IS INDIANA GETTING ITS FAIR SHARE?

FEDERAL PROGRAMS AVAILABLE TO HELP WORKING HOOSIER FAMILIES

By
Sarah Downing
Rochelle Finzel
Jessica Fraser

July 2008 – 4th Edition

IS INDIANA GETTING ITS FAIR SHARE?

FEDERAL PROGRAMS AVAILABLE TO HELP WORKING HOOSIER FAMILIES

By
Sarah Downing
Rochelle Finzel
Jessica Fraser

Indiana Institute for Working Families

July 2008 – 4th Edition

ICHHI

Planning. Research. Education. Advocacy

Indiana Coalition on Housing and Homeless Issues

INDIANA
INSTITUTE FOR
WORKING FAMILIES

Acknowledgements

The Institute would like to thank the Joyce Foundation for its generous support of its work. The Institute would also like to thank Indiana state agencies and staff that provided data for this report.

About the Organizations

INDIANA INSTITUTE FOR WORKING FAMILIES, ICHHI
The Institute is a program of the Indiana Coalition on Housing and Homeless Issues (ICHHI). ICHHI is a statewide, non-partisan, non-profit organization that believes everyone in Indiana deserves a safe place to call home, a safety net of social services, and a path to self-sufficiency. ICHHI is committed to building stronger individuals, families, and communities through planning, research, education, and advocacy.

The goal of the Indiana Institute for Working Families is to help Hoosier families achieve and maintain economic self-sufficiency. The Institute works to create opportunities for families to advance in the workforce and advocates for career pathways for low-wage workers. The Institute conducts research and analysis of public policies, engages in advocacy and education campaigns, and works through national, statewide, and community partnerships to promote progressive policies in Indiana.

About the Authors

SARAH DOWNING is a Research and Policy Analyst with the Indiana Institute for Working Families. Ms. Downing focuses on public policy issues affecting low-income working families and the homeless.

ROCHELLE FINZEL is the Director of the Indiana Institute for Working Families. Ms. Finzel focuses on public policy issues affecting low-income working families, including education and training, workforce development and financial aid. Ms. Finzel has written several policy papers and was a contributing author to the report “Investing in Indiana’s Working Families to Build a 21st Century Economy.”

JESSICA FRASER is a Research and Policy Analyst with the Indiana Institute for Working Families. Ms. Fraser focuses on issues facing low-wage workers in Indiana.

Foreword

In difficult economic times, federal assistance programs play an essential role in providing low-income Hoosiers the support they need to become productive workforce members and move toward economic self-sufficiency. This report focuses on a small number of federal programs that are designed to encourage work and help families make the transition from dependency to economic self-sufficiency. These programs include:

- The Earned Income Tax Credit (EITC);
- The Food Stamp Program;
- The National School Lunch and Breakfast Programs (NSLP & NSBP);
- The Supplemental Nutrition Program for Women, Infants, and Children (WIC);
- The State Children's Health Insurance Program (SCHIP), Hoosier Healthwise; and
- The Child Care Development Fund (CCDF).

These federal programs are vital to Indiana's economy by virtue of the federal funds, jobs, and business activity they bring into the State. This report examines the economic impact on the state and community levels; the degree to which eligible low-income families and individuals in Indiana are utilizing these federal assistance programs; and, where possible, the extent of persons eligible who are not receiving benefits for which they qualify. Each program section features a list of recommendations for action that, when followed, should lead to increased program participation, increased federal domestic funds coming into the State, and more Hoosiers becoming economically self-sufficient.

This is the fourth annual report of "*Is Indiana Getting Its Fair Share? Federal Programs Available To Help Working Hoosier Families*." The first report, published in December 2003, documented on statewide and county levels the extent to which eligible individuals and families were actually receiving the assistance for which they were eligible. Not surprising, many of these programs were found to be underutilized. However, steps are being taken at both the state and community level to increase awareness of these programs and remove some of the barriers to participation. It is our hope that this report will lead to increased outreach efforts across the state, increased public knowledge, and greater accessibility to those in need. If used effectively, these programs can enable working Hoosiers to become more economically self-sufficient and lead more fulfilling and productive lives.

Stephen Midkiff

Stephen Midkiff
Executive Director
Indiana Coalition on Housing and Homeless Issues

Table of Contents

Introduction

Funds provided by means of taxation are used by governments to carry out many functions for the greater public good. Taxes are used to pay for public services that range from the creation of roads, to the provision of public education, law enforcement, and public transportation. Taxes are also used to fund federal programs designed to assist individuals and families in times of economic hardship, such as the Food Stamp Program, public health insurance programs, tax credits, and the National School Lunch and School Breakfast programs.

Indiana residents, as taxpayers, contribute to the funds that subsidize these programs. This report attempts to answer if Indiana residents are getting their fair share of federal program benefits. Are Indiana residents receiving the benefits for which they are eligible? Is the state taking full advantage of available federal programs supported by its residents?

In an effort to answer the question, "Is Indiana Getting its Fair Share?" this report examines seven federal programs:

- The Earned Income Tax Credit (EITC) program administered by the Internal Revenue Service;
- The Food Stamp Program of the United States Department of Agriculture (USDA);
- The National School Lunch and Breakfast Programs (NSLP & NSBP) of the USDA;
- The Supplemental Nutrition Program for Women, Infants, and Children (WIC) of the USDA;
- The State Children's Health Insurance Program (SCHIP), also known as Hoosier Healthwise, administered by the Centers for Medicare and Medicaid Services; and
- The Child Care Development Fund (CCDF) administered by the Department of Health and Human Services, Administration for Children and Families.

These programs were created by the federal government in response to the financial and health challenges faced by low-income families. They are not welfare programs nor are they designed as handouts ─ rather, they are programs that encourage work, increase wages, and improve the nutrition and well-being of low-income families and children.

In Indiana, the demand for these programs continues to increase as families continue to struggle. Indiana's economy was once largely dependent upon the manufacturing industry. In recent years, the high-paying manufacturing jobs have diminished with many replaced by low-wage service jobs and retail occupations. This shift has affected the ability of working individuals and families to remain economically self-sufficient. Between December 2000 and December 2007, the state of Indiana lost 103,800 manufacturing jobs.[1] However, the state's unemployment rate has remained low, fluctuating between 4.4 to 4.8 in 2007.[2] The unemployment rate for Indiana in May 2008 was 5.3 percent. Total nonfarm employment at the end of 2007 reached 2,994,900 employees, which was up from 2,973,700 in 2000, when employment peaked at 3,015,200 in May of that year.[3]

Despite relatively low unemployment rates, many Hoosiers lack economic stability. One out of four working families in Indiana is considered low-income, meaning though they are working, they earn less than 200 percent of the federal poverty income level.[4] These 200,000 Indiana families face challenges as they struggle to pay for child care, health insurance, housing, food, and other basic necessities. These families often need assistance to transition from living in poverty to achieving economic self-sufficiency. The federal programs examined in this report are designed to fill this need.

An analysis of these seven programs reveals Indiana is not getting its fair share. Many individuals and families are eligible to participate in these programs, but for various reasons have not enrolled. As a result, millions of federal dollars are left unspent, which otherwise could be used to increase the well-being of Indiana residents, families, and the economy.

The data collected suggests that Indiana receives fewer federal dollars than most other states. In fiscal year 2006, the IRS collected $39.9 billion in taxes from Indiana, ranking it 36th in the nation for its per capita tax collections. However, Indiana ranked 45th in per capita amounts of federal spending. Only five states — Utah, Florida, Colorado, Georgia, and Virginia — received a lower per capita amount of federal spending that year. As a result, Indiana is missing out on at least $575 million in federal domestic spending. Here are some examples:

- In tax year 2004, approximately $4.9 billion in EITC benefits went unclaimed nationally. Approximately $126 million in federal EITC funds were unclaimed by eligible, low-income families in Indiana in 2005 (see Appendix A).

- In 2006, USDA records show that over 587,000 Hoosiers received food stamp benefits. Approximately 215,000 additional individuals were eligible for food stamp benefits. Given that the average food stamp benefit amount per person in Indiana was $96 per month, if all those eligible were receiving benefits, the additional amount of food stamp dollars that would have come into Indiana in 2006 would total over $247 million.

- If the state increased its participation rate in the School Breakfast program to match top performing states, an additional 65,900 students would be served a nutritious breakfast before school and the state would receive an increase of $14.1 million in federal funding.

- From 2000 to 2004, Indiana lost $60 million in federal SCHIP funds. The state failed to spend their allotment and therefore the funds reverted to the federal government and were redistributed to other states. Current estimates indicate Indiana has $212.6 million available for its SCHIP program. The estimated expenditure for 2008 is $92.6 million, leaving $120 million available. If these monies go unused, they will once again be redirected to other states.[5]

- Indiana has steadily decreased the amount of funds spent on child care since 2002, which has had drastic effects on enrollment. The number of Indiana children enrolled in subsidized child care in 2007 averaged 36,768 per month – a reduction of 39 percent since 2000. In 2007, nearly 4,000 children were on the waitlist each month. Providing child care assistance would enable parents to earn nearly $68 million a year in wages.

Estimated Federal Dollars Unclaimed		
Program	**Persons eligible, not receiving**	**Dollars**
Earned Income Tax Credit	68,068 additional filers eligible, did not claim	$126 million
Food Stamps	215,000 additional persons	$247 million
School Breakfast Program	65,900 additional students	$14.1 million
SCHIP	75,000 additional children	$120 million dollars expected to remain unused in 2008[6]
Child Care Assistance	3,942 on wait list	$68 million in earnings for parents
TOTAL		**$575.1 million**

The benefits provided by these federal programs impact more than the program's direct recipients. These programs have a positive influence on Indiana's economy by creating new jobs and wages throughout the state. For example, the child care industry alone adds $633 million into the state's economy, including more than 25,000 jobs, and nearly $4 billion in earnings for parents due to the accessibility of child care. In addition, low-income families in Indiana received $841 million in Earned Income Tax Credits in 2006. This averages $1,853 per filer. These funds circulate back into the local economy and make a substantial impact on the ability of low-income working families to purchase necessary items.

In order to increase program participation rates and to bring additional benefits to Hoosiers, public awareness of these programs must be increased. A possible solution is to increase awareness of the programs through outreach and public education efforts. Targeted outreach efforts conducted through schools, mailings, and other media advertisements could significantly increase the number of families taking advantage of these programs.

The following sections of the report provide an analysis of these federally-funded assistance programs in addition to an analysis of the Supplemental Nutrition Program for Women, Infants, and Children (WIC) to determine the economic impact of each program; the participation rate of low-income families and individuals; and wherever possible, to calculate the number of eligible persons who are not receiving benefits for which they qualify. In each program section of this report, specific recommendations and courses of action are listed that can lead to increased program participation, an increase in the amount of federal domestic funds coming into the state, and more Hoosiers receiving the assistance they need to become economically self-sufficient.

Federal and State Earned Income Tax Credit (EITC)

The Earned Income Tax Credit (EITC) is a refundable federal tax credit for working individuals and families who earn less than 200 percent of the Federal Poverty Guidelines. The credit intends to reduce the tax burden for low-income workers and supplement their wages. The Earned Income Tax Credit is often referred to as one of the most successful federal anti-poverty programs. Census data show in 2003, the program lifted nearly 4.4 million people out of poverty – of which 2.4 million were children.[7]

Eligibility Guidelines

The Earned Income Tax Credit supplements low-wage workers' incomes by up to 40 percent for families earning minimum wage and in the process acts to offset Social Security and payroll taxes. The impact of the credit on a working family is considerable. In 2006, a single parent earning between $11,300 and $14,850 and raising two or more children was eligible for the maximum credit of $4,536 — a full 30 to 40 percent increase in the family's income. In 2006, taxpayers with one child could claim a maximum credit of $2,747. Taxpayers with no children could receive a tax credit of up to $412. Over the years, earned income credit eligibility requirements and benefits have increased to keep up with inflation. At a certain income level (depending upon marital status and number of children), the credit gradually decreases and phases out. To qualify for the credit in 2006, both earned income and adjusted gross income must be less than the amounts shown in Table 1.1.

Table 1.1

Eligibility Requirements for the Federal EITC, 2006		
Number of Qualifying Children	Individual Filer	Joint Filer
None	$12,120	$14,120
One	$32,001	$34,001
Two or More	$ 36,348	$38,348

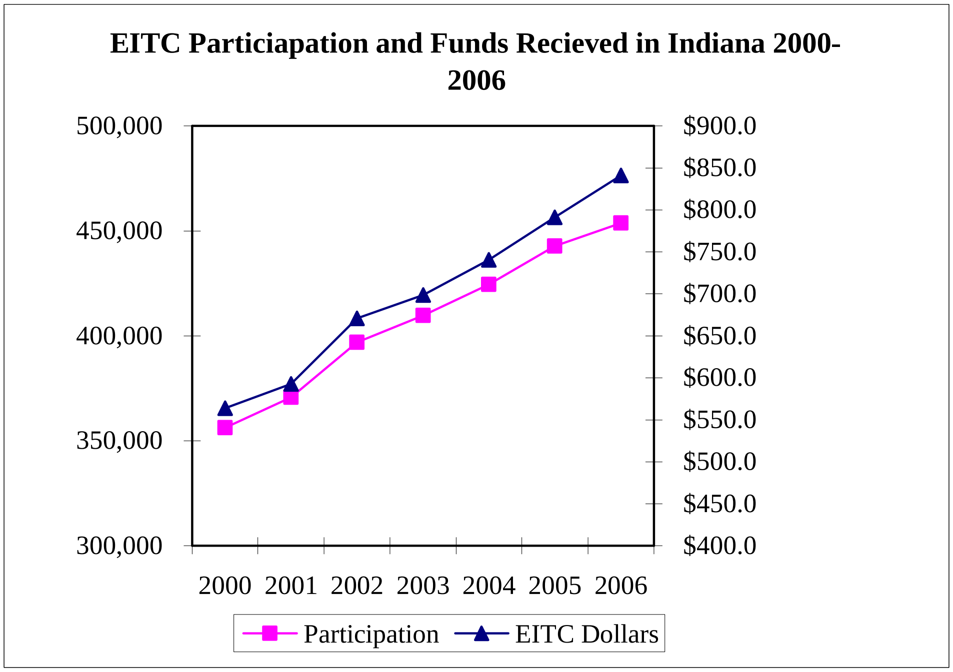
Source: U.S. Internal Revenue Service.

Participation

Nationally, one out of every six tax filers claimed the federal earned income credit in 2004.[8] The credit provided more than $40 billion in benefits to 20 million working families that year. According to IRS Data, approximately 22 million low-income families received $43.7 billion in benefits in 2006.

In Indiana, 453,788 Hoosiers claimed the federal credit in 2006, a 27 percent increase since 2000 when 356,461 Hoosiers claimed the credit.[9] Thirty-six percent of Indiana families receiving the credit reported an income of less than $10,000 while 67 percent reported an income of less than $20,000.

Figure 1.1



Source: Center on Budget and Policy Priorities. 2008 EITC Outreach Kit. [10]

The Earned Income Tax Credit has received bipartisan support as it encourages work and is motivated by the belief that full-time, low-income workers should be able to afford their basic needs including child care, health care, housing, and food. The credit has expanded significantly since its inception due to its success and the bipartisan support it received in Congress. In 2001, Congress changed several major aspects of the federal credit program including:

- A new definition of earned income;
- The elimination of the modified Adjusted Gross Income;
- Increased income limits for joint filers;
- Simplified documentation requirements;
- Eligibility for taxpayers with no qualifying children; and
- Letters and forms for the Earned Income Credit were translated into Spanish for tax year 2003.

A federal proposal to expand the EITC further is currently pending. The proposal, introduced by U.S. Representative Charles Rangel, would increase the credit for those workers without children who earn less than $5,720 from 7.65 percent to 15.3 percent. It would also increase the earnings at which the credit starts to phase out to $10,900 [11]

State Earned Income Tax Credit

Studies have shown that the federal EITC can boost a family's gross income by as much as one-third if complemented with a state EITC; gross annual income may increase by as much as 44 percent.[12] Often, state credits are established as a percentage of the federal credit and can be refundable. Indiana implemented a refundable state EITC at six percent of the federal credit. The state legislature increased the percentage to nine percent of the federal credit beginning in tax year 2009. The following table shows the value of the state credit at both six and nine percent.

Table 1.2

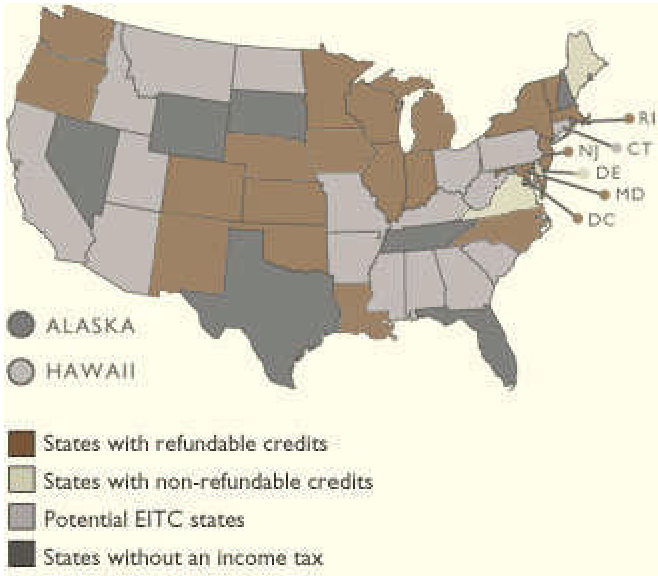
Impact of the Federal and Indiana's State EITC by Family Income Levels, 2006				
Family Composition	Gross Earnings	Federal EITC	Indiana EITC 6% of the Federal EITC	Indiana EITC 9% of the Federal EITC
Family of Four with Two Children				
Half-time minimum wage	$5,356	$2,150	$129	$194
Full-time minimum wage	$10,712	$4,290	$257	$386
Wages equal to the Federal Poverty Guidelines	$20,000	$3,859	$232	$347
Wages equal to 150 percent of the Federal Poverty Guidelines	$30,000	$1,753	$105	$158
Family of Three with One Child				
Half-time minimum wage	$5,356	$1,828	$110	$165
Full-time minimum wage	$10,712	$2,747	$165	$247
Wages equal to the Federal Poverty Guidelines	$16,600	$2,747	$165	$247
Wages equal to 150 percent of the Federal Poverty Guidelines	$24,900	$1,450	$87	$131

Source: U.S. Internal Revenue Service. 1040 A, Tax Year 2006.

Indiana is one of at least twenty-four states that offer an earned income tax credit. Of these states, fifteen have a credit set at ten percent or higher and nine have a credit lower than nine percent. While the increase to nine percent is a positive change to Indiana's policy, an additional increase would help to offset the regressive nature of Indiana's tax system.

Increased participation in the Earned Income Tax Credit program would assist more low-income working families in closing the gap between poverty and economic self-sufficiency. Indiana is one of only six states that tax working families earning less than 75 percent of the poverty level. A family of four in Indiana earning poverty-level wages (currently $20,615 annually) will pay $239 in state income taxes.[13] An Indiana state EITC set at 15 percent of the federal EITC would equal $579, thereby offsetting state income taxes and resulting in a refund of $340.

Figure 1.2
States with Earned Income Tax Credits



Source: State EITC Online Resource Center [14]

Unclaimed Federal and State EITC Dollars

The IRS estimates that 15 to 25 percent of all available Earned Income Tax Credit dollars for which low-income workers are eligible go unclaimed each year. Approximately $4.9 billion went unclaimed nationally in tax year 2004.[15] In the same year, nearly $112 million in federal EITC benefits went unclaimed by eligible low-income families in Indiana.

Many low-wage workers do not claim the credit because they are unaware of the credit or do not know they qualify, especially those who may be recently unemployed or who are receiving unemployment insurance benefits. Efforts must be made to increase the filing rates among those who are eligible for federal and state tax credit benefits but do not claim them. Just a five percent increase in the number of EITC filers could potentially gain $42 million in Earned Income Credit dollars for Indiana residents. These benefits could help reduce tax burdens for a significant number of working families in Indiana.

Table 1.3

Federal EITC: Indiana 2006						
Federal EITC Claimed			Federal EITC Unclaimed			
EITC Dollars (millions)	Number of Filers Receiving EITC	Average EITC Refund	Increase of 5% in the Number of EITC Filers	Potential EITC Dollars (millions)	Increase of 15% in the Number of EITC Filers	Potential EITC Dollars (millions)
$841	453,788	$1,853	22,689	$42	63,068	$126

Sources: Center on Budget and Policy Priorities 2008 Outreach Kit and author's calculations[16]

Refund Anticipation Loans (RALs)
The state's residents lose EITC dollars simply by not claiming the credit, but also through Refund Anticipation Loans (RALs), which are high-cost loans secured by the taxpayer's expected refund. These loans typically last seven to fourteen days (the difference between when the loan is taken and when it is repaid by the taxpayer's IRS refund).[17] Most taxpayers can receive their refund in two weeks or less without having to take a refund anticipation loan. In 2006, these loans were utilized by approximately nine million Americans and cost $900 million in loan fees.[18]

Fortunately, the utilization of refund anticipation loans decreased by nearly 30 percent nationally from 2004, which was likely due to increased outreach and awareness of free tax preparation services.[19] However, one out of every three EITC recipients utilizes a refund anticipation loan. In Indiana, 146,956 ─ 34 percent ─ of Hoosiers who claimed the federal earned income tax credit took out a refund anticipation loan in 2005.[20] The cost of the loan reduces the benefit of the EITC by nearly $300, or 17 percent, and takes money away from families that can least afford it. Indiana Earned Income Credit recipients lost approximately $45 million in loan and tax preparation fees in 2005.

Table 1.4

Cost of RAL for an EITC Recipient and to the Federal EITC Program		
Type of Fee	Cost to Taxpayer	Cost to EITC Program
RAL Loan Fee	$100	$570 million
Application/Admin Fee	$40	$57 million
Total	**$140**	**$627 million**
Tax Preparation Fee	$163	$929 million
Total with Tax Preparation	**$303**	**$1.6 billion**

Source: Wu and Fox, B[21]

While the usage of these loans has declined in recent years, there is still cause for concern. One existing alternative to help curb the use of Refund Anticipation Loans are Volunteer Income Tax Assistance (VITA) sites. These sites provide free tax preparation services to low-income taxpayers, thereby eliminating the need to go to a paid tax preparer, where there may be the option to take out a Refund Anticipation Loan. In 2006, the U.S. spent $8 million on these sites. Approximately $140,000 was granted to Indiana, where there are over 230 free tax preparation sites for low income families. (A current legislative proposal, House Bill 5716, would increase funding for Volunteer Income Tax Assistance sites to $10 million.) More of these sites are needed to help ensure that low-income families are filing for the Earned Income Credit, as well as receiving their full benefits by not using Refund Anticipation Loans.

EITC Dollars Stimulate Economic Development
The EITC benefits low-income families and the local economies in which they reside. A recent report by the Brookings Institution found the credit pumps more money into local economies than many other federal programs. In 2004, federal funding for community development and affordable housing initiatives through Community Development Block Grant and HOME programs amounted to roughly $3.1 billion. The EITC program brought in over $20 billion to residents in these same cites.[22]

The Earned Income Credit is often the largest payment received by low-wage workers, amounting to nearly 10 percent of their annual income. Studies show that recipients use their refunds for short and medium-term needs, including paying off debt, replacing old appliances and furniture, and investing in education.[23] The money that working families receive through the credit can become "working capital" to open bank accounts or Individual Development Accounts (IDAs). This can provide an important first step toward financial security and should be linked to a variety of asset-building initiatives.

Local economies experience a ripple effect from this spending and investment. The city of San Antonio estimates that every $1 in Earned Income Tax Credit generates $1.58 in additional local economic activity.[24] Many cities and localities recognize the significant effect of the EITC and strive to reach eligible families to ensure they claim the credit.

Lake County Example

In 2005, 40,331 people claimed the federal EITC in Lake County — this is a 20 percent increase in the number of EITC recipients since 2000.[25] However, approximately 6,000 taxpayers in Lake County were eligible for the federal EITC and did not claim the credit. For example, a single parent in Lake County in 2005, with two children — a school-age child and a teenager — making $26,340 a year paid $3,840 in federal and state income taxes, state sales tax, and payroll taxes. This same family would qualify for a federal EITC benefit of $1,945 and a state EITC of $117 in 2005, totaling $2,062 in EITC benefits.

Table 1.5

Earned Income Tax Credit Benefits, Lake County, 2005	
One Adult, One School-age Child, and One Teenager	2005
Self-Sufficiency Hourly Wage	$12.47
Self-Sufficiency Annual Wage	$26,340
Taxes Paid, Annually	$3,840
Federal and State EITC Benefits	$2,062

Source: Pearce, "The Self-Sufficiency Standard for Indiana"[26]

At a time of fiscal constraints, the program offers one of the best opportunities to increase incomes and earnings to stimulate hard-pressed urban and rural economies. Due to its large size and substantial local economic impact, it should be of paramount interest to state and local officials. EITC dollars help stimulate economic development in local communities by increasing the purchasing power of families and helping them to build assets.

Economic developers, businesses, state and local government officials, and the community must have a successful outreach campaign to reach those who are eligible to file for the federal and state credit. It is important to assist low-income working families with investing the money they receive from the EITC refund in order to encourage their economic self-sufficiency.

Strategies to Increase Participation for the State:

- **Connect more families with the tax credits they have earned.** Many low-wage workers do not claim the credit because they are unaware of the EITC or do not know they qualify, especially those who may be recently unemployed or who are receiving Unemployment Insurance benefits. In early 2003, the Indiana Family and Social Services Administration conducted an EITC promotion campaign, which included media events, visits to newspaper editorial boards, letters to legislators and employers, and envelope inserts for TANF recipients, child care providers, and Section 8 landlords and tenants. The state should renew these outreach and education campaigns to low-wage workers.

- **Legislators should reach out to constituents and ensure effective policies are in place.**
  - Promote the credit through newsletters, town hall meetings, and media outreach.
  - Secure adequate funding for Community Outreach Programs.
  - Guarantee that consumer protections are in place regarding Refund Anticipation Loans
- **Expand Indiana's state EITC.** The state EITC will increase to nine percent starting Tax Year 2009, however an increase to fifteen percent would further reduce the tax burden of low-income working families. Of the twenty-four states that offer a state credit, fifteen have set the credit at ten percent or above. Indiana should expand the credit to fifteen percent.

Strategies to Increase Participation for Communities

- **Help low-income taxpayers learn about and file for the EITC through education and outreach.**
  - Provide EITC information at Workforce One-Stop Centers.
  - Produce outreach materials in both English and Spanish.
  - Distribute outreach materials through:
    - School systems,
    - Employers in the community,
    - Town hall and city council meetings,
    - Public libraries,
    - Community events, and
    - Grocery stores.
  - Promote the EITC through free and paid media in the following formats:
    - Ads on television, radio, and in newspapers,
    - Posters or flyers,
    - Grocery store bags,
    - Inserts in utility, unemployment, or government assistance checks, and
    - Indiana Congressional delegation and Indiana General Assembly members' newsletters.
  - Download free outreach materials from:
    - Center on Budget and Policy Priorities, www.cbpp.org.
    - National Community Tax Coalition website, www.tax-coalition.org.
    - Annie E. Casey Foundation National Tax Assistance for Working Families Campaign website: http://www.aecf.org/KnowledgeCenter/Publications.aspx?pubguid=%7B82A09E07-1E9A-4621-A0A6-7651F59B9780%7D
    - Center for Economic Progress: http://www.centerforprogress.org/
    - Indiana Department of Revenue has free educational tax materials available at: www.in.gov/dor/.

- **Support community organizations that preserve the value of the EITC and connect people with free tax preparation services.** The State should take a leadership role and encourage communities to provide free tax preparation services to low-income and elderly residents who may be eligible for the EITC. Most people who get the EITC need assistance understanding the tax code and filing their forms. Unfortunately, the fees they pay for tax preparation and refund loans cost hundreds of dollars and erode the effectiveness of the credit.

- The IRS offers two volunteer tax preparation programs: Volunteer Income Tax Assistance and Tax Counseling for the Elderly. Get more information at: http://www.irs.ustreas.gov/individuals/article/0,,id=107626,00.html
- The IRS offers a grant program to those interested in running a VITA site. Information on this grant is available at: http://www.irs.gov/pub/irs-utl/vita_grant_faqs_ext_060508.pdf
- Community Development Corporations (CDCs) use tax preparation services as an effective way to connect residents to their work in the community (www.ncced.org).
- Local officials and grantmakers, including Annie E. Casey Foundation, Hewlett Packard, and United Way, are interested in tax preparation services.

- **Help families use the EITC as a gateway to financial services.**
  - Create partnerships with area banks and CDCs to help low-income working families connect with financial services they may need such as bank accounts, IDAs, and financial planning.
  - Identify eligible families using local data from the IRS and Indiana Department of Revenue. Target outreach in neighborhoods and counties where EITC participation is particularly low.

Food Stamp Program

The Food Stamp program is a core component of America's nutrition assistance safety net and provides critical support to families by helping households increase their purchasing power to obtain a more nutritious diet. The United States Department of Agriculture administers the program nationally, but it is managed by each state.

The Food Stamp Program first emerged in the late 1930s, with a limited program in effect from 1939 to 1943. It was revived as a pilot program in 1961 and later became a national program in 1974. In 1977 the current program structure was implemented with a goal of alleviating hunger and malnutrition by permitting low-income households to obtain a more nutritious diet through increased purchasing power. [27]

Food stamps are used like cash to buy eligible food items from supermarkets or co-op stores. Indiana uses an Electronic Benefit Transfer (EBT) system to issue food stamps, and each participant is issued a debit card to use when making purchases.

Eligibility Guidelines

In order to be eligible to participate in the food stamp program, applicants must meet non-financial and financial requirements. Financial requirements include income and asset limits. Households must pass a gross income test, generally 130 percent of the Federal Poverty Guidelines.[28] A household is limited to $2,000 in assets or $3,000 if there is a member of the household over the age of 60.

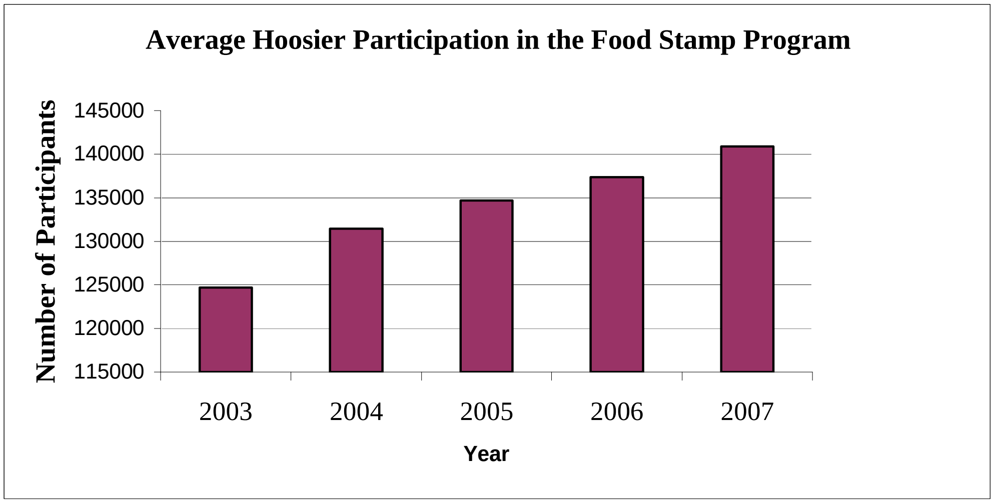
Current Participation

As of December 2007, national participation in the Food Stamp Program included more than 27 million persons marking an increase of 1.2 million people since December 2006.[29] National expenditures for the program in fiscal year 2006 totaled $30 billion and provided assistance to an average of 26.7 million people each month.[30]

Indiana's participation rate in the Food Stamp Program continues to remain higher than the national average. In FY 2006, 60 percent of the eligible people in the United States received food stamps. In comparison, an estimated 69 percent of eligible Hoosiers received food stamps.[31] Similarly, the participation rate among the eligible working poor in Indiana at 65 percent was also higher than the national average of 51 percent. However, estimates indicate one in three eligible Americans is still not participating in the program.[32]

Participation rates in the Food Stamp program among Indiana residents have steadily escalated. Since 2000, state participation increased on average 94 percent or by 280,629 individuals.[33] For some counties in Indiana, participation rates have increased faster than the state average. For example, participation in the program increased 311 percent in Dekalb County, 209 percent in Jennings County, and 202 percent in Johnson County for the 2000-2006 period. Other counties experiencing significant increases in participation were Whitley (195%), Hancock (192%), Hamilton (188%), and Wells (186%).[34]

Figure 2.1



Source: Indiana Family & Social Services Administration

Program Impact

With a total state population estimated at over six million in 2007 and a poverty rate of 12.7 percent (2006), the number of individuals in poverty and who may be eligible for food stamp benefits was approximately 802,000.[35] USDA records show that over 587,000 Hoosiers received food stamps in 2007.[36] Thus, an estimated 215,000 additional persons could be eligible for this program. Given the average food stamp benefit amount per person in Indiana was $96,[37] if all those eligible were receiving benefits (215,000 persons), the estimated amount of additional food stamp dollars coming into Indiana would total approximately $20 million each month.

Table 2.1

Economic Impact of Unclaimed Food Stamps in Indiana, 2006	
# of Persons Estimated to be Eligible for Food Stamps, but not Receiving Assistance	215,000
Average Monthly Payment per Individual Recipient	$96
Total Unclaimed Food Stamp Dollars Monthly	$20.64 million
Total Unclaimed Food Stamp Dollars Annually[38]	$247.68 million

Source: USDA, Food and Nutrition Service, FRAC State of the States Report 2007, and author's calculations.

Increasing food stamp participation would have equally dramatic results at the local level. These dollars, which are potentially available to families and local economies, are often spent locally and have a multiplier effect, stimulating additional spending and creating more jobs.

Strategies to Increase Participation:

The state of Indiana has been conducting an effective outreach program to increase participation and awareness of available food stamp benefits. Public information, education, and improving accessibility to food stamps must be continued to ensure low-income families receive the nutrition assistance they need. Some actions that can be taken include:

- **Increase accessibility to food stamps through expanded office hours of food stamp offices (including evenings and weekends), and allow twelve-month recertification for working recipients.**[39]

- **Conduct public education campaigns to provide information about food stamps and application procedures.** State and local agencies can collaborate with businesses, unions, and community organizations such as food banks, agencies on aging, and schools to provide information or application assistance. Matching funds are available from the federal government to pay half the costs of outreach programs. Some of the approaches used in campaigns by various states include:
    - Developing simple, easy-to-read flyers, posters, or other informational materials containing basic program eligibility guidelines, applicant rights and responsibilities, and phone numbers to call for further assistance in both English and Spanish.
    - Training social service workers in program eligibility requirements.
    - Providing agencies serving low-income populations (e.g., hospitals, community centers, shelters, food pantries) with promotional materials to distribute to clients.
    - Distributing food stamp materials (posters, flyers, applications) through other government program sites (e.g., WIC sites, heating assistance programs, public housing offices).
    - Sending outreach workers to speak to groups and potentially eligible individuals at community sites.
    - Conducting media campaigns using both free and paid media, including:
        - Public service announcements on TV/radio;
        - Articles in human service agency newsletters;
        - Paid TV/radio spots;
        - Direct mail campaigns;
        - Advertising on public transportation (buses and shelters); and
        - Articles and ads in community newspapers.

- **Target food stamp outreach to recently unemployed people with information at WorkOne Centers and job placement services.** One-Stop Centers funded under the federal Workforce Investment Act are ideal places to serve as clearinghouses for support services and programs. A recent survey by the Center for Law and Social Policy found that the One-Stop Centers could do much more in providing information and assistance in applying for food stamps.

- **Provide transitional food stamp benefits for families leaving TANF (Temporary Assistance to Needy Families).** States have the option of continuing food stamp benefits for families leaving welfare for work. Food stamps can provide a critical support to families as they establish financial stability.

For More Information:
Visit the Food Research and Action Center (FRAC) website at http://www.frac.org for more information about the Food Stamp Program and steps communities can take to ensure that low-income families are getting the food stamp benefits for which they qualify.

National School Lunch & Breakfast Programs

The two most prominent school-based nutrition programs funded by the United States Department of Agriculture include the National School Based Lunch Program (NSLP), and the National School Breakfast Program (NSBP). Both are federal programs created to provide nutritious meals to school-aged children to promote learning readiness and healthy eating behaviors. The program is administered on the federal level by the United States Department of Agriculture (USDA) and at the state level by the Indiana Department of Education.

National School Lunch Program

Congress enacted the National School Lunch Program in 1946 after an investigation into the health of young men who were rejected in the World War II draft. The investigation found a connection between physical deficiencies and childhood malnutrition. In response, Congress enacted the 1946 National School Lunch Act as a "measure of national security, to safeguard the health and well-being of the Nation's children."[40]

Eligibility Guidelines

The National School Lunch Program offers free and reduced-price lunches to school-aged children in families at or below 130 percent and 185 percent of the Federal Poverty Guidelines, respectively.[41] The NSLP also provides after-school snacks at program sites where 40 percent of the families fall at or below 185 percent of the Federal Poverty Guideline.

Local program sites, generally schools, implement the program that includes enrollment, certification, meal preparation, and meal service. As of 2004, states and localities are required to develop wellness policies addressing nutrition education, physical activity, and campus food provision.

Current Participation

In school year (SY) 2006-2007, there were approximately 2,270 sites in Indiana offering free and reduced-price lunches to 343,000 participating children.[42] Nationally, enrollment in the program has steadily inclined. During SY 2005-2006, 29.6 million children received lunch through NSLP, of which 17.4 million (59%) received free or reduced lunches, marking an increase of more than 30,000 students from the 2004-2005 school year.[43] Currently, nearly 18 million low-income children eat school lunches each day.[44]

Table 3.1

National School Lunch Program Participation (Reduced Price and Free Lunches)				
	Number Participating in 2005-2006	Number Participating in 2006-2007	Number Change	Percentage Change
Indiana	327,289	343,367	16,078	5%

Source: FRAC, School Breakfast Scorecard 2007.

Program Impact
Program sites receive cash reimbursements from the federal government for every meal served at the free, reduced, and paid meal rate. Schools also receive commodity foods (i.e., "entitlement" foods) valued at 16.75 cents per meal served.[45] The Federal reimbursement for the school lunch program during SY 2005-2006 was $7.4 billion.[46] Over $140 million in federal funds flowed into Indiana for the NSLP in 2005-2006 school year.[47] In addition, school lunch participation also triggers other federal funds. For example, Title I funding for a school is based on the number of children enrolled in the NSLP.[48] The Title 1 program provides financial assistance to schools with high numbers or high percentages of children from low-income families to help ensure that all children meet the state academic standards.

According to research, low-income children who participate in school-based nutrition programs have better attendance, are on time more often, and achieve better educational outcomes.

Conversely, research has shown that children who are hungry:

- are more likely to repeat a grade;
- have lower math scores;
- are more likely to have behavioral and emotional problems, including hyperactivity; and
- are more often absent and tardy.[49]

National School Breakfast Program

The School Breakfast Program did not appear in schools until 1966 when it was first established by Congress as a pilot program to serve breakfast to low-income children at rural schools whose families may not have adequate resources to provide a nutritious meal in the morning.[50] The program later became permanent in 1975.

Eligibility Guidelines
Any child attending a school that offers the program can eat breakfast. The reimbursement made by the federal government to the schools is dependent upon the student's family income. There are three participant groupings based on income:

- **Free:** Students from families with an income at or below 130 percent of the federal poverty level eat free of charge;[51]
- **Reduced-price:** Students from families with incomes between 130-185 percent of the federal poverty level can be charged no more than 30 cents per meal; [52] and
- **Paid:** Children with a family income above 185 percent of the federal poverty pay for their meals, but schools are reimbursed 24 cents per meal by the USDA.[53]

Current Participation
Since its start as a pilot program, the program has grown significantly, reaching an average of 10 million students each day.[54] During the 2006-2007 school year, 8.1 million low-income students benefited from the program by receiving a nutritious breakfast. In the last three school years, daily participation in the School Breakfast Program by low-income children has increased by 1 million, or 14.2 percent.[55]

In Indiana, nearly 140,000 low-income students participated in the School Breakfast Program last school year. During that time, 45 states experienced an increase in the number of qualified children eating free and reduced-price breakfasts. In Indiana, that number increased by 6.2 percent ranking the state fifth nationally for positive change.[56]

Barriers to Greater Participation
During the 2006-2007 Indiana school year, there were nearly 1,800 schools participating in the breakfast program.[57] However, this is 453 less than the number of Indiana schools participating in the National School Lunch Program. As a result, Indiana ranks 34th nationally for the number of students qualifying for free and reduced-priced breakfasts per 100 in the National School Lunch Program with an average of 40.8.[58]

Nationally, the comparison is similar. The School Breakfast Program reaches only 45.3 low-income children for every 100 reached by the National School Lunch Program.[59] The Food Resource and Action Center (FRAC) created a performance benchmark for all states to strive towards as a mean to increase the number of children eating a nutritious breakfast each day. The benchmark is for 60 children to receive a free or reduced-priced breakfast out of every 100 receiving a free or reduced-priced lunch. If Indiana achieved this benchmark, an additional 65,903 students would receive healthy breakfasts before school and an additional $14.1 million in federal funding would be brought to the state annually.[60]

As mandated by the state of Indiana, school breakfast is required in public schools when 25 percent or more of the student body qualify for free and reduced-priced meals. Effective July 1, 2007, a school breakfast program is to be implemented by individual schools where 15 percent of the student population is eligible for free or reduced-priced meals.[61] This should result in greater numbers of children participating in the program.

Program Impact
Research has found that eating a complete breakfast is not only part of a healthy diet, but is a benefit to students in the classroom. Particularly, children who eat breakfast at school – closer to class and test-taking time – perform better on standardized tests than those who skip breakfast or eat breakfast at home. In addition, children who eat a complete breakfast versus a partial or no breakfast:

- make fewer mistakes and work faster in math and number checking tests;
- improve their speed and memory in cognitive tests;
- demonstrate improved cognitive function, attention, and memory;
- show increased math grades, attendance, and punctuality;
- perform better on tests of vocabulary and matching figures; and
- improve their performance on demanding mental tasks and reaction to frustration.[62]

In addition to improving classroom performance, eating breakfast at school:
- improves student behavior;
- decreases tardiness and absences;
- improves a child's diet and nutritional intake; and
- reduces the risk of obesity.[63]

Strategies to Increase Participation in the National School Lunch Program:

- **Review NSLP sites to ensure that proper outreach is conducted to enroll children.**

- **Create confidential payment procedures to reduce stigma.** This could include uniform debit cards/vouchers to pay for meals regardless of enrollment in the program, especially for children in junior high and high school.

- **Facilitate the expansion of other child nutrition programs — such as the National School Breakfast Program and the Summer Food Service Program — to additional program sites.** Establish a School Breakfast Program at each school in the district and offer universal access so all students participate. Other communities have implemented this with very positive effects on student attendance and performance.

- **Implement streamlined program and certification procedures to ease administrative burden on schools.** The State should institute a direct certification policy that allows children whose families receive Temporary Assistance for Needy Families (TANF) or food stamps to automatically qualify for the School Lunch Program without providing additional documentation. Currently, the State allows local areas the discretion to implement this policy or not. Federal rules will mandate direct certification by 2008. Direct certification has shown to increase participation in School Lunch Program (and thereby School Breakfast Program) and eases the administrative burden on schools.

Strategies to Increase Participation in the School Breakfast Program:

- **Implement Provision 2 of the National School Lunch Act thereby offering free breakfast to all students.** Provision 2 of the National School Lunch Act allows schools to provide breakfasts (and lunches) for multiple years, free of charge to *all* students without collecting meal applications. This reduces the administrative burden and any stigma associated with participating in the program. At least 40 states have implemented sections of Provision 2 and/or Provision 3. Localities, such as Cleveland, Kansas City, and New York City offer a Universal Breakfast Program where every student in public schools, regardless of income, is offered a nutritious breakfast at the beginning of the day. By all accounts, these expansions have been incredibly successful at improving performance, attendance, and nutrition of all children.

- **Immediately implement a direct certification process**. Current federal rules allow direct certification and will mandate the policy in the 2008-2009 school year. This procedure allows children whose families receive TANF or food stamps to be automatically qualified for the School Lunch Program without providing additional documentation. Currently, Indiana allows local areas the discretion to implement this policy. Direct certification has shown to increase participation and eases administrative burden on schools.

For More Information:

To learn more about the National School Lunch Program and the School Breakfast Program visit:

- The Food Research and Action Center (FRAC): http://www.frac.org
- USDA/FNS Child Nutrition Programs: http://www.fns.usda.gov/cnd/

Supplemental Nutrition Program for Women, Infants, & Children (WIC)

The Supplemental Nutrition Program for Women, Infants and Children (WIC) is a program of the Food and Nutrition Service (FNS) of the U.S. Department of Agriculture (USDA) and is administered by the Indiana State Department of Health. WIC was established to counteract the negative effects of poverty on prenatal and pediatric health and provides a combination of direct nutritional supplementation, nutrition education and counseling, and increased access to health care and social service providers for pregnant, breastfeeding, and postpartum women; infants; and children up to the age of five years.[64]

By providing nutritional supplementation and education to women during the prenatal period, WIC is designed to:

- improve fetal development;
- reduce the incidence of low birth weight;
- reduce short gestation; and
- reduce maternal anemia.[65]

Participants in the WIC program receive checks or vouchers to purchase specific foods each month designed to supplement their diets. Some WIC agencies deliver food to participant homes while other agencies distribute food from warehouses. The foods provided to participants are high in one or more nutrients: protein, calcium, iron, and vitamins A and C, which are frequently lacking in diets of the program's target population.[66] A revision to the WIC food packages was published in December 2007.[67] The revision is designed to better meet the nutritional needs of WIC participants by aligning with the 2005 Dietary Guidelines for American and infant feeding practice guidelines (of the American Academy of Pediatrics); promote and support the establishment of successful long-term breastfeeding; provide WIC participants with a wider variety of food; and provide state WIC agencies greater flexibility in prescribing food packages to accommodate participants with cultural food preferences. The changes will be phased in between February 2008 and August 2009.

Local WIC offices process applications, arrange for services, and handle recertification of eligibility. Since funding on the federal level sometimes falls short of meeting the demand, there are periods when WIC cannot serve all eligible families. Individual states then institute a waitlist and/or a system of priorities for filling available spots such as pregnant women and children less than one year of age. To date, Indiana has not had to institute such systems and has been able to offer WIC to eligible families who seek assistance.

Eligibility Guidelines

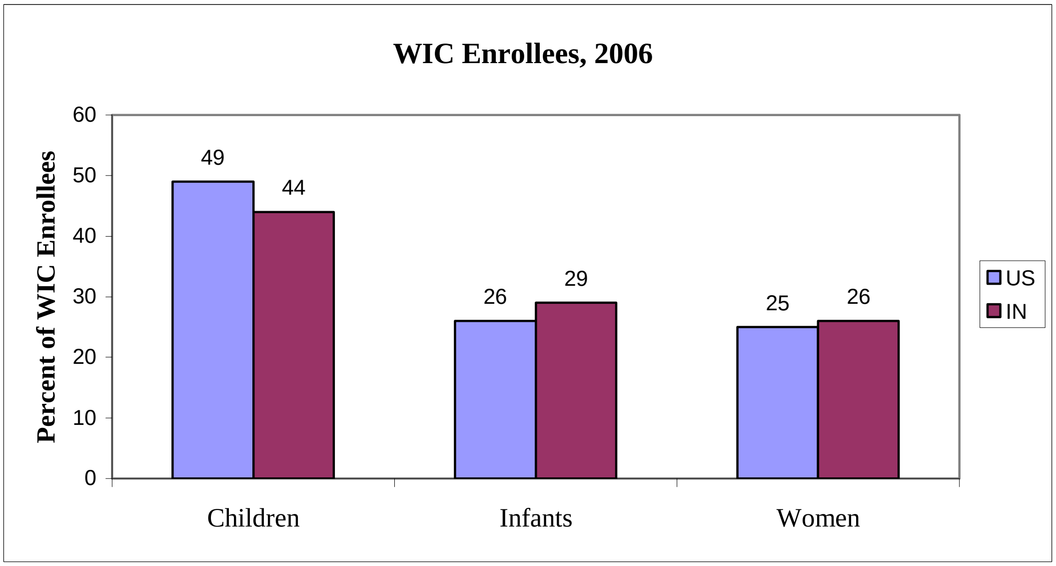
Families who are at or below 185 percent of the Federal Poverty Guidelines can participate in the program, depending on available funds. Families must be considered nutritionally "at-risk" and be residents of the state from which they are seeking assistance.[68]

Participation

In FY 2006, nearly $77 million in federal funds flowed into Indiana to support the food, nutrition and administrative expenses of the WIC program.[69] The average monthly benefit per person in FY 2006 was $32.62, and increased to $36.28 in FY 2007.[70]

As of April 2006, more than 8.7 million individuals participated in the WIC program nationally.[71] Of those, nearly half (49 percent) were children(age 1 – 5), 26 percent were infants(birth – 1 yr), and 25 percent were women. In Indiana, an average of 137,000 women, infants, and children participated in the WIC program each month during the 2006 fiscal year. Forty-four percent of participants were children, 29 percent were infants, and 26 percent were women.[72] In 2007, the number of participants in Indiana increased by 2.5 percent to nearly 141,000 individuals.[73] Figure 4.1 shows the distribution of children, infants, and women enrollees in the WIC program for Indiana and the U.S. in 2006.

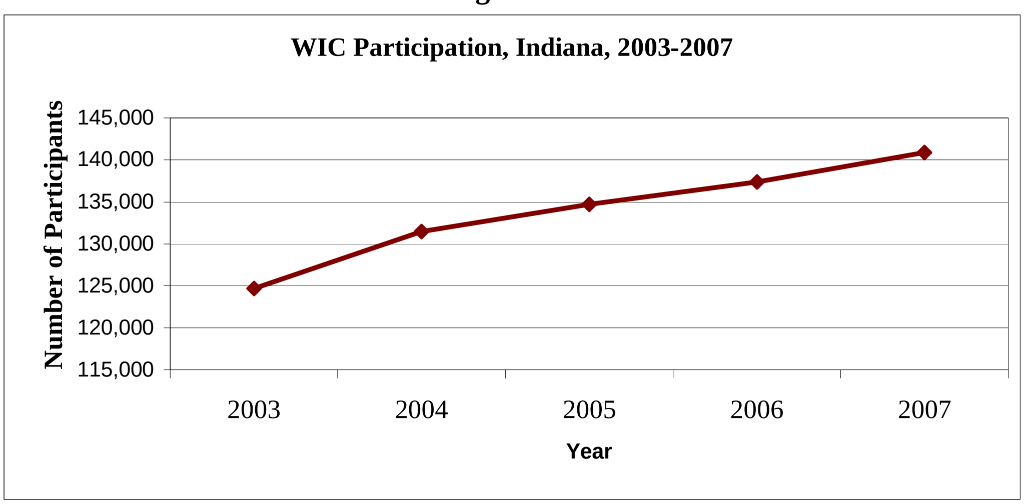
Figure 4.1



Source: U.S. Department of Agriculture, Food and Nutrition Service.

Like other programs, enrollment in WIC has increased nationally and in Indiana. During the 2003-2007 period, an additional 16,000 Hoosier women, children, and infants enrolled in the WIC program and received supplemental nutrition, nutrition education and counseling at WIC clinics, and screening and referrals to other health, welfare and social services.[74] Figure 4.2. illustrates the growth in participation during the 2003-2007 timeframe.

Figure 4.2



Source: U.S. Department of Agriculture, Food and Nutrition Service.

Program Impact

Research has demonstrated that adequate nutrition during pregnancy and the first several years of a child's life is critical to long-term health and well-being. Studies have found that infants and children who receive WIC services are:[75]

- more likely to be breast-fed;
- less likely to be underweight at birth;
- less likely to be sick; and
- more likely to be intellectually ready to start school.

WIC also serves as a critical bridge to other services for low-income families. WIC professionals not only evaluate nutritional risk factors, but link families with community resources to address issues outside of the scope of WIC services.

In addition, WIC is a cost-savings program. Researchers have found that every $1 spent on the WIC program results in Medicaid savings for newborns and mothers of between $1.77 and $3.13.[76] The WIC program is a key program for American children – 45 percent of all infants born in the United States rely on it for nutrition assistance.[77] State and local communities must make investments to ensure that the benefits provided through the WIC program are available for all eligible families who seek assistance.

Strategies to Increase Participation:

- **The Indiana State Department of Health (ISDH) should publish county level information on an annual or semi-annual basis on the number of WIC participants and the amount of funding allocated to each of Indiana's counties.** Data on the WIC program are not currently compiled by ISDH at the county level and are not published on the ISDH website. These data would be helpful to statewide and community organizations and advocates who are working to ensure that eligible residents are being reached by the various nutrition and transitional support programs.

- **Review WIC outreach strategies in the community to ensure that social service providers and eligible families know about the program.**

- **Advocate on a federal level for streamlined program and certification procedures to ease administrative burden on families and caseworkers.**

- **Advocate on a federal level for funding to reach all eligible families who are in need of WIC services.**

For More Information:

Visit the following websites for further information on WIC:

- FRAC: http://www.frac.org,
- State WIC Site: http://www.in.gov/isdh/,
- Federal WIC Site: http://www.fns.usda.gov/wic, and
- The National WIC Association: http://www.nwica.org.

State Children's Health Insurance Program (SCHIP): Hoosier Healthwise

The State Children's Health Insurance Program (SCHIP) was established through the Balanced Budget Act of 1997 as Title XXI of the Social Security Act. The Centers for Medicare and Medicaid Services administer the program by distributing $40 billion in federal funding throughout a ten-year period to provide free and low-cost health care coverage to uninsured children under the age of nineteen who are not eligible for Medicaid. The state Family and Social Services Administration (FSSA) administers Indiana's SCHIP program, Hoosier Healthwise.

The program operates under broad federal guidelines that give states flexibility to tailor programs to meet the specific needs of uninsured, low-income children in their state. Each state had the option of expanding their Medicaid program, instituting a separate state program for SCHIP, or implementing a combination of both programs. Indiana is one of twenty-four states that chose to implement a combination of both programs.[78]

Eligibility Guidelines

States set their own eligibility guidelines. Nationwide, eligibility ranges from below 200 percent of the federal poverty level up to 350 percent. Twenty-seven states, including Indiana, set eligibility requirements for children in families earning up to 200 percent of the poverty level. Fourteen states have set eligibility requirements above 200 percent and nine states cap eligibility below 200 percent of the poverty level.[79]

In May 2008, the federal government approved an expansion of the Hoosier Healthwise program. Starting on October 1, 2008, eligibility will extend to children in families who earned up to 250 percent of the federal poverty line as of January 1, 2008. Other policy changes include year-round eligibility for children and the addition of telemedicine as a covered benefit. FSSA estimates that approximately 5,000 more children will receive coverage in the first year alone.[80]

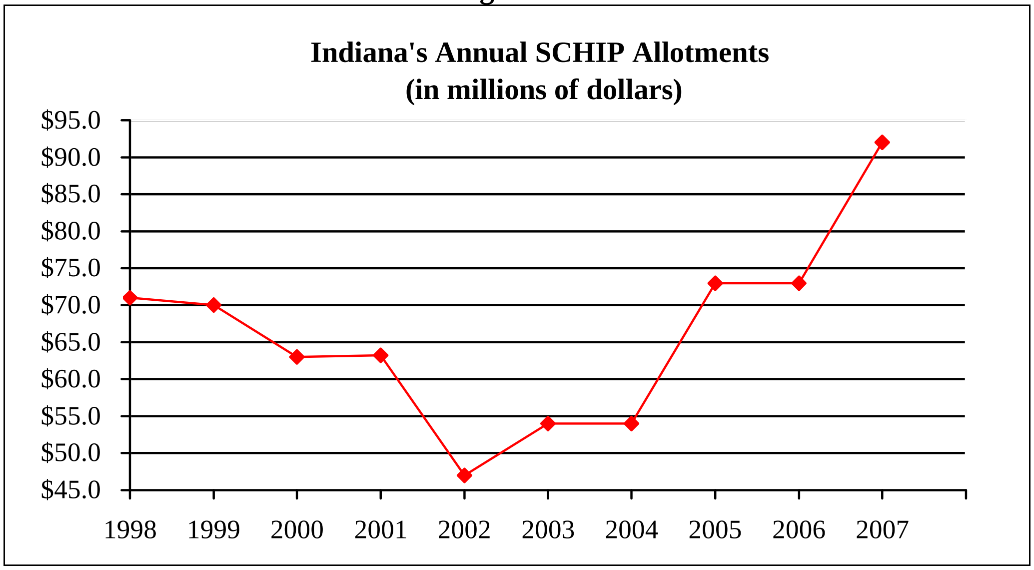
Funding

States and the federal government jointly fund the program. Federal SCHIP funds are capped at the national and state level and are available for three years.[81] Any unspent funds remaining after this period are returned to the federal government and may be redistributed to states that spent their allotments. The redistribution of SCHIP funds is essential to meet the needs of states with higher numbers of uninsured children.

Federal law requires states to match the annual SCHIP allotment. The federal matching rate varies from state to state depending on the state's portion of low-income and uninsured children. A state's matching rate ranges between 65 to 85 percent depending on the state's Medicaid matching rate.[82] Indiana's rate is 75 percent.[83]

In FY 2005, Indiana received $73 million. The state received the same in FY 2006 and a considerable increase to $92 million in FY 2007. The allotment for FY 2008 is expected to top $97 million.[84] Indiana also received $45 million in redistributed 1998 funds and $105 million in redistributed 1999 funds. Indiana spent all of these funds. From 2000 to 2004, however, Indiana lost $60 million in federal program funds the State did not spend. The funds reverted to the federal government and were redistributed to other states.[85] The following graph shows the SCHIP funds allotted to Indiana over the last several years. However, it does not represent the funds redistributed to Indiana from other states. Indiana will have an estimated $212.6 million remaining at the end of FY 2007 to cover expenses going forward.[86]

Figure 5.1



Source: Indiana's Children's Health Insurance Program Annual Evaluation Report 2005 and Georgetown University Health Policy Institute.

Participation

The goal of the SCHIP program is to provide insurance coverage for children not eligible for Medicaid and not covered by a private health insurance plan. Nearly 10 percent of all Indiana's children are uninsured, which is slightly lower than the national rate of 11.7 percent.[87] When looking specifically at low-income children, 12 percent lack health care coverage.[88]

Of all uninsured children, more than half (55 percent) live in families considered low-income, earning less than 200 percent of the federal poverty level.[89] The high un-insurance rates can be attributed partly to the fact that the adults in these families are less likely to be offered health insurance through their employer when compared to higher wage families. SCHIP serves to fill the gap for low-income working families who do not have access to private insurance yet earn too much to qualify for Medicaid.

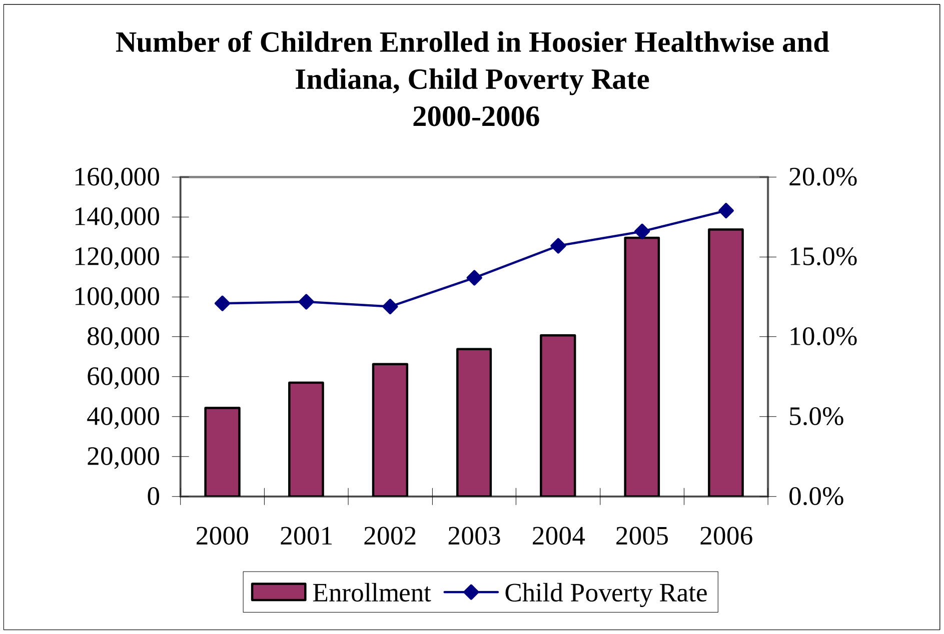
Table 5.1

Insurance Status of Low-Income Children Age Eighteen and Under, 2004 Indiana, U.S. and Bordering States						
Type	U.S.	**Indiana**	Illinois	Michigan	Ohio	Kentucky
Employer Based	25%	**30%**	27%	31%	27%	25%
Individual Policies	4%	**2%**	4%	4%	4%	2%
Medicaid/SCHIP	50%	**53%**	47%	54%	53%	55%
Other Coverage**	2%	**1%**	1%	1%	1%	3%
Uninsured	19%	**14%**	21%	11%	15%	14%

** Includes Medicare and insurance through military.
Note: Values may not add to 100 due to rounding
Source: Kaiser Commission on Medicaid and the Uninsured, *Health Insurance Coverage of America's Children*, January 2007

The total number of Indiana children enrolled in SCHIP during 2006 was 133,696. A recent report by the Annie E. Casey Foundation showed approximately 75,000 low-income children remain uninsured in the state.[90] This represents a substantial drop since 2004 when 97,000 low income children in Indiana were uninsured. It is likely these children qualify for SCHIP but are not accessing benefits. To insure all of these children through Hoosier Healthwise would cost approximately $41 million.[91]

Figure 5.2



Source: SCHIP Statistical Enrollment Data System (SEDS)

Enrollment grew quickly in the early implementation years as states conducted extensive outreach efforts. Many states expanded eligibility and designed streamlined enrollment systems, which included simple mail-in applications, guaranteed twelve-month continuous eligibility and minimal income verification. In addition, many states made sizeable investments in statewide and community-based outreach and enrollment projects. These efforts resulted in a considerable increase in the number of children enrolled across the country. From 2000 to 2001, state fiscal crises forced many states to reduce state spending, in some cases by reducing eligibility, and outreach efforts for Medicaid and SCHIP. Since that time, national enrollment has remained steady at approximately six million since 2003.[92] In 2007, however, enrollment saw a slight increase to 7.1 million. [93]

Indiana continues to see the program's enrollment increase. The number of children in poverty in Indiana has increased by nearly a third from 2000 to 2006, which may also have an impact on enrollment.[94]

Program Impact

SCHIP has been extremely successful in reducing the number of uninsured children. According to National Health Insurance Survey data, the percentage of low-income children without insurance fell by one-third between 1997 and 2003, primarily because of growth in Medicaid and SCHIP enrollment.[95] The rate for uninsured low-income children has declined steadily in the last 10 years. In 2005, 12 percent of low-income children were uninsured compared to 23 percent in 1996. While the overall percentage has decreased, low-income children comprise the majority of the uninsured with more than half of uninsured children in Indiana living in families who earn less than 200 percent of the poverty level.[96]

The positive outcomes for children who have health care insurance is unequivocal — children have regular access to preventative care, experience better health outcomes, and are more ready to learn. In addition, children with health insurance typically have access to one primary care physician at a "usual care site" (i.e., one doctor's office), which contributes to a more consistent, coordinated and comprehensive delivery of services. Conversely, children without health insurance are:

- five times more likely to have an unmet need for medical care;
- seventy percent less likely to receive medical care for common childhood illness and injuries (i.e., ear infections, asthma, sore throats, sprains, etc.);
- four times more likely not to get a needed prescription drug;
- thirteen times more likely to lack one usual site of care; and
- more likely to end up at the hospital for an "avoidable" stay (i.e., something that if preventative care had been provided, could have been treated without hospitalization).

The State Children's Health Insurance program was reauthorized through March of 2009 at $5 billion for both 2008 and 2009. The Center on Budget and Policy Priorities estimates that by 2013, 42 states could face funding shortfalls at current funding levels. It is expected that states should be able to expand their programs, however, with so many states facing shortfalls, enrollments increasing, and costs skyrocketing; it may be just enough for many states to stay afloat. Given the funding constraints, states may be tempted to restrict eligibility and cover fewer children and families. This would be a step backward given the importance of SCHIP and Medicaid programs in covering uninsured children.

Medicaid and the State Children's Health Insurance program provide health care coverage for children in families who cannot afford health insurance on their own. The initial gains made through this program must be maintained with a focus on the long-term positive effects on children's health and their readiness to learn. The fact that these programs also provide important economic stimulus cannot be overlooked as Indiana makes decisions on state funding priorities.

Strategies to Increase Participation:

- **The State should coordinate with local communities to ensure that extensive outreach campaigns are being conducted in local areas.** Some examples include:
  - Conducting "Back to School" enrollment drives,
  - Including information on Hoosier Healthwise in mailings about the National School Lunch Program, and
  - Conducting "Covering Kids" days offering information on Hoosier Healthwise at child care centers, pre-schools, and Head Start Programs.

- **Advocate for adequate funding at the state and federal level for SCHIP and Medicaid.** Funding should be available so the state can offer Hoosier Healthwise to families who cannot afford health insurance on their own and do not currently qualify for Hoosier Healthwise. It is imperative to advocate for funding to maintain program enrollment and ideally, to cover the 75,000 low-income children who remain uninsured.

- **Highlight — from a local perspective — issues facing the uninsured to key decision makers.** Local communities can be the momentum in bringing about change by informing key decision makers of the problem, offering solutions, and being persistent.

For More Information:

See the following websites for more information on SCHIP:

- Families USA: http://www.familiesusa.org/,
- Kaiser Commission on Medicaid and the Uninsured: www.kff.org,
- Covering Kids and Families: http://coveringkidsandfamilies.org/,
- State's website for descriptions of best practices in CHIP outreach: http://www.in.gov/fssa/programs/chip/bestpractice.html/, and
- Center on Budget and Policy Priorities free outreach kit called "Start Healthy, Stay Healthy" available to local community organizations: http://www.cbpp.org/shsh.

Indiana Child Care Development Fund (CCDF)

In Indiana, the Child Care Development Fund (CCDF) offers eligible low-income working families vouchers that they can exchange for child care in their local areas, thus making child care more affordable. The Fund is administered at the federal level by the Department of Health and Human Services, Bureau for Children and Families, and at the state level by the Family and Social Services Administration, Bureau of Child Development.

States receive a combination of federal allocations for the program and must meet state matching requirements. States often transfer dollars from their Temporary Assistance to Needy Families (TANF) block grant and/or spend state general funds to increase the total amount available for child care. Local voucher agents process applications and determine eligibility.

Eligibility Guidelines
Current eligibility to enroll in the program is set at 127 percent of the Federal Poverty Guidelines, approximately $21,805 a year for a family of three in 2007. Effective September 30, 2007 families may remain on the program as long as the family income is less than 171 percent of the federal poverty level.[97]

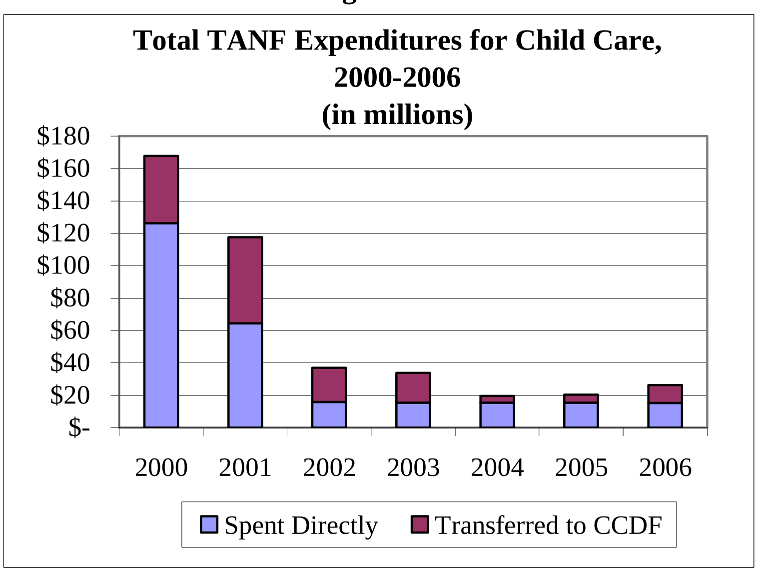
Families over 100 percent of the poverty level are required to make a co-pay, depending on their income. The Division of Family Resources' Child Care Income Eligibility Determination and Fee Schedule issued in September 2007 lists the co-pay for a family of three as follows:

- $17-$57 per week in the first year of the program
- $30- $80 per week by the fifth year

The amount of the co-pay increases with every year of participation in the program.[98]

Funding
Child care is a critical component for parents to find and keep jobs. States are allowed to spend TANF funds directly on child care services or transfer up to 30 percent of the block grant monies to the Child Care Development Fund. In FY 2005, the state only transferred 1.6 percent of its block grant allowance. There was a slight increase in this figure from 1.6 percent to 4 percent in FY 2006.[99] However, Indiana is still far from achieving the 30 percent threshold (see Figure 6.1). Total expenditures for child care decreased with the loss of TANF funds. In FY 2005, the state spent a total of $149 million in child care assistance, a decrease of nearly 11 percent since 2003.[100]

Figure 6.1

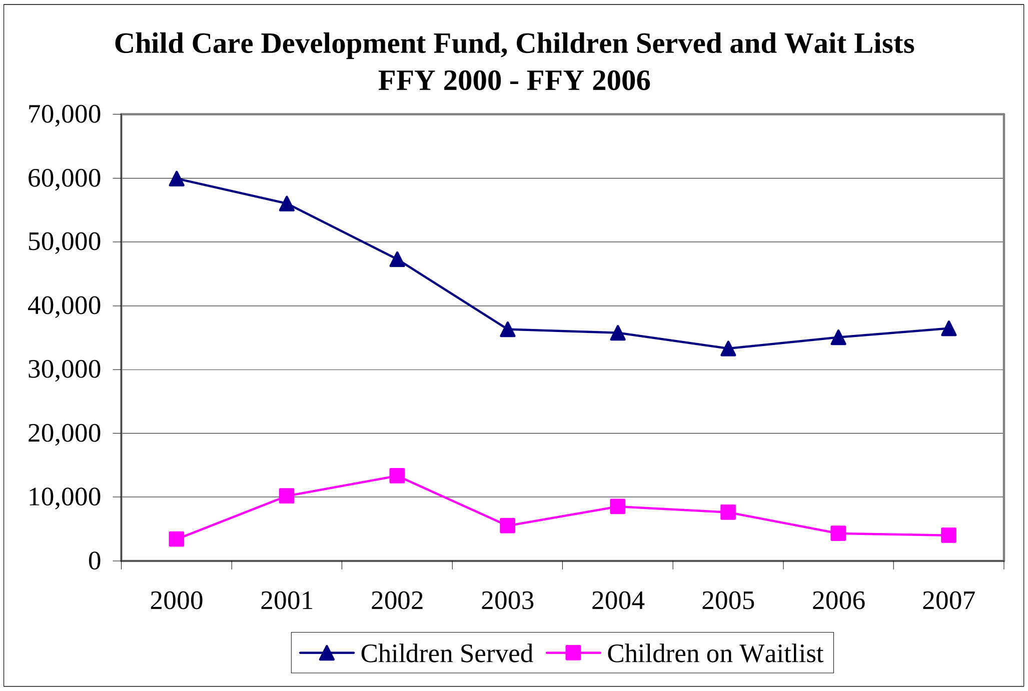


Source: U.S. Department of Health and Human Services, TANF Financial Data tables

Participation
The decline in TANF spending had a substantial effect on the program's ability to serve eligible children. In 2000, CCDF dollars funded approximately 60,000 children each month. By federal fiscal year 2006, the number of children served decreased to a monthly average of 35,064, resulting in a total decline of nearly 38 percent. However, the number of participants is increasing once again. In 2007, the voucher program increased to 36,487 children served.

As participation declined, the number of children on the waitlist increased. Over 13,000 children were placed on the waitlist in 2002. In 2007, the waitlist decreased to nearly 4,000 children every month.[101] While enrollment and waitlists are improving, the loss of TANF dollars invested in child care has undoubtedly affected caseloads and waitlists. The real effect is on single parents who struggle to keep jobs or who are forced to leave their children in potentially unsafe conditions while they work.

Figure 6.2



Source: Indiana Family and Social Services Administration, Bureau of Child Development

Appendix D contains the number of children participating in the CCDF program and waitlist data for all counties during federal fiscal year (FFY) 2007 with percentage and numerical changes since the year 2000.

Program Impact
Child care is critical to ensuring low-income families are able to secure and maintain employment. Child care costs alone can make it impossible to make ends meet while working in a low-wage job. For example, in Marion County, the market rate for child care for a preschooler is currently $640 a month. When combined with housing, food, and costs for other basic needs, a single parent with two children – one school-age and one preschooler – has to earn $16.63 an hour to cover these costs without relying on government assistance.[102] Research has shown that the majority of families leaving welfare for work secure an average wage of approximately $7 an hour. In addition, the economic downturn has tightened the labor market even further, increasing competition for jobs that pay family-supporting wages. The Child Care Development Fund offers families the ability to defray otherwise expensive child care costs so they are able to stretch their limited resources.

The Child Care Development Fund also helps ensure that quality child care is available to families of all income levels in the state. The federal government requires the state spend four percent of its program allocation to improve the quality of child care in Indiana. The State has accomplished this in a variety of ways such as offering incentives to communities to spearhead public-private child care partnerships, offering professional development opportunities for child care workers, and creating a web-based child care information and referral service. In 2006, the state began implementation of a statewide voluntary Quality Rating System. Parents can use the system to assess and evaluate providers in choosing child care for their children.

Economic Impact

The child care industry itself is growing and offers substantial economic benefits to local, state, and national economies. A recent report examining the economic impact of the industry found that licensed child care:[103]

- Generates income that supports approximately 2.8 million “direct, indirect, and induced” jobs in the U.S. — about one-third of which are specifically in the child care industry,
- Directly employs more workers in the U.S. than public secondary schools and more than twice as many as the farming sector, and
- Enables parents to work, who then earn approximately $100 billion in wages annually.[104]

In Indiana, the child care sector provided care for more than 129,000 children and employed more than 25,000 people in 2005, according to a study by the Indiana Child Care Fund. Overall, it circulated a minimum of $633 million through the economy.

The study showed that parents are able to earn nearly $4 billion in wages due to the availability of child care.[105] If all children currently on the child care waiting list received assistance, these parents would earn nearly $68 million, even at poverty level wages.[106] In addition, studies estimate that every $1 spent on improving child care and early education programs saves $7 on future spending for mental health, substance abuse, special education, and imprisonment. Child care assistance is critical for families to secure and retain employment. It is also a wise investment of state dollars.

Strategies to Increase Participation:

- **Identify and build on existing initiatives to strengthen access, affordability, and quality of child care in the local community.**

- **To the extent possible, collaborate with local businesses to spearhead new public/private child care initiatives.**

- **Expand initial eligibility for the program to 171 percent of the Federal Poverty Level.** Once enrolled, families can continue to receive assistance until earnings go above this amount. Initial eligibility should be raised to this level and benefits phase out at 200 percent of poverty. (Twice the poverty threshold is often used as the earnings level at which families are able to provide for their basic needs.)

- **Prioritize the TANF budget to reflect the importance of child care as a welfare-to-work imperative**. Indiana should bolster the amount it transfers out of the TANF budget into the CCDF. The state has the flexibility to re-prioritize the TANF budget to increase child care funding and support more recipients as they enter the workforce.

- **Advocate on a federal level for adequate funding for child care for low-income families.** The current budget proposal for federal fiscal year 2009 proposes flat funding for the seventh consecutive year. According to the Center for Law and Social Policy, this will cause 200,000 children across the country to lose access to child care assistance by 2009.[107] Child care assistance is a critical support for working families allowing them to secure and maintain employment and should be adequately funded.

For More Information:

Visit the following websites for more information on CCDF:

- Children's Defense Fund: http://www.childrensdefense.org
- Indiana Bureau of Child Development: http://www.in.gov/fssa/carefinder/, and
- Center on Law and Social Policy: http://www.clasp.org.

Conclusion

This report highlights some of the federal assistance programs available to Indiana residents. As evidenced by the data, thousands of individuals are not receiving the benefits for which they are eligible. Over 22,000 people do not claim the earned income tax credit. Nearly 215,000 individuals do not receive food stamps. An additional 65,900 children could receive a school breakfast, and 75,000 could be insured through the state children's health insurance program. As a result, children and families are missing important resources that can help them lead and maintain healthy and productive lives. In addition, the state is not realizing the economic returns from the available infusion of federal dollars into local communities.

A recurring solution to increase program participation and recognize available economic benefits is to increase awareness of the programs through outreach and public education efforts. Targeted outreach efforts conducted through schools, mailings, and other media advertisements could significantly increase the number of families taking advantage of these programs.

The state can also contribute to improving the well-being of its residents and economy by ensuring adequate program funding is available and aligning state policies – when appropriate – to complement federal programs. Streamlining application processes reduces the administrative burden of state agencies and makes programs more accessible to families.

The state of Indiana is missing out on $575 million of federal support while thousands of working families and individuals struggle to provide for basic necessities, housing, childcare, and healthcare. Federal funds designed to help families build and regain financial footing are available but are being left unspent year after year. The state, local communities and individuals should take the appropriate steps to ensure Indiana is receiving its fair share.

Appendices

APPENDIX A: Federal EITC Claims for Indiana, 2005

APPENDIX B: Food Stamp Program Participation, 2006

APPENDIX C: National School Lunch Program Participation, 2007

APPENDIX D: Child Care Development Fund, Children Served, 2007

APPENDIX E: Hoosier Healthwise Enrollment, 2007

APPENDIX A: Data on the Federal EITC for Indiana, 2005

	EITC Dollars (in millions)	Number of Filers Receiving EITC	Average EITC Refund	Number of EITC Filers that Received a Refund Anticipation Loan (RAL)	% EITC Filers that Received a RAL	Increase of 5% in the Number of EITC Filers	Potential EITC Dollars
Indiana	**$792.7**	**437,364**	**$1,813**	**146,956**	**34%**	**21,868**	**$39,646,684**
Adams County	$2.9	1,751	$1,656	468	27%	88	$144,983
Allen County	$45.1	24,972	$1,806	7,577	30%	1,249	$2,254,972
Bartholomew County	$1.3	4,740	$1,737	1,602	34%	237	$411,669
Benton County	$1.9	661	$1,966	178	27%	33	$64,976
Blackford County	$3.7	1,050	$1,826	306	29%	53	$95,865
Boone County	$1.6	2,186	$1,701	576	26%	109	$185,919
Brown County	$1.9	990	$1,647	212	21%	50	$81,527
Carroll County	$5.2	1,152	$1,690	317	28%	58	$97,344
Cass County	$1.4	2,973	$1,732	865	29%	149	$257,462
Clark County	$13.8	7,792	$1,776	2,812	36%	390	$691,930
Clay County	$3.6	2,106	$1,711	797	38%	105	$180,168
Clinton County	$4.3	2,313	$1,844	850	37%	116	$213,259
Crawford County	$1.7	9,510	$1,747	242	25%	476	$830,699
Daviess County	$3.5	1,936	$1,812	512	26%	97	$175,402
Dearborn County	$4.8	2,745	$1,745	773	28%	137	$239,501
Decatur County	$2.9	1,729	$1,680	587	34%	86	$145,236
De Kalb County	$4.6	2,679	$1,702	726	27%	134	$227,983
Delaware County	$14.3	8,098	$1,761	2,445	30%	405	$713,029
Dubois County	$3.3	2,037	$1,600	471	23%	102	$162,960
Elkhart County	$23.9	13,222	$1,811	4,800	36%	661	$1,197,252
Fayette County	$3.4	1,913	$1,777	731	38%	96	$169,970
Floyd County	$8.3	4,709	$1,761	1,605	34%	235	$414,627
Fountain County	$2.1	1,202	$1,713	391	33%	60	$102,951
Franklin County	$2.5	1,400	$1,771	358	26%	70	$123,970
Fulton County	$2.8	1,591	$1,784	474	30%	80	$141,917
Gibson County	$3.4	2,047	$1,657	653	32%	102	$169,594

APPENDIX A: Data on the Federal EITC for Indiana, 2005

	EITC Dollars (in millions)	Number of Filers Receiving EITC	Average EITC Refund	Number of EITC Filers that Received a Refund Anticipation Loan (RAL)	% EITC Filers that Received an RAL	Increase 5%	Potential EITC Dollars
Grant County	$10.4	5,628	$1,851	1,869	33%	281	$520,871
Greene County	$4.2	2,432	$1,738	829	34%	122	$211,341
Hamilton County	$11.9	7,229	$1,655	1,492	21%	361	$598,200
Hancock County	$5.2	3,109	$1,682	902	29%	155	$261,467
Harrison County	$4.3	2,499	$1,728	669	27%	125	$215,914
Hendricks County	$9.1	5,289	$1,722	1,346	25%	264	$455,383
Henry County	$5.7	3,377	$1,684	1,052	31%	169	$284,343
Howard County	$10.6	5,920	$1,793	1,798	30%	296	$530,728
Huntington County	$4.2	2,421	$1,753	706	29%	121	$212,201
Jackson County	$5.1	2,943	$1,736	975	33%	147	$255,452
Jasper County	$3.2	1,783	$1,804	449	25%	89	$160,827
Jay County	$2.7	1,556	$1,726	458	29%	78	$134,283
Jefferson County	$4	2,346	$1,719	721	31%	117	$201,639
Jennings County	$4.7	2,549	$1,851	1,054	41%	127	$235,910
Johnson County	$11.6	6,692	$1,729	2,055	31%	335	$578,523
Knox County	$4.7	2,857	$1,659	1,031	36%	143	$236,988
Kosciusko County	$7.8	4,459	$1,747	1,368	31%	223	$389,494
Lagrange County	$2.9	1,730	$1,702	452	26%	87	$147,223
Lake County	$85.7	42,061	$2,037	13,367	33%	2,103	$4,283,913
La Porte County	$14.9	8,100	$1,840	2,575	32%	405	$745,200
Lawrence County	$6.1	3,402	$1,788	1,063	31%	170	$304,139
Madison County	$17	9,830	$1,734	3,715	38%	492	$852,261
Marion County	$155.1	80,138	$1,936	35,089	44%	4,007	$7,757,358
Marshall County	$5	2,873	$1,739	783	27%	144	$249,807
Martin County	$1.4	756	$1,821	187	25%	38	$68,834
Miami County	$4.6	2,666	$1,739	791	30%	133	$231,809
Monroe County	$9.9	6,668	$1,478	1,565	23%	333	$492,765

APPENDIX A: Data on the Federal EITC for Indiana, 2005

	EITC Dollars (in millions)	Number of Filers Receiving EITC	Average EITC Refund	Number of EITC Filers that Received a Refund Anticipation Loan (RAL)	% EITC Filers that Received an RAL	Increase 5%	Potential EITC Dollars
Montgomery County	$4.1	2,428	$1,674	761	31%	121	$203,224
Morgan County	$7.7	4,403	$1,750	1,563	35%	220	$385,263
Newton County	$1.5	899	$1,629	216	24%	45	$73,224
Noble County	$4.9	2,853	$1,739	906	32%	143	$248,068
Ohio County	662,026	395	$1,676	108	27%	20	$33,101
Orange County	$3.2	1,760	$1,801	581	33%	88	$158,488
Owen County	$2.9	1,648	$1,768	574	35%	82	$145,683
Parke County	$1.9	1,119	$1,704	358	32%	56	$95,339
Perry County	$2.1	1,232	$1,652	390	32%	62	$101,763
Pike County	$1.3	794	$1,612	179	23%	40	$63,996
Porter County	$13.6	7,920	$1,717	1,787	23%	396	$679,932
Posey County	$2.3	1,378	$1,668	405	29%	69	$114,925
Pulaski County	$1.8	979	$1,807	295	30%	49	$88,453
Putnam County	$3.6	2,209	$1,647	710	32%	110	$181,911
Randolph County	$3.8	2,131	$1,797	617	29%	107	$191,470
Ripley County	$3.1	1,757	$1,760	519	30%	88	$154,616
Rush County	$2.1	1,223	$1,688	418	34%	61	$103,221
Scott County	$3.5	2,077	$1,687	865	42%	104	$175,195
Shelby County	$5.1	2,921	$1,731	971	33%	146	$252,813
Spencer County	$2.1	1,226	$1,710	402	33%	61	$104,823
St. Joseph County	$37.4	19,763	$1,894	5,859	30%	988	$1,871,556
Starke County	$3.5	1,931	$1,809	551	29%	97	$174,659
Steuben County	$4.0	2,321	$1,732	539	23%	116	$200,999
Sullivan County	$2.7	1,622	$1,684	464	29%	81	$136,572
Switzerland County	$1.2	691	$1,777	194	28%	35	$61,395
Tippecanoe County	$14.1	8,372	$1,685	2,388	29%	419	$705,341
Tipton County	$1.6	894	$1,757	252	28%	45	$78,538

APPENDIX A: Data on the Federal EITC for Indiana, 2005							
	EITC Dollars (in millions)	Number of Filers Receiving EITC	Average EITC Refund	Number of EITC Filers that Received a Refund Anticipation Loan (RAL)	% EITC Filers that Received an RAL	Increase 5%	Potential EITC Dollars
Union County	$904,730	528	$1,714	173	33%	26	$45,250
Vanderburgh County	$22.7	12,943	$1,750	4,788	37%	647	$1,132,513
Vermillion County	$2.3	1,307	$1,730	420	32%	65	$113,056
Vigo County	$15.1	8,635	$1,753	3,127	36%	432	$756,858
Wabash County	$3.7	2,182	$1,704	552	25%	109	$185,906
Warren County	$1.0	590	$1,713	215	36%	30	$50,534
Warrick County	$4.9	2,826	$1,734	794	28%	141	$245,014
Washington County	$3.9	2,300	$1,711	658	29%	115	$196,765
Wayne County	$10.1	5,729	$1,765	2,358	41%	286	$505,584
Wells County	$2.8	1,666	$1,675	415	25%	83	$139,528
White County	$3.0	1,760	$1,699	492	28%	88	$149,512
Whitley County	$2.8	1,678	$1,659	403	24%	84	$139,190

Source: The Brookings Institution, Metropolitan Policy Programs, IRS Data Tables.

APPENDIX B: Data on the Food Stamp Program, 2006							
	Average Food Stamp Participants (Monthly Average)		**No. of Persons Eligible but not Receiving Food Stamps (Monthly Average)**		**Food Stamp Participation Rates (Monthly Average)**		**Percent Increase in Persons Served (Monthly Average)**
	SFY 2000	**SFY 2006**	**SFY 2000**	**SFY 2006**	**SFY 2000**	**SFY 2006**	**% Change from 2000 to 2006**
Adams County	867	1,804	2,134	2,002	29%	47%	108%
Allen County	15,069	31,826	12,364	7,697	55%	81%	111%
Bartholomew County	2,586	5,334	2,502	1,893	51%	74%	106%
Benton County	237	613	425	181	36%	77%	159%
Blackford County	929	1,801	382	-216*	71%	114%	94%
Boone County	883	2,105	1,575	760	36%	73%	138%
Brown County	438	868	752	696	37%	55%	98%
Carroll County	414	992	947	736	30%	57%	140%
Cass County	1,746	3,368	1,681	793	51%	81%	93%
Clark County	4,232	7,289	3,721	3,348	53%	69%	72%
Clay County	1,221	2,719	1,230	645	50%	81%	123%
Clinton County	1,144	3,075	1,630	565	41%	84%	169%
Crawford County	887	1,234	628	702	59%	64%	39%
Daviess County	1,554	2,783	2,097	2,031	43%	58%	79%
De Kalb County	1,337	2,834	1,610	1,066	45%	73%	112%
Dearborn County	907	2,231	1,069	542	46%	80%	146%
Decatur County	714	2,938	1,592	426	31%	87%	311%
Delaware County	7,942	14,135	5,507	5,578	59%	72%	78%
Dubois County	547	1,435	1,247	1,153	30%	55%	162%
Elkhart County	6,845	15,668	8,382	5,226	45%	75%	129%
Fayette County	1,665	3,329	739	-18*	69%	101%	100%
Floyd County	3,696	6,932	1,997	317	65%	96%	88%
Fountain County	593	1,504	873	379	40%	80%	154%
Franklin County	713	1,860	917	157	44%	92%	161%
Fulton County	662	1,720	1,138	602	37%	74%	160%
Gibson County	1,115	2,068	1,470	931	43%	69%	85%
Grant County	5,263	9,151	2,805	2,525	65%	78%	74%
Greene County	1,360	3,014	1,919	1,924	41%	61%	122%
Hamilton County	1,476	4,246	4,502	5,028	25%	46%	188%
Hancock County	959	2,802	1,522	124	39%	96%	192%
Harrison County	1,275	2,520	1,229	758	51%	77%	98%

APPENDIX B: Data on the Food Stamp Program, 2006							
	Average Food Stamp Participants (Monthly Average)		No. of Persons Eligible but not Receiving Food Stamps (Monthly Average)		Food Stamp Participation Rates (Monthly Average)		Percent Increase in Persons Served (Monthly Average)
	SFY 2000	SFY 2006	SFY 2000	SFY 2006	SFY 2000	SFY 2006	% Change from 2000 to 2006
Hendricks County	1,125	3,051	3,109	2,695	27%	53%	171%
Henry County	2,748	4,842	1,363	-26*	67%	101%	76%
Howard County	4,374	10,171	3,047	476	59%	96%	133%
Huntington County	1,038	2,531	1,399	537	43%	82%	144%
Jackson County	1,224	2,734	1,996	1,863	38%	59%	123%
Jasper County	848	1,839	1,198	645	41%	74%	117%
Jay County	799	1,592	1,315	1,010	38%	61%	99%
Jefferson County	1,535	2,813	1,503	1,040	51%	73%	83%
Jennings County	854	2,638	1,542	351	36%	88%	209%
Johnson County	2,465	7,437	4,238	1,367	37%	84%	202%
Knox County	3,258	4,853	1,851	1,460	64%	77%	49%
Kosciusko County	1,064	3,430	3,629	2,973	23%	54%	222%
La Porte County	387	963	2,430	2,129	14%	31%	149%
Lagrange County	48,537	72,842	5,124	8,022	90%	90%	50%
Lake County	5,747	11,746	4,214	524	58%	96%	104%
Lawrence County	1,733	3,932	2,274	2,068	43%	66%	127%
Madison County	7,363	15,414	4,517	-624*	62%	104%	109%
Marion County	55,647	116,272	32,171	11,117	63%	91%	109%
Marshall County	1,183	2,313	2,235	1,392	35%	62%	96%
Martin County	607	998	444	254	58%	80%	64%
Miami County	1,560	3,727	1,634	412	49%	90%	139%
Monroe County	4,037	7,447	7,943	16,352	34%	31%	84%
Montgomery County	1,705	3,228	1,410	927	55%	78%	89%
Morgan County	2,689	5,800	2,056	-455*	57%	109%	116%
Newton County	587	979	562	260	51%	79%	67%
Noble County	820	2,227	2,373	1,876	26%	54%	172%
Ohio County	129	284	250	190	34%	60%	120%
Orange County	1,350	2,366	953	875	59%	73%	75%
Owen County	1,159	2,424	1,154	353	50%	87%	109%
Parke County	772	1,439	1,077	1,034	42%	58%	86%
Perry County	662	1,289	909	893	42%	59%	95%
Pike County	662	966	440	521	60%	65%	46%

APPENDIX B: Data on the Food Stamp Program, 2006							
	Average Food Stamp Participants (Monthly Average)		No. of Persons Eligible but not Receiving Food Stamps (Monthly Average)		Food Stamp Participation Rates (Monthly Average)		Percent Increase in Persons Served (Monthly Average)
	SFY 2000	SFY 2006	SFY 2000	SFY 2006	SFY 2000	SFY 2006	% Change from 2000 to 2006
Porter County	3,245	8,453	5,053	4,445	39%	66%	160%
Posey County	1,219	1,759	646	642	65%	73%	44%
Pulaski County	617	1,180	667	334	48%	78%	91%
Putnam County	842	1,682	1,876	1,906	31%	47%	100%
Randolph County	1,516	2,705	1,276	931	54%	74%	78%
Ripley County	776	1,709	1,187	909	40%	65%	120%
Rush County	594	1,448	852	154	41%	90%	144%
St. Joseph County	15,846	27,858	9,808	5,533	62%	83%	76%
Scott County	1,848	3,465	849	41	69%	99%	88%
Shelby County	1,412	327	1,728	4,001	45%	8%	-77%
Spencer County	581	1,297	866	382	40%	77%	123%
Starke County	1,389	2,943	1,194	326	54%	90%	112%
Steuben County	677	2,169	1,636	1,140	29%	66%	220%
Sullivan County	1,504	2,149	990	615	60%	78%	43%
Switzerland County	386	835	674	469	36%	64%	116%
Tippecanoe County	4,628	11,137	9,085	13,731	34%	45%	141%
Tipton County	403	913	569	282	41%	76%	127%
Union County	259	627	398	154	39%	80%	142%
Vanderburgh County	12,513	19,277	5,022	2,813	71%	87%	54%
Vermillion County	697	1,240	807	676	46%	65%	78%
Vigo County	7,952	13,037	4,907	3,406	62%	79%	64%
Wabash County	857	2,349	1,679	866	34%	73%	174%
Warren County	229	366	396	343	37%	52%	60%
Warrick County	1,325	2,244	1,671	1,252	44%	64%	69%
Washington County	1,458	2,662	1,242	989	54%	73%	83%
Wayne County	4,631	7,702	2,840	1,859	62%	81%	66%
Wells County	493	1,409	1,113	623	31%	69%	186%
White County	968	1,716	912	744	51%	70%	77%
Whitley County	535	1,579	1,099	802	33%	66%	195%

* In some counties, the number of persons receiving Food Stamps exceeds the number of persons with incomes at poverty (100% of the Federal Poverty Guidelines) or below, and therefore this is a negative number. This is because the author used 100% of poverty to estimate the number of persons eligible but not receiving food stamps, and Food Stamp Program eligibility actual extends to 130% of the Federal Poverty Guidelines.

Sources: Indiana Family and Social Services Administration, 2000 U.S. Census, SAIPE, 2002 U.S. Census Bureau, and author's calculations of eligibility and participation rates.

APPENDIX C: Data on the National School Lunch Program, 2007												
	Enrollment			**Paid Lunches**			**Reduced Price Lunches**			**Free Lunches**		
	October 2000	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**
Adams County	5,624	5,516	-2%	4,616	4,062	-12%	309	384	24%	699	1,070	53%
Allen County	55,279	74,165	34%	38,666	47,655	23%	3,578	5,015	40%	13,035	21,495	65%
Bartholomew County	12,140	13,127	8%	9,082	8,521	-6%	942	1,218	29%	2,116	3,388	60%
Benton County	2,254	2,017	-11%	1,757	1,300	-26%	144	202	40%	353	515	46%
Blackford County	2,371	2,257	-5%	1,674	1,303	-22%	222	232	5%	475	722	52%
Boone County	8,744	10,480	20%	7,512	8,389	12%	367	545	49%	865	1,546	79%
Brown County	2,408	2,216	-8%	1,887	1,332	-29%	155	234	51%	366	650	78%
Carroll County	2,957	2,904	-2%	2,308	1,992	-14%	247	276	12%	402	636	58%
Cass County	7,096	7,142	1%	4,733	4,163	-12%	550	664	21%	1,813	2,315	28%
Clark County	14,340	22,681	58%	9,704	14,733	52%	1,252	2,147	71%	3,384	5,801	71%
Clay County	4,701	4,762	1%	3,225	2,629	-18%	460	644	40%	1,016	1,489	47%
Clinton County	6,336	6,443	2%	4,446	3,644	-18%	485	583	20%	1,405	2,216	58%
Crawford County	1,851	1,744	-6%	1,018	826	-19%	197	225	14%	636	693	9%
Daviess County	4,791	4,793	0%	3,153	2,991	-5%	369	379	3%	1,269	1,423	12%
Dearborn County	9,110	9,745	7%	7,512	7,675	2%	325	481	48%	1,273	1,589	25%
Decatur County	4,002	4,627	16%	3,137	3,034	-3%	326	452	39%	539	1,141	112%
De Kalb County	7,172	7,465	4%	6,003	4,729	-21%	452	797	76%	717	1,939	170%
Delaware County	17,614	17,220	-2%	11,449	9,324	-19%	1,540	1,431	-7%	4,625	6,465	40%
Dubois County	7,367	7,760	5%	6,453	6,095	-6%	356	510	43%	558	1,155	107%
Elkhart County	32,832	37,724	15%	23,034	20,680	-10%	2,694	3,794	41%	7,104	13,250	87%
Fayette County	4,405	4,728	7%	2,860	2,197	-23%	308	452	47%	1,237	2,079	68%
Floyd County	11,112	12,999	17%	7,549	8,608	14%	830	673	-19%	2,733	3,718	36%
Fountain County	3,231	3,302	2%	2,419	2,118	-12%	214	325	52%	598	859	44%
Franklin County	2,956	3,272	11%	2,152	2,126	-1%	218	299	37%	586	847	45%
Fulton County	2,650	2,724	3%	1,981	1,711	-14%	171	273	60%	498	740	49%
Gibson County	4,877	5,538	14%	3,763	3,982	6%	369	458	24%	745	1,098	47%
Grant County	11,537	10,969	-5%	7,168	5,423	-24%	965	1,042	8%	3,404	4,504	32%

APPENDIX C: Data on the National School Lunch Program, 2007												
	Enrollment			**Paid Lunches**			**Reduced Price Lunches**			**Free Lunches**		
	October 2000	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**
Greene County	5,903	6,018	2%	4,083	3,588	-12%	518	559	8%	1,302	1,871	44%
Hamilton County	34,564	49,581	43%	32,152	44,119	37%	840	1,713	104%	1,572	3,749	138%
Hancock County	10,261	13,283	29%	9,214	10,885	18%	358	783	119%	689	1,615	134%
Harrison County	6,052	6,422	6%	4,592	4,338	-6%	493	623	26%	967	1,461	51%
Hendricks County	18,913	26,370	39%	17,033	21,853	28%	802	1,587	98%	1,078	2,930	172%
Henry County	8,244	8,389	2%	6,116	5,029	-18%	538	751	40%	1,590	2,609	64%
Howard County	13,995	14,554	4%	9,771	9,132	-7%	753	891	18%	3,471	4,531	31%
Huntington County	6,581	6,267	-5%	5,177	4,221	-18%	583	525	-10%	821	1,521	85%
Jackson County	6,250	7,515	20%	4,531	4,895	8%	589	673	14%	1,130	1,947	72%
Jasper County	4,950	5,809	17%	3,779	4,126	9%	403	476	18%	768	1,207	57%
Jay County	3,906	3,830	-2%	2,628	2,113	-20%	444	443	0%	834	1,274	53%
Jefferson County	5,132	5,350	4%	3,439	2,764	-20%	423	666	57%	1,270	1,920	51%
Jennings County	6,510	5,649	-13%	5,091	3,044	-40%	441	643	46%	978	1,962	101%
Johnson County	22,069	25,132	14%	18,757	18,386	-2%	1,253	2,055	64%	2,059	4,691	128%
Knox County	8,720	5,913	-32%	6,364	3,262	-49%	608	479	-21%	1,748	2,172	24%
Kosciusko County	14,376	15,261	6%	10,901	9,708	-11%	1,231	1,493	21%	2,244	4,060	81%
Lagrange County	6,382	6,342	-1%	5,166	4,060	-21%	397	845	113%	819	1,437	75%
Lake County	90,233	97,308	8%	58,022	52,547	-9%	5,082	6,326	24%	27,129	38,435	42%
La Porte County	19,362	17,035	-12%	14,085	8,945	-36%	1,315	1,420	8%	3,962	6,670	68%
Lawrence County	7,283	7,635	5%	5,176	4,700	-9%	564	660	17%	1,543	2,275	47%
Madison County	22,293	20,588	-8%	15,754	10,660	-32%	1,371	1,926	40%	5,168	8,002	55%
Marion County	146,380	161,051	10%	88,042	77,192	-12%	13,005	14,866	14%	45,333	68,993	52%
Marshall County	8,512	8,244	-3%	6,341	5,207	-18%	699	849	21%	1,472	2,188	49%
Martin County	1,855	1,712	-8%	1,276	1,100	-14%	143	136	-5%	436	476	9%
Miami County	7,814	7,411	-5%	5,784	4,707	-19%	606	681	12%	1,424	2,023	42%
Monroe County	14,476	14,744	2%	10,849	9,979	-8%	1,099	1,105	1%	2,528	3,660	45%

APPENDIX C: Data on the National School Lunch Program, 2007												
	Enrollment			**Paid Lunches**			**Reduced Price Lunches**			**Free Lunches**		
	October 2000	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**
Montgomery County	6,789	6,912	2%	5,031	4,441	-12%	453	551	22%	1,305	1,920	47%
Morgan County	11,376	11,999	5%	9,225	8,176	-11%	689	991	44%	1,462	2,832	94%
Newton County	2,763	2,515	-9%	1,982	1,652	-17%	284	234	-18%	497	629	27%
Noble County	8,263	8,363	1%	5,971	4,816	-19%	696	937	35%	1,596	2,610	64%
Ohio County	1,027	959	-7%	871	689	-21%	56	76	36%	100	194	94%
Orange County	3,425	3,517	3%	2,282	1,958	-14%	383	390	2%	760	1,169	54%
Owen County	3,061	3,023	-1%	2,033	1,747	-14%	292	296	1%	736	980	33%
Parke County	2,624	2,474	-6%	1,782	1,209	-32%	226	270	19%	616	995	62%
Perry County	3,100	3,096	0%	2,341	1,984	-15%	226	270	19%	533	842	58%
Pike County	2,202	2,056	-7%	1,469	1,360	-7%	294	251	-15%	439	445	1%
Porter County	26,914	29,281	9%	22,734	21,894	-4%	1,217	2,061	69%	2,963	5,326	80%
Posey County	6,232	4,667	-25%	5,202	3,585	-31%	285	210	-26%	745	872	17%
Pulaski County	2,557	2,292	-10%	1,930	1,508	-22%	185	225	22%	442	559	26%
Putnam County	6,830	7,181	5%	5,189	4,619	-11%	464	737	59%	1,177	1,825	55%
Randolph County	4,778	4,862	2%	3,452	2,850	-17%	397	454	14%	929	1,558	68%
Ripley County	5,061	6,378	26%	4,083	4,597	13%	344	483	40%	634	1,298	105%
Rush County	3,525	2,888	-18%	2,656	1,771	-33%	224	264	18%	645	853	32%
St. Joseph County	44,413	50,557	14%	28,928	28,723	-1%	3,226	4,241	31%	12,259	17,593	44%
Scott County	4,099	4,397	7%	2,571	2,178	-15%	268	456	70%	1,260	1,763	40%
Shelby County	8,332	8,196	-2%	6,897	5,609	-19%	427	652	53%	1,008	1,935	92%
Spencer County	4,265	3,803	-11%	3,556	2,797	-21%	241	277	15%	468	729	56%
Starke County	4,319	4,225	-2%	2,647	2,279	-14%	446	490	10%	1,226	1,456	19%
Steuben County	5,008	5,226	4%	3,971	3,537	-11%	447	462	3%	590	1,227	108%
Sullivan County	3,594	3,329	-7%	2,398	1,866	-22%	354	407	15%	842	1,056	25%
Switzerland County	1,644	1,520	-8%	1,056	871	-18%	167	179	7%	421	470	12%
Tippecanoe County	22,069	22,516	2%	17,426	14,573	-16%	1,161	1,628	40%	3,482	6,315	81%

APPENDIX C: Data on the National School Lunch Program, 2007												
	Enrollment			**Paid Lunches**			**Reduced Price Lunches**			**Free Lunches**		
	October 2000	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**	**October 2000**	**October 2007**	**% Change from 2000 to 2007**
Tipton County	2,980	2,912	-2%	2,561	2,150	-16%	145	225	55%	274	537	96%
Union County	1,594	1,621	2%	1,146	1,035	-10%	132	163	23%	316	423	34%
Vanderburgh County	29,257	27,079	-7%	19,860	14,869	-25%	2,075	2,396	15%	7,322	9,814	34%
Vermillion County	2,851	2,867	1%	1,975	1,608	-19%	257	377	47%	619	882	42%
Vigo County	17,061	16,756	-2%	10,719	8,718	-19%	1,735	1,738	0%	4,607	6,300	37%
Wabash County	6,052	5,733	-5%	4,738	3,606	-24%	437	527	21%	877	1,600	82%
Warren County	1,365	1,312	-4%	1,086	967	-11%	103	132	28%	176	213	21%
Warrick County	8,933	9,949	11%	7,415	7,691	4%	452	681	51%	1,066	1,577	48%
Washington County	4,806	4,822	0%	3,372	2,848	-16%	430	490	14%	1,004	1,484	48%
Wayne County	12,421	11,870	-4%	8,073	6,520	-19%	1,130	1,122	-1%	3,218	4,228	31%
Wells County	5,184	4,833	-7%	4,407	3,540	-20%	286	394	38%	491	899	83%
White County	5,628	5,417	-4%	3,975	3,356	-16%	528	589	12%	1,125	1,472	31%
Whitley County	4,955	4,847	-2%	4,351	3,727	-14%	288	435	51%	316	685	117%

Source: Indiana Department of Education

APPENDIX D: Data on the Child Care Development Fund, FFY 2007					
	Children Served (Monthly Average)		% Change from 2000 to 2007	Children on Waitlist (Monthly Average)	
	2000	2007		2000	2007
Indiana	59,908	36,768	-39%	3,407	3,942
Adams County	168	26	-85%	0	7
Allen County	4,580	3,026	-34%	198	366
Bartholomew County	488	263	-46%	11	42
Benton County	93	31	-67%	4	5
Blackford County	114	51	-55%	1	11
Boone County	142	137	-3%	4	12
Brown County	117	44	-62%	2	5
Carroll County	66	9	-86%	4	3
Cass County	403	185	-54%	36	31
Clark County	771	645	-16%	26	48
Clay County	272	137	-50%	16	40
Clinton County	97	58	-40%	0	19
Crawford County	102	26	-74%	1	3
Daviess County	344	157	-54%	6	24
Dearborn County	227	120	-47%	3	33
Decatur County	102	53	-48%	0	27
De Kalb County	201	94	-53%	0	19
Delaware County	1,414	913	-35%	71	56
Dubois County	227	76	-67%	6	13
Elkhart County	876	856	-2%	50	77
Fayette County	219	165	-25%	8	37
Floyd County	622	529	-15%	12	40
Fountain County	82	17	-79%	0	4
Franklin County	94	44	-53%	0	9
Fulton County	219	78	-64%	10	6
Gibson County	199	126	-37%	0	22
Grant County	659	272	-59%	11	35
Greene County	311	104	-67%	9	10
Hamilton County	194	283	46%	7	69
Hancock County	203	144	-29%	0	63
Harrison County	274	131	-52%	15	13
Hendricks County	222	188	-16%	16	34
Henry County	264	123	-54%	0	13
Howard County	1,318	648	-51%	102	97
Huntington County	296	113	-62%	8	22
Jackson County	307	166	-46%	51	15
Jasper County	136	47	-65%	0	14
Jay County	163	42	-74%	0	9

APPENDIX D: Data on the Child Care Development Fund, 2007					
	Children Served (Monthly Average)		**% Change from 2000 to 2007**	**Children on Waitlist (Monthly Average)**	
	2000	**2007**		**2000**	**2007**
Jefferson County	219	102	-53%	0	15
Jennings County	192	124	-35%	3	18
Johnson County	417	345	-17%	20	82
Knox County	565	241	-57%	18	30
Kosciusko County	393	174	-56%	7	46
Lagrange County	140	21	-85%	0	6
Lake County	7,880	4,853	-38%	392	192
LaPorte County	1,037	640	-92%	44	64
Lawrence County	610	236	-61%	0	13
Madison County	1,119	553	-51%	9	54
Marion County	14,538	10,062	-31%	1,668	967
Marshall County	292	90	-69%	3	9
Martin County	103	41	-60%	0	6
Miami County	363	140	-61%	32	13
Monroe County	970	525	-46%	75	122
Montgomery County	274	128	-53%	7	62
Morgan County	465	207	-56%	0	23
Newton County	84	11	-87%	0	2
Noble County	197	76	-61%	6	17
Ohio County	34	13	-62%	0	3
Orange County	187	81	-57%	1	8
Owen County	179	59	-67%	6	15
Parke County	138	67	-51%	7	9
Perry County	163	93	-43%	6	3
Pike County	102	29	-71%	4	2
Porter County	525	530	1%	0	54
Posey County	161	93	-42%	0	3
Pulaski County	65	33	-50%	1	4
Putnam County	186	65	-65%	26	9
Randolph County	128	39	-70%	0	3
Ripley County	142	64	-55%	0	15
Rush County	81	20	-75%	0	4
St. Joseph County	2,464	1,630	-34%	177	97
Scott County	210	132	-37%	0	7
Shelby County	240	125	-48%	4	18
Spencer County	148	84	-43%	0	7
Starke County	124	30	-76%	5	15
Steuben County	161	66	-59%	0	12
Sullivan County	237	106	-55%	1	10

APPENDIX D: Data on the Child Care Development Fund, 2007					
	Children Served (Monthly Average)		% Change from 2000 to 2007	Children on Waitlist (Monthly Average)	
	2000	2007		2000	2007
Switzerland County	70	43	-39%	0	4
Tippecanoe County	1,240	937	-24%	13	122
Tipton County	54	18	-66%	8	6
Union County	65	3	-95%	12	3
Vanderburgh County	2,498	1,678	-33%	142	153
Vermillion County	129	39	-70%	7	16
Vigo County	1,780	1,133	-36%	0	133
Wabash County	244	89	-64%	0	15
Warren County	41	11	-72%	0	2
Warrick County	360	125	-65%	7	25
Washington County	221	118	-47%	2	6
Wayne County	704	347	-51%	0	45
Wells County	109	34	-69%	0	7
White County	122	13	-89%	0	6
Whitley County	155	37	-76%	5	9

Source: Indiana Family and Social Services Administration, Bureau of Child Development

APPENDIX E: Data on Hoosier Healthwise Enrollment, 2007	
County	**Actual Enrollment**
Adams County	1,952
Allen County	32,973
Bartholomew County	5,228
Benton County	801
Blackford County	1,571
Boone County	2,412
Brown County	1,041
Carroll County	1,078
Cass County	4,063
Clark County	7,204
Clay County	2,672
Clinton County	3,127
Crawford County	1,115
Daviess County	2,974
Dearborn County	3,047
Decatur County	2,073
De Kalb County	3,503
Delaware County	11,372
Dubois County	1,903
Elkhart County	18,846
Fayette County	3,228
Floyd County	6,332
Fountain County	1,481
Franklin County	1,793
Fulton County	2,077
Gibson County	2,380
Grant County	7,832
Greene County	3,051
Hamilton County	6,573
Hancock County	3,286
Harrison County	2,638
Hendricks County	4,504
Henry County	4,426
Howard County	8,354
Huntington County	2,800
Jackson County	3,064
Jasper County	2,205
Jay County	1,867
Jefferson County	2,797

APPENDIX E: Data on Hoosier Healthwise Enrollment, 2007	
County	**Actual Enrollment**
Jennings County	2,719
Johnson County	7,997
Knox County	3,829
Kosciusko County	5,335
Lagrange County	1,251
Lake County	62,160
La Porte County	11,770
Lawrence County	4,267
Madison County	13,536
Marion County	106,979
Marshall County	3,219
Martin County	973
Miami County	3,702
Monroe County	7,091
Montgomery County	3,065
Morgan County	5,475
Newton County	1,190
Noble County	3,240
Ohio County	364
Orange County	2,122
Owen County	2,164
Parke County	1,498
Perry County	1,212
Pike County	917
Porter County	8,221
Posey County	1,618
Pulaski County	1,182
Putnam County	2,437
Randolph County	2,833
Ripley County	2,056
Rush County	1,528
St. Joseph County	2,732
Scott County	3,485
Shelby County	1,442
Spencer County	25,724
Starke County	2,792
Steuben County	2,338
Sullivan County	2,079

APPENDIX E: Data on Hoosier Healthwise Enrollment, 2007	
County	**Actual Enrollment**
Switzerland County	780
Tippecanoe County	11,139
Tipton County	911
Union County	696
Vanderburgh County	15,816
Vermillion County	1,479
Vigo County	11,554
Wabash County	2,685
Warren County	557
Warrick County	2,778
Washington County	2,687
Wayne County	6,433
Wells County	1,570
White County	2,111
Whitley County	1,880

Source: Indiana Office of Medicaid Policy and Planning

Methodology

EITC

Claimants Receiving Refund Anticipation Loan (RAL) – To calculate the percentage of EITC recipients receiving an RAL, the number of EITC recipients who received an RAL was divided by the total number of EITC recipients for that county (EITC recipients that utilized an RAL/total number of EITC recipients equals the percentage of EITC Recipients receiving RAL). When the percentage was 0.5 or above it was rounded up to the next tenth of a percentage.

Unclaimed Federal EITC – To calculate the unclaimed EITC in 2006, the number of those receiving the EITC was multiplied by five percent to estimate the number of those who may be eligible and are not receiving the EITC. To calculate the amount of EITC dollars that are unclaimed, the number of filers eligible but not receiving the EITC (the 5 percent amount), multiplied the average EITC dollars claimed. Nationwide, between 15 to 25 percent of people who qualify for the EITC do not claim it. However, five percent was used because it is an attainable increase in filers. When the number of people eligible but not receiving the EITC was 0.5 or above it was rounded up to the next whole number. When the average EITC refund had a dollar amount of $0.50 or above it was rounded up to the next dollar amount.

Food Stamp Program

Number Eligible but Not Receiving Food Stamps – To find the number of people eligible for Food Stamp benefits but not receiving them, the number of persons receiving food stamps was subtracted from the total number of individuals at 100 percent of the Federal Poverty Guidelines and below. This yields a conservative estimate since Food Stamp eligibility extends to persons at or below 130 percent of poverty.

Food Stamp Participation Rates – Rates were calculated by dividing the average number of recipients by the number of individuals at 100 percent of the Federal Poverty Guidelines or below. Data on the number of individuals at 100 percent of poverty and below were taken from the 2005 U.S. Census Bureau, Small Area Income and Poverty Estimates (SAIPE).

Percentage Increase in Persons Served – To find the percentage of increase, the average number of Food Stamp recipients from SFY 2000 were subtracted from the number of Food Stamp recipients in SFY 2006 and divided by the number of Food Stamp recipients in SFY 2000 (SFY 2006 recipients – SFY 2000 recipients/SFY 2000 recipients).

National School Lunch Program (NSLP) – Data for the NSLP is collected in October and is used determine enrollment for the entire school year.

Percentage Changed – To find the percentage of change, the school year (SY) 2000 total was subtracted from SY 2007 total and divided by the SY 2000 total (SY 2007 – SY 2000/ SY 2000). .

Child Care

Percentage Changed – To find the percentage of change, the monthly average for 2000 was subtracted from the monthly average for 2006 and divided by the monthly average for 2000 (monthly average 2006 – monthly average 2000/ monthly average 2000). When the percentage of change was 0.5 or above it was rounded up to the next whole number.

State Children's Health Insurance Program (Hoosier Healthwise)

***Percentage Changed* -** To find the percentage of change, the monthly average for 2000 was subtracted from the monthly average for 2006 and divided by the monthly average for 2000 (monthly average 2006 – monthly average 2000/ monthly average 2000). When the percentage of change was 0.5 or above it was rounded up to the next whole number.

Bibliography

Broaddus, Matthew, Leighton Ku, Victoria Wachino. "Medicaid and SCHIP Protected Insurance Coverage for Millions of Low-Income Americans." Washington D.C.: Center on Budget and Policy Priorities. 31 January 2005. www.cbpp.org.

Cauthen, Nancy K., and Hsien-Hen Lu. "Employment Alone Is Not Enough for America's Low-Income Children and Families." Living at the Edge Research Brief No.1. New York, NY: National Center for Children in Poverty. Columbia University. 2003. http://www.nccp.org/pub_lat03a.html.

Food Research and Action Center. www.frac.org.

Indiana Department of Education. http://www.doe.state.in.us/.

Indiana Department of Health. http://www.in.gov/isdh/.

Indiana Department of Workforce Development. http://www.hoosierdata.in.gov/.

Indiana Family and Social Service Administration. www.in.gov/fssa/.

Indiana Institute for Working Families. www.ichhi.org.

Institute on Taxation and Economic Policy. "Rewarding Work Through Earned Income Tax Credits." *Talking Taxes* Policy Brief #15. Washington D.C. 2005. http://www.itepnet.org/pb15eitc.pdf.

Internal Revenue Service. www.irs.gov.

Llobera, Joseph and Bob Zahradnik. "A Hand Up: How State Earned Income Tax Credits Help Working Families Escape Poverty in 2004." Washington, D.C.: Center on Budget and Policy Priorities. May 2004. http://www.cbpp.org/4-12-05sfp.htm.

Mann, Cindy and Robin Rudowitz. "Issue Paper: Financing Health Coverage: The State Children's Health Insurance Program Experience." Washington D.C.: Kaiser Commission on Medicaid and the Uninsured. 2005. www.kff.org.

Nelson, Christine. "Closing the Income Gap: Federal Tax Credits for Working Families." Washington D.C.: National Conference of State Legislatures. March 2007.

Park, Edwin and Matthew Broaddus. "Fourteen States Face SCHIP Shortfalls This Year Totaling Over $700 Million." Washington, D.C.: Center on Budget and Policy Priorities. February 22, 2007.

Schwartz, Karyn, Catherine Hoffman and Alison Cook. "Health Insurance Coverage of America's Children." Washington, D.C.: Kaiser Commission on Medicaid and the Uninsured. January 2007. http://www.kff.org.

Smith, V., DM. Rousseau, and Caryn Marks. "SCHIP Program Enrollment: June 2005 Update." Washington D.C.: Kaiser Commission on Medicaid and the Uninsured. December 2006. www.kff.org.

State Health Data Assistance Center. "Whose Kids are Covered? A State-by-State Look at Uninsured Children. Washington, D.C.: The Robert Wood Johnson Foundation (RWJF) March 2007. http://covertheuninsured.org/media/research/WhoseKidsAreCovered.pdf.

U.S. Census Bureau, A. American Community Survey. 2005and 2006. www.census.gov/acs/www/index.html.

U.S. Census Bureau, B. Small Area Income and Poverty Estimates (SAIPE) http://www.us.census.gov/hhes/www/saipe/index.html.

U.S. Department of Agriculture. Food and Nutrition Service. http://www.fns.usda.gov/.

U.S. Department of Labor. Bureau of Labor Statistics. http://www.us.bls.gov/.

End Notes

[1] U.S. Bureau of Labor Statistics. "Employment, Hours, and Earning from the Current Employment Statistics Survey." June 2008. http://data.bls.gov/cgi-bin/surveymost?sm+18.
2 U.S. Bureau of Labor Statistics. "Local Area Unemployment Statistics." June 2008. http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LASST18000003.
[3] U.S. Bureau of Labor Statistics. "Employment, Hours, and Earning from the Current Employment Statistics Survey." June 2008. http://data.bls.gov/cgi-bin/surveymost?sm+18.
[4] Indiana Institute for Working Families. "Investing in Indiana's Working Families to Build a 21st Century Economy." Indianapolis: Indiana Coalition on Housing and Homeless Issues, February 2007.
5 Indiana Office of Medicaid Policy and Planning. "Budget Analysis Report for Fiscal Years 2004 Through 2007. Indianapolis: Budget Committee. December 2004. http://www.in.gov/fssa/programs/PDF/OMPPBudget.pdf. AND Georgetown University Health Policy Institute. "SCHIP Financing Primer." Washington D.C.: Georgetown University. October 2006. http://ccf.georgetown.edu/pdfs/financingprimer.pdf.
[6] This figure was calculated using data from the Georgetown University Health Policy Institute. According to their data, $212.6 million is available for use in 2008 and $92.6 million is the amount Indiana is expected to spend on SCHIP. After subtracting these numbers, $120 million is left in potentially unused funds.
[7] Greenstein, Robert. "The Earned Income Tax Credit: Boosting Employment, Aiding the Working Poor." Washington, D.C.: Center on Budget and Policy Priorities, August 2005.
[8] Berube, Alan. "Using the Earned Income Tax Credit to Stimulate Local Economies." Washington, D.C.: Brookings Institution, Metropolitan Policy Program. November 2006.
[9] Brookings Institution, Metropolitan Policy Programs, IRS Data Tables. 2005. http://www.brookings.edu/metro/eitc.htm Accessed June 9, 2008.
[10] Center on Budget and Policy Priorities, 2008 EITC Outreach Kit. www.cbpp.org. Accessed June 11, 2008.
[11] Aron-Dine, Aviva and Arloc Sherman. "Ways and Means Committee Chairman Charles Rangel's Proposed Expansion of the EITC for Childless Workers: An Important Step to Make Work Pay." Center on Budget and Policy Priorities. October 2007. http://www.cbpp.org/10-25-07tax.pdf.
[12] The percent increase is calculated by adding the maximum benefit amount ($4,356) to the maximum state credit (for Wisconsin 43 percent). The resulting maximum benefit, $6,486, is then divided by the maximum allowable income for the maximum benefit, $14, 850.
[13] Levitis, Jason and Nicholas Johnson. "The Impact of State Income Taxes on Low Income Families in 2006." Washington D.C.: Center on Budget and Policy Priorities. March 2007.
[14] State EITC Online Resource Center. http://www.stateeitc.com/. Accessed June 9, 2008.
[15] Berube, Alan and Thacher Tiffany. "The "State" of Low-Wage Workers: How the EITC Benefits Urban and Rural Communities in the 50 States." Washington, D.C.: Brookings Center in Urban & Metropolitan Policy. February 2004. http://www.brookings.edu/es/urban/publications/20040203_berube.pdf.
[16] The Average EITC Refund was calculated by dividing the total amount paid out in EITC claims by the total number of claimants. The increase in claimants was found by multiplying the total number by 5% and the Potential EITC Dollars" calculation was found by multiplying the increase in filers number by the Average EITC Refund.
[17] Wu, Chi Chi and Jean Ann Fox, A. "Picking Taxpayer's Pockets, Draining Tax Relief Dollars: Refund Anticipation Loans Still Slicing Into Low-Income Americans' Hard Earned Tax Refunds." Boston: National Consumers Law Center. January 2005.
[18] Wu, Chi Chi and Jean Ann Fox, B. "Coming Down: Fewer Refund Anticipation Loans, Lower Prices from Some Providers, But Quickie Tax Refund Loans Still Burden the Working Poor, The NCLC/CFA 2008 Refund Anticipation Loan Report." National Consumer Law Center and Consumer Federation of America. March 2008. http://www.consumerfed.org/pdfs/RAL_2008_Report_final.pdf.
[19] Ibid.
[20] Brookings Institution, Metropolitan Policy Programs, IRS Data Tables. 2005. http://www.brookings.edu/metro/eitc.htm. Accessed June 13, 2008.
[21] Wu, Chi Chi and Jean Ann Fox, B. "Coming Down: Fewer Refund Anticipation Loans, Lower Prices from Some Providers, But Quickie Tax Refund Loans Still Burden the Working Poor."
[22] Berube, Alan. "Using the Earned Income Tax Credit to Stimulate Local Economies."

[23] Ibid.
[24] Ibid.
[25] Brookings Institution, Metropolitan Policy Programs, IRS Data Tables. 2005. http://www.brookings.edu/metro/eitc.htm. Accessed June 13, 2008.
[26] Pearce, Diana. "The Self-Sufficiency Standard for Indiana: Where Economic Independence Begins." Indianapolis: Indiana Coalition on Housing and Homeless Issues. September 2005. http://www.ichhi.org/clientuploads/downloads/reportspublications/the_2005_selfsufficiency_standard_for_indiana_final_92805.pdf.
[27] Food Research and Action Center, "Food Stamp Program," http://www.frac.org/html/federal_food_programs/programs/fsp.html.
[28] For a family of four, the 2007 Federal Poverty Guidelines is $20,650 and $17,170 for a family of three. For a family of four, 130 percent of poverty in 2007 is $26,845, and for a family of three, 130 percent of poverty is $22,321.
[29] Food Research and Action Center. "Food Stamp Participation in December 2007, Up Over Month and Year, Weak Economy and Food Inflation Hit Struggling Households Hard, While Almost 7 Million More Got Food Stamps than in December 2002, Many Eligible People Were Still Missed." News Release, February 27, 2008 http://www.frac.org/html/news/fsp/2007.12_FSP.htm.
[30] Food Research and Action Center. "State of the States: A Profile of Food and Nutritional Programs Across the Nation." Washington, D.C. June 2007. http://www.frac.org/Press_Release/06.04.07.html.
[31] Ibid.
[32] Food Research and Action Center. "Food Stamp participation in December 2007, Up Over Month and Year, Weak Economy and Food Inflation Hit Struggling Households Hard, While Almost 7 Million More Got Food Stamps than in December 2002, Many Eligible People Were Still Missed." News Release, February 27, 2008 http://www.frac.org/html/news/fsp/2007.12_FSP.htm.
[33] Indiana Family & Social Services Administration, "Food Stamp Program Average Monthly Persons and Total Dollars Issued, 2000-2006." http://www.in.gov/fssa.
[34] Ibid.
[35] Food Research and Action Center. "State of the States: A Profile of Food and Nutritional Programs Across the Nation."
[36] USDA, Food and Nutrition Service. "Food Stamp Program: Average Monthly Participation." http://www.fns.usda.gov/pd/fspmain.htm.
[37] USDA, Food and Nutrition Service. "Food Stamp Program: Average Monthly Benefit Per Person." http://www.fns.usda.gov/pd/fspmain.htm.
[38] The average monthly payment was multiplied by 12 and then multiplied by the number of persons eligible but not receiving benefits.
[39] Currently, Food Stamp recipients must verify their income and assets every six months.
[40] Food Research and Action Center. "National School Lunch Program." Washington, D.C. January 2008.http://www.frac.org/html/federal_food_programs/programs/nslp.html.
[41] For a family of four, the 2007 Federal Poverty Guidelines is $20,650 and $17,170 for a family of three. For a family of four, 130 percent of poverty in 2007 is $26,845, and for a family of three, 130 percent of poverty is $22,321.
[42] Food Research and Action Center. "School Breakfast Scorecard 2007." Washington, D.C. December 2007. http://www.frac.org/pdf/SBP_2007.pdf.
[43] Food Research and Action Center. "State of the States: A Profile of Food and Nutritional Programs Across the Nation."
[44] Food Research and Action Center. "School Breakfast Scorecard 2007." Washington, D.C. December 2007.
[45] U.S. Department of Agriculture, Food and Nutrition Service. "National School Lunch Program Fact Sheet." July 2007. http://www.fns.usda.gov/cnd/lunch/aboutlunch/NSLPFactSheet.pdf.
[46] Food Research and Action Center. "State of the States: A Profile of Food and Nutritional Programs Across the Nation."
[47] Ibid.
[48] Title I funding comes from the federal Elementary and Secondary Education Act (ESEA). It is targeted toward high-poverty communities and provides extra resources to schools and school districts in those areas through formula grants to address the educational needs of low-income students.

[49] Food Research and Action Center. "Child Nutrition Policy Brief: Nutrition for Learning." Washington, D.C. 2003. http://www.frac.org/pdf/cnnnl.pdf.
[50] For an excellent review of the National School Breakfast Program – including data and recommendations – see the Food Research and Action Center's 2007 School Breakfast Scorecard at http://www.frac.org/pdf/SBP_2007.pdf.
[51] To qualify for free meals, the income guideline for school year 2006-2007 for a family of three was $21,580 and for a family of four was $26,000.
[52] To qualify for reduced-price meals, the income guideline for school year 2006-2007 for a family of three was $30,710 and for a family of four was $37,000.
[53] Food Research and Action Center. "School Breakfast Scorecard 2007."
[54] Ibid.
[55] Ibid.
[56] Ibid.
[57] Ibid.
[58] Ibid.
[59] Ibid.
[60] Ibid.
[61] U.S. Department of Agriculture, Food and Nutrition Service website. Accessed June 10, 2008 at http://www.fns.usda.gov/wic/benefitsandservices/foodpkg.HTM.
[62] Food Research and Action Center. "Child Nutrition Fact Sheet: Breakfast for Learning." Washington, D.C. http://www.frac.org/pdf/breakfastforlearning.PDF.
[63] Ibid.
[64] U.S. Department of Agriculture, Food and Nutrition Service. WIC Participant and Program Characteristics 2006." http://www.fns.usda.gov/oane/MENU/Published/WIC/WIC.htm.
[65] Ibid.
[66] U.S. Department of Agriculture, Food and Nutrition Service. "WIC Fact Sheet." www.fns.usda.gov/sic/sic-factsheet.pdf.
[67] U.S. Department of Agriculture, Food and Nutrition Service. website. Accessed June 10, 2007. http://www.fns.usda.gov/wic/benefitsandservices/foodpkg.htm.
[68] Ibid.
[69] Food Research and Action Center. "State of the States: A Profile of Food and Nutritional Programs Across the Nation." June 2007.
[70] U.S. Department of Agriculture, Food and Nutrition Service, website. Accessed June 10, 2007. http://www.fns.usda.gov/wic/aboutwic/wicataglance.htm.
[71] U.S. Department of Agriculture, Food and Nutrition Service. "WIC Participant and Program Characteristics 2006." http://www.fns.usda.gov/oane/MENU/Published/WIC/WIC.htm.
[72] Food Research and Action Center. "State of the States: A Profile of Food and Nutritional Programs Across the Nation." June 2007.
[73] U.S. Department of Agriculture, Food and Nutrition Service. "WIC Program: Total Participation." Washington, D.C. May 23, 2008. http://www.fns.usad.gov/ pd/cnpmain.htm.
[74] U.S. Department of Agriculture, Food and Nutrition Service, website. Accessed June 10, 2007. http://www.fns.usda.gov/wic/aboutwic/wicataglance.htm.
[75] Indiana Department of Health website. Accessed June 10, 2007. http://www.in.gov/isdh/.
[76] Food Research and Action Center. "State of the States: A Profile of Food and Nutritional Programs Across the Nation." Washington, D.C. June 2007. http://www.frac.org/Press_Release/06.04.07.html.
[77] Ibid.
[78] SCHIP Statistical Enrollment Data System (SEDS) February 7, 2008. http://www.cms.hhs.gov/NationalSCHIPPolicy/SCHIPER/itemdetail.asp?filterType=none&filterByDID=-99&sortByDID=2&sortOrder=ascending&itemID=CMS1208791&intNumPerPage=10.
[79] U.S. Government Accountability Office (GAO). "Children's Health Insurance: State's SCHIP Enrollment and Spending Experiences and Considerations for Reauthorization." GAO-07-558T. Washington, D.C. March 2007.
[80] State of Indiana: http://www.in.gov/portal/news_events/18184.htm. Accessed June 18, 2008.

[81] Capped funding is a set amount of funding for a program, regardless of increases in enrollment or funding needs. This means that no additional money is allocated even if it is needed to meet participation or program costs. Capped funding also requires states to meet an annual match in order to receive federal funds.
[82] Georgetown University Health Policy Institute. "SCHIP Financing Primer." Washington D.C.: Georgetown University. October 2006. http://ccf.georgetown.edu/pdfs/financingprimer.pdf.
[83] Kaiser Family Foundation: State Health Facts: http://www.statehealthfacts.org/comparetable.jsp?ind=239&cat=4. June 13, 2008.
[84] Georgetown University Health Policy Institute, Center for Children and Families, "Federal SCHIP Funds Available in Fiscal Year 2008, by State," http://ccf.georgetown.edu/index/cms-filesystem-action?file=policy/financing/federal%20schip%20funds%20available.pdf. Accessed June 18, 2008.
[85] IN Office of Medicaid Policy and Planning.
[86] Ibid.
[87] U.S. Government Accountability Office (GAO). "Children's Health Insurance: State's SCHIP Enrollment and Spending Experiences and Considerations for Reauthorization."
[88] 2008 Kids Count Database and author's calculations. http://www.kidscount.org/datacenter/db_rawdata_08.jsp. Accessed June 17, 2008.
[89] Ibid.
[90] Ibid.
[91] The $41 million figure was reached by dividing the FY 2006 federal allotment by the FY 2006 ever enrolled amount and multiplying that number by the 75,000 low-income children without insurance. The data used in these calculations came from the 2008 Kids Count Report and the Georgetown University Health Policy Institute.
[92] U.S. Government Accountability Office (GAO). "Children's Health Insurance: State's SCHIP Enrollment and Spending Experiences and Considerations for Reauthorization."
[93] SCHIP Statistical Enrollment Data System (SEDS) February 7, 2008.
[94] U.S. Census Bureau, A. American Community Survey. 2005. www.census.gov/acs/www/index.html. Accessed June 24, 2008.
[95] Broaddus, Ku, et al "Medicaid and SCHIP Protected Insurance Coverage for Millions of Low-Income Americans." Washington D.C.: Center on Budget Policy Priorities. January 31, 2005. www.cbpp.org.
[96] 2008 Kids Count Database and author's calculations. http://www.kidscount.org/datacenter/db_rawdata_08.jsp. Accessed June 24, 2008.
[97] FSSA 2007 CCDF Policy and Procedure Manual. http://www.in.gov/fssa/files/CCDFProceduresManual120707.pdf.
[98] FSSA, Child Care Eligibility and Fee Schedule. http://www.in.gov/fssa/files/FeeSched05.pdf. Accessed June 20, 2008.
[99] Ibid.
[100] Ibid.
[101] Indiana Family and Social Services Administration, B. Bureau of Child Development. "Indiana Bureau of Child Care Annual Report 2006." http://www.in.gov/fssa/carefinder/pdf/BCC-Annual-Report-2006.pdf.
[102] Pearce, Diana. "The Self-Sufficiency Standard for Indiana." September 2005.
[103] M.Cubed. "National Economic Impacts of the Child Care Sector." The National Child Care Association. 2002.
[104] Ibid.
[105] Indiana Child Care Fund. *The Economic Dimensions of the Child Care Industry in Indiana: An Invisible Industry*, study conducted by INSIGHTS Consulting, NEDLC and IU Kelley School of Business/IN Business Research Center, September 2005.
[106] Based on poverty level income of $17,170 multiplied by 3,942, average number of children on the waiting list.
[107] Matthews, Hannah and Danielle Ewen, "President's Budget Disregards Sound Investments for Young Children," Center for Law and Social Policy. February 4, 2008.