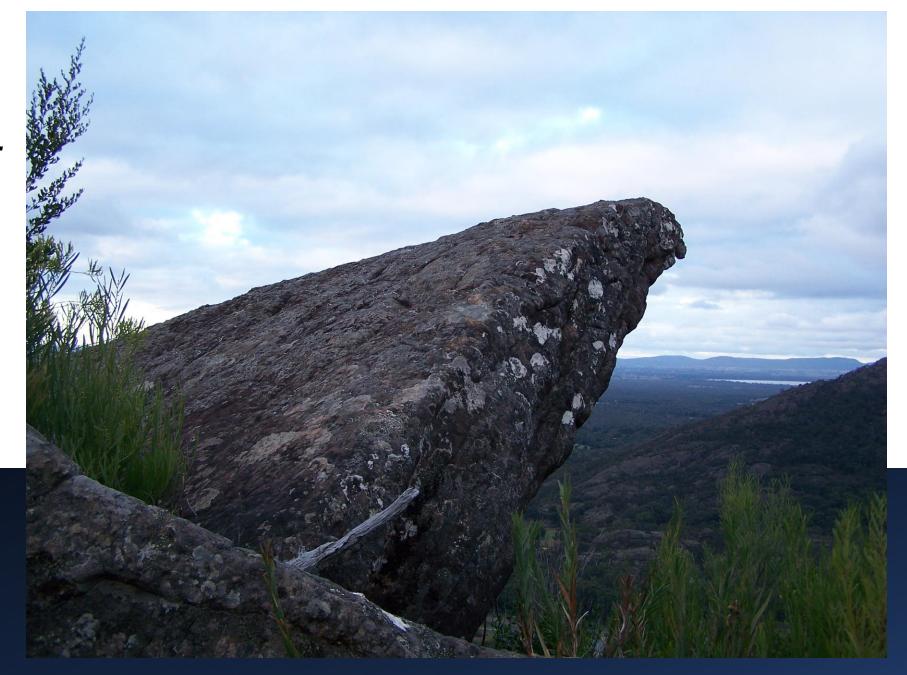
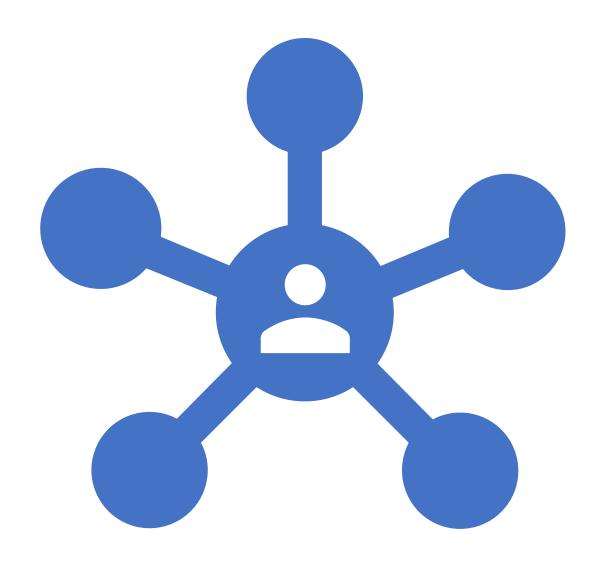
April Ecosystem Enrichment

The Benefits Cliff & its Affects on Jobseekers





Welcome to Ecosystem Enrichment!

- Monthly professional development opportunity for workforce professionals - career coaches, business services representatives, training instructors, and more!
- Information that helps connect a complex system of services so that jobseekers can get the support they need to find, obtain, and maintain quality employment -no matter where they start!
 - Broadly applicable workforce development skills/knowledge with local context
- Join us each month for more, invite others you think are a good fit, and reach out if you have questions about previous or upcoming sessions



Housekeeping Items

- The session is being recorded, the PowerPoint and other materials will be sent out after the session.
- Please mute yourselves to make sure that speakers can be heard, and we do not experience feedback. No need to keep video on unless you want!
- This session is structured with several presenters, information regarding each presenter's organization will be shared after the session along with any helpful links/websites shown
- Feel free to share your own thoughts, reactions, and reflections to the topics as we go along. If time allows, we can move to participant questions, so please send those to me privately!

Agenda

Welcomes and Introductions

Goodwill Indy, Benefits Cliff Presentation

EmployIndy, Good Wages Initiative Presentation

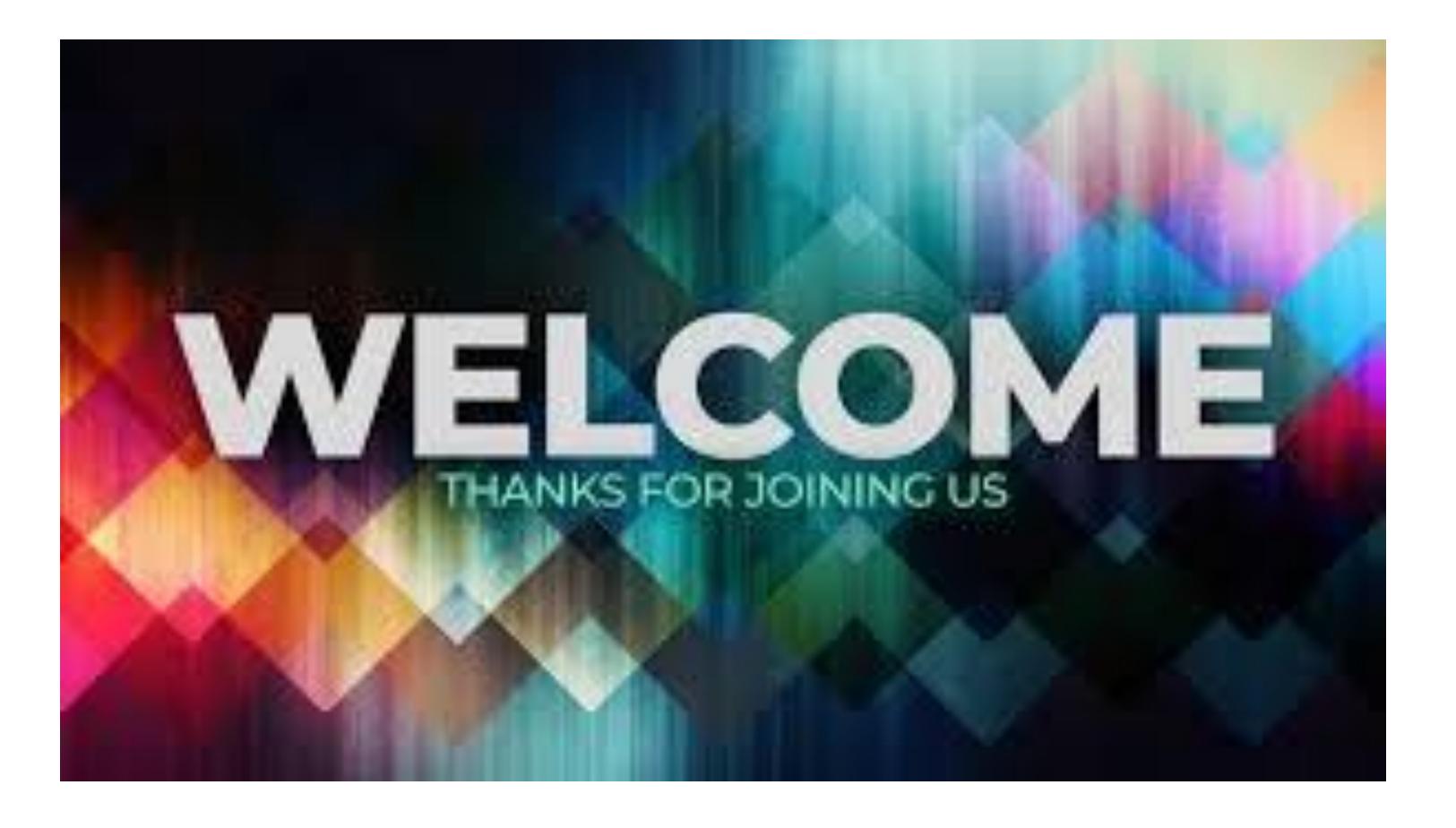
Wrap-Up

Closing Remarks



The Benefits Cliff & How to Talk About it





Introductions



Mindi Brown

Mission Coach Goodwill of Central and Southern Indiana

Chantel Poston

Mission Coach
Goodwill of Central and Southern Indiana

Agenda

- Definitions
- Overview of Financial Barriers for Working Families
- What are the Benefits?
- Coaching for the Cliff Effect



Definition of Benefits Cliff



A sudden, abrupt, disproportionate loss of income assistance or public benefits when a person in poverty receives a slight increase in income





Discussion Questions:



How is it seen and measured in your work?

Important to note: Poverty is not just about money, but also includes issues of access to services such as health care and education, marginalization and exclusion.



ALICE (Asset Limited, Income Constrained, but Employed)

The ALICE Threshold represents the minimum income level necessary for survival for a household. Derived from the Household Survival Budget, the ALICE Threshold is rounded to the nearest American Community Survey income category and adjusted for household size and composition for each county.



County	Poverty Households		ALICE Households		Poverty & ALICE Households		Households with Children in Poverty or ALICE	Senior Households (65+) in Poverty or ALICE		
Boone	1,466	6%	5,403	22%	6,869	28%	18%	40%		
Hamilton	5,213	4%	20,430	17%	25,643	21%	14%	40%		
Hancock	1,922	7%	5,838	21%	7,760	28%	19%	42%		
Hendricks	3,821	6%	10,963	18%	14,784	24%	18%	38%		
Marion	56,307	15%	96,515	26%	152,822	41%	41%	50%		
Morgan	2,580	10%	5,643	22%	8,223	32%	31%	39%		
Putnam	1,396	10%	3,224	24%	4,620	34%	33%	40%		
TOTAL	72,705	11%	148,016	23%	220,721	34%	29%	46%		

ALICE Simulation

http://indiana.makingtoughchoices.org/



You and your partner have two small children — one infant and one preschooler. After an unexpected layoff at your place of employment, you find yourself scrambling to find a new job. Your partner works a swing shift, therefore their schedule changes every 2 weeks. Their monthly earnings are \$2000 and they get paid once a month.

But there is some good news. You have three real job opportunities. The interviews went well, so you have good reason to be optimistic...

United for ALICE



Harnessing this data and research on the mismatch between low-paying jobs and the cost of survival, ALICE partners convene, advocate, and collaborate on solutions that promote financial stability at local, state, and national levels.

The ALICE research quantifies and describes the number of households that are struggling financially.

This project raises awareness about a huge but hidden segment of our community that is struggling to afford basic necessities. The success of a community is directly related to the financial stability of its members.

United for ALICE produces reports, leads a learning community and inspires action.

Why it matters



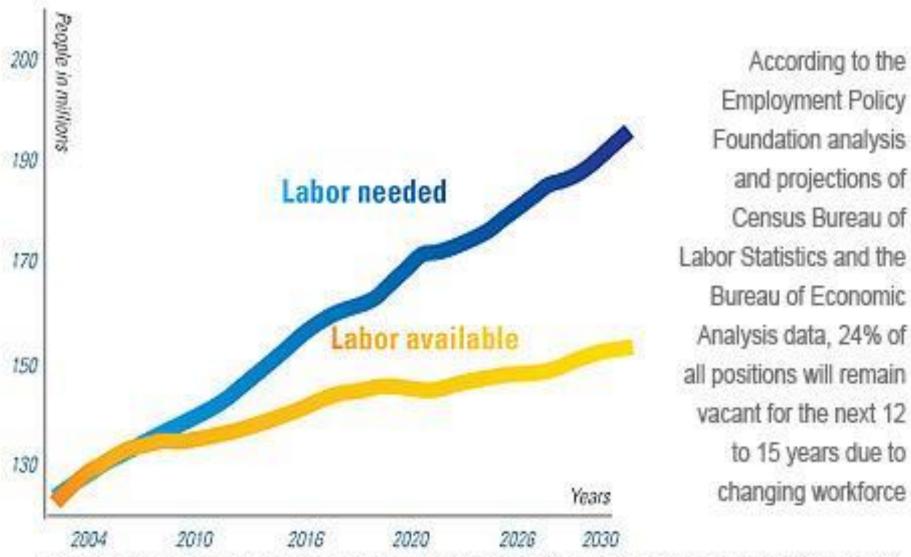
The greatest systemic barrier for hardworking families is trying to move out of poverty is the benefits cliff. Families are forced to turn down job promotions and pay raises to keep the assistance that is needed to provide adequately for their families.



Framing the Problem with Data

Poverty is an economic problem

- 46 + million people in the U.S. living in poverty.
- Indiana's poverty rate is 11.9%.
- Employers are struggling to fill open positions.



Employment Policy Foundation analysis and projections of Census Bureau of Labor Statistics and Bureau of Economic Analysis compiled and analyzed by Future Desicions, LLC. 2007.



Poverty Rates Indiana

POVERTY RATE

GENDER & AGE



Overall

11.9%

RANKED: 27TH

Percentage of people who had incomes below the poverty line (\$25,926 for a family of four) in 2019



Children

14.8%

RANKED: 26TH

Percentage of children under 18 in related families who had incomes below the poverty line in 2019



Working-Age Women

13.4%

RANKED: 31ST

Percentage of working-age women (ages 18-64) who had incomes below the poverty line in 2019



Working-Age Men

10.1%

RANKED: 29TH

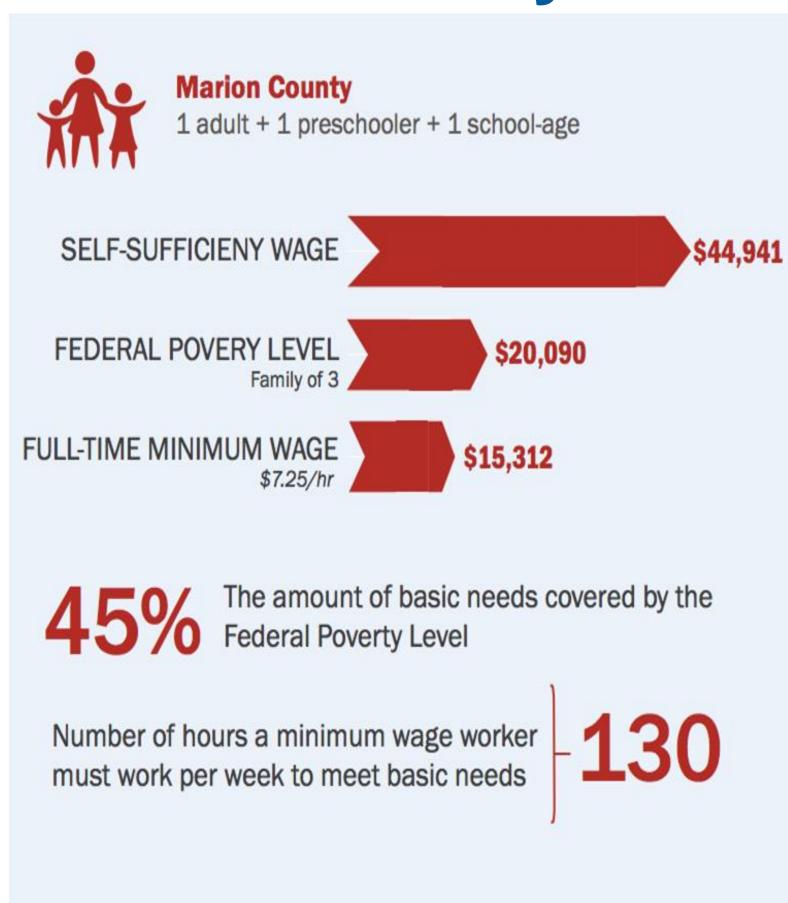


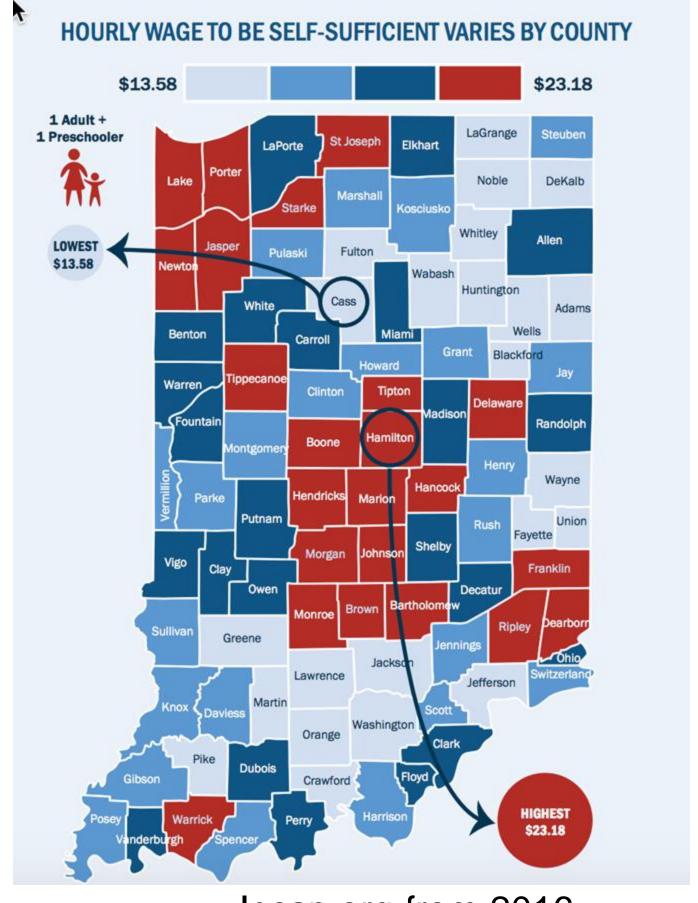
African Asian American Latino Native American White American 24.0% 14.6% 15.8% 18.8% 9.8%

Source: Talkpoverty.org



Self Sufficiency in Indiana







Economic Mobility in Indianapolis

How Is Economic Mobility Defined?

Economic Mobility

The ability of an individual, family or some other group to improve (or lower) their **economic** status—usually measured in income. **Economic mobility** is often measured by movement between income quintiles (**relative mobility**), or more generally as to whether or not a person is able to do better economically than their parents (**absolute mobility**).

Research from the Opportunity Insights Project reveals staggering statistics in our community:

- Of the top 50 U.S. cities, Indianapolis ranks 46th in economic mobility for its poorest residents.
- The lowest income children in Indianapolis have a 4.8% chance of progressing to the top 20% income bracket.



FIGURE 1. Inclusive growth framework

goodwill

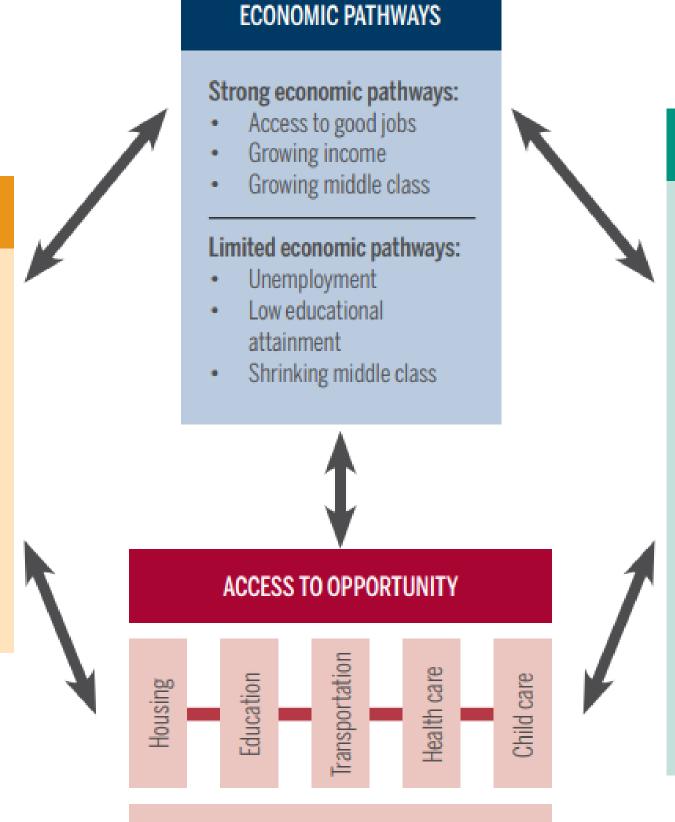
EXISTING ASSETS & WEALTH

Starting off ahead:

- Business ownership
- Homeownership
- Positive net worth
- Banking

Starting off behind:

- In debt or zero net worth
- Insufficient savings
- Gender wage gaps



EQUITABLE COMMUNITIES

Equitable communities:

- Diverse places
- Food access
- · Quality schools
- Safe communities
- · High life expectancy
- Park access
- · Environmental health

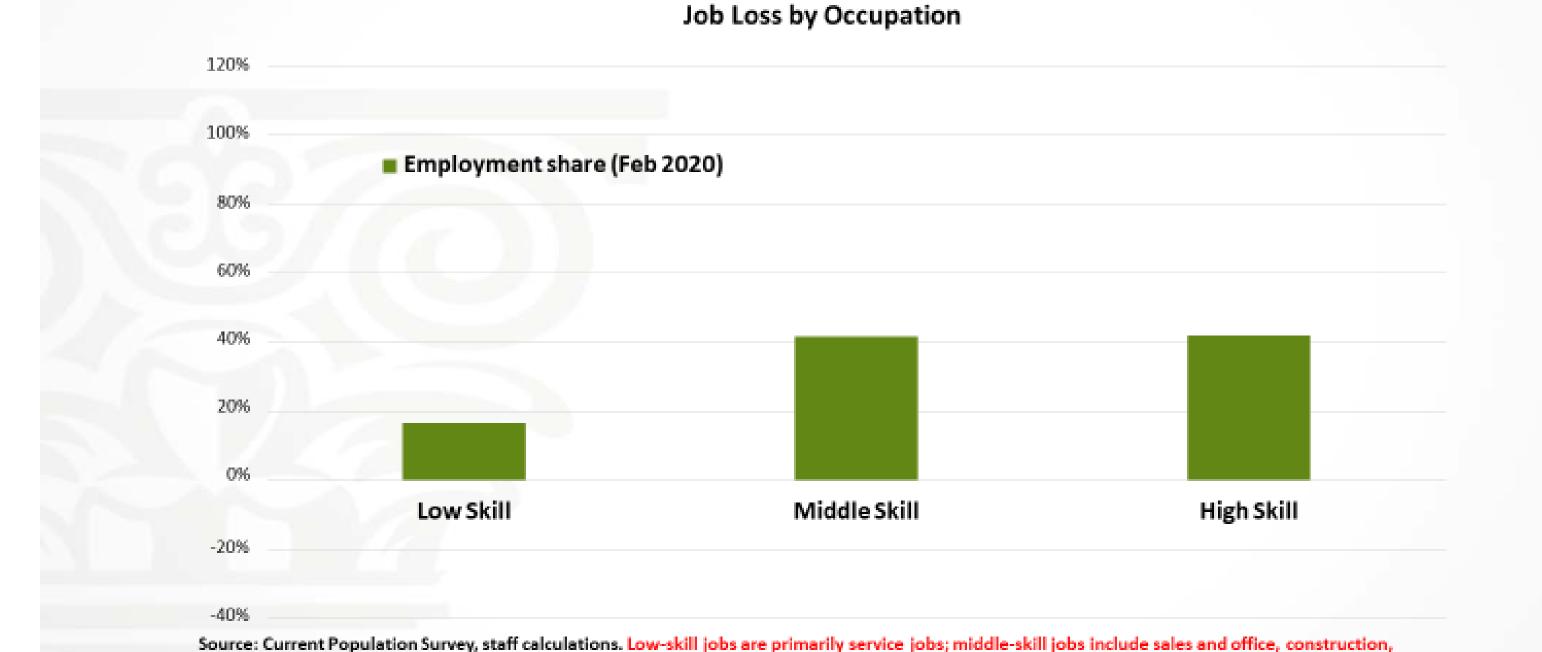
Inequitable communities:

- Concentrated poverty
- Food deserts
- Inconsistent schools
- Concentrated crime
- Life-expectancy gaps
- Lack of park access
- Environmental hazards

These foundational resources are necessary to access economic opportunities.

Source: Public Policy Institute

A quick look at the pre-COVID share of employment, organized by occupational skill requirements

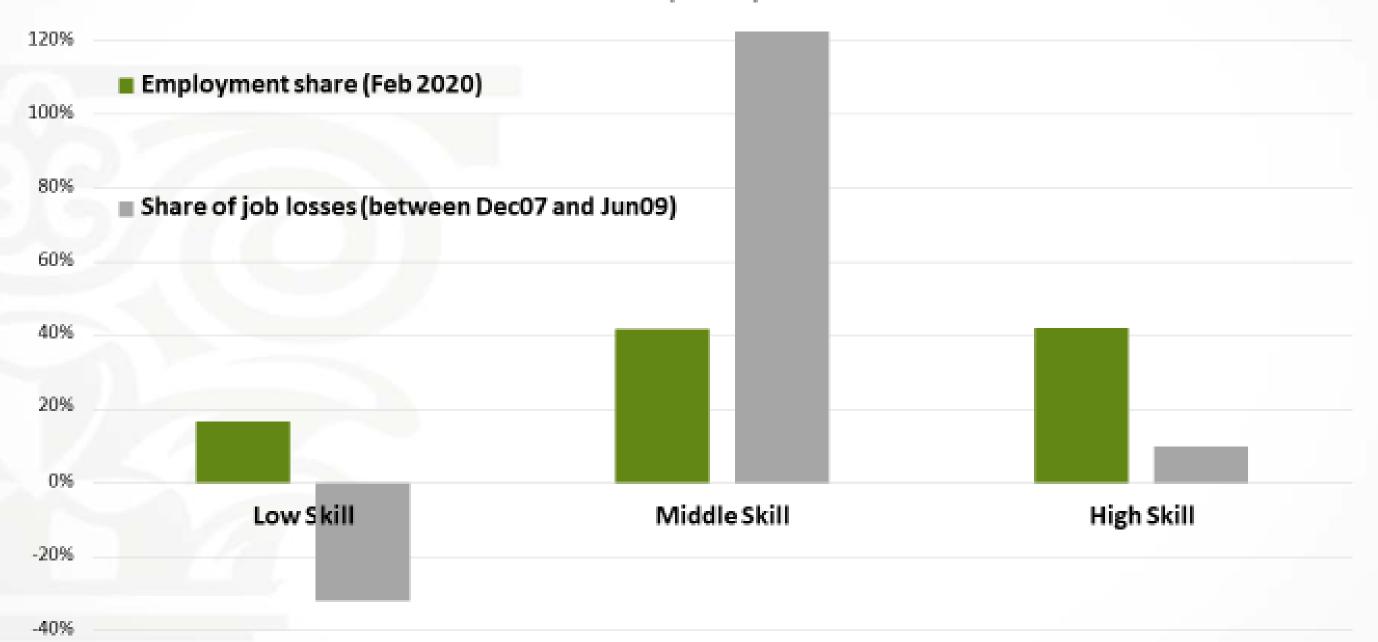


production, and transportation jobs; high-skill jobs are management, professional, and technical jobs.



During the financial crisis, workers in "low-skill" jobs fared relatively better than those in other occupations

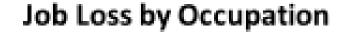
Job Loss by Occupation

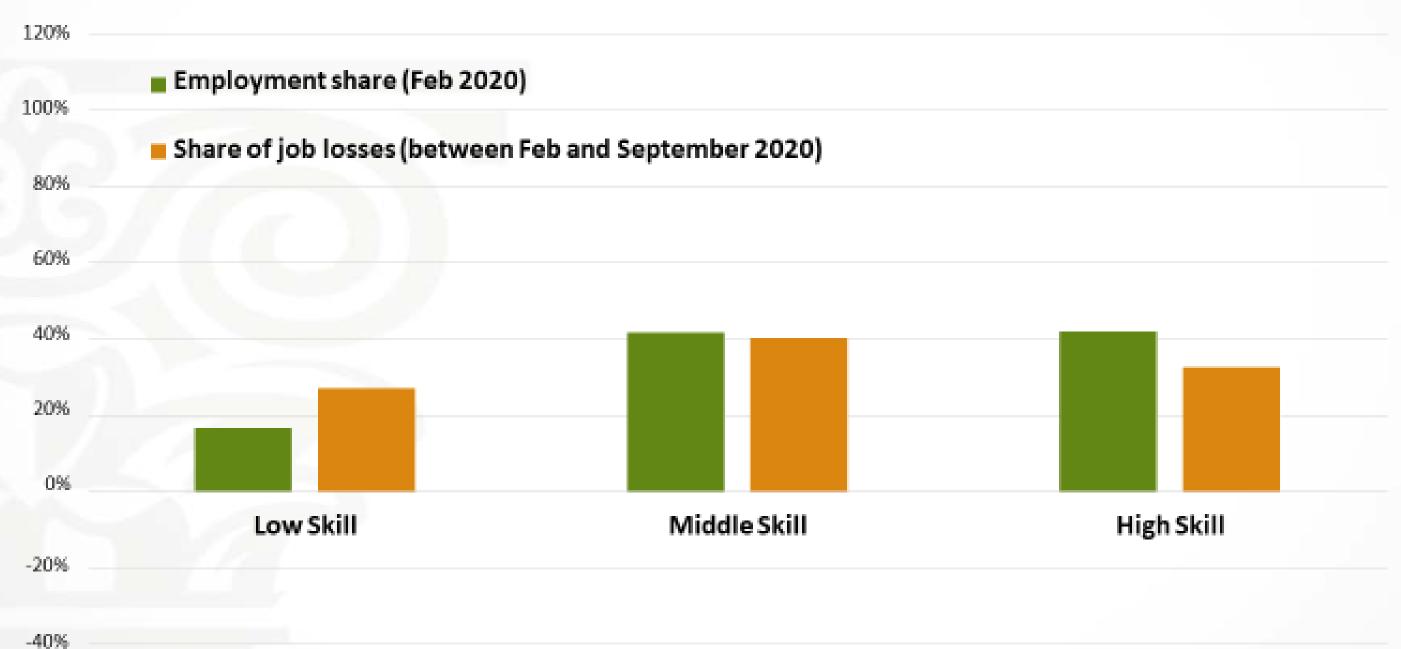




Source: Current Population Survey, staff calculations. Low-skill jobs are primarily service jobs; middle-skill jobs include sales and office, construction, production, and transportation jobs; high-skill jobs are management, professional and technical jobs.

Post-COVID, workers in "low skill" jobs have fared relatively worse than workers in other occupations





Source: Current Population Survey, staff calculations. Low-skill jobs are primarily service jobs; middle-skill jobs include sales and office, construction, production, and transportation jobs; high-skill jobs are management, professional and technical jobs.



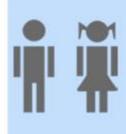
Discussion Questions:



Has the pandemic affected conversations with jobseekers about budgeting, living expenses? If so, how?

Federal Benefits

Federal Public Supports for Low-Income Families



Childcare

- TANF vouchers
- 2. Income Eligible Vouchers
- 3. Head Start and Early Head Start



Nutrition

- 4. SNAP
- 5. WIC



Healthcare

- 6. Children's Health Insurance Program (CHIP)
- 7. Medicaid



Housing

- 8. Family Self-Sufficiency Program (FSS)
- 9. Housing Choice Voucher (Section 8)
- 10. Public Housing



Income Supports and Insurance

- 11. Earned Income Tax Credit (EITC)
- 12. Emergency Aid to the Elderly, Disabled, and Children (EAEDC)
- 13. Supplemental Security Income (SSI)
- 14. Transition Aid to Needy Families (TANF)

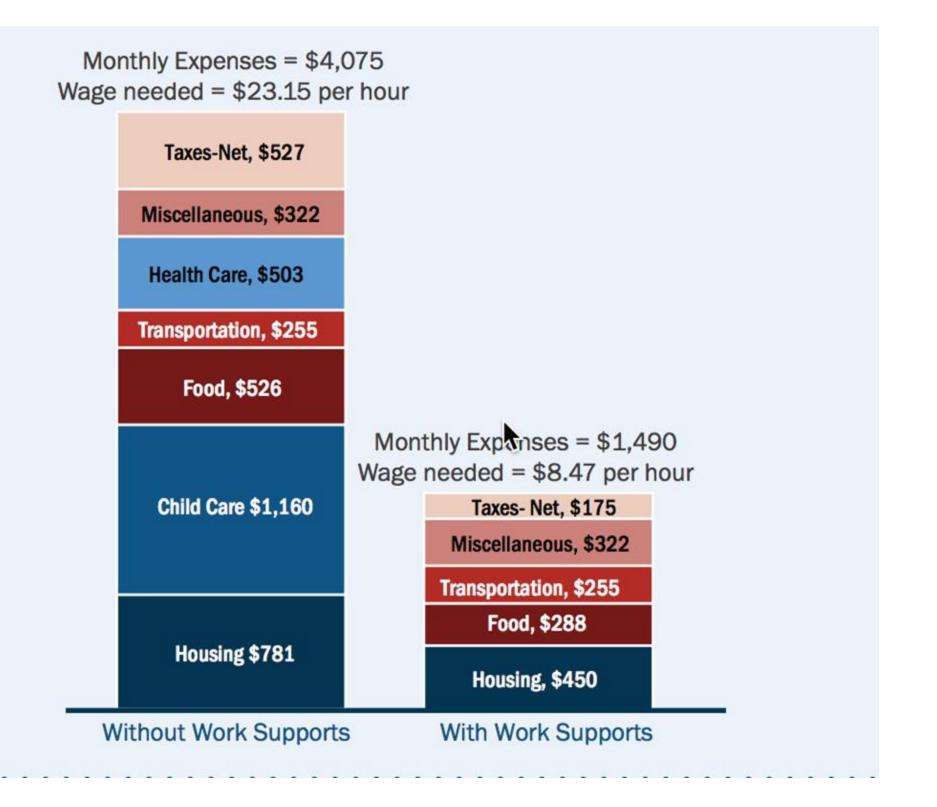


Supports help meet basic needs



This figure shows how work supports can reduce a family's expenses, so they can get by on a lower wage until they are able to earn Self-Sufficiency Wages.

- A housing voucher reduces costs from \$781 to \$450 per month (30% of income).
- Food assistance reduces groceries from \$526 to \$288 per month.
- Child care voucher reduces this from \$1,160 to \$0 per month.
- Hoosier Healthwise reduces health care costs from \$503 to \$0 per month.





The Big Three



wages increase.

The Indiana Institute for Working Families uses the example of a single mother of two to show how losing eligibility for the Supplemental Nutrition Assistance Program (food stamps), the Child Care Development Fund (child care vouchers) and Hoosier Healthwise (Medicaid insurance) can repeatedly drop her household budget over "cliffs" as her \$22.50/hr

Family loses Hoosier Net yearly savings \$12/hr Healthwise \$7,000 Family loses SNAP \$6,000 \$5,000 \$4,000 \$3,000 \$15.50/hr \$2,000 Family loses CCDF \$1,000 Break even \$-1,000 \$-2,000 \$-3,000 \$-4,000 \$9 \$10 \$11 \$12 \$13 \$14 \$15 \$16 \$17 \$18 \$19 \$20 \$21 \$22 \$23 \$24

Source: Indiana Institute for Working Families, "The Cliff Effect: One Step Forward, Two Steps Back"



Childcare vouchers and Headstart

Johnson County Indiana CCDF Reimbursement Rates

Fiscal Year 2019/2021 (CCDF)

Effective September 29, 2019

Johnson							
County	Infant	Toddlers	3-4-5 Years	Kindergarten	School Age Before/After	School Age All Other	
Licensed Center - PTQ Level 4							
Full-Time	\$300	\$266	\$235	\$200	\$165	\$197	
Licensed Home - PTQ Level 4							
Full-Time	\$182	\$175	\$185	\$175	\$129	\$151	

Healthcare - CHIP and Medicaid

Family size	Income limit (per month)	Additional details
1	\$1,564	Family size is based on the tax household. If you do not file taxes, the household includes the child, the child's parents (biological,
2	\$2,106	adopted, and step), and the child's siblings (biological, adopted, and step).
3	\$2,649	These income standards are effective March 1, 2022.
4	\$3,192	
5	\$3,734	



If eligible for HIP, you will be required to make a monthly contribution of 2% of your family income to receive HIP Plus benefits. To learn more about HIP Plus and HIP Basic, visit the Healthy Indiana Plan webpage.

SNAP

The Supplemental Nutrition Assistance Program has two income limits: gross income and net income is your total income, before taxes or any deductions. **Net income** is determined by subtracting certain allowable deductions from the gross income.

Monthly Income Limits and Maximum Allotment

Household Size	Gross Income Monthly Limit	Net Income Monthly Limit	Maximum SNAP Allotment
1	\$1,396	\$1,074	\$250
2	\$1,888	\$1,452	\$459
3	\$2,379	\$1,830	\$658
4	\$2,871	\$2,209	\$835
5	\$3,363	\$2,587	\$992
6	\$3,855	\$2,965	\$1,190
7	\$4,347	\$3,344	\$1,316
8	\$4,839	\$3,722	\$1,504
Each Additional Member	+\$492	+\$379	+\$188





Housing



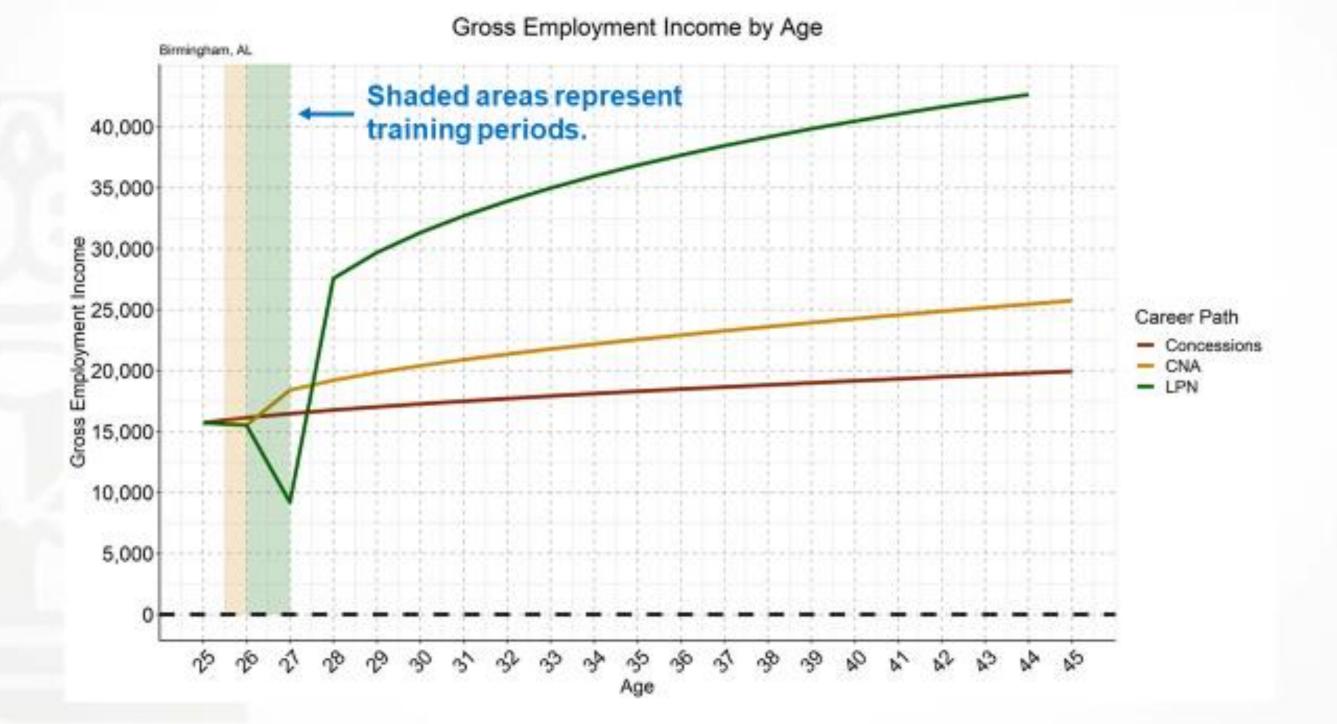
FY 2022 Income	Median Family Income	FY 2022 Income Limit Category	Persons in Family							
Limit Area	Click for More Detail		1	2	3	4	5	6	7	8
		Very Low (50%) Income Limits (\$) Click for More Detail	32,000	36,550	41,100	45,650	49,350	53,000	56,650	60,300
Indianapolis- Carmel, IN HUD Metro FMR Area	\$94,100	Extremely Low Income Limits (\$)* Click for More Detail	19,200	21,950	24,700	27,750	32,470	37,190	41,910	46,630
		Low (80%) Income Limits (\$) Click for More Detail	51,150	58,450	65,750	73,050	78,900	84,750	90,600	96,450

Discussion Question:



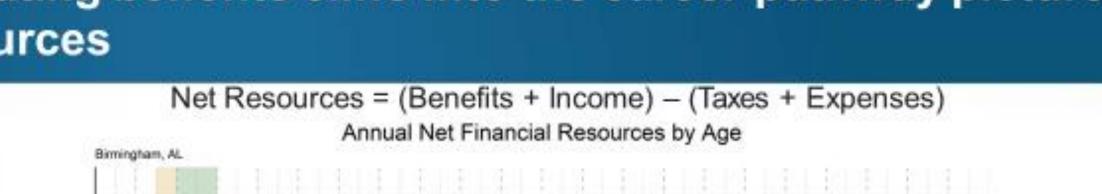
How can educational opportunities help close the gap? How can they worsen it?

The CLIFF tool: Visualizing career pathways

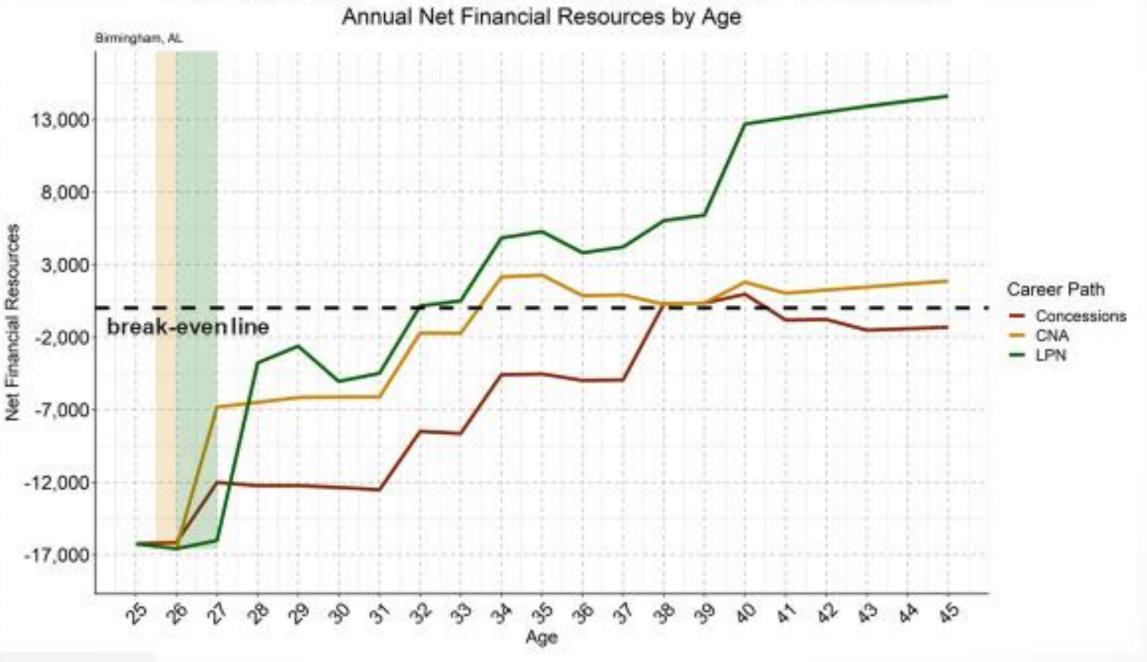




Incorporating benefits cliffs into the career pathway picture: Net resources







Coaching Keys

- Goal-setting
- Relationship building
- Client-Centered Approaches
- Connect to Supports



Mobility Mentoring®

Mobility Mentoring® Essential Elements



Coaching for Economic Mobility



Bridge to Self-Sufficiency®



Goal Setting



Recognition



Continuous Improvement

Planning tool - Net Income Change Calculator from Urban Institute

What is the Composition of Monthly Net Income at Each Earnings Level?

	Hourly Wage Rate:				
Type of Income & Expense	\$12.00	\$14.00	\$16.00	\$18.00	\$20.00
Earnings	1820	2123	2427	2730	3033
Taxes					
Federal income tax (excluding EITC)	167	167	155	143	130
Federal EITC	400	336	273	209	145
Payroll tax	-139	-162	-186	-209	-232
State income taxes and credits	13	-2	-18	-38	-54
Total taxes	441	338	224	105	-12
TANF	0	0	0	0	0
SNAP	148	92	0	0	0
WIC	0	0	0	0	0
Housing Subsidy	180	107	29	0	0
Child Care Expenses (after any subsidy)	-91	-149	-194	-273	-394
Child Support	0	0	0	0	0
Total Net Income	2498	2512	2486	2562	2627



^{*}Tool should only be used to make estimations, it will not determine eligibility.

Planning Tool from Circles



Cliff Effect Planning Tool

Disclaimer:

This software was developed with the sole intent of helping people gain an overview of what might change in their expenses when they increase income and begin losing government assistance.

Agreement of use: With any use of this software, or any version thereof, you and any affiliates agree to hold harmless Circles USA and is affiliate members, and the developer of this software for any and all outcomes as a result of direct or indirect use or misuse of the software. The results of the Cliff Effect Planning Tool are estimates based on our best information at the time this tool was developed. All estimates should be verified with the appropriate government agencies and through research on the open market for alternative services once government assistance is reduced or ended.

If your country, state, county, local or any other law prohibits the agreement of use then your use of any part of the software or any version thereof is also prohibited.

By clicking on the link button below you signify that you understand and agree with this disclaimer.



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Powered with by VinceCo



*Tool should only be used to make estimations, it will not determine eligibility.



Case study

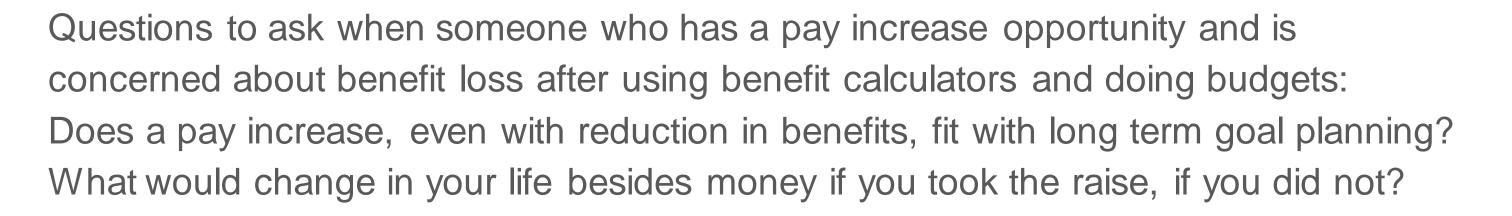
Net Financial Resources by Employment Income (Income + Benefits) – (Taxes + Expenses) Single Mother of Two Children in Miami, FL





Hypothetical single mother with two children who lives in Miami, Florida. As employment income increases (left to right on the horizontal axis), benefits phase out then disappear completely at income eligibility thresholds. Sometimes phaseouts are not gradual; they can result in a large drop in net resources (income plus benefits minus taxes and expenses).

Discussion question:



Other ideas?

Sara & Lynn Case study



Case Study - Sara



Case Study - Lynn



Learn More

Policy Change Can Reduce Benefit Cliffs and Incentivize Work - The Center for Community Solutions

An Innovative Approach to the Benefits Cliffs Quandary - PHI

Panel Discussion: Benefits Cliffs & Coaching - EMPath

https://www.huduser.gov/portal/datasets/il/il2022/2022IlCalc.odn?inputname=Marion+County&area_id=METRO26900M26900&fips=1809799999&type =county&year=2022&yy=22&stname=Indiana&stusps=IN&statefp=18&ACS_Survey=%24ACS_Survey%24&State_Count=%24State_Count%24&arean_ame=Indianapolis-Carmel%2C+IN+HUD+Metro+FMR+Area&incpath=%24incpath%24&level=50_

HUD Income Limits Calculator: Going over the benefits cliff: The catch of higher wages - Fed Communities

Net Income Change Calculator (NICC)

An Economic Mobility Q&A - Central Indiana Community Foundation.

What Are Benefits Cliffs? - Federal Reserve Bank of Atlanta

Indiana Medicaid: Home

SNAP (Food Assistance) - FSSA: DFR

FSSA: Carefinder: Child Care Assistance

Cliff Effect - Circles USA

The ALICE Project | Indiana United Ways

National Conference of State Legislatures <u>Addressing Benefits Cliffs</u>

CCDFSlidingFeeSchedule_withCopays_2022-FINAL



Community Resources & Referrals

Circles Indy

• Circles USA gathers middle-income and high-income volunteers to support families in poverty. Surrounded by people who have landed jobs, negotiated a lease, or managed credit card debt, for example, people experiencing poverty are more equipped to achieve long-term financial stability.

Centers for Working Families, Financial Coaching

- Mary Rigg Neighborhood Center
- John Boner Neighborhood Centers
- Hawthorne Center
- Edna Martin Christian Center
- Southeast Community Services
- Shepherd Community Center
- Indianapolis Urban League
- Community Alliance of the Far Eastside
- Flanner House
- PACE (Public Advocates for Community reEntry)

Indianapolis Neighborhood Housing Partnership

- Understanding Credit Class
- Dollars and Sense Class
- Successful Renting Class





GOOD WAGES INITIATIVE

Vision & Mission

Vision

The Marion County economy thrives, with businesses able to employ needed talent and workers earning sustaining wages.

Mission

The Good Wages Initiative certifies, celebrates, and showcases Marion County employers committed to paying full-time employees both a wage of at least \$18/hr and access to health insurance benefits.







Employers Benefit

Employers who raise wages see the following benefits to their bottom line:

- Lower turnover
- Reduced absenteeism
- Improved recruitment abilities
- Increased worker productivity
- Stronger sales performance
- Improved employee engagement and loyalty



Workers Benefit

Workers receiving increased wages gain the following benefits:

- Reduced financial stress and economic insecurity
- Improved mental and physical health
- Increased job satisfaction
- More opportunities for advancement



The Community Benefits

When businesses raise wages, the community sees the following benefits:

- Increased community buying power
- More money spent locally
- Reduced spending on public assistance



Benefits of Joining GWI

Certified and Committed Employers gain access to:

- Marketing materials and collateral to boost employer's efforts
- Promotion via EmployIndy's networks and channels
- EmployIndy's full program catalog of resources
- EmployIndy's network across Marion County's workforce ecosystem
- Exclusive events for recruitment and hiring, networking, and community building



GWI Requirements

Certified Status:

- Located in Marion County
- Employ at least two full-time workers
- Wage floor of at least \$18/hr for full-time workers
- Employer-sponsored health insurance benefits for full-time workers

Committed Status:

- Located in Marion County
- Employ at least two full-time workers
- Public declaration of plan to raise wages to at least \$18/hr for full-time workers within two years
- Public declaration of plan to implement employer-sponsored health insurance for full-time workers within two years

Recertification is required every two years.



How to Apply

Our application process is quick and simple and can be completed entirely online. Once the application is submitted, the Good Wages Initiative team will follow up with next steps.

https://employindy.org/goodwages/





Connect with GWI

Jamey Applegate – Director, Good Wages Initiative

812.322.4010 | japplegate@employindy.org

https://employindy.org/goodwages/



Wrap-Up

Next Session: May 26th

Register Here

Are you a new career coach, navigator, or case manager looking for resources?

Are you a seasoned professional with resources to share?

Check out the Resource Library where you can access & request materials to help as you serve jobseekers



ECOSYSTEM ENRICHMENT

YEARLY SCHEDULE

JULY 7/22

De-Escalation & Conflict Resolution

How preventing and handling conflict in the workplace can impact your organization

AUGUST 8/26

Social Identity & Its Effect on Case Management

Understanding how we perceive ourselves and the impact this has in the workplace and in life

SEPTEMBER 9/23

Career Assessments 101

Understanding how to leverage career assessments to better career planning and job placement

OCTOBER 10/28

The Basics of Career Training: What it Takes to Land Hot Jobs

Learn about several career programs and opportunities and how to connect them to clients

NOVEMBER 11/18

Employment Barriers & Making the Right Refferals

Learn where to locate resources for your jobseekers based on their unique needs and how to make referrals.

DECEMBER N/A

No Presentation

Happy Holidays!

JANUARY 1/27

The Role of Active Listening in Client Relationships

Understand the fundamentals of listening, and what barriers and behaviors encourage active listening

FEBRUARY 2/24

EmployIndy Strategic Planning Stakeholder Session with Hedges

Provide valuable feedback on Employindy's new Strategic Plan and hear progress on the current Plan

MARCH 3/24

Employment Support for Individuals in Recovery

Explore tools for improved coaching, and learn the uniqueness of finding and maintaining employment

APRIL 4/28

Understanding the Benefits Cliff and How it Impacts Jobseekers

How to talk to clients about benefits, what options exists, and what resources are available

0

MAY 5/26

How to use LMI to Guide your Case Management & Coaching

How using LMI data can help make the best informed decisions for clients

JUNE 6/23

The Skills Employers Actually Want

Understand employer perspectives to hiring and retaining employees

Closing Remarks

- Please make sure to download the Yearly Schedule and share Monthly Flyers!
- Quick Ending Poll
- Any last thoughts/announcements?
- Thanks for joining!