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Read the Report at <http://www.policymattersohio.org/BridgingTheGapsInOhio2008.htm>

***Report finds public work supports help Ohioans bridge gap between earnings and needs:
Program improvements could further improve outcomes for workers***

Over 2.8 million Ohioans, approximately 25 percent, do not earn enough to meet basic needs, according to a brief released today by Policy Matters Ohio. The gap between what these Ohioans earn and their basic family budgets forces many families to go without such necessities as health insurance or safe and enriching child care.

“Public work support programs can help these families to bridge the hardships gap between what they earn and what they need to make basic ends meet,” said report author Amanda K. Woodrum who is a policy liaison for the non-partisan research institute. In 2005, public work supports in Ohio closed 60 percent of the median hardships gap for households in Ohio—reducing the median monthly hardships gap from \$1,682 to \$662. In fact, 20 percent of Ohioans living below their family budgets moved above their basic budget line by accessing public work supports. This is more than 500,000 Ohioans who bridged their hardship gap with this support.

Nearly 2.1 million Ohioans (20 percent) continue to struggle to meet basic needs even after public work supports factor into the equation. Many families face an *eligibility gap*, they do not qualify for public work supports because they earn too much or do not meet other eligibility criteria. Others face a *coverage gap*. These Ohioans meet eligibility requirements but are not covered because public work support programs lack enough resources to cover everyone eligible, or the administrative process is too cumbersome.

Child Care. Over 290,000 children 13 and under, nearly 60 percent of the children living in a hardships gap, do not qualify for public child care assistance. Nearly 325,000 children under age 13, approximately 87 percent of those eligible, do not receive child care assistance even though they are eligible.

Earned Income Tax Credit. In Ohio, nearly 800,000 people, approximately 15 percent of Ohio’s tax filers, receive the federal credit. However, 485,000 tax filers in Ohio, 36 percent of tax filers living under their basic family budgets, are not eligible.

Food Stamps. Over 1.6 million people, 65 percent of Ohioans living in a hardships gap, are ineligible for food stamps. Approximately 1/3 of eligible Ohioans, over 550,000, do not receive the food stamps for which they are eligible.

Housing Assistance. Approximately 927,000 households in Ohio with incomes below their basic family budget do not qualify for public housing assistance. Only 2.5 percent of Ohio’s five million households are receiving housing assistance, but an estimated 10 percent are eligible.



Medicaid and the State Children's Health Insurance Program (SCHIP). As of 2005, nearly half of Ohioans living in hardships were ineligible for Medicaid or SCHIP benefits (approximately 1.15 million adults and children). Approximately 260,000 Ohioans, 150,000 adults and 110,000 children, are eligible for public health coverage but not accessing them.

Temporary Assistance to Needy Families (TANF). Over 2 million Ohioans living in a hardships gap are ineligible for cash assistance from the Ohio Works First program (83 percent). Approximately 80 percent of the 915,000 Ohioans eligible for TANF assistance do not access the benefits (approximately 730,000 Ohioans).

“Eligibility requirements for public work support programs should be simplified, expanded to include more Ohioans, and should phase out slowly, so that an additional dollar of work-related earnings never results in a step backwards with more than a dollar in lost income,” Woodrum said.

The report concludes by recommending: that programs mimic elements of the Medicaid Buy-in Program, recently championed by Gov. Strickland, which allows disabled Ohioans go to work without fear of losing their health benefits; that Ohio adopt a state-level Earned Income Tax Credit to piggyback on the federal credit, as 23 other states have done; that housing assistance programs be increased at both the state and federal level; and that cash assistance payments be the dominant use of TANF funds.

The report also recommends steps to make it easier to apply for work support programs and to ensure that eligible people are able to access programs and stay enrolled, including use of Benefit Banks.

“Ohioans need better jobs with better benefits, or better access to public work support programs,” said Woodrum. “In the richest country in the world, with many of the world's most profitable businesses, there is no reason that working people should be forced to choose between paying their rent or utility bills, putting food on the table, ensuring safe and enriching child care, or obtaining health care.”