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Understanding Racial and Ethnic Differences in SSA and Means-Tested Benefit Receipt and Their Anti-Poverty Effects for Children in Multigenerational Families

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Abstract

A growing share of children reside in households with caregivers who are not their biological parents or in three-generation households that include one or more grandparents. Such arrangements are especially common among Black and Latina households and among low-income households in which one or more members receive Old Age, Survivors, Disability Insurance (OASDI), or Supplemental Security Income (SSI). Access to such benefits may have important implications for the well-being of children in these households, but little is known about the mix of benefits such families utilize or the ways in which Social Security Administration program-use varies by race/ethnicity. Using administrative data from the state of Wisconsin from 2010-2019, this study describes the reported income sources among low-income households with children who have been involved in safety net programs. About two-thirds of grandparent-led households in these data receive some income from Social Security, as well as nearly half of three-generation households, twice the rate of the sample overall. Social Security programs reduce the poverty rate by nearly 18 points for grandparent households and about eight points for three-generation households. Black families with children are especially supported by Social Security programs, reducing the poverty rate for these households by over seven points, which is nearly twice the reduction among similar white families with children. SSI is especially important in reducing poverty for children in Black households. Low-income households with children rely on a range of support programs beyond wages, but Social Security programs are a critical source of income for many.

Keywords: Administrative data, program interactions; children; multigenerational households; poverty; race and ethnicity

JEL Codes: D10, J10, H55, I38, P46

1. Introduction / Literature Review

A growing share of children reside in households with caregivers, often their grandparents, who are not their biological parents (i.e., in "skipped-generation" or "grandfamily" households), or in three-generation households that include one or both of their parents as well as one or more grandparents (Pilkauskas and Cross 2018). Such arrangements are more likely among families of color (Pilkauskas and Cross 2018; Amorim, Dunifon and Pilkauskas 2017), families with very young children (Pilkauskas and Cross 2018; Amorim, Dunifon and Pilkauskas 2017), and a growing number of low-income households in which one or more members receives Social Security benefits (Pilkauskas and Cross 2018). Access to such benefits may have important implications for child well-being; however, little is known about the extent to which Social Security Administration (SSA) programs provide support to households with children, including what proportion of which benefits go to such households, what proportion of such households receive which benefits, the proportion of total household income accounted for by such benefits, the anti-poverty effect of such benefits, and how benefit-receipt and its anti-poverty effects may differ by family structure and race or ethnicity.

Data restrictions (e.g., small sample sizes, lack of detailed data across programs, and unreliable race and ethnicity data) have further limited researchers' ability to answer important questions regarding the effectiveness and equitable distribution of SSA benefits. For example, SSA has not published data by race and ethnicity since 2002 for Supplemental Security Income (SSI) recipients and since 2009 for OASDI beneficiaries due to changes in the enumeration process that no longer collects race or ethnicity data (Martin 2016). Census data, primarily from the Current Population Survey (CPS), Survey of Income and Program Participation (SIPP), American Community Survey (ACS), and the Health and Retirement Study (HRS) are the main sources used to track SSI recipients and OASDI beneficiaries. The SIPP provides the richest data for doing so, including a four-year panel collected three times per annum in recent years, and can be matched to SSA records. These surveys' samples, however, do not provide rich data over time for the full population (Manning, Brown and Stykes 2014).

This study uses a unique linked state administrative data system to develop a more detailed view of government transfers for contemporary families. Specifically, using the Wisconsin Administrative Data Core (WADC), this analysis estimates the extent to which SSA programs provide support to low-income households with children, the proportion of households

in these populations, and the importance of SSA benefits for household income, including the anti-poverty effects of various programs. This analysis also utilizes state administrative data to lay the groundwork for future research to inform benefit structure and eligibility rules to support family well-being and program equity goals using more detailed data on a larger population.

1.1 Multigenerational Families: Incidence and Trends

The proportion of children living in multigenerational family arrangements has increased over time (Amorim, Dunifon, and Pilkauskas 2017). Using data from the SIPP, Pilkauskas and Cross (2018) find that 10.5 percent of children lived with their grandparents in 2009 (2.5 percent in grandfamily households and 8 percent in three-generation households) compared to 7.5 percent in 1996. The authors also use data from the ACS to demonstrate that the percentage of children living with grandparents continued to increase through 2016, with 9.8 percent of children living in three-generation households and 1.9 percent living in grandfamily households (Pilkauskas and Cross 2018). Amorim, Dunifon, and Pilkauskas (2017), using pooled data from the ACS and National Longitudinal Survey of Youth (NLSY–97), estimate that nearly one-in-three US children will live with their grandparents at some point during childhood. Specifically, approximately 5 percent of all children will live in a grandfamily and 25 percent will live in a three-generation household.

Prior research suggests important differences between grandfamilies and three-generation households and recommends separate analysis of these populations (Dunifon, Ziol-Guest, and Kopko 2014). For example, the two types of families tend to form for different reasons: grandfamilies are often formed as a result of parental substance use, incarceration, mental health issues, or death (Gleeson et al. 2009), while three-generation households may be more likely to result from teen parenthood, parents' or grandparents' need for financial or instrumental support, or cultural preferences (Dunifon, Ziol-Guest, and Kopko 2014). Many children living in grandfamilies have experienced some type of event or circumstance that required removal from the parental home, which may impact their well-being and development independent of the living arrangement itself (Dunifon, Ziol-Guest, and Kopko 2014). Grandfamilies may also be particularly economically disadvantaged. Two-thirds of children living with custodial grandparents are in households with income less than 200 percent of the poverty line; half of

these households have income below 100 percent of the poverty line (Dunifon, Ziol-Guest, and Kopko 2014).

Both types of living arrangements are more common among families of color, with the probability of experiencing three-generation co-residence most common for Asian children—37.5 percent, compared to 29 percent of black children, 26.6 percent of Hispanic children, and 20.5 percent of white children (Amorim, Dunifon, and Pilkauskas 2017). Black children are roughly two to three times as likely to ever live in a grandfamily household (10 percent), compared to Hispanic (5.3 percent) and white children (3.5 percent), respectively (Amorim, Dunifon, and Pilkauskas 2017). Children are also disproportionately likely to experience living with grandparents during their first year of life, a crucial developmental time, versus later in childhood (Amorim, Dunifon, and Pilkauskas 2017).

The reasons for the increase in the number of children living with grandparents remain somewhat speculative; however, potential factors include changing demographics of the US population (Pilkauskas and Cross 2018; Dunifon, Ziol-Guest, Kopko 2014), high rates of parental incarceration, the opioid epidemic (Dolbin-MacNab and O'Connell 2021), and high housing costs (Pilkauskas and Michelmore 2019). Although the Great Recession may have played a role in the increase, Pilkauskas and Cross (2018) note that the trend began prior to its beginning and continued beyond its end. Pilkauskas and Cross (2018) also estimate that Social Security receipt accounted for a one-half percentage point increase in three-generation family households (19 percent of the total percentage point change).

1.2 Role of SSA and Other Benefits

SSA benefit receipt often has a substantial impact on the economic well-being of households with children (e.g., Romig 2022). Prior studies show the anti-poverty effects of SSA programs for the elderly, disabled, and survivors (Burtless 2019; Daly and Duggan 2019; Maestas 2019). Other studies show similar but smaller levels of support from means-tested benefits such as the Supplemental Nutrition Assistance Program (SNAP), the Earned Income Tax Credit (EITC), and Temporary Assistance for Needy Families (TANF) (Hoynes 2019; Hoynes and Schanzenbach 2018; Pac et al. 2017; Schanzenbach 2019; Ziliak 2016). Many of these studies also estimate program anti-poverty effects for families with children, including the population as a whole and for key demographic subgroups defined by race/ethnicity. But strikingly little research has

examined the reach and anti-poverty effects of SSA programs for grandparent and three-generation families with children. Many households with children who receive SSA program benefits also receive means-tested benefits, including state-administered programs, which may provide even larger combined anti-poverty effects of multiple program participation. Much of the prior research has used survey rather than administrative data—which likely underestimates the anti-poverty effects of SSA benefits for children (Koenig and Rupp 2004; Meyer and Wu 2018; Tamborini, Cupito, and Shoffner 2011). Non-SSA means-tested benefits often provide less generous levels of support than SSA programs (Hoynes and Shanzenbach 2018; Hoynes 2019; Ziliak 2016).

In the data used for this study, households are drawn from applicants to safety net programs, such as SNAP. Just under two-thirds of all SSI recipients receive SNAP (Hemmter and Bailey 2015), suggesting a high correlation with SSA means-tested eligibility. Overall, about 10 percent of SNAP households with children receive Old Age, Survivors, and Disability Insurance (OASDI) benefits, and 12.5 percent receive SSI benefits (USDA 2020). However, a higher proportion of multigenerational households receive SNAP compared to households in the overall population (Pilkauskas and Cross 2018). In fact, using state administrative data from Texas matched with ACS data, one study shows that almost half of households receiving SNAP included non-recipient household members (Czajka, Cunnyngham, and Rosso 2015). While the sample of households with children we use in this study is unique, it focuses on key populations who are involved in safety net programs.

2. Data and Methods

Grandfamilies and three-generation families are at disproportionately high risk of financial hardships (Pilkauskas and Dunifon 2016), and these family types are disproportionately common among non-white households (Weaver 2020). It is challenging to observe these subpopulations in publicly available survey data, however.

The data used in the current study are drawn from administrative records from the State of Wisconsin, which have been linked and harmonized across programs in a resource called the Wisconsin Administrative Data Core (WADC). These data provide several advantages for social policy research. First, they provide information regarding the full population of people enrolled in the social welfare programs contained in the WADC. Second, the panel data include

information on race and ethnicity such that, even if it is missing in one particular system, it can potentially be pulled and linked from another. In addition, the WADC data capture detailed information on state programs. There are only a few studies of SSA programs that include information on state supplemental programs (Daly and Duggan 2019; Neumark and Powers 2005).

The Institute for Research on Poverty (IRP) at the University of Wisconsin-Madison administers the WADC. This current study identifies households with children using the following administrative data, primarily from three state agencies:

WI Department of Health Services (DHS)

- Food Share/SNAP/Food Stamps
- Medicaid/BadgerCare/ State Children's Health Insurance Program (SCHIP)

WI Department of Children and Families (DCF)

- TANF/W-2/Child Care/Caretaker Supplement
- Child Support
- Child Welfare/Child Protective Services

WI Department of Workforce Development (DWD)

- Unemployment Insurance (UI) wage records
- UI benefits

In addition, we use data from the Wisconsin Department of Corrections to identify whether any child in the household's biological parent had been incarcerated in the Wisconsin prison system.

Within the WADC, the Multi-Sample Person File (MSPF) identifies each individual who appears in the administrative data of contributing state programs. Individuals are then matched across all of the program data systems to create a unique record for each individual. The WADC also includes demographic information for each individual. Separate files indicate family relationships (e.g., mothers and fathers) for those individuals for whom these relationships can be determined from the available data. These files can be linked to program case and participation files, resulting in the creation of analysis files that include administrative data from multiple sources across time, and enabling the identification of individuals living in the same household.

Monthly SSI and OASDI receipt and amount are included in the WADC based on Wisconsin's CARES public assistance eligibility determination system and are obtained in the long-term through an administrative benefits verification with SSA. The CARES data system

includes information on the entire population of recipients of cash Caretaker Supplements (CTS) for disabled parents with minor children, as well as a history of household members on the same administrative case, their relationships to one another, and income from earnings.

Wisconsin provides an SSI supplement for many recipients of federal SSI and a state Caretaker Supplement payment for each eligible child living with an SSI-receiving parent or guardian. With respect to the OASDI and SSI programs, the data include monthly receipt and benefit amounts for retirement (wage earner and spouse), deceased spouse, surviving spouse, surviving child, disability (wage earner, child, wife, widow(er)), and SSI federal, state, and Exceptional Expense Supplement benefits.

Sample construction.

Households in this sample are constructed from CARES cases by calendar year. Each CARES case has one Primary Person (PP), roughly analogous to a head of household, who is the point of contact for state or county human services agencies. In most cases, the PP is the female case head, or the mother in the household, but any household member may be the PP. In the WADC data, each CARES case participant has a role designation; 1 indicates a PP, and increasing values indicate a decreasingly proximal relationship to the PP. For example, 2 and 3 signify a spouse, while higher values such as 21 indicate a friend or unrelated person. Further, an individual can be a part of more than one CARES case at a time. In constructing our sample, we leverage these relationship codes to identify familial relationships and remove duplicate individual entries within cases.

To construct the full sample of cases, we start with all individuals included in CARES cases active between 2010 and 2019. For each year, we retain cases that have at least one child and one adult (based on age as of each December 31). In each year, we drop cases in which:

- No PP is identified.
- The PP dies over the course of the year.
- At least one person aged 16 or older does not have a Social Security Number in WADC.
- No benefits are recorded in WADC during the study window.

The final sample from CARES includes 3,772,300 case-year pairs, or households, comprising 677,461 unique CARES cases and roughly 2.5 million individuals. In 2010, there

were about 337,664 households, with the household count increasing to 396,514 by 2019. By comparison, in 2019 the Census reported the state of Wisconsin had about 2.3 million households and about 620,000 households with children under age 18. The WADC/CARES sample of households with children likely represents the lowest-income sub-population of households in Wisconsin (Census ACS Table S1101).

Household composition.

We identify grandparent-led (or "grandfamily") and three-generation households by the CARES role designation in WADC. Grandparent households are those in which one of the individuals in the case is identified as a grandchild of the PP. Three-generation households are those in which the PP's child and own parents are listed among case individuals, or the PP's child(ren) and grandchild(ren) are both in the household (these latter cases are not listed as grandparent households to create mutually exclusive categories).

Measures: Income, benefits, and poverty.

All earnings (including child support) and benefits (unemployment compensation, SSA programs, WI Caretaker Supplement, SNAP, Medicaid, childcare subsidies, and TANF) are summed at the year level for each individual. Medicaid receipt is reported as the number of months per year each person is covered.[1] Finally, all earnings are summed at the case-year level by program. We construct total income by summing each household's combined income and benefits. All dollars are then inflation-adjusted using Consumer Price Index for All Urban Consumers (CPI-U) to 2019 dollars. For each of the programs, we construct variables indicating whether any of the household participants received the benefit in each year.

To create our poverty measure, we first create poverty thresholds for each household. We take the U.S. Census Bureau's poverty thresholds from 2010 and assign a dollar poverty threshold to each case-year pair based on the number of adults and children. The poverty threshold is top-coded at the 9-person household level. Each year's poverty threshold is then

[1] Individuals can be included in more than one CARES case per year. For those individuals (about a quarter of the sample), all cash and SNAP dollars are scaled proportionately by the number of times they are in the data. For example, those who are in two cases have half of their earnings allocated to each case's household earnings.

CPI-U adjusted to 2019 dollars by year, consistent with the Census Bureau's annual update to the poverty threshold. Secondly, earnings for poverty calculations (i.e., numerator) are the sum of earned wages, SSA programs, CTS, TANF cash, child support, and UI compensation. Households are identified in poverty if their income-to-poverty ratio is less than 1. Each program's marginal effect on the sample's poverty rate is calculated by netting out each program from the poverty numerator and thus reflects a percentage-point change in the poverty rate.

Demographic data.

As the calculations in the current study are at the case-year level, demographics are presented for the primary person (PP). First, race/ethnicity is constructed as a mutually exclusive category, indicating whether the PP is White, Black, Latina, or other/unknown (about 6 percent of households). Age is calculated for the PP on December 31st of each year. Gender is reported almost universally. We also construct household-level variables indicating whether any children in the household were ever involved in a child welfare (also called child protective services) case, and whether any child in the household's biological parent had been incarcerated in the Wisconsin prison system.

For metro and non-metro areas, we matched each case's annual county of service to the United States Department of Agriculture's (USDA) 2013 Rural-Urban Continuum Codes (RUCC). The USDA dichotomizes each county into a metro or non-metro county. Metro counties have (or share) a metropolitan area of 50,000 residents or more, while non-metro counties constitute the remaining (USDA 2020). In Wisconsin, 26 of 72 counties are defined as metro, including roughly 73 percent of the population of 5.7 million residents. [2]

These analyses provide a comprehensive picture of the extent to which SSA programs benefit low-income households with children, how such households package earnings and SSA and other benefits, and how these benefits, independently and in combination, contribute to the economic well-being of households with children.

Table 1 provides an overall snapshot of the sample from 2010-2019. There is a total of 3.77 million household-years, of which 1.8 percent (66,225) are grandparent households and 7.3

[2] The information in this paragraph is derived from 2013 Rural-Urban Continuum Codes (RUCC) codes, based on 2010 census data. RUCC codes are updated after each decennial census and are next expected to be updated in 2023.

percent are three-generation households (276,595). The grandparent households (relative to all households with children in the CARES data) are more likely to be Black (27 vs. 18 percent), less likely to have a man as the primary person (15 percent vs. 19 percent), headed by older adults (nearly 60 years old vs. 37), slightly smaller, and lower-income ($32,700 vs. $34,500). The rate of grandparent households using any SSA program is much higher—almost 60 percent relative to 21 percent overall. Three-generation households are also more likely to be Black than the overall sample, and three-generation households are more likely to be Latina-led (15.7 vs 13.8 percent). As expected, these households also tend to be larger (all have at least three members by definition). These households have about double the rate of using SSA programs, with 40 percent versus 21 percent overall. It is notable that in Census data, as of 2019, approximately 6 percent of households with children in Wisconsin were headed by a Black householder, and 8 percent by a Latina householder. Our sample is more racially diverse than the overall population, which reflects the nature of the CARES data and people who have applied to programs observed in the data.

The high rate of child welfare involvement among grandparent households is also notable, with involvement in nearly 40 percent of these households, which is more than double the overall rate. This is likely due to foster placements and investigations among parents that result in the child being in the care of a grandparent. There is also a high rate of incarceration among grandparent families (12.5 percent, which is three times the overall rate)—again it is likely that the parent has been incarcerated and as a result, the grandparent is taking on caregiving responsibilities.

Table 1 Summary Statistics Mean (SD) or Percentage by Household Type

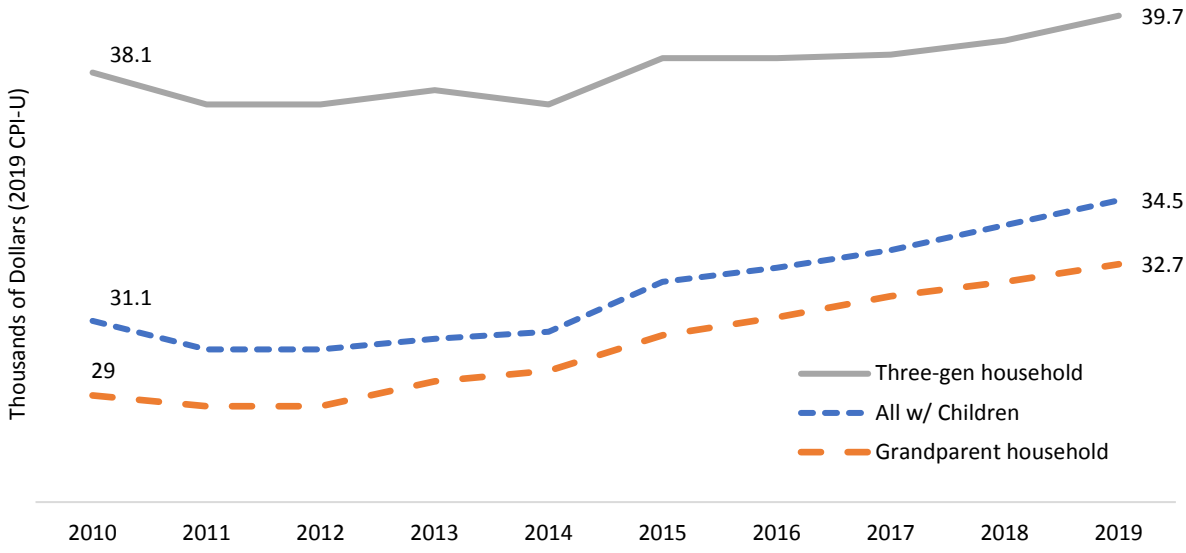
	All	Non- GP/3G household	Grandparent household	Three-gen household
Primary White	62.4	63.1	58.5	54.4
Primary Black	17.9	17.3	27.2	23.8
Primary Latina	13.8	13.7	7.9	15.7
Primary unknown	5.9	5.9	6.4	6.1
Primary man	19.1	19.2	14.6	18.5
Primary age	37.3 (10.0)	36.8 (9.0)	59.5 (8.4)	38.0 (15.0)
Count HH members	3.8 (1.5)	3.7 (1.4)	3.2 (1.2)	4.8 (1.7)
Any SSA program	21.0	18.7	59.6	40.3
Child welfare history	17.9	17.2	39.8	21.3
Incarceration history	3.7	3.4	12.5	4.8
Household Income, in thousands of dollars, by year:				

	All	Non- GP/3G household	Grandparent household	Three-gen household
2010	31.1 (29.8)	30.4 (29.1)	29.0 (28.2)	38.1 (35.7)
2011	30.3 (29.5)	29.7 (28.8)	28.7 (28.1)	37.2 (35.6)
2012	30.3 (29.5)	29.7 (28.9)	28.7 (28.3)	37.2 (35.5)
2013	30.6 (29.6)	30.0 (29.0)	29.4 (28.9)	37.6 (35.6)
2014	30.8 (30.7)	30.3 (30.2)	29.7 (29.5)	37.2 (35.7)
2015	32.2 (31.6)	31.7 (31.1)	30.7 (29.5)	38.5 (36.7)
2016	32.6 (32.1)	32.1 (31.7)	31.2 (30.0)	38.5 (36.9)
2017	33.1 (32.6)	32.7 (32.3)	31.8 (30.0)	38.6 (37.2)
2018	33.8 (33.3)	33.5 (33.0)	32.2 (30.4)	39.0 (37.4)
2019	34.5 (33.7)	34.2 (33.4)	32.7 (31.3)	39.7 (37.9)
Total Household-Years	3,772,300	3,429,580	66,225	276,495
%	100%	91%	1.8%	7.3%

Source: WADC/CARES: Notes: All dollar values are scaled proportionately by the number of cases each recipient is a participant in each year and CPI-U adjusted to 2019 dollars.

Three-generation households also show higher income than other household types by a substantial amount in every period, likely reflecting multiple household members who could be a source of income via wages or benefits. Figure 1 shows the income trends for the overall sample and then the subsample of grandparent and three-generation households. In real terms, all of the households with children in CARES data show rising income for all groups in the 2015 to 2019 period, with only modest narrowing of relative incomes.

Figure 1: Income (2019 $) by Household Type



Source: Table 1. This table shows income levels in 2019 dollars for the analytical sample from 2010 to 2019. Three-generation households have the highest levels, increasing from $30,100 to $39,700. Grandparent households are lower starting at $29,000 and increasing to $34,500.

3. Results

These analyses are based on households with children in the CARES system from 2010–2019. Using these data, we first describe the proportion of households receiving means-tested benefits that are also receiving SSA benefits, paying particular attention to variation by benefit types (SSA and other), race/ethnicity, and family size. Then, we examine households' overall incomes and poverty rates based on earnings alone, earnings and SSA benefits, earnings and (other) means-tested benefits, and the full combination of earnings and benefits.

We begin with basic distributions of households with children in Table 2. Households, here, are defined as individuals sharing a case in the WADC. Our sample is comprised of low-income households who have applied for CARES benefits (e.g., FoodShare/SNAP) with an active case from 2010 to 2019. These means are summarized over the total 3.77 million household-years.

Table 2 shows that among households with any SSA program receipt, 14 percent are three-generation and 5 percent are grandparent households—double the rate for the overall sample. The rates of grandparent and three-generation households are even higher among those with SSDI payments: 17.5 and 6.2 percent, respectively.

There are not many surprising patterns by household size, but it is remarkable how few primary persons heading a household in the sample are men—women head most of these households, and the rate of female-headed households is highest among SSI households. Turning to patterns by race and ethnicity, it is revealing how important the role of SSI is among Black households. Over 38 percent of SSI households are Black, as are 28 percent of households with any SSA program payments. This compares to just 18 percent of households among the full sample of families.

Looking at households' residential location, overall, about one in five of the households in this sample are located in rural locations (defined as non-metro counties). The rate is slightly lower for SSI households (16 percent) and slightly higher (23 percent) for OAS and SSDI recipient households. SSI households predominately reside (72 percent) in metro areas.

Table 2 Characteristics of households with children receiving means-tested benefits, by Social Security program participation: % / Mean (SD)

	All	OAS	SSDI	SSI	Any SSA
All with children		10.5	7.5	10.6	21.1
% 3-Gen household	7.3	12.5	17.5	14.3	14.1
% Grandparent household	1.8	5.5	6.2	3.6	5.0
% Non GP/3Gen	90.9	82.0	76.3	82.2	81.0
% HH Members: 2	18.1	16.8	14.6	13.4	15.1
% HH Members: 3	29.7	28.4	28.6	24.0	26.8
% HH Members: 4	25.6	24.9	26.0	24.0	24.7
% HH Members: 5-6	21.7	23.1	23.9	27.8	25.1
% HH Members: 7+	4.9	6.9	7.0	10.8	8.3
% Primary Person Male	19.1	21.6	22.5	14.8	18.4
% Primary Person White	62.4	66.7	65.4	45.1	57.2
% Primary Person Black	17.9	19.8	21.5	37.8	27.6
% Primary Person Latina	13.8	8.2	8.2	11.1	9.6
% Primary Unknown Eth	5.9	5.3	4.9	5.9	5.6
OPM poverty rate	50.2	40.4	45.0	55.6	48.5
% Metro county	58.7	59.5	60.6	71.5	64.3
% Nonmetro county	20.3	22.9	22.9	16.4	19.9
% No county info.	21.0	17.6	16.5	12.1	15.8
% Any earned wages	75.9	70.9	63.9	66.7	69.2
% Any SNAP	43.0	41.7	48.8	65.4	51.8
% Any Medicaid	61.0	65.5	66.9	74.3	68.2
% Any TANF cash	4.8	3.2	2.6	7.0	4.9
% CW History	17.9	24.5	26.0	35.8	29.0
% Incarceration History	3.7	4.5	4.6	6.8	5.5
Mean (SD)					
Yearly total income	35,507 (31,127)	35,503 (28,113)	32,947 (25,699)	30,387 (23,087)	32,940 (26,437)
Yearly OAS income	8,127 (8,565)	8,127 (8,565)	5,903 (5,731)	5,596 (6,002)	8,127 (8,565)
Yearly SSDI income	9,930 (8,880)	10,894 (10,446)	9,930 (8,880)	7,463 (4,803)	9,930 (8,880)
Yearly SSI income	7,996 (5,922)	6,605 (5,845)	6,003 (5,882)	7,996 (5,922)	7,996 (5,922)
Yearly all SSA benefit	11,643 (9,733)	13,771 (11,881)	15,273 (11,297)	10,621 (7,478)	11,643 (9,733)
Yearly CTS benefit	4,183 (2,658)	3,825 (2,558)	3,930 (2,454)	4,190 (2,656)	4,183 (2,658)
N	3,772,300	394,582	284,660	398,853	792,212

Data: WADC 2010-2019. Notes: All dollar values are scaled proportionately by the number of cases each recipient is a participant in each year and CPI-U adjusted to 2019 dollars.

About half of the focal population of low-income households with children is defined as being in poverty. This includes about 48.5 percent of the SSA-population overall, and almost 56 percent of SSI households. The lowest poverty rates are among OAS beneficiary households at 40 percent poverty. This reflects patterns throughout this analysis—OAS receipt is based on earning sufficient work credits, as is SSDI, though SSDI primary recipients, by definition, have had their earnings capacity cut short during their prime labor market years. A household with at least one member who is receiving OAS or SSDI benefits has economic support not only from SSA benefit income but also, potentially, savings and/or pensions from the work history that eligibility for the benefit implies. People with limited work histories may never be eligible for OAS or SSDI. It is important to note that children can also be beneficiaries under OAS and SSDI, as recipients of survivor or dependent benefits.[3]

Earned income is common among these households. Approximately 76 percent of the overall sample of low-income households with children had earned income; this includes 71 percent for OAS, 64 percent for SSDI, and 67 percent for SSI households. Earned income is less common if a household member has a disability as evidenced through the household's receipt of SSDI or SSI, but two-in-three such households still have earned income.

Overall, 43 percent of the WADC/CARES focal sample receives SNAP/FoodShare benefits. This rises to 52 percent among SSA program recipient households and 65 percent among SSI recipient households. This is predictable since the means tests of SNAP eligibility align with those for SSI and, in many cases, individuals and households will go through a coordinated application process for both programs. OAS recipient households with children are slightly less likely to receive SNAP/FoodShare, at a 42 percent rate.

Predictably, Medicaid is heavily used by this population of low-income families with children, with nearly two in three households having at least one member getting health coverage. The rate is highest (74 percent) among the SSI population which is, again, consistent with means testing guidelines and program coordination for enrollment. Just over half (52 percent) of the low-income households that have any SSA program involvement have at least

[3] A child under 18 can receive benefits if they have a parent who is retired or has a disability and is entitled to OAS or SSDI, or a parent who died after having worked long enough in a job where they paid Social Security taxes. In some circumstances, benefits may continue to age 19. A stepchild, grandchild, step-grandchild, or adopted child may be eligible. A child can receive up to half of the parent's full retirement or disability benefits, or three-quarters in the case of survivors benefits. The maximum "family payment" is 150% to 180% of the parent's full benefit. See details at: https://www.ssa.gov/pubs/EN-05-10085.pdf

one member receiving Medicaid. Consistent with national trends (Meni and Wiseman 2017), TANF is rarely used, even among these households; the highest rate is seven percent among SSI recipient households and is only 2.6 percent for SSDI households. The incidence of TANF cash receipt is similar for SSA-program-involved households with children and other households with children—less than 5 percent have any TANF payments in the data.

More than one-in-three of sample families receiving SSI have some level of child welfare involvement, almost twice the overall rate. SSI families are also about three-quarters more likely to have one or more individuals with an incarceration history in the household.

Finally, turning to household income, all of the households in the sample are relatively low income, with an average income for the 2010-2019 period of household years (adjusted to 2019 dollars) of $35,500. SSI households have a lower average level, just over $30,000 (conditional on receiving support in any given year). Across all SSA programs, SSA income averages $11,643, or about one-third of total household income.

Another important source of income for people who have children is the Caretaker Supplement (CTS). Wisconsin's CTS is a cash benefit available to parents taking care of minor children (under age 18) and is available in cases where one or both parents receive SSI benefits, but a child does not receive SSI. Benefits are $250 per month for the first eligible child and $150 per month for each additional eligible child. Among this sample, annual CTS benefits average over $4,000, conditional on receiving CTS. It is notable that CTS benefits are over half as large, on average, as the SSI benefits the CTS complements. Moreover, CTS income is a significant source of income for households with children relative to the average income of $30,387 for this group, proving to be about 14 percent of income for SSI households. However, CTS-receiving households are a small portion of the sample—just 62,615 case-year pairs.

Turning to the trends by race and ethnicity (Table 3), the patterns across programs are fairly unremarkable, with the exception of the high rate of Black households among SSI and CTS households—these means-tested programs target very low-income households, and a majority of households served are non-white.

As noted in Table 2, across all the program participation groups, there are few households with a primary adult who is male—the highest rate is among SSDI households and only 23 percent of household heads are male. The vast majority—over four-out-of-five—of SSA program households have a female primary person. In terms of household size, about one-fifth

(18 percent) are a single caretaker and child (2 persons). SSI households tend to be larger and, overall, about one-third of SSA households with children have five or more members.

Table 3 breaks out income characteristics conditional on household type. In the overall sample, the annual income (2019 dollars) was $35,507. The average income is lower for grandparent households ($32,294) and higher for three-generation households ($39,770). While these income amounts for each SSA program population are also shown in Table 1, Table 3 adds CTS households, who have an average income of just $26,308, much lower than even the SSI household group ($30,387), of which the CTS population is a much lower-income subset. The CTS benefit of $4,183 is about one-sixth of these households' incomes.

Table 3 Household income by generational composition and SSA program participation: Mean(Median) / % / *N*

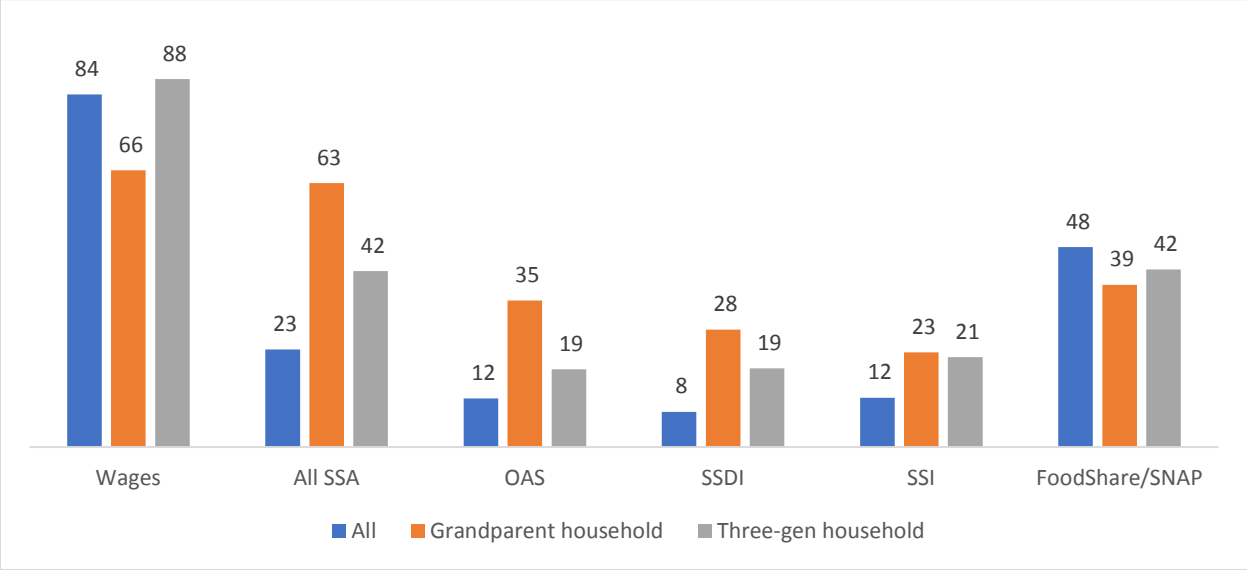
	Non- GP household	Grandparent household	Three-gen household	OAS	SSDI	SSI	CTS
Yearly total income	35,204	32,294	39,776	35,503	32,947	30,387	26,308
	(28,259)	(23,400)	(29,755)	(28,538)	(26,049)	(24,844)	(23,005)
	3,070,885	*62,584*	*264,941*	*394,582*	*284,660*	*398,853*	*62,615*
Wages	33,565	31,639	35,065	26,425	22,555	21,701	10,990
	(25,770)	(22,003)	(23,969)	(18,266)	(13,987)	(14,471)	(4,886)
	2,589,324	*41,380*	*232,952*	*279,679*	*181,901*	*266,087*	*28,435*
Yearly OAS income	7,798	12,800	8,207	8,127	5,903	5,596	3,649
	(5,241)	(10,127)	(6,077)	(5,547)	(4,408)	(3,823)	(2,433)
	323,417	*21,895*	*49,270*	*394,582*	*164,825*	*65,329*	*7,179*
Yearly SSDI income	9,931	10,798	9,621	10,894	9,930	7,463	6,281
	(9,334)	(10,110)	(8,529)	(10,361)	(9,262)	(6,888)	(6,254)
	217,288	*17,551*	*49,821*	*164,825*	*284,660*	*91,288*	*21,122*
Yearly SSI income	8,088	7,431	7,608	6,605	6,003	7,996	9,982
	(7,899)	(6,421)	(6,014)	(5,199)	(4,306)	(7,685)	(10,162)
	327,795	*14,187*	*56,871*	*65,329*	*91,288*	*398,853*	*62,453*
Yearly SSI: Exceptional	1,472	1,305	1,261	1,458	1,379	1,416	1,406
	(1,173)	(1,201)	(1,173)	(1,201)	(1,201)	(1,173)	(1,201)
	23,204	*1,694*	*7,111*	*6,219*	*9,532*	*32,005*	*7,128*
Yearly SSI: State	1,061	1,026	1,019	1,062	1,110	1,054	1,244
	(1,049)	(1,049)	(1,023)	(1,049)	(1,071)	(1,049)	(1,087)
	293,325	*12,910*	*51,617*	*58,217*	*83,498*	*357,852*	*61,060*
Yearly CTS benefit	4,319	2,020	3,373	3,825	3,930	4,190	4,183
	(3,459)	(1,816)	(2,967)	(3,297)	(3,348)	(3,417)	(3,417)
	53,784	*118*	*8,713*	*7,179*	*21,122*	*62,453*	*62,615*
FoodShare benefit	3,345	2,434	3,174	2,837	2,751	3,555	3,518
	(2,859)	(2,082)	(2,484)	(2,239)	(2,214)	(3,051)	(3,202)
	1,486,276	*24,247*	*112,489*	*164,506*	*139,047*	*260,757*	*55,599*
Child Support	3,990	1,941	2,604	3,119	3,125	2,758	2,171
	(2,772)	(927)	(1,595)	(2,022)	(1,987)	(1,703)	(1,366)
	1,076,795	*14,216*	*121,214*	*110,715*	*90,464*	*157,424*	*32,559*
WI Shares	6,124	5,007	4,891	5,600	4,864	6,879	4,087
	(4,008)	(3,495)	(3,087)	(3,481)	(2,845)	(4,162)	(2,286)
	288,509	*3,323*	*19,865*	*17,668*	*6,845*	*29,518*	*1,852*

	Non- GP household	Grandparent household	Three-gen household	OAS	SSDI	SSI	CTS
% OAS	29.6	51.1	28.5	30.7	19.5	20.0	12.6
	323,417	*21,895*	*49,270*	*394,582*	*164,825*	*65,329*	*7,179*
% SSDI	40.5	51.5	35.5	39.8	40.3	30.9	26.6
	217,288	*17,551*	*49,821*	*164,825*	*284,660*	*91,288*	*21,122*
% SSI	37.3	40.3	31.6	24.3	23.2	36.6	41.3
	327,795	*14,187*	*56,871*	*65,329*	*91,288*	*398,853*	*62,453*
% CTS	18.2	10.6	12.9	13.8	15.8	17.5	17.5
	53,784	*118*	*8,713*	*7,179*	*21,122*	*62,453*	*62,615*
% SSA	47.7	65.7	44.6	51.3	59.0	46.9	51.7
	641,264	*39,481*	*111,382*	*394,582*	*284,660*	*398,853*	*62,530*
Total	3,429,580	66,225	276,495	394,582	284,660	398,853	62,615

Source: WADC 2010-2019. Notes: Dollar figures include only households with benefit in each cell in any given year. All such cells thus have a unique N. All dollar values are scaled proportionately by the number of cases each recipient is a participant in each year and CPI-U adjusted to 2019 dollar.

Figure 2 shows the percent of household-years in which a household has a reported source of income (based on the observations in Table 3). About 88 percent of three-generation households have income from wages, relative to 84 percent of the overall sample and just 66 percent of the grandparent sample. Grandparent households are far more likely to collect OAS, however, with 35 percent of these households having income from this source compared to 12 percent overall and 19 percent for three-generation households. Grandparent households are also much more likely than other households to receive SSDI. This, in part, reflects the stronger work history requirements for these households to be eligible for OAS or SSDI. Grandparent households are also, however, much less likely to receive SNAP/FoodShare or child support, as well as Wisconsin Shares childcare subsidies. Three-generation households are more likely to receive child support. Given the fact that most of this sample are women, this may reflect women living with a child and a parent but receiving child support from a non-custodial parent of one or more children. SSI income is used by about one-in-five households in this sample, nearly twice the rate of the overall WADC sample of households with children. It appears that OAS, SSDI, and SSI are commonly received across these populations, although with a high degree of variation in participation rates in a given year. The Wisconsin state SSI supplements are relatively small, at around $1,000-$1,400 per year, at least relative to other programs. However, this assistance may be more important relative to overall income levels among those families closest to poverty levels.

Figure 2 Percent of Household-Years with Income Source by Type



Source: Table 4. Figure shows percent of total measured income across 2010-2019 data for wages, SSA income, OASI, SSDI, SSI and SNAP (all data listed in Table 3).

As shown in Table 3, grandparent households have more income, on average, from OAS and SSDI, and less from wages, CTS, SNAP/FoodShare, or Child Support. Three-generation households have more frequent wage income. It is notable how valuable the Wisconsin Shares childcare subsidy is for working parents. Among households who receive this benefit, the average amount is over $6,000 per year, twice the amount of SNAP, even among grandparent or three-generation households. Focusing on the level or relative amount of income by source, 66 percent of the income of grandparent households is from SSA sources, as is 45 percent of income for three-generation households. SSDI households are most reliant on SSA income supports, at about 59 percent of total household income, on average.

Table 4 shows these estimates separately by the race/ethnicity and gender of the primary householder, as defined in WADC. The main pattern is that there are lower incomes among Black- and Latina-headed households relative to white households. Wages explain much of this gap, with white households with children earning about $37,000, compared to $22,500 for Blacks and $28,225 for Latinas. OAS and SSDI, which are based on earnings histories, follow the same pattern, with smaller income amounts for Black and Latina-headed households relative to white households. Income from means-tested programs such as SSI, CTS, SNAP/FoodShare, and especially Wisconsin Shares are generally larger for Black-, and to a lesser extent, Latina-

headed households. This is consistent with relative income and labor market patterns by race/ethnicity, the result in being more reliance on means-tested programs.

Table 4 Household income by primary person ethnicity and race: Mean(Median) / % / *N*

	All	Primary Person White	Primary Person Black	Primary Person Latina	Primary Person Unknown Eth.
Yearly total income	35,507 (28,272)	39,123 (31,500)	27,916 (23,381)	26,719 (20,143)	38,559 (30,503)
	3,398,410	*2,171,136*	*614,590*	*426,781*	*185,903*
Wages	33,659 (25,585)	37,034 (28,887)	22,521 (16,609)	28,225 (21,747)	37,695 (29,057)
	2,863,656	*1,903,908*	*480,313*	*317,988*	*161,447*
Yearly OAS income	8,127 (5,547)	8,729 (6,023)	6,447 (4,460)	7,001 (4,756)	8,544 (5,659)
	394,582	*263,382*	*77,957*	*32,325*	*20,918*
Yearly SSDI income	9,930 (9,262)	10,550 (9,793)	8,610 (8,135)	8,820 (8,268)	9,288 (8,597)
	284,660	*186,297*	*61,155*	*23,217*	*13,991*
Yearly SSI income	7,996 (7,685)	7,109 (6,446)	9,115 (8,901)	7,803 (7,473)	7,973 (7,950)
	398,853	*180,043*	*150,944*	*44,245*	*23,621*
Yearly SSI: Exceptional	1,416 (1,173)	1,391 (1,173)	1,405 (1,173)	1,537 (1,173)	1,474 (1,201)
	32,009	*11,998*	*14,940*	*2,683*	*2,388*
Yearly SSI: State	1,054 (1,049)	1,006 (1,049)	1,121 (1,071)	1,007 (1,023)	1,076 (1,071)
	357,852	*161,877*	*135,683*	*39,718*	*20,574*
Yearly CTS benefit	4,183 (3,417)	3,743 (3,297)	4,362 (3,507)	4,302 (3,462)	4,818 (3,525)
	62,615	*19,788*	*33,731*	*6,023*	*3,073*
FoodShare Benefit	3,320 (2,819)	3,157 (2,664)	3,699 (3,258)	3,161 (2,617)	3,592 (2,963)
	1,623,012	*876,799*	*420,834*	*245,528*	*79,851*
Child Support	3,827 (2,608)	4,440 (3,192)	2,153 (1,244)	3,254 (2,321)	3,763 (2,495)
	1,212,225	*810,632*	*258,980*	*105,980*	*36,633*
WI Shares	6,033 (3,929)	4,731 (3,115)	7,343 (5,017)	6,277 (4,211)	5,607 (3,218)
	311,697	*137,314*	*132,258*	*35,196*	*6,929*
% income OAS	30.7%	30.8%	29.7%	31.1%	32.6%
	394,582	*263,382*	*77,957*	*32,325*	*20,918*
% income SSDI	40.3%	40.7%	39.8%	39.8%	37.7%
	284,660	*186,297*	*61,155*	*23,217*	*13,991*
% income SSI	36.6%	32.4%	40.6%	41.2%	34.4%
	398,853	*180,043*	*150,944*	*44,245*	*23,621*
% income CTS	17.5%	16.2%	18.1%	17.9%	17.3%
	62,615	*19,788*	*33,731*	*6,023*	*3,073*
% income all SSA	48.2%	47.5%	49.8%	49.2%	45.6%
	792,127	*453,316*	*218,283*	*76,184*	*44,344*
N	3,772,300	2,354,313	675,483	519,107	223,397

Source: WADC 2010-2019. Notes: Dollar figures include only households with benefit in each cell in any given year. All cells thus have a unique N. All dollar values are scaled proportionately by the number of cases each recipient is a participant in each year and CPI-U adjusted to 2019 dollars.

The patterns of child support income are also telling—Black families, on average, receive far *less* child support than White families ($2,153 vs $4,440). Child support orders are based primarily on the incomes of the non-custodial parent, however, and these amounts are consistent with lower earned incomes of the payer and custodial parent. Prior studies using Wisconsin

administrative data also show differential outcomes in payments by race; differences in payment amounts can be driven by inability to pay, such as unstable employment, incarceration, or other structural factors that may disproportionately negatively impact Black families (Berger et al. 2021; Cancian, Kim, and Meyer 2021). The households with children in the WADC sample who identify as Black may have similar barriers to accessing child support payments. Recall much of this sample are female-headed households; however, the small share of households headed by men tend to show similar patterns of program use and income.

The trends by income sources are consistent with program design and eligibility elements. OAS and SSDI are based on prior earnings and offer more support for households that have a member with considerable labor market engagement. This is in contrast to SSI and CTS, as well as FoodShare, all of which are means-tested programs aimed at the lowest income households. Wisconsin Shares is means-tested but, as a work support, it is contingent on earned income, making the relationship to income and program participation more narrowly defined. The patterns for child support are consistent with general income and work patterns, but since payments depend on the ability and willingness to pay for a non-custodial parent outside of the household, these patterns may have more to do with family type and relationships than program administration.

Table 5 provides more detail among households that have some child welfare and incarceration involvement, as well as in which the primary person is a man. Compared to the prior table, these generally represent lower-income groups. Incarceration-involved households exhibit lower average wages and benefits than other households. All groups show high levels of SSA program involvement, with just under half getting some form of SSA receipt, especially SSDI.

Table 5 Household income by Child Welfare, Incarceration and Men Mean(Median) / % / *N*

	Child Welfare history	Incarceration History	Primary Person Male
Yearly total income	31,086 (24,794)	29,882 (24,120)	33,644 (25,913)
	655,070	133,528	*640,106*
Wages	26,480 (18,958)	24,932 (17,687)	33,200 (25,278)
	532,261	108,938	*554,032*
Yearly OAS income	7,140 (4,674)	7,540 (4,976)	7,505 (4,799)
	96,819	17,634	*85,068*
Yearly SSDI income	9,390 (8,857)	9,345 (8,780)	10,360 (9,288)
	74,002	13,171	*64,188*
Yearly SSI income	8,696 (8,370)	8,714 (8,499)	6,361 (5,125)
	142,713	27,285	*59,198*
Yearly SSI:	1,291 (1,152)	1,447 (1,173)	1,271 (1,118)
Exceptional	*11,986*	*2,461*	*4,963*
Yearly SSI: State	1,082 (1,049)	1,063 (1,049)	883 (844)
	131,995	*24,933*	*53,046*
Yearly CTS benefit	4,478 (3,572)	4,754 (4,139)	3,529 (3,195)
	25,690	4,978	*6,383*
FoodShare Benefit	3,701 (3,247)	3,854 (3,396)	2,647 (2,035)
	413,462	89,809	*219,696*
Child Support	3,225 (2,099)	2,165 (1,191)	2,635 (1,740)
	297,225	59,093	*100,252*
WI Shares	6,653 (4,139)	7,488 (4,987)	3,900 (2,153)
	83,425	23,059	*13,587*
% income OAS / N	27.4	29.9	30.7
	96,819	17,634	*85,068*
% income SSDI / N	38.7	39.4	44.5
	74,002	13,171	*64,188*
% income SSI / N	37.3	37.4	35.7
	142,713	27,285	*59,198*
% income CTS / N	17.9	18.8	17.4
	25,690	4,978	*6,383*
% income all SSA / N	47.2	47.2	51.9
	229,778	43,753	*146,094*
N	676,201	139,321	719,915

Source: WADC 2010-2019. Notes: Dollar figures include only households with benefit in each cell in any given year. All cells thus have a unique N. All dollar values are scaled proportionately by the number of cases each recipient is a participant in each year and CPI-U adjusted to 2019 dollars.

We next present tabulations of poverty rates for each group. This is not intended to suggest any program causes or prevents poverty, but rather accounts for the value of the amount of support provided relative to earned income alone, and how much each program's support may be associated with reduced poverty. Table 6 shows poverty status, and Table 7 shows the marginal reduction in poverty (where the difference is simply reductive, not suggesting causal effects).

Table 6 Poverty Status of Households by Benefit Receipt and Primary Person Characteristics

	% OPM poverty	% Wages only poverty	% Poverty less all SSA programs	% Poverty less OAS	% Poverty less SSI	% Poverty less CTS	% Poverty less SSDI	N
Non- GP household	50.2	55.9	54.5	51.8	51.9	50.4	51.8	3,429,580
Grandparent household	48.1	66.8	65.8	58.2	51.4	48.2	54.9	66,225
Three-gen household	50.2	59.5	58.1	52.9	52.9	50.5	53.6	276,495
Any SSA receipt	48.5	72.3	71.1	57.2	56.9	49.6	57.2	792,212
OAS receipt	40.4	69.5	68.4	57.9	43.6	40.7	52.7	394,582
SSDI receipt	45.0	78.2	77.3	55.1	51.1	46.2	69.3	284,660
SSI receipt	55.6	77.6	76.4	58.3	72.2	57.7	60.6	398,853
CTS	64.7	94.3	92.2	66.7	89.0	78.2	72.3	62,615
CW history	54.9	63.9	62.6	57.3	58.8	55.4	57.6	676,201
Incarceration History	58.8	66.6	65.4	60.9	62.2	59.3	61.0	139,321
Primary person White	42.9	49.1	47.6	45.0	44.1	43.1	45.0	2,354,313
Primary person Black	61.3	70.2	68.4	63.1	65.6	62.0	63.4	675,483
Primary person Latina	66.8	70.4	69.4	67.7	68.0	67.0	67.7	519,107
Primary person eth. unk	54.2	58.8	58.0	55.8	55.6	54.4	55.4	223,397
Primary person male	50.9	57.0	55.4	52.9	51.8	51.0	53.1	719,915
HH Members: 2	56.4	62.9	61.2	58.6	57.7	56.6	58.7	681,040
HH Members: 3	46.5	53.1	51.6	48.6	48.1	46.7	48.6	1,119,673
HH Members: 4	47.6	53.3	52.0	49.3	49.2	47.8	49.2	967,003
HH Members: 5-6	51.6	57.3	56.1	53.0	53.7	51.8	53.0	818,781
HH Members: 7+	57.1	63.7	62.6	58.6	60.2	57.4	58.4	185,803

Source: WADC 2010-2019. Notes: Income for poverty measure includes earned wages, child support receipt, unemployment insurance compensation, TANF payments, and SSA program benefits. Wages only poverty includes earned wages and child support payments. Income is scaled proportionately by the number of cases each recipient is a participant in each year. OPM poverty thresholds are derived from Census Bureau 2010 measures. Poverty thresholds and all dollars are adjusted to 2019 values via CPI-U.

About 48 percent of grandparent households and 50 percent of three-generation households in our sample have incomes below the poverty threshold. If these households relied only on market income, their poverty rates would jump to 67 and 60 percent, respectively. What accounts for the reduction in poverty rates? Ignoring SSA benefits, the poverty rates for grandparent households and three-generation households would be 66 and 58 percent.

Table 7 shows that SSA programs reduce the poverty rate for grandparent households by 17.6 percentage points and, for three-generation households, by 7.9 percentage points. OAS accounts for a large portion of this reduction among grandparent households—older adults who claim OAS are disproportionately likely to have household incomes above the poverty threshold;

the poverty rate is reduced from 72 percent to 48.5 percent—a reduction of over 22 points among households who have any SSA program support income. SSDI accounts for the largest poverty reduction among SSA programs. Households with a person who has a disability and receives SSDI benefits would have poverty rates of 78 percent based solely on earned income. The poverty rate for this group is reduced by 32 percentage points to 45 percent after SSA supports (mainly SSDI) are considered. While CTS households are a small group, they have particularly low earnings. The combination of SSA programs, mainly SSI and CTS, reduce poverty rates among this group by nearly 28 percentage points.

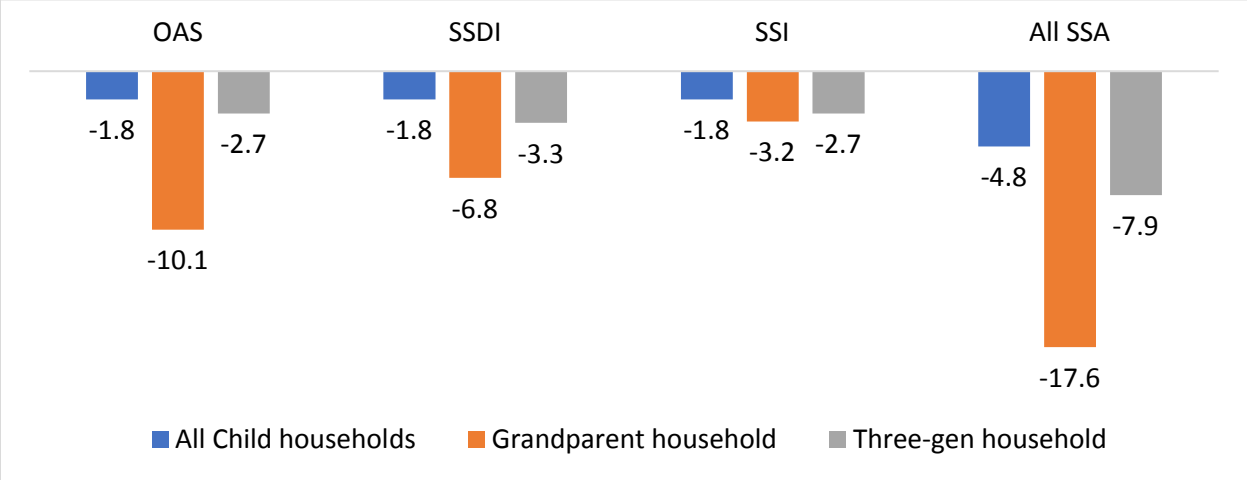
Table 7 Marginal Percentage Point Reduction in OPM Poverty by Program and Household Characteristics

			Marginal poverty reduction from program					
	N	Poverty rate	OAS	SSDI	SSI (all)	WI SSI	CTS	All SSA
Non- GP household	3,429,580	50.2	-1.6	-1.6	-1.7	-0.3	-0.2	-4.3
Grandparent household	66,225	48.1	-10.1	-6.8	-3.2	-0.6	0.0	-17.6
Three-gen household	276,495	50.2	-2.7	-3.3	-2.7	-0.5	-0.2	-7.9
Any SSA receipt	792,212	48.5	-8.7	-8.7	-8.4	-1.6	-1.1	-22.6
OAS receipt	394,582	40.4	-17.5	-12.3	-3.2	-0.6	-0.3	-28.0
SSDI receipt	284,660	45.0	-10.0	-24.2	-6.0	-1.3	-1.1	-32.2
SSI receipt	398,853	55.6	-2.7	-5.1	-16.7	-3.1	-2.1	-20.8
CTS	62,615	64.7	-2.0	-7.5	-24.2	-6.5	-13.4	-27.5
CW history	676,201	54.9	-2.4	-2.7	-3.9	-0.7	-0.5	-7.8
Incarceration History	139,321	58.8	-2.1	-2.2	-3.4	-0.6	-0.5	-6.6
Primary person White	2,354,313	42.9	-2.1	-2.0	-1.2	-0.2	-0.1	-4.7
Primary person Black	675,483	61.3	-1.8	-2.1	-4.3	-0.8	-0.7	-7.1
Primary person Latina	519,107	66.8	-0.9	-0.8	-1.2	-0.2	-0.1	-2.6
Primary person eth. unk	223,397	54.2	-1.6	-1.2	-1.4	-0.2	-0.2	-3.8
Primary person male	719,915	50.9	-2.1	-2.3	-1.0	-0.2	-0.1	-4.5
HH Members: 2	681,040	56.4	-2.2	-2.3	-1.4	-0.3	-0.2	-4.8
HH Members: 3	1,119,673	46.5	-2.1	-2.1	-1.6	-0.3	-0.2	-5.1
HH Members: 4	967,003	47.6	-1.6	-1.6	-1.6	-0.3	-0.2	-4.4
HH Members: 5-6	818,781	51.6	-1.5	-1.4	-2.1	-0.4	-0.2	-4.5
HH Members: 7+	185,803	57.1	-1.6	-1.3	-3.1	-0.5	-0.4	-5.5

Source: WADC 2010-2019. Notes: Income for poverty measure includes earned wages, child support receipt, unemployment insurance compensation, TANF payments, and SSA program benefits. Wages only poverty includes earned wages and child support payments. Income is scaled proportionately by the number of cases each recipient is a participant in each year. OPM poverty thresholds are derived from Census Bureau 2010 measures. Poverty thresholds and all dollars are adjusted to 2019 values via CPI-U. WI SSI Contributions include both the state supplement and the SSI-E Exceptional Expense Supplement.

Figure 3 visually shows the patterns in Table 7 for SSA programs. The largest reductions are among grandparent households, especially from OAS income. Three-generation households show more poverty reduction from SSA programs than the overall sample, but not as much as grandparent households. SSDI is relatively more important for three-generation households, which is consistent with having larger households with younger adult members.

Figure 3 Reduction in Poverty Rate by Program by Household Type

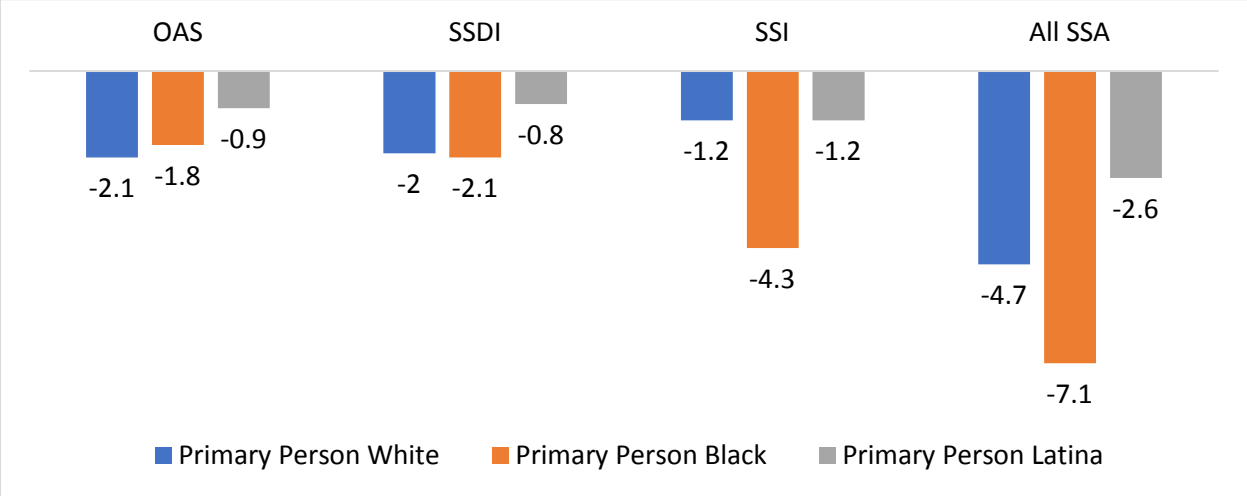


Source: Table 7. Figure shows poverty rates for All, Grandparent and Three-generation households for OAS, SSDI SSI and all SSA programs combined.

Considering heterogeneity by race and ethnicity, relative to poverty rates when only market income is considered, SSA programs reduce poverty by 7 percentage points for Black-led households, higher than the reduction among Latina- (2.6 points) or White-led (4.7 points) households. Larger families tend to have larger relative reductions in poverty due to SSA programs.

Figure 4 shows the reductions in poverty rates visually. The largest reductions are among Black-led households, for whom SSI provides the largest relative contribution. Latina households have lower levels of poverty reduction from OAS and SSDI than the overall sample of low-income households with children. Latina households show smaller overall reductions in poverty from SSA programs relative to Blacks or Whites, especially from OAS and SSDI.

Figure 4 Reduction in Poverty Rate by Program by Race



Source: Table 7. Figure shows differences in poverty rates for All, Grandparent and Three-generation households for OAS, SSDI SSI and all SSA programs combined.

Finally, Table 8 shows the marginal reduction in poverty rates by household type and race. Among white households (defined as the primary person identifying as being white and no other races), grandparent families have a larger percentage-point reduction in poverty from SSA programs than Black or Latina grandparent households. White grandparent households show larger reductions in poverty rates due to OAS, but much less from SSI, relative to Black or Latina households. Three-generation households who are Black or Latina experience larger reductions in poverty from SSI, as well as the state CTS. Latina grandparent and three-generation households have higher poverty rates than Black or white households, but also have the least relative reduction in poverty rates from SSA programs.

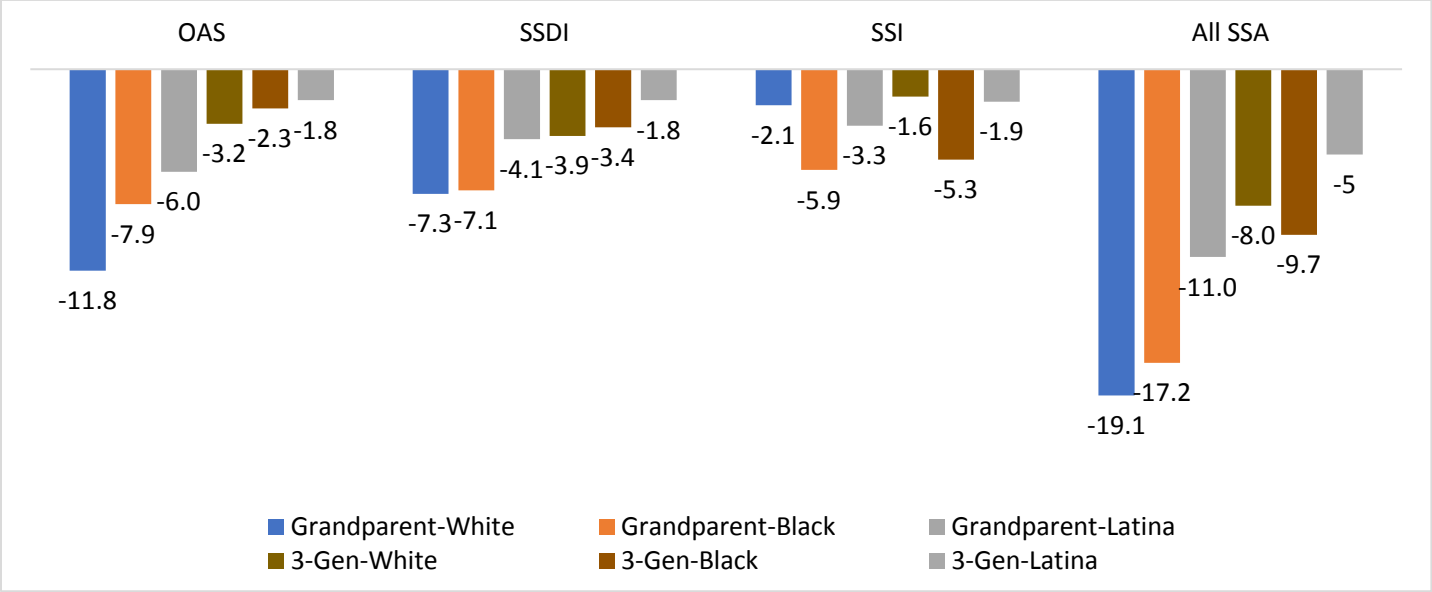
Table 8 Marginal percentage point reduction in OPM poverty by primary person ethnicity and household composition

			Marginal poverty reduction from program:					
	N	Poverty rate	OAS	SSDI	SSI	WI SSI	CTS	All SSA
All Households:								
Non-GP household	3,429,580	50.2	-1.6	-1.6	-1.7	-0.3	-0.2	-4.3
Grandparent household	66,225	48.1	-10.1	-6.8	-3.2	-0.6	0.0	-17.6
Three-gen household	276,495	50.2	-2.7	-3.3	-2.7	-0.5	-0.2	-7.9
Primary person White:								
Non-GP household	2,165,234	43.0	-1.8	-1.8	-1.1	-0.2	-0.1	-4.2
Grandparent household	38,745	40.8	-11.8	-7.3	-2.1	-0.3	0.0	-19.1
Three-gen household	150,334	43.4	-3.2	-3.9	-1.6	-0.3	-0.1	-8.0
Primary person Black:								
Non-GP household	591,725	61.8	-1.6	-1.8	-4.2	-0.8	-0.7	-6.5
Grandparent household	17,988	58.0	-7.9	-7.1	-5.9	-1.1	-0.1	-17.2
Three-gen household	65,770	58.0	-2.3	-3.4	-5.3	-1.0	-0.6	-9.7
Primary person Latina:								
Non-GP household	470,462	67.4	-0.8	-0.7	-1.1	-0.2	-0.1	-2.3
Grandparent household	5,258	62.8	-6.0	-4.1	-3.3	-0.8	0.0	-11.0
Three-gen household	43,387	60.7	-1.8	-1.8	-1.9	-0.4	-0.2	-5.0

Source: WADC 2010-2019. Income for poverty measure includes earned wages, child support receipt, unemployment insurance compensation, TANF payments, and SSA program benefits. Income is scaled proportionately by the number of cases each recipient is a participant in each year. OPM poverty thresholds are derived from Census Bureau 2010 measures. Poverty thresholds and all dollars are adjusted to 2019 values via CPI-U. WI SSI Contributions include both the state supplement and the SSI-E Exceptional Expense Supplement.

Figure 5 shows the patterns in Table 8 visually. SSA programs reduce poverty the most for grandparent households. SSI reduces poverty the most for Black households. Latina households have the smallest relative reductions in poverty rates. These results show the economic vulnerability of these populations and the effect of these supports on household income relative to poverty thresholds.

Figure 5 Marginal Reduction in Poverty Rate by Program by Race and Household Composition



Source: Table 8. Figure shows differences in poverty rates for All, Grandparent and Three-generation households for OAS, SSDI SSI and all SSA programs combined by White, Black and Latina-headed households.

4. Discussion

This study, based on unique samples of low-income families in Wisconsin, shows that two-thirds of grandparent households and nearly half of three-generation households receive some income from Social Security, which is twice the rate of the sample overall. Social Security programs reduce the poverty rate by nearly 18 points for grandparent households and by 8 points for three-generation households. These results are consistent with prior studies showing that SSA programs reduce poverty (Myer and Wu 2018). Also consistent with prior studies, SSI is especially important for poverty reduction among Black households (Martin and Murphy 2014).

These data also highlight the complementary role of means-tested programs for SSA recipients. In addition to SNAP/FoodShare support, another near-cash benefit, Wisconsin Shares childcare subsidies, is also a significant source of support among the subset of households with children who receive it. The CTS provides limited additional income support for very low-income subsample of families who are eligible. Finally, child support is also an important source of income, especially for this sample of households that tend to be headed by women.

That these families rely on other forms of support further emphasizes the important role of SSA programs in advancing economic support and stability for families. In contrast to the regularity of monthly SSA benefit-receipt, support from other programs may be less stable. Specifically, regularity in child support receipt among low-income families can be low (Hodges et al. 2020); families may also experience instability or short spells of receipt of childcare subsidies (Ha and Miller 2015). These analyses show the varied combinations of supports that households with children use, including combining SSA programs and wages. Given that wages may impact the amount and eligibility for some SSA benefits and programs—including retirement benefits prior to full retirement age, SSDI benefits, and SSI payments—providing outreach to families with children to understand how wages might impact their benefits could be important, particularly in light of the considerable role of income from SSA for families overall.

While SSA income is important for the well-being of families with children in general, it is especially important for three-generation and grandparent families. Understanding how families use programs over time, in particular families that have members who are eligible for OAS and SSDI, may prove valuable for research and program evaluation.

A large share of grandparent families in this study has income below poverty level thresholds. Prior studies show that caregivers in grandparent families are less likely to be

employed, married, or cohabiting, and have more physical limitations and chronic disabilities (Bachman and Chase-Lansdale 2005) than other families. Children in a grandparent household may also be at a high risk for financial hardships (Brandon 2005; Park 2006). Many children in these households are raised by their grandparent in an informal arrangement, not foster care agreements with social service agencies (Scarcella, Ehrle, and Geen 2003). These households may not be enrolled in the support programs for which they are eligible and which could improve the well-being of children. Our data also suggest elevated rates of experiences with child welfare and incarceration for these families. Given the important role of SSA programs for these families, there may be opportunities for greater coordination across programs at the state and local level to support children in these households. This also highlights the importance for policy and social programs to account for evolving household and family structures in benefits and eligibility formulas.

These data are unique to a large sample of low-income, system-involved families in administrative data in Wisconsin. This is a valid sample that captures most of this population for this Midwestern state. However, there are low-income families with children who may receive SSA benefits, particularly OASI, but who are not involved in other programs. We suspect this is especially true among more moderate-income grandparent households who would not be eligible for means-tested benefits. Capturing this population would require data that is beyond the State's administrative systems for programs like SNAP and CARES but could be feasible if OASI records could be matched to Department of Revenue and other data. In terms of generalizability to low-income families with children in other states, we suspect the general patterns of poverty levels and the relative importance of SSA programs will remain similar if applied to other locations. Wisconsin's income, labor market patterns, and housing markets are close to national averages, although the lower relative cost of living may mean that the hardships associated with poverty due to housing costs, for example, may not be as relevant in places with high rent burdens. The Wisconsin-specific programs, such as the SSI supplement, are not large in magnitude but do appreciably lift families close to the poverty level.

5. Conclusions

Low-income households with children rely on a range of support programs beyond wages, but Social Security programs are a critical source of income. Black households, and especially Black grandparent households, disproportionately have more support from SSI, while Latina households—grandparent and three-generation—receive less support from SSA programs.

This study shows the complexity of families, as well as system involvement. An increased understanding of how SSA programs support children can help researchers and policy makers to better predict how policy changes interact and can cascade across federal and state assistance programs.

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