



INSTITUTE *for*
RESEARCH *on*
POVERTY

UNIVERSITY OF WISCONSIN-MADISON

December 11, 2012

The Role of Child Support in the Economic Safety Net

Kristen S. Slack
Lonnie Berger
Bomi Kim
Mi Youn Yang

Questions

- What is today's economic safety net for low-income families nationally and in Wisconsin?
 - What role does child support play?
- What family characteristics are associated with different income/benefit “packages”?

Family Support Study: 2009-10

- Targeted WIC offices around the State
- 22 sites participated (out of ~ 85)
- Survey packets distributed at application and renewal; ~ half returned
- Self-administered; English and Spanish
- Final sample =1,065

The Economic Safety Net

(common benefits/\$ sources)

Measured

- TANF/W-2
- Food Stamps/SNAP
- SSI
- Child care subsidies
- **Child Support**
- Earnings

Not Measured

- Housing subsidies
- EITC
- Energy assistance/LIHEAP

Table 1. Characteristics of FFCW and FSS Samples

	FSS (Wisconsin) (N=1,065)
	%/Mean (SE)
Primary caregiver age	28 (6.9)
Race/ethnicity	
Non-Hispanic white	63%
Non-Hispanic black	10%
Hispanic	18%
Other race/ethnicity	10%
Number of children	2 (1.4)
Age of youngest child (months)	21 (20)
Married	43%
Cohabiting	28%
Single	30%
Education level (HS+)	84%
Unemployment benefits	15%
TANF	15%
SNAP	67%
Medicaid	87%
SSI	4%
Child support	24%
Child care subsidies	18%
WIC	100%

Income/Benefit Receipt and Amounts: 2010

Table 2a. 2010 Months of Benefit Receipt and Annual Amounts (N=1,065)

	Any receipt (%)	Average \$ received	Average # months received	Average \$ given receipt	Average # months given receipt
Earnings*	55	5,847	1.76 (qtrs)	10,501	3.2 (qtrs)
UI Benefit	15	669	0.9	4,512	6.1
TANF	145	413	0.8	2,818	5.4
SNAP	67	2,440	6.1	3,650	9.1
SSI	4	239	0.4	6,526	11.2
Child Care Subsidies	18	1,042	1.3	5,692	7.3
Child Support	24	623	1.9	2,645	8.0
Medicaid	87		9.7		11.1

*Based on quarterly data.

Income/Benefit Receipt and Amounts: 2010 Married Parents

Table 2b. 2010 Months of Benefit Receipt and Annual Amounts: Married Respondents

N=459	Any receipt (%)	Average \$ received	Average # months received	Average \$ given receipt	Average # months given receipt
Earnings*	46	5,171	1.47 (qtrs)	11,148	3.2
UI Benefit	10	446	0.6	4,629	5.9
TANF	3	107	0.2	3,268	6.1
SNAP	60	2,036	5.1	3,384	8.5
SSI	2	116	0.2	5,891	11.8
Child Care Subsidies	8	524	0.7	6,299	7.8
Child Support	13	401	1.1	3,052	8.3
Medicaid	82		9.0		10.9

*Based on quarterly data.

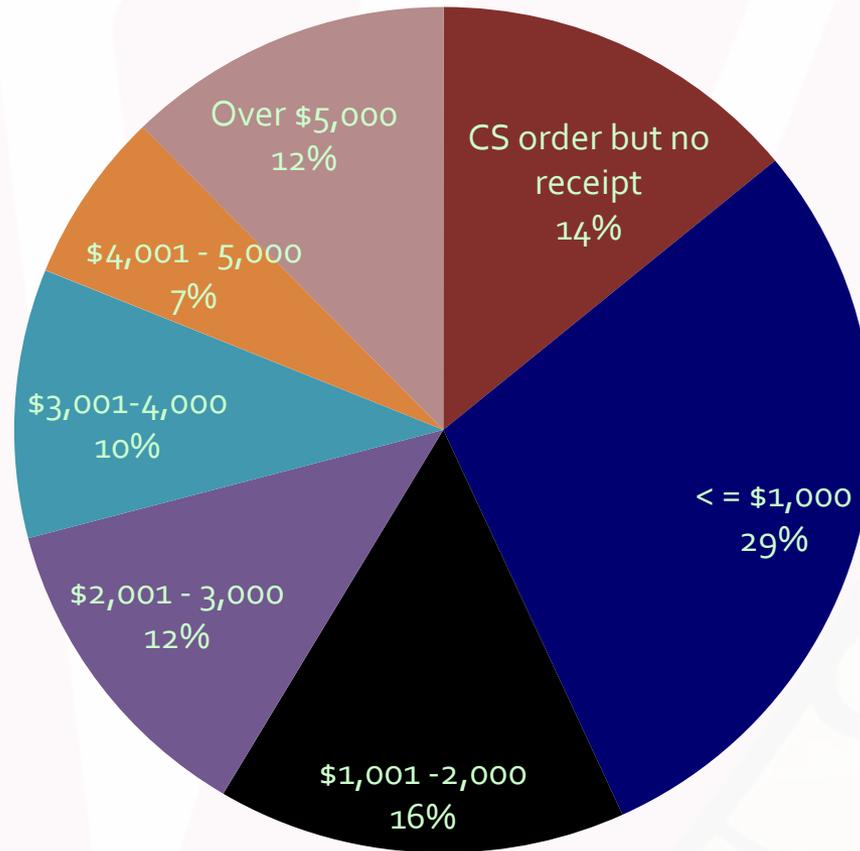
Income/Benefit Receipt and Amounts: 2010 Single Parents

Table 2b. 2010 Mths of Income/Benefit Receipt and Annual Amounts: Single Respondents

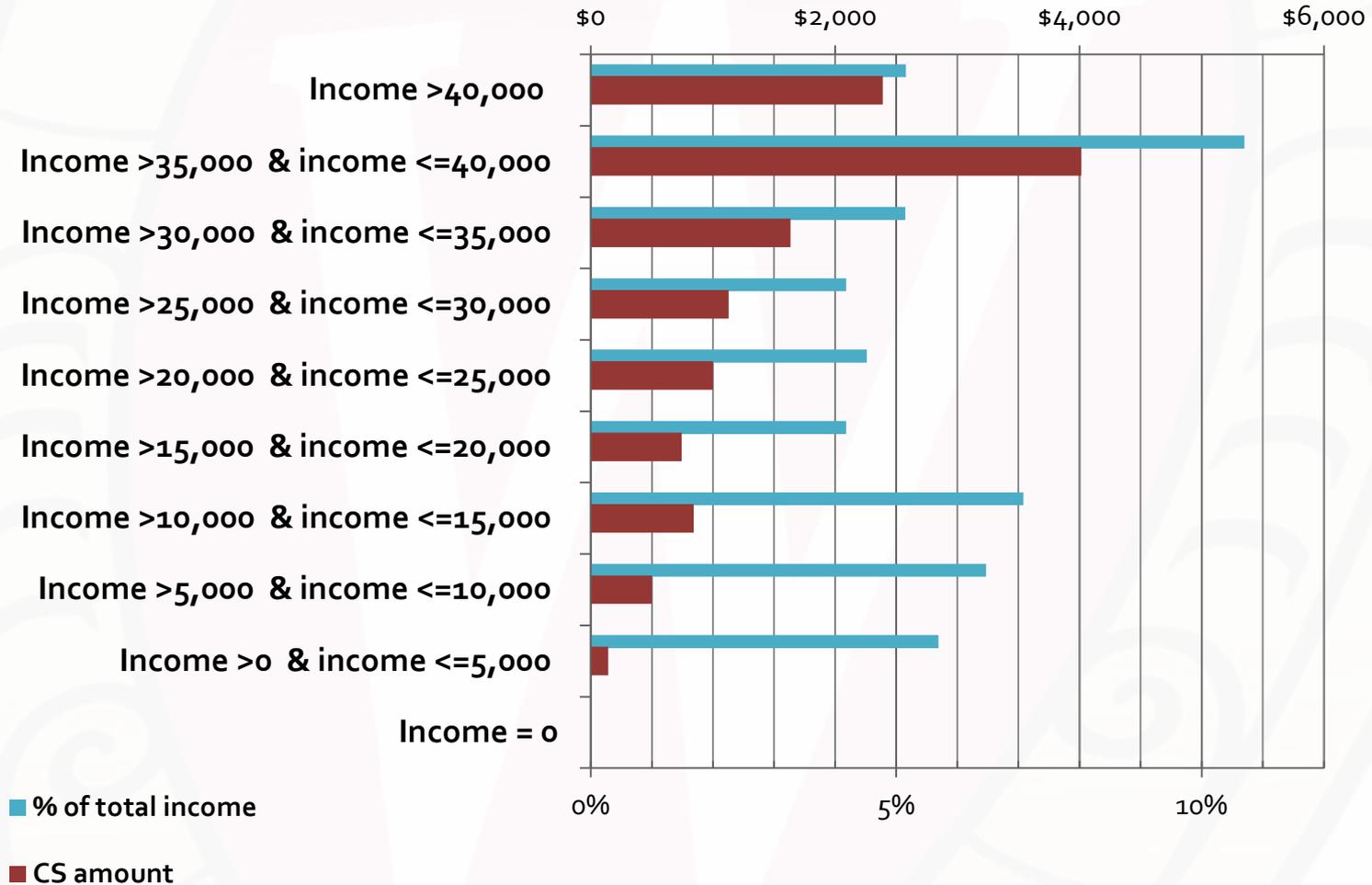
N=317	Any receipt (%)	Average \$ received	Average # months received	Average \$ given receipt	Average # months given receipt
Earnings*	64	6,714	2.1	10,470	3.2
UI Benefit	18	649	1.0	3,651	5.5
TANF	32	940	1.8	2,961	5.6
SNAP	77	3,021	7.6	3,933	9.8
SSI	7	507	0.9	6,947	11.6
Child Care Subsidies	32	1,977	2.5	6,105	7.6
Child Support	40	1,047	3.1	2,596	7.7
Medicaid	91		10.3		11.3

*Based on quarterly data.

Child Support Amounts, Given CS Order



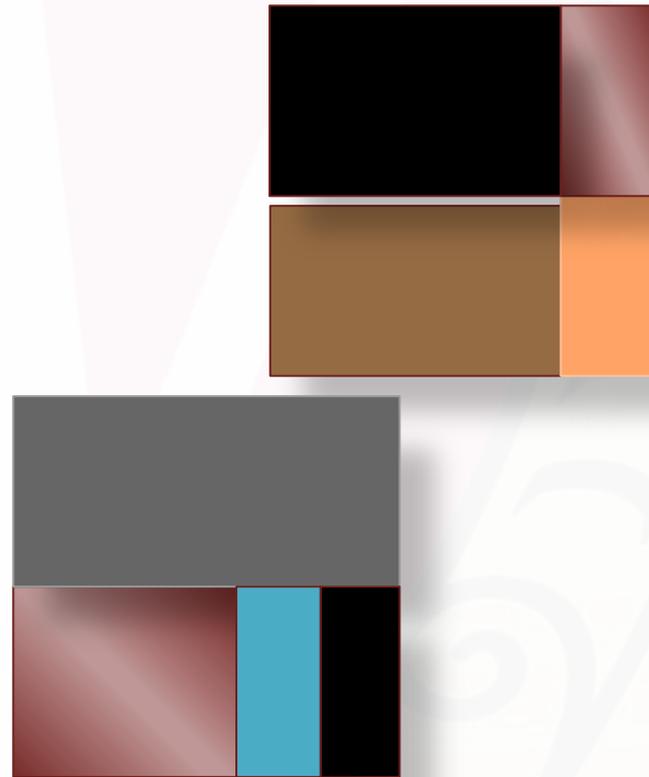
Child Support as a % of Total Income



How do families “package” income/benefits?

Cluster analysis

Groups data in a way that maximizes similarities within-group and maximizes differences across groups



Income/Benefit Packages

Table 3. Income/Benefit Clusters of FSS Sample

N=1,065	Cluster 1 (n=133)	Cluster 2 (n=362)	Cluster 3 (n=308)	Cluster 4 (n=262)
Group Name	High Work + High Welfare + UI	Moderate Work + High Welfare + CS	Low Work + Partial Welfare	Low Work + Low Welfare
Work	79.69	66.02	44.81	41.98
UI Benefit	100.00	6.91	0.00	0.00
TANF	19.55	35.08	.97	0.00
SNAP	77.44	80.94	99.68	3.44
SSI	.75	3.59	7.14	1.15
Child Care Subsidy	26.32	44.20	0.00	0.00
Child Support	17.29	62.71	0.00	.38
Medicaid/BadgerCare	94.74	97.24	100.00	54.96

Table 4. FSS Sample Demographic Characteristics by Cluster

N=1,065	Cluster 1 (n=133)	Cluster 2 (n=362)	Cluster 3 (n=308)	Cluster 4 (n=262)
Group name:	High Work + High Welfare + UI	Moderate Work + High Welfare + CS	Low Work + Partial Welfare	Low Work + Low Welfare
Demographic Characteristics				
Primary caregiver age	28.12	27.84	27.85	29.13
Race/ethnicity				
Non-Hispanic White	65.41	65.19	58.44	62.97
Non-Hispanic Black***	15.79	15.47	4.87	4.20
Hispanic***	9.02	10.50	26.30	23.28
Other race/ethnicity	9.77	8.88	10.39	9.54
Number of children	2.15	2.28	2.12	2.18
Age of youngest child(months)	17.43	20.74	20.27	23.13
Married***	28.57	23.76	59.74	56.87
Cohabiting*	36.84	27.90	26.30	22.52
Single***	33.83	48.34	13.96	19.85
Education level (HS+)	84.21	82.04	81.82	87.79

***p<.001; **p<.01; *p<.05

Table 5. Child Support Characteristics by Sample Clusters

N=1,065	N	Cluster 1 (n=133)	Cluster 2 (n=362)	Cluster 3 (n=308)	Cluster 4 (n=262)
Group name		High Work + High Welfare + UI	Moderate Work + High Welfare + CS	Low Work + Partial Welfare	Low Work + Low Welfare
No CS order ***	773	77.44	32.32	96.75	97.33
CS order/ No CS receipt ***	41	5.26	4.97	3.25	2.29
CS order/ CS receipt ***	251	17.29	62.71	0	0.38
CS continuous in year ***	93	6.77	23.21	0	0
CS (1-11 mos) ***	158	10.52	39.50	0	0.38
CS amount >=50%***	32	0	8.84	0	0
CS amount > 0 and < 50%***	219	17.29	53.87	0	0.38

***p<.001; **p<.01; *p<.05

Limitations

- Target sample is WIC recipients—not generalizable to all low-income families
- Response rate was only 50%
- Lacked information on some key income sources & benefits

Observations

- Remnants of old safety net present (Food Stamps/Medicaid, to some extent cash assistance)
- Work factors prominently, but given work requirements for many benefits & low-wage work instability, “package” disruptions likely
- Packages sensitive to family structure and differ by race/ethnicity, and to some extent child age
- Child support is a key component of the safety net for low-income families, particularly those with moderate work levels and high levels of welfare receipt



Questions