

THE SOUTHERN INSTITUTE  
on Children and Families

INFORMATION OUTREACH  
TO REDUCE WELFARE DEPENDENCY  
A Georgia Welfare Reform Initiative

Final Report

December 1996

Alabama  
Arkansas  
Delaware  
District of Columbia  
Florida  
Georgia  
Kentucky  
Louisiana  
Maryland  
Mississippi  
Missouri  
North Carolina  
Oklahoma  
South Carolina  
Tennessee  
Texas  
Virginia  
West Virginia

**INFORMATION OUTREACH  
TO REDUCE WELFARE DEPENDENCY  
*A GEORGIA WELFARE REFORM INITIATIVE***

**FINAL REPORT**

**Prepared for the**

**DEPARTMENT OF HUMAN RESOURCES  
DIVISION OF FAMILY AND CHILDREN SERVICES  
STATE OF GEORGIA**

**by**

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**DECEMBER 1996**

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We are grateful to Sylvia Elam for her support throughout the project and for chairing the Staff Work Group. We would also like to thank other members of the Staff Work Group: Jeff Blankenship, Teresa Johnson, Warren McNeil, Nancy Meszaros, Willie Rutledge, Becky Shoaf, Larry Smith, Kaye Thomas, Preston Weaver, Howard Willis and Dee Woodward. We would like to extend special thanks to Kaye Thomas for her assistance with arrangements for the state briefing sessions, the community briefing sessions and the statewide training session. Sylvia Elam and Kaye Thomas also provided valuable assistance at the community briefing sessions.

Our appreciation is extended to the DFCS directors and the staff contacts in the three counties where focus groups were conducted. They are: Nora Merritt and Winni Vaughn in Coffee County; Lynette Conner and Elly Storey in Colquitt County; and Linda Johnson and Karen Butcher in Richmond County.

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We would like to also thank Mary Lucas, Elayn Ansari, Kathryn Harvey and Charlene Elliston, of the Internal Revenue Service, for their assistance with the brochures and assistance at the state briefing sessions, the community briefing sessions and the statewide training session.

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## **EXECUTIVE SUMMARY**

The Georgia Information Outreach to Reduce Welfare Dependency Project began in January 1996. The Georgia Department of Human Resources, Division of Family and Children Services (DFCS), commissioned the Southern Institute on Children and Families to conduct the project.

Phase I of the project focused on the development of three information outreach brochures for use with welfare families, community organizations and employers. Appendices to this report contain black and white copies of the brochures and results from nine focus groups where the brochures were tested.

Phase II was launched in September 1996 with three briefing sessions sponsored by state DFCS to preview the three information outreach brochures for major user groups prior to statewide dissemination. Following the state level briefings, 30 presentations on the brochures were held in 10 Georgia counties at events hosted by county DFCS offices. In December 1996, a statewide training session on the information outreach brochures was held for DFCS staff.

The information outreach brochures were extremely well received by community organizations and employers who attended the briefing sessions. County DFCS directors were enthusiastic about the brochures. Reaction from county DFCS staff was positive overall. County staff stressed the need to have enough brochures for widespread dissemination throughout the community and for internal use.

It is always a challenge to turn an effective pilot project into an effective statewide program. To greatly enhance the chances that the results attained in the project can be realized statewide, the Southern Institute recommends that state DFCS take the following actions:

- 1) Assign responsibility to a specific office to assure that counties receive the support they need to fully utilize the opportunities presented by the three information outreach brochures.
- 2) Establish state policy directing that the brochures be distributed and briefly reviewed at application and redetermination interviews.
- 3) Develop cross training opportunities with other public agencies.
- 4) Request that county DFCS offices that were not part of the project hold community briefing sessions to preview the brochures with local employers and community organizations.

## CHAPTER 1 BACKGROUND

The Georgia Information Outreach to Reduce Welfare Dependency Project began in January 1996. The Georgia Department of Human Resources, Division of Family and Children Services (DFCS), commissioned the Southern Institute on Children and Families to conduct the project based on the results of a similar project conducted by the Southern Institute in North Carolina.<sup>1</sup>

The Georgia Information Outreach to Reduce Welfare Dependency Project was conducted in two phases. Phase I was the developmental phase and Phase II was the implementation phase.

Phase I of the project was completed in August 1996. Black and white copies of the three information outreach brochures developed during Phase I are included in Appendix A. The three brochures discuss benefits available through Medicaid, the Earned Income Tax Credit (EITC), the Georgia Low Income Credit, child care subsidies and Food Stamps. The information outreach brochures present information on complicated programs in a user friendly, colorful and eye-catching format.

Each of the three brochures is targeted for use with specific groups, as follows:

- ***Leaving Welfare for Work Isn't As Scary As It Seems*** is for use with families on welfare (cash assistance). This brochure should be reviewed with cash assistance recipients at redetermination interviews to be sure that families know that they do not have to be on welfare in order to receive benefits that can help them meet the needs of their children while working in low wage/no benefit jobs. This brochure outlines benefits available to families during the one year transitional period, as well as benefits available beyond the transitional period.

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<sup>1</sup>Sarah C. Shuptrine and Genny G. McKenzie, Information Outreach to Reduce Welfare Dependency: A North Carolina Welfare Reform Initiative, Final Report, prepared for the North Carolina Department of Human Resources (Columbia, SC: Southern Institute on Children and Families, May 1996).

- ***Have You Heard About Benefits for Working Families???*** should be reviewed with families who apply for cash assistance as part of efforts to divert families from welfare. It should also be reviewed with families who are applying for Medicaid or Food Stamps and it is appropriate for general community outreach. The information contained in this brochure can help families who are struggling to meet needs and are unaware that they can receive Medicaid and other benefits without having to be on welfare. This brochure also has a section on child support to let parents know that they do not have to be on welfare to get help in collecting child support. The brochure should be widely available to community organizations and to employers for dissemination in the workplace.
- ***Facts for Employers*** provides employers with information on how they can help low wage workers connect with benefits available to low income families with children. This brochure explains advantages to employers who hire welfare recipients and is designed to help DFCS staff build relationships with employers. It is an effective communication tool for DFCS to use in personal visits to companies and to hand out during presentations to business groups.

The Phase I report of the Georgia Information Outreach to Reduce Welfare Dependency Project includes details of nine focus group sessions used in the development of the brochures.<sup>2</sup> In cooperation with county DFCS offices, focus groups were held with recipients, community organizations and employers in Coffee, Colquitt and Richmond counties.

Appendix B provides results of the pretests administered at the focus group sessions. The responses given on the pretests clearly demonstrate the need for information outreach. Appendix C shows the statistically significant gains in knowledge for focus group participants after simply reading the information outreach brochures.

This report provides results of Phase II and presents recommendations for statewide implementation of information outreach.

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<sup>2</sup>Sarah C. Shuptrine and Genny G. McKenzie, Information Outreach to Reduce Welfare Dependency: A Georgia Welfare Reform Initiative. Phase I Report, prepared for the Georgia Department of Human Resources, Division of Family and Children Services (Columbia, SC: Southern Institute on Children and Families, August 1996).

## **CHAPTER 2 STATE AND COMMUNITY BRIEFING SESSIONS**

During Phase II of the Georgia Information Outreach to Reduce Welfare Dependency Project, the focus was on dissemination of the three brochures. Activities during this period are discussed below.

### **State Briefing Sessions**

Phase II was launched with three state DFCS sponsored briefing sessions held in Atlanta, Georgia in September 1996. The purpose of the briefing sessions was to preview the three information outreach brochures for major user groups prior to statewide dissemination.

The first briefing session was held for state DFCS staff. The second session was held for other state agencies, statewide advocacy groups and Atlanta area advocacy and service organizations. The third session was held for statewide employer groups and Atlanta area employers. A total of 37 representatives of community organizations, 21 employers and 28 DFCS staff attended the state briefing sessions.

### **Community Briefing Sessions**

During September, October and November 1996, a total of 30 briefing sessions were held in the following 10 urban and rural Georgia counties:

- Bibb County (Macon)
- Chatham County (Savannah)
- Coweta County (Newnan)
- DeKalb County (Decatur)
- Dougherty County (Albany)
- Hall County (Gainesville)
- Liberty County (Hinesville)
- Muscogee County (Columbus)
- Tift County (Tifton)
- Walker County (LaFayette)

The briefing sessions were hosted by the county DFCS and the county director delivered opening remarks. A representative of the state DFCS office and a representative of the Taxpayer Education Division of the Internal Revenue Service attended each session.

Three briefing sessions were held in each of the 10 counties. The groupings were the same as the state level briefing sessions. A total of 344 DFCS staff, 321 representatives of community organizations and 84 employers attended the county briefing sessions. Table 1 provides a summary of the attendance in each county.

<b>TABLE 1 NUMBER OF PERSONS ATTENDING THE COMMUNITY BRIEFING SESSIONS BY COUNTY AND BY GROUP</b>			
<b>COUNTY</b>	<b>DFCS STAFF</b>	<b>COMMUNITY ORGANIZATIONS</b>	<b>EMPLOYERS</b>
Bibb County	33	10	7
Chatham County	33	44	13
Coweta County	23	9	8
DeKalb County	35	31	0
Dougherty County	45	51	9
Hall County	28	24	12
Liberty County	43	25	4
Muscogee County	43	48	14
Tift County	31	42	12
Walker County	30	37	5
<b>TOTAL</b>	<b>344</b>	<b>321</b>	<b>84</b>
Source: Southern Institute on Children and Families.			

At each briefing session, the presentation of the information outreach brochures was made by the Southern Institute. In order to increase awareness of the amount of assistance received by families on welfare, the Southern Institute presented information on benefits. Community organizations and employers were shown Table 2 to illustrate the monthly benefits for a typical family on welfare which consists of a mother and two young children.

**TABLE 2  
MONTHLY VALUE OF CASH ASSISTANCE AND  
FOOD STAMP BENEFITS FOR A FAMILY  
OF THREE WITH NO INCOME, JANUARY 1996**

<b>AREA</b>	<b>CASH ASSISTANCE</b>	<b>FOOD STAMPS</b>	<b>COMBINED VALUE</b>
Georgia	\$280	\$313	\$593
Southern States	\$261	\$312	\$573
United States	\$401	\$302	\$703

Note: Southern states include Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia and the District of Columbia.

Source: Southern Institute on Children and Families based on data provided by Congressional Research Service.

Two other benefit areas were reviewed—Medicaid and housing. It was pointed out that families on welfare are also eligible for Medicaid coverage for the parents and children. However, contrary to general perception, most welfare families do not receive any form of housing assistance. Table 3 was shown to illustrate that only 26% of welfare recipients in Georgia receive any form of housing assistance.

**TABLE 3  
PERCENTAGE OF CASH ASSISTANCE FAMILIES  
RECEIVING HOUSING ASSISTANCE, FFY 1995**

<b>AREA</b>	<b>PERCENTAGE</b>
Georgia	26%
Southern States	29%
United States	23%

Note: Southern states include Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia and the District of Columbia.

Source: Southern Institute on Children and Families based on data provided by the Administration for Children and Families, Department of Health and Human Services.

Both Table 2 and Table 3 were effective in communicating that families on welfare are faced with limited resources. The Southern Institute pointed out that the dilemma for welfare families is that even though the combined benefits of cash assistance and Food Stamps fail to lift them out of poverty, they cannot make enough money to pay for the extra costs incurred when they go to work full time, especially the cost of child care and health coverage.

The Southern Institute presentation also touched on the wage realities for families leaving welfare for work. Most recipients will be unable to obtain jobs that pay much beyond the minimum wage or jobs that have benefits. A comparison of minimum wage earnings with expenses generally incurred with full time employment illustrated that a mother with two young children is unable to meet basic living expenses at a minimum wage salary. Table 4 was shown to community organizations and employers who attended the community briefing sessions to illustrate the earnings of a full time, year-round minimum wage earner.

<b>TABLE 4 EARNINGS OF A FULL TIME MINIMUM WAGE WORKER</b>		
<b>EFFECTIVE DATE</b>	<b>HOURLY</b>	<b>ANNUAL</b>
October 1995	\$4.25	\$8,800
October 1996	\$4.75	\$9,880
September 1997	\$5.15	\$10,700
Source: Southern Institute on Children and Families.		

The purpose in sharing the above information at the briefings was to build greater public awareness of the economic realities involved in leaving welfare for work and to stress the need for information outreach so that families are aware of benefits that can help them meet basic needs while working in low wage/no benefits jobs.

## **Community Response**

The information outreach brochures were extremely well received by community organizations and employers who attended the briefing sessions. Those who attended were able to take multiple copies of the brochures and to sign a list for additional copies when made available by state DFCS.

There was widespread interest on the part of community organizations in having large supplies of the *Have You Heard About Benefits for Working Families???* brochure for dissemination to the families they served. Many were also interested in having a supply of the *Leaving Welfare for Work Isn't As Scary As It Seems* brochure.

Employers were very receptive to the information in the *Facts for Employers* brochure. Most employers also wanted a supply of the *Have You Heard About Benefits for Working Families???* brochure for distribution in the workplace.

## **County DFCS Response**

County DFCS directors in all 10 communities were enthusiastic about the information outreach brochures. All indicated their desire to have the brochures for use at the earliest possible time.

Reaction from county DFCS staff was positive overall. Two concerns expressed by county DFCS staff are outlined below:

- The need to have sufficient copies of the brochures was mentioned in all counties. County DFCS staff sought assurances that the state DFCS will supply enough brochures for widespread dissemination throughout the community and for internal use.
- Reservations about reviewing the brochures at redetermination and application were expressed by some staff. Their concern related to time considerations.

With regard to the time involved when caseworkers review the brochures during interviews, one county director stressed the necessity to assess the need for documents currently in use to determine if some could be discontinued to make time for materials that are more relevant to employability.

## CHAPTER 3 STATEWIDE TRAINING SESSION

A statewide "train the trainers" session was conducted by the Southern Institute in December 1996. The training session was attended by 63 DFCS staff. Many of the participants are responsible for providing assistance and training to multiple counties. The training session packets included the following:

- A script to assist ongoing caseworkers in reviewing major points contained in the *Leaving Welfare for Work Isn't As Scary As It Seems* brochure at redetermination interviews.
- A script to assist eligibility caseworkers in reviewing the major points contained in the *Have You Heard About Benefits for Working Families???* brochure at application interviews.
- Examples of questions which can be anticipated when reviewing the brochures and suggested responses.
- Two versions of the presentation made by the Southern Institute at the briefing sessions. Both versions were edited for delivery by the county DFCS director or other staff. One is the original version containing information on research conducted by the Southern Institute in several states that led to the development of the information outreach brochures along with details of the Georgia project. The other is a shorter version primarily describing the Georgia project. Either presentation is appropriate for use at the state or community level. The longer version is particularly appropriate for DFCS presentations at training sessions held by other public or private agencies.
- Paper copies of the slides used during the Southern Institute presentations.

A skit was presented to demonstrate that caseworkers can review the major points contained in the brochures in two to three minutes.

The EITC is an area which is not familiar to many caseworkers. To address the need for special attention to the EITC, a representative of the Internal Revenue Service Taxpayer Education Office presented additional information and responded to questions.

## CHAPTER 4 STATEWIDE IMPLEMENTATION

It is always a challenge to turn an effective pilot project into an effective statewide program. To greatly enhance the chances that the results attained in the project can be realized statewide, the Southern Institute recommends that state DFCS take the following actions:

- 1) **Assign responsibility to a specific office to assure that counties receive the support they need to fully utilize the opportunities presented by the three information outreach brochures.** Responsibilities should include maintaining a supply of all three brochures, timely distribution of the brochures and updating the brochures to reflect changes in eligibility levels or policies.
- 2) **Establish state policy directing that the brochures be distributed and briefly reviewed at application and redetermination interviews.** A review of documents currently in use would likely produce documents which could be discontinued in order to make time for materials that support efforts to leave welfare for work.
- 3) **Develop cross training opportunities with other public agencies.** Special attention should be given to creating opportunities to work in collaboration with the Department of Labor.
- 4) **Request that county DFCS offices that were not part of the project hold community briefing sessions to preview the brochures with local employers and community organizations.** To facilitate dissemination of the brochures, request that all county DFCS directors appoint a local public/private sector group to develop and implement a county dissemination plan.

**APPENDIX A**  
**INFORMATION OUTREACH BROCHURES**

NOTE: The actual brochures are in multiple colors.

# LEAVING WELFARE FOR WORK ISN'T AS SCARY AS IT SEEMS

DID YOU KNOW YOU COULD WORK FULL TIME  
AND STILL RECEIVE SOME BENEFITS?

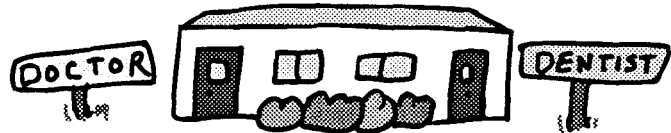
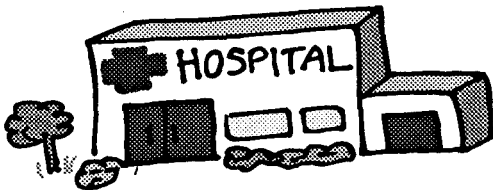
THE  
ANSWER IS  
**YES!**



# WHAT ARE THE BENEFITS FOR FAMILIES WHO LEAVE WELFARE FOR WORK?

- Medicaid (doctor visits, medicine, hospital care and checkups)
- Child care assistance
- More take home pay
- Food Stamps
- Free help with filing tax return

## HEALTH COVERAGE



Families who get off of welfare because of work may still get family health coverage for parents and children for up to one year! It's called **Transitional Medicaid Assistance (TMA)**.

After one year, depending on family income, the children are still likely to get health coverage through Medicaid—especially if they are under the age of six.

### EXAMPLES:

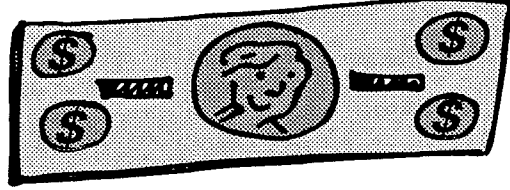
In 1996, a mother with two children **under age 6** can have gross income of **\$1,529** a month and get Medicaid coverage for both children.

If the two children are **age 6 through age 18**, she can have gross income of **\$1,172** a month and still get Medicaid coverage for her children.

## MEDICAID FOR CHILDREN IN LOW INCOME WORKING FAMILIES

- ✓ Children through age 18 may get Medicaid.
- ✓ Children do not have to be on welfare to get Medicaid.
- ✓ Children may get Medicaid even if both parents live in the home.
- ✓ One or both parents can work full time and the children may still get Medicaid.
- ✓ Children may get Medicaid even if their family has a car, a house and a savings account.
- ✓ A family with health insurance may still get Medicaid for their children.

# EARNED INCOME TAX CREDIT



Low income families (with children) who work part time or full time can get **more take home pay** through the Earned Income Tax Credit (**EITC**). The amount of extra money depends on income and family size. **A family does not have to owe any taxes to get the EITC.**

There are two ways a family can get the extra EITC money.

- ✓ They can get all the extra EITC money when they file their tax return.
- OR —————
- ✓ They can get part of the extra EITC money in advance with each paycheck and the rest when they file their tax return.



To get the extra money in advance with each paycheck, the employee must file Form W-5 with their employer. Employees can get Form W-5 from their employer or caseworker. (The advance does not cost the employer any money because it is taken out of the employee's federal withholding taxes.)

**EXAMPLE:** In 1996, a family (with two children) with gross income between **\$741** and **\$967** a month can get \$3,556 in extra EITC money. The family can get the \$3,556 when they file their federal tax return **OR** they can get \$107 per month and the remaining \$2,272 when they file their federal tax return.

To get the **EITC** a family **must** file a federal tax return. **FREE help is available to file tax returns.** Call the IRS at 1-800-829-1040 and ask where you can get help. (If it is busy, don't give up - keep calling because it is worth it to get free help with your tax return!)

**There's more good news! The EITC money is not counted as income for Medicaid, Cash Assistance, Food Stamps, SSI or housing assistance.**

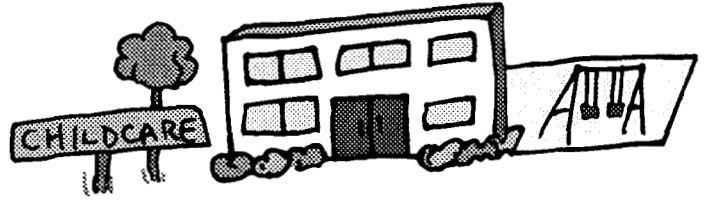
**WHICH IS MORE?**

 <p style="font-size: 24pt; font-weight: bold; margin-top: 10px;">WELFARE</p> <p style="margin-top: 20px;">In 1996, a parent (with two children) on welfare without a job and no other income would get <b>\$3,360</b> for the entire year.</p>	 <p style="font-size: 24pt; font-weight: bold; margin-top: 10px;">EITC + PAYCHECK</p> <p style="margin-top: 20px;">If the same parent went to work earning <b>\$11,600</b> a year (<b>\$967</b> a month), the parent would get a paycheck <b>plus \$3,556</b> in extra EITC money.</p>
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Families can also apply for the **Georgia Low Income Credit**. For information, check your local telephone directory or call the information operator to get the number of the State Department of Revenue.

# CHILD CARE

Parents who get off welfare because of work may get some help with child care expenses for up to one year! The parent **must ask** for help with child care expenses. It's called **Transitional Child Care (TCC)**.



After one year, the parent may still be able to get some help. The parent will still have to pay part of the fee, depending on income.

When receiving child care assistance, parents can choose where to take their children for child care.

# FOOD STAMPS

Parents who get off welfare because of work may still receive some assistance through the Food Stamp program.



**EXAMPLE:** In 1996, a family of three with gross income of \$1,250 a month may qualify to get \$158 a month in Food Stamps.

## SO, YOU SEE, FAMILIES DON'T LOSE ALL OF THEIR BENEFITS WHEN THEY LEAVE WELFARE FOR WORK. THEY MAY STILL GET:

- EITC cash
- Child Care
- Medicaid
- Food Stamps

To learn more about leaving welfare for work (including getting child support), call your local Department of Family and Children Services.



# HAVE YOU HEARD ABOUT BENEFITS FOR WORKING FAMILIES???

 MEDICAID COVERAGE FOR CHILDREN

 CHILD CARE ASSISTANCE

 EARNED INCOME TAX CREDIT

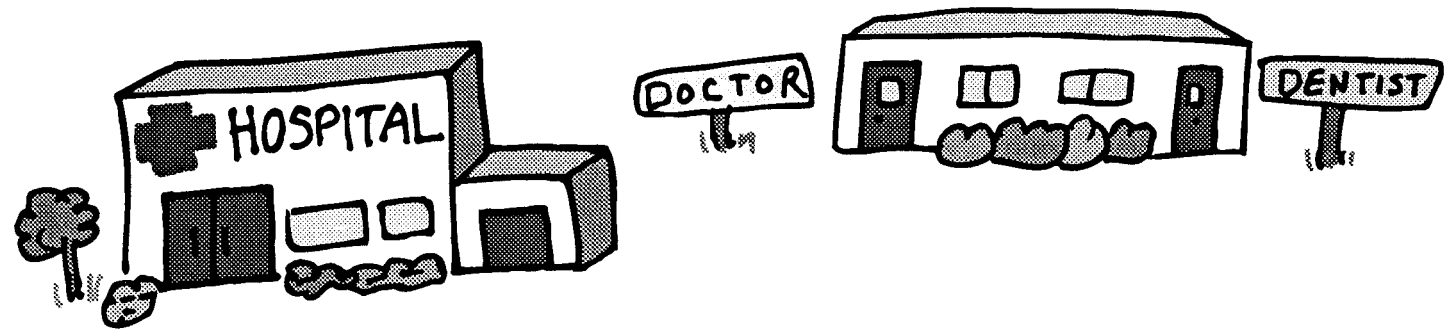
 FOOD STAMPS

 FREE HELP WITH FILING TAX RETURN

 ASSISTANCE WITH CHILD SUPPORT

**READ ON TO LEARN ABOUT BENEFITS THAT CAN HELP LOW INCOME FAMILIES WITH CHILDREN!**

# HEALTH COVERAGE



## MEDICAID BENEFITS FOR CHILDREN IN LOW INCOME WORKING FAMILIES

- ✓ Hospital care
- ✓ Medicine
- ✓ Immunizations
- ✓ Visits to the doctor
- ✓ Dental care
- ✓ Eyeglasses
- ✓ Preventive care

Medicaid eligibility for children is based on income, age of children and citizenship. Children through age 18 may get Medicaid. Eligibility levels are higher for children under age 6.

### EXAMPLES:

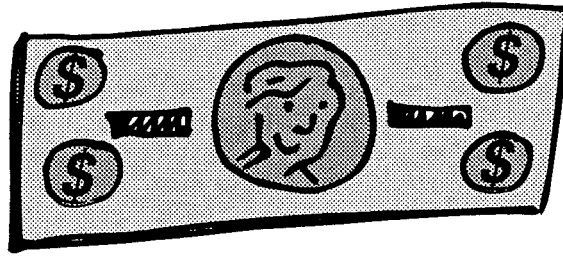
In 1996, a mother with two children **under age 6** can have gross income of **\$1,529** a month and get Medicaid coverage for both children.

If the two children are **age 6 through age 18**, she can have gross income of **\$1,172** a month and still get Medicaid coverage for her children.

- Children through age 18 may get Medicaid.
- Children do not have to be on welfare to get Medicaid.
- Children may get Medicaid even if both parents live in the home.
- One or both parents can work full time and the children may still get Medicaid.
- Children may get Medicaid even if their family has a car, a house and a savings account.
- A family with health insurance may still get Medicaid for their children.

To obtain Medicaid coverage for children, an application must be filed providing information such as the family's income and social security numbers for the parent(s) and children. A family can apply at their local Department of Family and Children Services and, in most areas, they can apply at a regional hospital, a health department or a rural health clinic. (Call 1-800-869-1150 for more information.)

# EARNED INCOME TAX CREDIT



Low income families (with children) who work part time or full time can get more take home pay through the Earned Income Tax Credit (EITC). The amount of extra money depends on income and family size. A family does not have to owe any taxes to get the EITC.

There are two ways a family can get the extra EITC money.

✓ They can get all the extra EITC money when they file their federal tax return.

OR

✓ They can get part of the extra EITC money in advance with each paycheck and the rest when they file their tax return.

To get the extra money in advance with each paycheck, the employee must file Form W-5 with their employer. Employees can get Form W-5 from their employer. (It does not cost the employer any money because it is taken out of the employee's federal withholding taxes.)

**EXAMPLE:** In 1996, a family (with two children) with gross income between **\$741** and **\$967** a month can get \$3,556 in extra EITC money. The family can get the \$3,556 when they file their federal tax return **OR** they can get \$107 per month and the remaining \$2,272 when they file their federal tax return.

The EITC money is not counted as income when applying for Medicaid, AFDC, Food Stamps, Supplemental Security Income (SSI) or housing assistance.

To get the EITC a family **must** file a federal tax return. **FREE help is available to file tax returns.** Call the IRS at 1-800-829-1040 and ask where you can get help. (If it is busy, don't give up - keep calling because it is worth it to get free help with your tax return!)

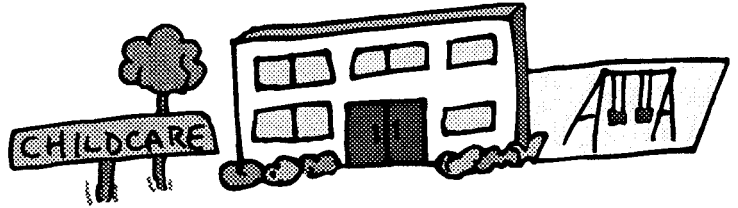
Families can also apply for the **Georgia Low Income Credit**. For information, check your local telephone directory or call the information operator to get the number of the State Department of Revenue.

# CHILD CARE

Assistance with child care may be available based on income.

For example, in 1996, a family of three with gross income of **\$2,023** a month may qualify for child care assistance.

Due to limited funding, the family may be placed on a waiting list. A family can get information on child care assistance at their local Department of Family and Children Services.



Families may choose where they place their child for child care. Choices may include child care centers and family child care in a home setting.

# FOOD STAMPS

Low income families may qualify for Food Stamps while working full time. For example, in 1996, a family of three with gross income of **\$1,250** a month may qualify to get \$158 a month in Food Stamps.



# CHILD SUPPORT

The local Child Support Office can help custodial parents obtain child support payments from absent parents. They can also assist in obtaining medical support and in establishing paternity.



- A parent does not have to be on welfare to get help in collecting child support or to receive other child support services.
- There are no guarantees that money will be collected, but getting help from Child Support Enforcement can improve the chances of success.
- Services do not include custody, visitation or other matters.
- There is a charge of only \$25.00 for services provided by Child Support Enforcement.

(For more information, call your local child support office.)

**To learn more about benefits available for low income working families, call your local Department of Family and Children Services.**

**WORK  
FIRST**



## EMPLOYERS CONNECTING EMPLOYEES TO BENEFITS FOR LOW INCOME WORKING FAMILIES

Did you know you can help your low income workers make more money, get help with family health coverage and child care at no additional cost to you?

✓ Check out these benefits that can help you hire and retain workers.

**Children do not have to be on welfare to be eligible for Medicaid coverage.** Medicaid eligibility for children is based on family income, age of children and citizenship. Medicaid is available for children through age 18 in single and two parent families.

**Parents who leave welfare for work may receive Medicaid for up to one year - children too!** After one year, depending on the family's income, the children may still be eligible for Medicaid coverage.

**Parents who leave welfare for work may receive help with child care expenses for at least one year.** After one year, depending on the family's income and the availability of funding, the family may still qualify for assistance with child care expenses.

**Low income working families can get more take home pay in their paycheck through the Earned Income Tax Credit (EITC).** A portion of the EITC money can be received monthly and the remainder when they file their federal tax return—regardless of whether or not they owe taxes.

**Low income families may qualify for Food Stamps while working full time.** For example, a family of three with income at one and a half times the minimum wage may qualify for assistance through the Food Stamp program.

It's good business to be informed about benefits for low income working families.

Read on!

# GEORGIA MEDICAID PROGRAM FOR CHILDREN

## Medicaid Benefits

- Hospital Care
- Visits to the doctor
- Preventive Care

- Medicine
- Dental Care

- Immunizations
- Eyeglasses

- ✓ Eligibility is based on income, age of children and citizenship
  - ✓ No test for assets or resources
  - ✓ Available for children in single and two parent families
  - ✓ Available for children with health insurance

To obtain Medicaid coverage for children, an application must be filed providing information such as the family's income and social security numbers for the parent(s) and children. A family can apply at their local Department of Family and Children Services and, in most areas, they can apply at a regional hospital, a health department or a rural health clinic. Call 1-800-869-1150.

## EXAMPLE

In calculating Medicaid eligibility, certain deductions from income are allowed. For example, a two parent working family with children ages three and five and gross monthly income of \$2,167 can take standard deductions for work (\$90 each parent) and child care expenses (up to \$175 for each child). These standard deductions reduce their monthly countable income to \$1,637, making the children eligible for Medicaid.

MEDICAID ELIGIBILITY WORKSHEET	
Combined Gross Income (Both parents)	\$2,167
Minus Standard Work Deduction (\$90 for each parent)	-180
Minus Standard Child Care Deduction (\$175 for each child)	<u>-350</u>
<b>Countable Monthly Income</b>	<b>\$1,637</b>

The following table provides 1996 monthly Medicaid income guidelines by income and age of children. As illustrated on the worksheet above, families with gross incomes greater than the amount displayed below may still qualify for Medicaid due to standard deductions.

MONTHLY INCOME GUIDELINES MEDICAID ELIGIBILITY FOR CHILDREN (1996)			
Family Size (Parents and Children)	Infants up to age 1	Children Age 1 up to age 6	Children Age 6 through age 18
2	\$1,597	\$1,148	\$863
3	\$2,001	\$1,439	\$1,082
4	\$2,405	\$1,729	\$1,300

**NOTE:** Income guidelines are adjusted upward annually to reflect increases in the poverty level.

# EARNED INCOME TAX CREDIT

Low income working families (with children) can qualify to get more take home pay through the Earned Income Tax Credit (EITC). The amount of the EITC a family can receive depends on their income and the number of children in the household. In 1996, a family with two or more children can earn up to \$28,495 a year and qualify for the EITC. A family does not have to owe taxes to receive the EITC.

## There are two ways a family can get the EITC

✓ A family can get all the EITC when they file their federal tax return.

OR

✓ A family can receive some portion of the EITC in advance with each paycheck and the rest when they file their tax return. Employers should have employees complete Form W-5. (Call 1-800-829-3676 for free W-5 forms.) The employer adds a portion of the credit to the paycheck. The amount of the credit is then subtracted from the federal withholding deposit.

## EXAMPLE

In 1996, a family with gross income between \$8,890 and \$11,610 per year (with two children) can qualify to receive the maximum EITC—\$3,556. The family can elect to receive \$3,556 in one refund payment when they file their federal tax return OR the family can elect to receive \$107 a month in advance with their paycheck and the remaining \$2,272 when they file their federal tax return.

To receive the EITC, a family must file a federal tax return. Free help is available in filing tax returns for families applying for the EITC. For information call the IRS at 1-800-829-1040. Information can also be obtained from the Internet at <http://www.irs.ustreas.gov>.

Promoting the EITC is smart business. It will increase the amount of a family's take home pay at no additional cost to the business.

Families can also apply for the Georgia Low Income Credit. For information, check your local telephone directory or call the information operator for the number of the State Department of Revenue.

## CHILD CARE

Assistance with child care may be available based on income. Due to limited funding, the family may be placed on a waiting list.

Families may choose where they place their child for child care. Choices may include child care centers and family child care in a home setting.

A family can get information on child care assistance at the local Department of Family and Children Services.

# MAKING THE TRANSITION FROM WELFARE TO WORK

## Benefits for Families and Employers

✓ **Transitional Benefits.** Families who leave welfare for work are eligible for transitional benefits. Families on welfare for three of the preceding six months can receive the following assistance:

- Medicaid for parent and children for up to one year
- Child care assistance for up to one year

After one year, the children may be eligible depending on family income.

✓ **Employer Incentive.** There is a special on the job training program called Work Supplementation which provides incentives for public and private employers to hire welfare recipients. The jobs must represent newly created positions or positions that have been unfilled for 30 days. The jobs cannot be jobs that are unfilled due to a hiring freeze, layoff or strike. Here's how it works:

- The employer agrees to hire a welfare recipient, just as he would any other employee.
- The amount of government assistance check the recipient would have received is paid to the employer to offset the cost of training for up to nine months.

During the training period, the employee and the children, receive Medicaid coverage and child care. Once the training period is over, the employee and the children are eligible for the extended Medicaid and child care transitional benefits. The employer is expected to retain successful participants as regular employees.

It makes good *business* sense to help families move from welfare to work.

## ACTIONS EMPLOYERS CAN TAKE TO HELP LOW INCOME FAMILIES

- Post information on Medicaid, the EITC, Food Stamps and available child care assistance in employee break rooms, rest rooms and on bulletin boards.
- Provide verification of an employee's wages and income promptly when requested. (Encourage your employees to retain check stubs for purpose of verification.)
- Have W-5 forms on hand for employees who wish to receive advance payment of the EITC.
- Have representatives from Medicaid, child care, Food Stamps and the EITC visit your company to present information on their programs.
- Have representatives from Medicaid visit your company to take applications for Medicaid.

If you or an employee would like more information on Medicaid, the Earned Income Tax Credit, Food Stamps, child care assistance or Work Supplementation, call your local Department of Family and Children Services.



**APPENDIX B  
RESULTS OF FOCUS GROUP  
SESSION PRETESTS**

**GEORGIA INFORMATION OUTREACH  
TO REDUCE WELFARE DEPENDENCY PROJECT (1996)  
RESULTS OF FOCUS GROUP SESSION PRETESTS**

Recipients

- 55% did not understand that if parents get off welfare because of work, their children would be able to get Medicaid.
- 57% did not understand that even if a child's parents live together, a child can get Medicaid.
- 59% did not know about the availability of Transitional Medicaid Assistance for up to one year.
- 78% did not understand that children under age six are eligible for Medicaid at higher income levels than older children.
- 53% did not know that if parents get a job, they might qualify to get more take home pay from the Earned Income Tax Credit (EITC).
- 41% did not know that a paycheck plus money from the Earned Income Tax Credit (EITC) is much greater than a welfare check.
- 82% did not understand that the money a working parent gets from the Earned Income Tax Credit (EITC) does not count against Medicaid, AFDC, Food Stamps, SSI or housing benefits.
- 39% did not understand that if parents get off welfare because of work, they can get help with child care expenses for up to one year.
- 43% did not understand that parents who get off welfare because of work can get Food Stamps.

Community Organizations

- 12% did not understand that even if a child's parents live together, a child can get Medicaid.
- 31% did not know about the availability of Transitional Medicaid coverage for up to one year.
- 92% did not understand that children under age six are eligible for Medicaid at higher income levels than older children.
- 39% did not know that a paycheck plus money from the Earned Income Tax Credit (EITC) is much greater than a welfare check.

- 42% did not understand that the Earned Income Tax Credit (EITC) does not count against Medicaid, AFDC, Food Stamps, SSI or housing benefits.
- 16% did not know about the availability of Transitional Child Care benefits for up to one year.
- 12% did not understand that parents who get off welfare because of work can get Food Stamps.

### Employers

- 21% did not know that children do not have to be on welfare to be eligible for Medicaid coverage.
- 43% did not know about the availability of Transitional Medicaid coverage for up to one year.
- 78% did not understand that children under age six are eligible for Medicaid at higher income levels than older children.
- 50% did not understand that the Earned Income Tax Credit (EITC) is available to low income working families regardless of whether or not they owe taxes.
- 86% did not understand that they could add a portion of the Earned Income Tax Credit (EITC) to the employee's paycheck each pay period.
- 50% did not know about the availability of Transitional Child Care benefits for up to one year.
- 50% did not know that there are programs that supplement the wages of low income workers with children at no cost to the employer.

**APPENDIX C  
GAINS IN KNOWLEDGE FOR  
FOCUS GROUP PARTICIPANTS**

**GEORGIA INFORMATION OUTREACH  
TO REDUCE WELFARE DEPENDENCY PROJECT (1996)  
GAINS IN KNOWLEDGE FOR FOCUS GROUP PARTICIPANTS**

<b>RECIPIENTS PERCENTAGE OF CORRECT ANSWERS ON THE PRETEST AND POST TEST, BY PROGRAM</b>		
<b>PROGRAM</b>	<b>PRETEST</b>	<b>POST TEST</b>
Earned Income Tax Credit	41%	86%
Medicaid	38%	81%
Child Care	76%	93%
Source: Southern Institute on Children and Families, 1996.		

<b>COMMUNITY ORGANIZATIONS PERCENTAGE OF CORRECT ANSWERS ON THE PRETEST AND POST TEST, BY PROGRAM</b>		
<b>PROGRAM</b>	<b>PRETEST</b>	<b>POST TEST</b>
Earned Income Tax Credit	71%	96%
Medicaid	61%	98%
Child Care	81%	100%
Source: Southern Institute on Children and Families, 1996.		

<b>EMPLOYERS PERCENTAGE OF CORRECT ANSWERS ON THE PRETEST AND POST TEST, BY PROGRAM</b>		
<b>PROGRAM</b>	<b>PRETEST</b>	<b>POST TEST</b>
Earned Income Tax Credit	38%	100%
Medicaid	61%	96%
Child Care	50%	100%
Source: Southern Institute on Children and Families, 1996.		

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*The Southern Institute on Children and Families is an independent nonprofit public policy organization. It endeavors to improve opportunities for children and families in the South with a focus on disadvantaged children. Through special projects and surveys, the Southern Institute on Children and Families spotlights health, social, education and economic issues of regional significance. It works to encourage public/private sector collaboration on behalf of children and families and seeks to remove bureaucratic and other barriers that restrict access to needed services. The Southern Institute on Children and Families is funded through grants and contributions.*

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