

THE FAMILY INDEPENDENCE PROGRAM

**One Rhode Island Conference
April 27, 2006**

The Family Independence Program was Enacted in 1996 with Unanimous Bi-Partisan Support

FIP promised to:

- Protect vulnerable children
- Help parents obtain and sustain gainful employment
- Provide support for low income working parents through cash supplements, health care and child care assistance.



FIP Policies

1. No time limit for children. Parent limit is 60 months.
2. Range of work readiness activities – including ABE, ESOL, GED, post-secondary during 1st 24 months.
3. “Work Pays” – FIP cash payment provided to families earning less than poverty level.
4. No time limit if parent working 30 hrs/wk.

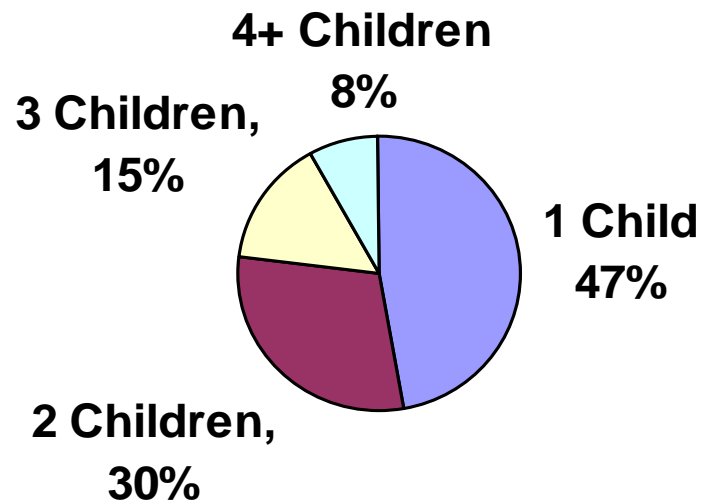
FIP Families

(December 2005)

- **Number of FIP Families**12,074
 - Adults on FIP9,059
 - Children on FIP21,891 (71%)
 - 42% of children are under age 6 (9,194)
- **Family Type**
 - Households with 1 parent 58%
 - Households with 2 parents 8%
 - Child Only 34%

Vast Majority of FIP Families Have One or Two Children

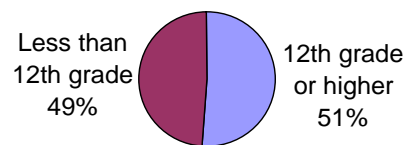
Number of Children in FIP Families
(December 2005)



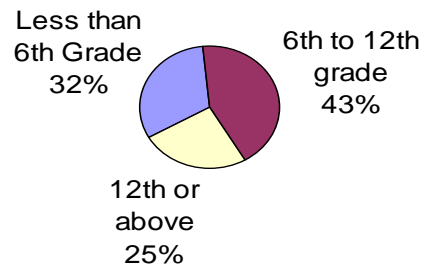
Many FIP Parents Lack the Skills to Get a Decent Paying Job

- Less than half of FIP parents report having finished high school
- A recent testing of a cohort of FIP parents revealed that 32% had less than a 6th grade reading ability and an additional 43% read below the 12th grade level.

Education Level as Reported by FIP Parents



Educational Level of Testing of Cohort of FIP Parents



Many Parents Face Language and Learning Challenges

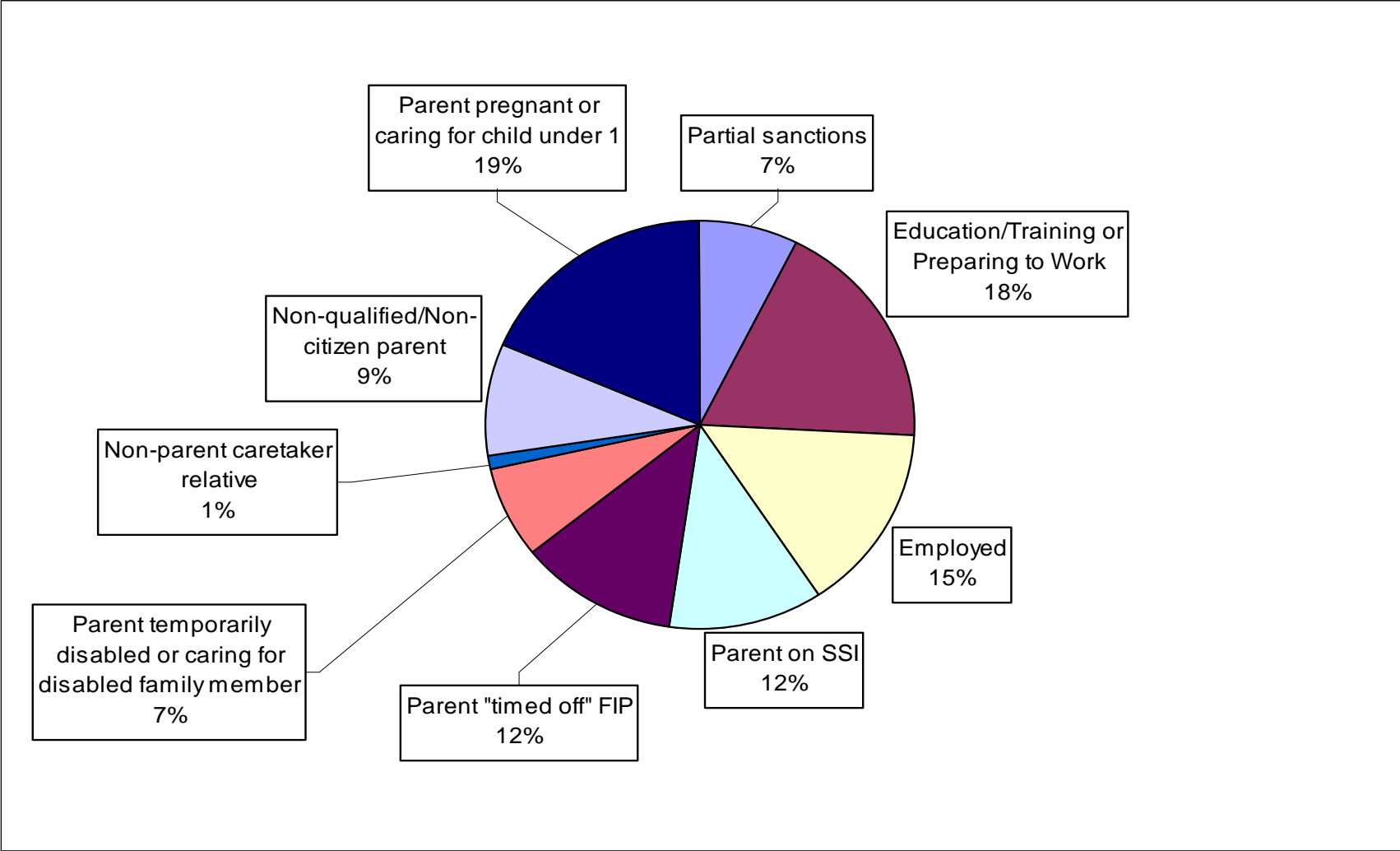
- Eighteen (18%) of FIP families report Spanish as their primary language
- Approximately 150 cases a year are referred to the Office of Rehabilitation Services for a suspected Learning Disability.

Many FIP Families Include a Parent who is Disabled

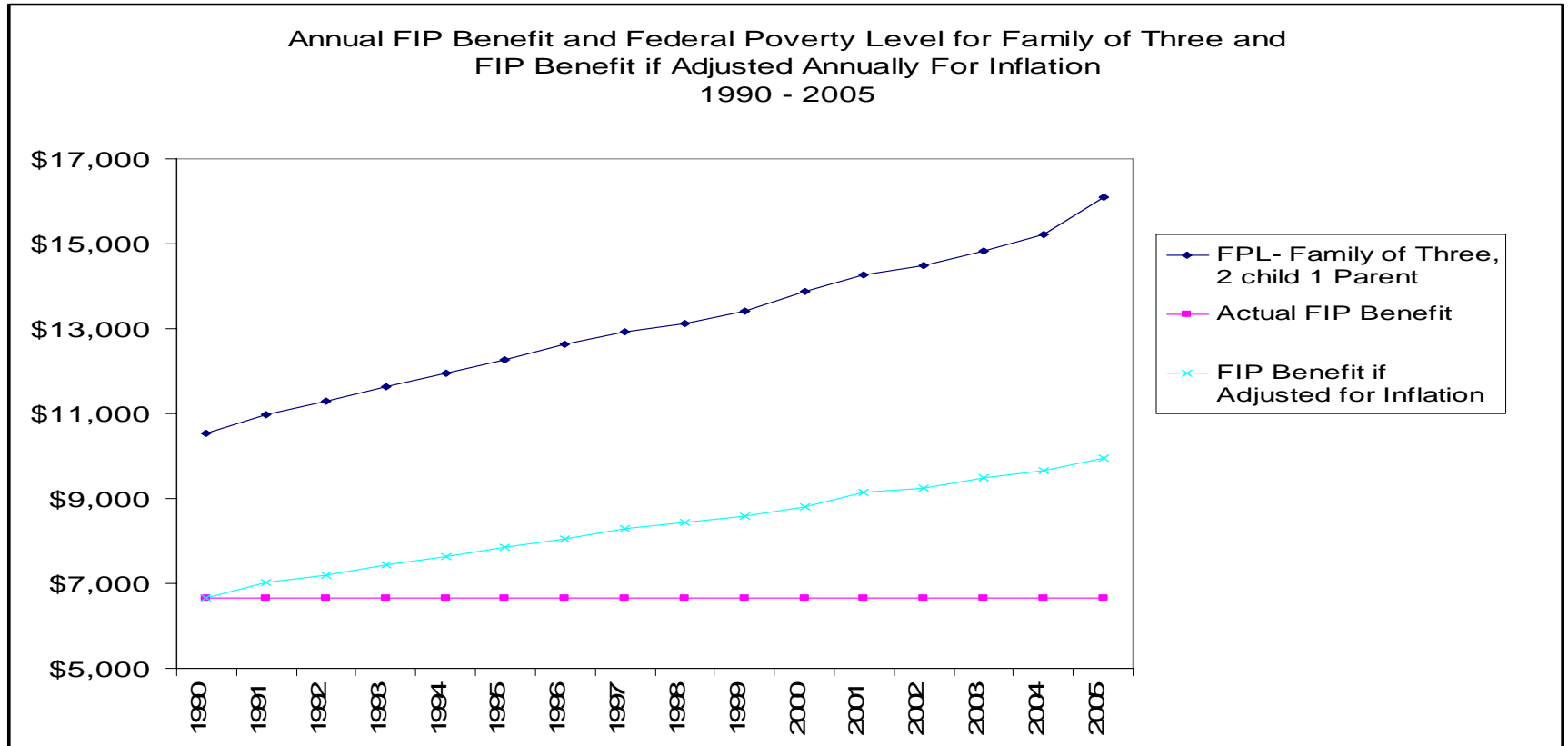
- Families with a parent who is receiving SSI for a permanent disability.....1,400 (12%)
- Families with a parent who is unable to work due to temporary illness/disability of self or spouse/child.....880 (7%)

FIP Caseload Is Multifaceted

(December 2005)



Families Relying Solely on FIP Live in Extreme Poverty



A parent and two children receive \$554/month in cash assistance, an amount that is 60% below the Federal Poverty Level (\$6,640 a year compared to the Federal Poverty Level for a family of three at \$16,600/yr).

FIP Provides Supplement to Families with Low Wages but Value Has Dropped

For a parent earning \$9.00/hour for 30 hours a week:

1997

Wage:	\$1,169
FIP benefit:	\$55
Total Monthly Income:	\$1,224
1997 FPL:	\$1,078
Total Income as % of FPL:	114%

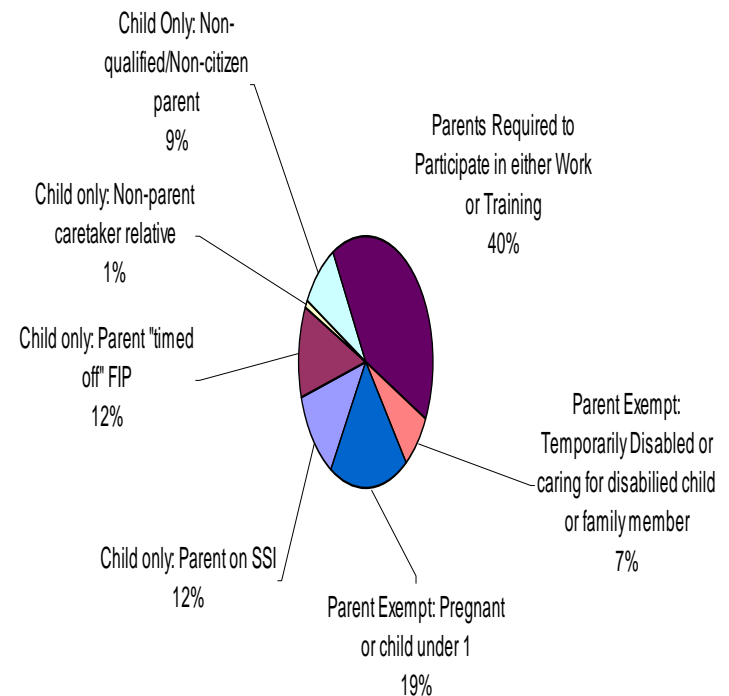
2005

Wage:	\$1,169
FIP benefit:	\$55
Total Monthly Income:	\$1,224
2005 FPL:	\$1,341
Total Income as % of FPL:	91%

Many Families Do Not Receive Case Management Services

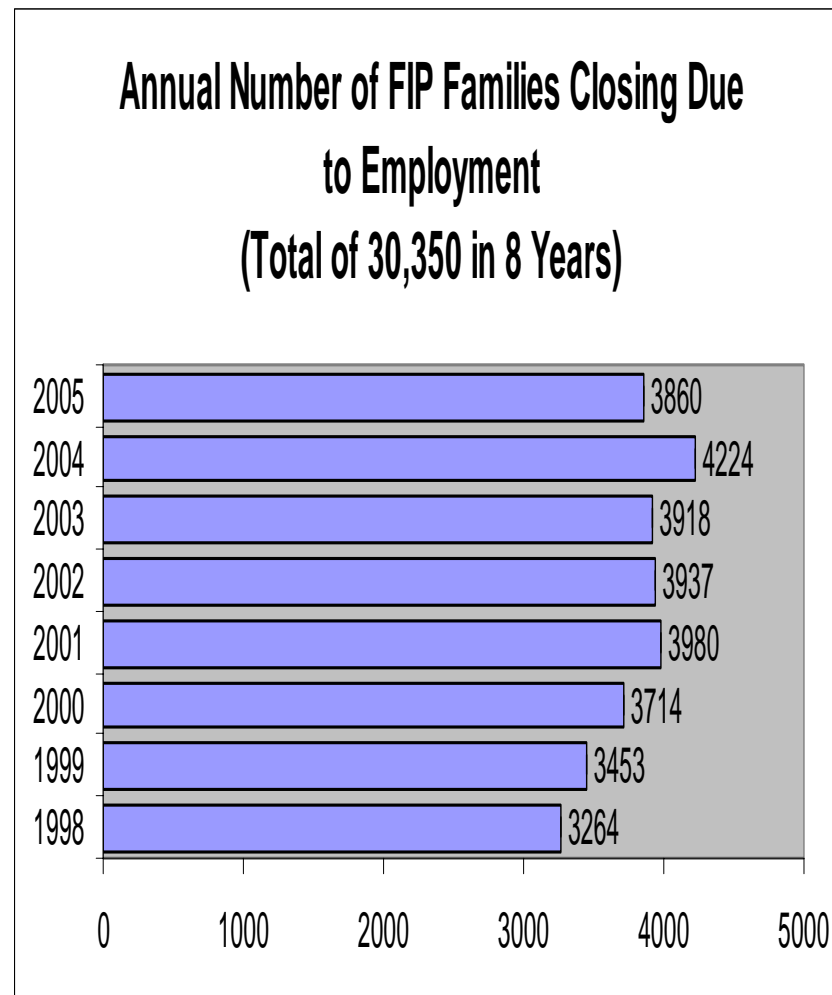
- FIP caseworkers have in excess of 200 cases.
- The case worker's focus is on developing employment plans.
- The 60% of the families exempt from the work requirement do not receive regular case management services.

FIP Population - Total Caseload
December 2005



Many Families Have Moved From Welfare to Work

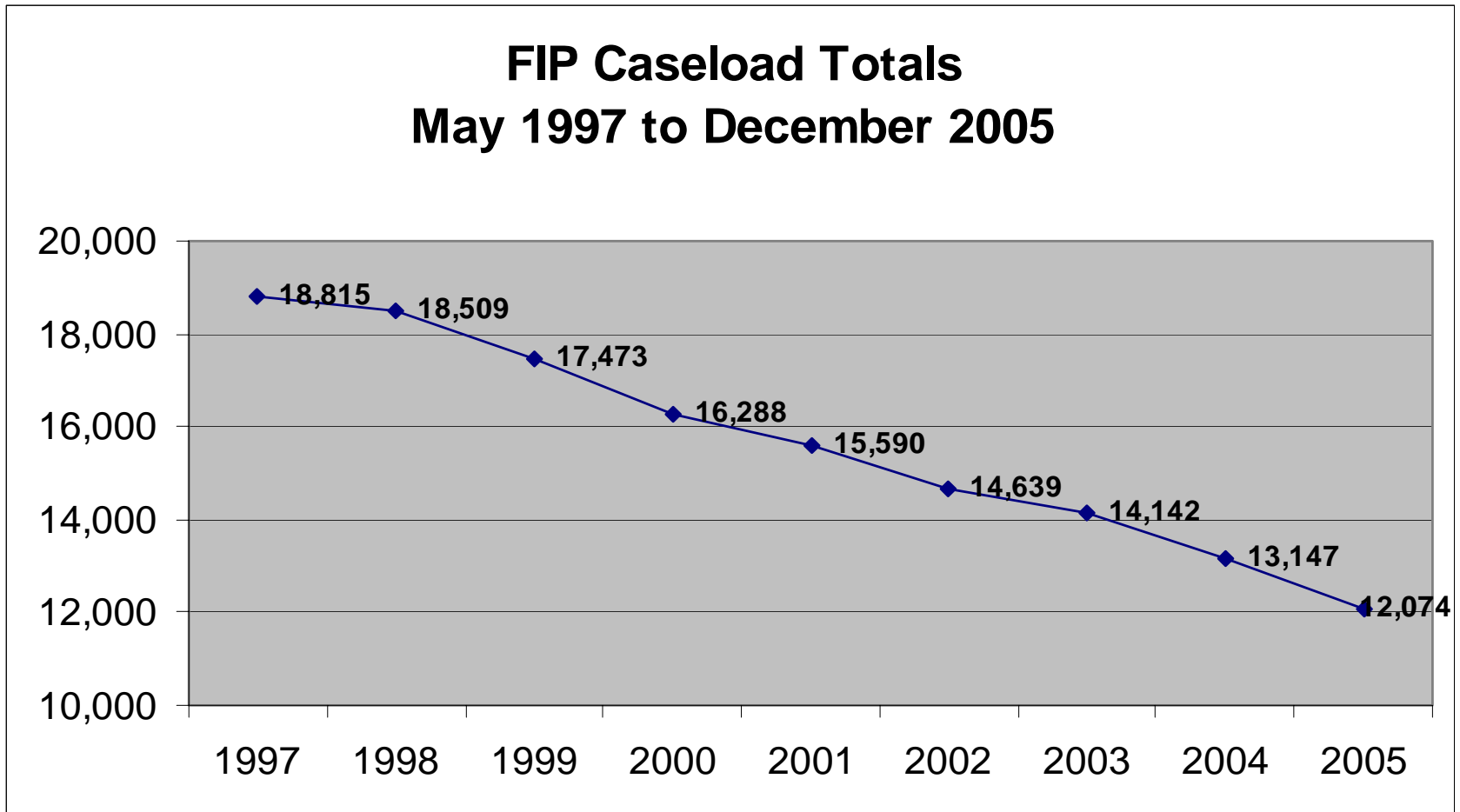
- At least half of the approximately 650 families that leave FIP each month leave because they are working. Many of the families stay in jobs and do not return to FIP.
- Approximately 19% of the families that leave FIP return within 6 months due to layoffs or other reasons.
- In FY 05 close to 4,000 families left FIP for work and since 1998 a total of 30,350 families have joined the workforce.



Education & Training Helps Parents Support Their Families

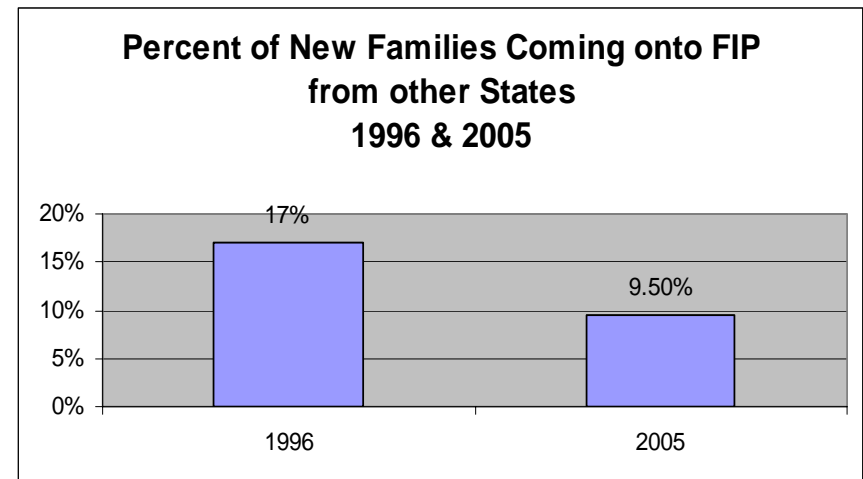
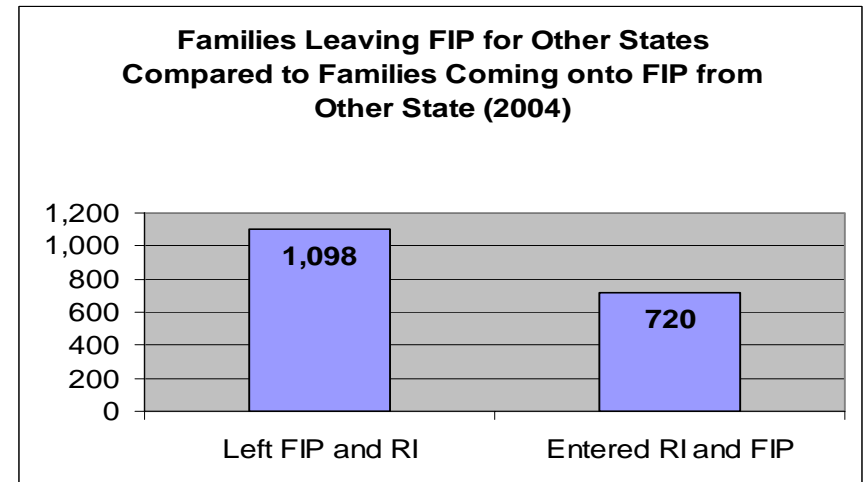
A study of FIP showed that where parents had access to education and training they were significantly less likely to be on FIP at the 5-year mark and significantly more likely to have a higher average hourly wage (\$11.37 compared to \$8.66).

FIP Caseload Decline Has Been Slow but Steady



The Number and Percent of Families from Other States Has Declined

- More Families Leave FIP and Rhode Island than Come to Rhode Island and enroll in FIP.
- Since the creation of FIP, the percent of families coming onto FIP from other states has declined by 56%.



Despite the Consistent Caseload Declines, the Program has Faced Additional Cuts

- **Weatherization Assistance:** Originally, FIP recipients received a \$100/year weatherization payment to help offset the increased cost of energy. This payment was eliminated in 2002 for budgetary reasons.
- **Full Family Sanctions:** Originally, the penalty for failing to meet the work requirements was a system of graduated sanctions. In Sept. 2004, a “full family sanction” policy was implemented – stopping the benefit for the whole family after 24 months of non-compliance. This was changed to 18 months in 2005.

State Spending on FIP Has Fallen Dramatically

Rhode Island Spending on FIP Cash Assistance
1997 - 2006

