Child Care Tax Credit (-)	(\$57)	(\$57)	(\$57)	(\$57)	(\$57)
Child Tax Credit (-)	\$0	\$0	\$0	\$0	\$0
<b>TOTAL MONTHLY EXPENSES</b>	<b>\$3,713</b>	<b>\$2,867</b>	<b>\$2,343</b>	<b>\$2,517</b>	<b>\$2,120</b>
<b>SHORTFALL (-) or SURPLUS</b>	<b>(\$1,643)</b>	<b>(\$797)</b>	<b>(\$274)</b>	<b>(\$447)</b>	<b>(\$50)</b>
<b>WAGE ADEQUACY (Total Income/Total Expenses)</b>	<b>56%</b>	<b>72%</b>	<b>88%</b>	<b>82%</b>	<b>98%</b>

\* EITC is not received as a credit against taxes, so it is not shown as a monthly tax credit; likewise, only the nonrefundable portion of the Child Tax Credit (which is a credit against federal taxes) is shown, if any (see text for explanation).

Note: Brackets [ ] indicate that this family is not income eligible for this work support.

Wage for employee’s covered by employer sponsored health care in Miami-Dade County is \$10.27 per hour, as shown in Panel C. The Miami-Dade County Living Wage was initially defined as 10 percent above the 1997 Federal Poverty Level for a family of four and has since been increased annually with the inflation rate. The final panel at \$11.76 per hour, shows the Living Wage of employees *without* employer sponsored health care in Miami-Dade County.

Column 1 in each panel is again the benchmark, showing the Wage Adequacy for each of the four wages modeled with no work supports (“wages only”). At \$6.67 per hour, Wage Adequacy for this family is 32% and moves progressively up to 56% at a wage of \$11.76 per hour.

The addition of child care assistance significantly impacts Wage Adequacy, increasing it to 43% at \$6.67 per hour and up to 72% at \$11.76 per hour.

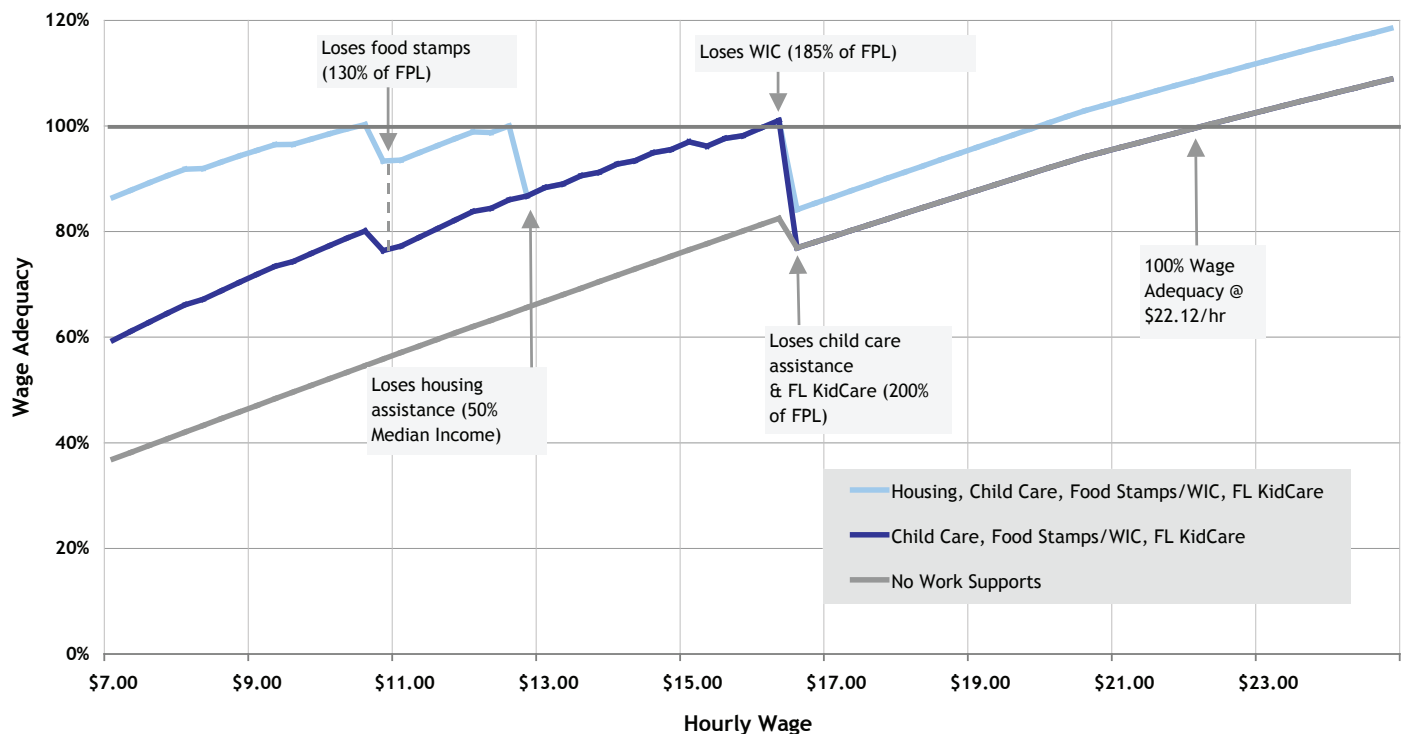
Adding food stamps, WIC, and Medicaid to child care assistance increases Wage Adequacy to 62% at \$6.67 per hour and up to 88% at \$11.76 per hour. (Note this family is no longer eligible for food stamps at a wage of \$11.76 per hour.)

When Florida KidCare is substituted for Medicaid (and the other work supports remain the same), Wage Adequacy declines somewhat to 57% at a wage of \$6.67 and falls to 82% at the wage of \$11.76.

Finally, when housing assistance is added to the previous set of work supports, Wage Adequacy at \$6.67 per hour has risen to 85% and at \$11.76 per hour increases to 98%. Note that Wage Adequacy for a family earning a wage of \$11.76 per hour is slightly less than for a family earning \$10.27 per hour because the family earning \$11.76 per hour is not eligible for food stamps. Thus, a small raise of about \$1.50 per hour results in what is often called a

### FIGURE 2. IMPACT OF WORK SUPPORTS ON WAGE ADEQUACY

Miami-Dade County, FL 2007  
 Single Adult with One Infant and One Preschooler



“cliff”. That is, when the family’s income increases to the point where they are no longer eligible for a work support, the total net resources available to the family decreases, or increases only slightly.

Figure 2 depicts the impact of cliffs as the same family type (one adult with one infant and one preschooler) in Miami-Dade County moves from earning \$7.00 per hour to \$23.00 per hour. At \$10.27 per hour, the family’s resources equal **100%** with the help of the full work support package of housing, child care, food stamps, WIC and Florida KidCare. However, if the parent’s hourly wage increases from \$10.27 to \$10.75, Wage Adequacy decreases from **\$100%** to **93%** due to the loss of food stamps. The family’s total resources do not reach **100%** again until the parent earns \$12.50 per hour.

If the parent’s income increases slightly from \$12.50 to \$12.75 per hour another cliff occurs. At \$12.75 per hour, the parent’s income is above 50% of median income in Miami-Dade County and he or she is no longer eligible for housing assistance. Thus, Wage Adequacy decreases from **100%** to **87%**, resulting

in the same amount of resources the family had at \$7.00 per hour while eligible for housing assistance.

When a family is eligible for multiple work supports, the result of increased earnings can mean significant reductions in overall resources. In Florida, both child care assistance and Florida KidCare are tied to eligibility based on the FPL. Maximum income eligibility for both of these work supports is 200% of the Federal Poverty Level. Consequently, the loss of both work supports at \$16.50 per hour results in a total loss of over \$800 in benefits. The Wage Adequacy of this family falls from **101%** at \$16.25 per hour to **77%** at \$16.50 per hour. The family does not reach **100%** of Wage Adequacy again until the parent earns the full Self-Sufficiency Wage of \$22.15 per hour. However, with all four work supports (child care assistance, Florida KidCare, Food Stamps, and housing) he or she is able to meet his or her family’s needs at wages as low as \$10.33 per hour. These work supports are key for helping families as they move towards self-sufficiency.

## Conclusion

Work supports play a significant role in helping low-wage workers meet basic needs for their family. When assisted temporarily with work supports until they are able to earn Self-Sufficiency Wages, families are able to meet their needs as they enter or re-enter the workforce. Meeting basic needs means they are more likely to achieve stability in housing, child care, diet, and health care, which subsequently helps support their ability to achieve stable employment. Thus, carefully targeted programs and tax policies can play an important role in helping families become self-sufficient.

For further information about the Standard, how it is calculated or used, or the findings reported here, contact Dr. Diana Pearce at [pearce@u.washington.edu](mailto:pearce@u.washington.edu) or (206) 616-2850, or the Center for Women's Welfare staff at (206) 685-5264.

To order a copy of the 2007 Self-Sufficiency Standard for Florida, or to find out more about the Human Services Coalition, please call (305) 576-5001, or visit [www.hscdade.org](http://www.hscdade.org).

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