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Safety Net Benefit Access in the Official and Supplemental Poverty Measures by Race and Gender

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SAFETY NET BENEFIT ACCESS IN THE OFFICIAL AND SUPPLEMENTAL
POVERTY MEASURES BY RACE AND GENDER

BY

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BA, Hanover College, 2013

THESIS

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Original approval signatures are on file with the University of New Hampshire Graduate School.
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ABSTRACT
SAFETY NET BENEFIT ACCESS IN THE OFFICIAL AND SUPPLEMENTAL POVERTY MEASURES BY RACE AND GENDER

BY
NIKHAIL MAESTAS
University of New Hampshire, December, 2016

Historically, minority women have made up a disproportionate percentage of the low-income population who receive safety net benefits. However, there has been no previous research that assesses how alternative poverty measures could impact these isolated groups of women. This study aims to determine which groups of people would receive the largest benefit if state and federal agencies used the supplemental poverty measure (SPM) rather than the official poverty measure (OPM) to determine eligibility for various safety net programs. In addition, this study assesses the intersectional effect of gender and race on poverty using the SPM and the official U.S. poverty measures. This study draws on data from the 2010-2015 Annual Social and Economic Supplements ASEC of the Current Population Survey CPS and estimates logistic regression models that predict the likelihood of living in poverty for various racial and gender groups. The results show that Black, Asian/Pacific Islander, and Hispanic women would benefit the most if state and federal agencies used the SPM to determine benefit eligibility rather than the OPM. Additionally, use of the SPM would increase women’s and men’s eligibility for programs such as SNAP, WIC, Medicare, and Medicaid. The increase in safety net eligibility could assist marginalized groups and reduce economic inequality in the U.S.
INTRODUCTION

The intersectional relationship between race and gender influences economic inequality and welfare policy. Hardy and Hazelrigg (1995:46) argue that "although being a woman is associated with a higher risk of poverty for all women, the magnitude of that gender difference depends on whether the woman is white or non-white." Many researchers show that race and gender intersect to shape people’s earnings (Greenman and Xie, 2008). However, there has been limited research that assesses the relationship between gender and race in terms of changing poverty measures and access to welfare benefits. This thesis attempts to bridge this gap by comparing the official poverty measure (OPM) and supplemental poverty measure (SPM) through an intersectional lens to determine which categories of people would have the most to gain and the most to lose if the federal government were to use the SPM to determine safety net eligibility. The thesis begins by outlining the historical transformation of both poverty measures, welfare reform, and intersectionality theory to highlight the role that race and gender play in creating and perpetuating social inequality in the United States.

The politics of welfare reform cannot be adequately understood by analyzing gender and race independently, as welfare policy reform has a relationship that is "raced-gendered" (Hawkesworth, 2003). Race and gender are intertwined at every level of policy creation, implementation, and reform. Governmental safety net programs have undergone numerous revisions over time, but one thing has remained constant: race
and gender have had a profound impact on welfare policy (Reingold and Smith, 2012). For example, states that have larger minority populations tend to have less generous Temporary Assistance for Needy Families (TANF) benefits. They also tend to have stricter eligibility requirements compared to states with predominantly white populations (Hero and Preuhs, 2007). Although many social statuses play a role in predicting overall wealth and access to safety net benefits (for example, disability status, age, sexual orientation, and others), race and gender have widely shaped welfare reform policy and have a large influence on overall earnings (Hawkesworth 2003). The history of welfare reform highlights the intersectional relationship between race and gender.

Women have historically had a higher risk of poverty and higher safety net participation rates than men. In fiscal year 1996, before the passing of Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), 87 percent of all AFDC recipients were female, and little has changed under TANF. Ninety percent of all beneficiaries were female in the 2006 fiscal year (Hero and Preuhs, 2007). In 2008, the Official Poverty Measure (OPM) rate for women was 14.4 percent, which was approximately 2 percent higher than the OPM rate for men (Reingold and Smith, 2012).

In addition, public opinion on welfare spending is racialized and gendered; minority women are more likely to support safety net programs than their male counterparts (Reingold, 2008). Female legislators are also more likely to support social welfare programs, including programs aimed at poverty alleviation (Poggione, 2004). Welfare reform must be viewed from an intersectional lens to address the racialized and gendered roots of its creation (Reingold and Smith, 2012). The misconception that a raced and gendered welfare queen had many children to maximize benefits and avoid
work fueled welfare reform (Hancock 2004). Hawkesworth (2003) finds that congresswomen of color were the most likely to speak out against the PRWORA reforms, as they saw the focus on unwed births and single headed female households as an attack on poor women of color. During the development of TANF, minority women were the most likely to speak out against PRWORA and they were the least likely to be heard (Reingold and Smith, 2012). For these reasons, poverty research cannot ignore the racialized and gendered roots of welfare reform.

This study builds on previous research that has analyzed race and gender through an intersectional lens by assessing the unanticipated consequences of incorporating a new poverty measure and how these consequences impact groups with multiple minority statuses. Every year from 1966 to 2000, women were 25 to 30 percent more likely to fall below the OPM line than men. In 1990 the male-to-female poverty ratio was 1.29, and in 2000 the male-to-female poverty ratio was 1.26 (Elmelech and Lu, 2004). Women were more likely to fall below the OPM line even during the overall poverty rate decline in 1996 after PRWORA.

The relationship between gender and race is analyzed in this study using the OPM and SPM. The OPM is currently utilized by the federal government to determine a household’s eligibility for various safety net programs. If the SPM were to be used to create poverty thresholds, households would experience a shift in reported income. The use of the SPM rather than the OPM would differentially affect access to benefits, potentially exacerbating current and historical patterns of inequality for disadvantaged groups. Race and gender are the primary characteristics of focus in this study because
of their historical significance in shaping welfare reform, economic inequality, and their nuanced relationship with each other.

Before turning to the literature review, I briefly highlight the main findings from this study. I find that gender and race intersect to shape the likelihood of falling below the poverty thresholds established by the OPM and the SPM. While minority women make up a vast majority of safety net recipients, Black, Asian/Pacific Islander, and Hispanic women would benefit the most if state and federal agencies used the SPM to determine benefit eligibility rather than the currently used OPM. Although women would benefit the most, I also find that all individuals, regardless of their race or gender, would benefit from the use of the SPM rather than the OPM. If the SPM were to be used to determine social safety net eligibility, all women and men would experience an increase in eligibility for SNAP, WIC, LIHEAP, and Medicare/Medicaid benefits. Using the SPM rather than the OPM could reduce economic inequality in the U.S.
LITERATURE REVIEW

Welfare Reform

Governmental aid programs have undergone numerous revisions over time, and race and gender have influenced the majority of these changes. During the 1990's the United States implemented new legislation that dramatically altered federal funding and eligibility requirements for safety net programs (Dahl, 2012). The most notable legislative change was implemented in 1996 when President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) into law. The revisions spearheaded radical welfare reform in the United States by decreasing eligibility, transferring power to the state, and decreasing funds (Weaver, 2000).

The welfare reforms influenced racial minorities and women on a large scale as many of the legislative changes were fueled by institutional racism and sexism. Blank (2002) outlined the significant legislative changes brought forth by PRWORA as: (1) replacing the Aid for Dependent Children (AFDC) program with the Temporary Assistance to Needy Families (TANF) program. With this change the government dropped all federal eligibility requirements and states were given the authority to create and enforce eligibility guidelines. (2) Under AFDC, states were required to maintain at least 75% of their past AFDC spending to receive the full federally-funded block grant, but with the transition to TANF, states received the full federally-funded block grant regardless of their expenses. (3) The federal government gave states the authority to
design and enforce employment encouragement programs. (4) The PRWORA legislation encouraged marriage and discouraged non-marital births by providing incentives to states to decrease non-marital birth rates without increasing overall abortion rates. (5) The new regulations set a lifetime limit of 5 years on the receipt of TANF-funded aid by PRWORA. (6) Legal immigrants who arrived in the United States after 1996 were not eligible to participate in food stamp and Supplemental Security Income (SSI) programs. (7) PRWORA implemented changes to encourage child support from absent parents. These changes drastically altered eligibility patterns, program participation rates, and state expenditures. The government implemented the PRWORA reforms in an attempt to encourage work participation amongst low-income individuals and decrease overall reliance on safety net programs (Dahl, 2012). Congress enacted these reforms to reduce government spending, but women and racial minorities were often the targets of these new eligibility restrictions.

Legislators also reviewed safety net programs targeted at low-income children to assist single mothers and low-income families with children as long as they remained active in the labor force. Congress created the Children’s Health Insurance Premium Plan (CHIP) in 1997 to incentivize states to expand health care coverage for low-income children (Loprest, Schmidt, and Witte, 2000). Additionally, PRWORA requirements removed older aid programs targeted at children, which encouraged states to designate some of their TANF federal block grant funds for at-risk children (Ku, Ullman, and Almeida 1999). The Child Care Tax Credit (CTC) was also expanded to reach higher earning families and incentivize labor attachment (Blank, 2002). In an added attempt to encourage workforce participation, children below the OPM threshold in 1999 became
eligible for Medicaid, and women who went from welfare to work were eligible for one year of transitional health coverage under Medicaid (Blank, 2002). These legislative shifts created multiple incentives for low-income single mothers to seek employment.

However, individuals who were unable to maintain employment or meet the strict eligibility requirements received benefit reductions. The federal expenditures available to the working poor increased from $11 billion in 1988 to $66.7 billion in 1999 (Loprest, Schmidt, and Witte, 2000). With the budget increase also came new federal legislation that transferred power to the state. The shift of legislative power from the federal government to the state resulted in the main transformations of benefit guidelines, limits, and eligibility (Blank, 2002). The majority of states restricted safety net eligibility by creating rigorous employment search requirements. Recipients received benefit reduction penalties if they were unable to meet the strict mandatory job search specifications set forth by the state (Bloom, 2001).

Also, one of the most popular governmental assistance programs for poor households with children, the Temporary Assistance to Needy Families (TANF) program, underwent major revisions that caused a stark increase in the single mother employment rate. TANF was previously known as the Aid for Dependent Children (AFDC) program before the 1996 welfare reform. This program provides cash assistance to low-income families with children, the majority of households are headed by a single mother (Moffit, 2008). The 1996 PRWORA reform implemented significant structural reforms on TANF that created strict work requirements and imposed a maximum lifetime limit on the receipt of benefits (Acs, 2005). These changes caused the employment rates of single mothers from all racial groups to rise dramatically after
1996; however, black female-headed households were the only group to show a statistically significant decline in the OPM rate from 43.7 percent in 1996 to 39.8 percent in 1997 (Moffit, 2008). Many of these single mother households remained in OPM poverty despite the increase in labor force participation.

Despite the large body of research assessing the PRWORA reforms, scholars still debate their overall effectiveness on reducing OPM rates (Blank and Ellwood, 2002; Bitler and Hoynes, 2010; Blank, 2002). The booming U.S. economic climate in the late 1990’s complicates the task of conducting post-PRWORA research. The minimum wage rose from $3.35 in 1989 to $5.15 in 1997, which lifted real minimum wages 10.8 percent above their 1989 levels (Blank, 2002). During the same period, the Clinton Administration proposed a major expansion of the Earned Income Tax Credit (EITC). The program was intended to increase the labor market attachment of low-income families by providing an incentive to work. This program was known initially as the "Work Bonus" program (Dahl, 2002). It has since become the fastest growing federal anti-poverty program, increasing from $3.9 billion in its first year in 1975 to $51 billion in 2008 (Bitler and Hoynes, 2010). The EITC now has a central role in the U.S. safety net and plays a substantial role in assisting low-income families (Hotz and Scholz, 2003).

Scores of women moved into the workforce during this period, which also makes it difficult to assess post-PRWORA effectiveness accurately. However, it is necessary to note that many of these single mother households remained in poverty regardless of work status (Bitler and Hoynes, 2010). Women entered the workforce due to the increased minimum wage, eligibility requirements, and the increased EITC and child safety net benefits outlined above (Blank, 2002). The drastic increase in the minimum
wage, expansion of EITC benefits, and an increasing number of women in the workforce in the late 1990's introduced complications when assessing the decrease in OPM rates that occurred after PRWORA in 1997. Low-income work participation rates increased from 60 to 69 percent amongst all low-income households post-PRWORA. The work participation rates for single mother headed households rose from 59 to 68 percent adding an average of $100 per month to monthly earnings (Peterson et al. 2002). Although the number of single parent headed households below the OPM line decreased in 1997 from 59 to 51 percent, it is important to note that single headed families in extreme poverty became even poorer after welfare reform (Porter and Dupree, 2001).

Additionally, racial minorities in the southern U.S. made up the vast the majority of low-income single parents below the OPM line post-PRWORA. In these southern urban areas, post-PRWORA caseloads decreased significantly from 32 to 20 percent even though large proportions of the population remained in poverty (Peterson et al. 2002). The percentage of white welfare recipients decreased from 34 to 24 percent after PRWORA’s passage, while the proportion of Hispanic welfare recipients increased from 20 to 29 percent. These racial differences raise concerns that white single-parent households were more able to rise above the OPM line than their ethnic minority counterparts (Porter and Dupree, 2001).

The historically unprecedented decline in overall caseloads and the decreased unemployment rate provide the strongest evidence in support of the PRWORA reforms. The employment level for mothers with low levels of education began rising in 1993 with the expansion of the EITC, and it substantially increased in 1996 directly after welfare
reform (Moffit, 2008). Mothers with high levels of education also reported increased employment rates during this period. Researchers have argued that the welfare reforms have had a significant positive impact on the employment rates amongst mothers from all educational backgrounds (Meyer, 2007). Single mothers experienced a steep decline in the overall incidence of poverty, while the decline was very modest amongst married couples (Moffit, 2008). The decrease in the overall OPM poverty rate immediately after PRWORA seemed to highlight the effectiveness of the reforms, but the newly appointed time restrictions negatively impacted many families.

Many households entered the workforce due to the employment revisions, but the revisions also implemented strict time limits that caused many families to lose benefits. The mandatory employment revisions and financial work incentives produced during the reforms showed reductions in welfare usage ranging from 3 percent to 12 percent and increases in employment rates ranging from 0 to 15 percent (Grogger and Karoly, 2005; Bloom and Micahelopoulos, 2001). Miller et al. (2000) found that the financial incentives can be helpful in increasing employment even when mandatory work requirements are the major policy reform. There is still much debate surrounding the effectiveness of the 1996 reforms. Nearly 40 percent of former welfare recipients were not working in 2008, and 20 percent of single mothers were not working and not receiving welfare (Moffit 2008). Additionally, the time limits have created barriers for low-income individuals. By 2002, roughly five years after the reform, 3,000 families reached their benefit limit, and roughly 3,000 families reach their limit each year (Farrell and Rich, 2007). Welfare reform has drastically influenced how households maintain
eligibility and receive benefits over time, but to do so, the government has relied on the OPM to determine household economic status.

**Changing Poverty Measures**

Poverty is one of the most prominently used financial measures to determine economic well-being and to assess welfare benefit eligibility (Grogger and Karoly, 2005). Poverty thresholds are often used to determine economic standing as well as provide eligibility guidelines for safety net benefits (Blank, 2008). Social programs that targeted poverty cost the United States over half a trillion dollars in government spending in 2012 (Meyer and Sullivan, 2012). The OPM thresholds are created by comparing the pretax income of a family or individual to poverty thresholds that are determined by family size. For example, in 2015, the poverty threshold for a single parent with two children was $19,096 ("Poverty Data Tools" n.d.).

The OPM has the power to determine which families receive safety net benefits. However, the measure focuses on a very narrow scope of familial income that may not appropriately align policy goals with eligibility requirements. The Current Population Survey Annual Social and Economic Supplement (CPS ASEC) currently provides the data used to create both the OPM and SPM poverty thresholds (Meyer and Sullivan, 2012). A family is deemed to be in poverty if they fall below the pretax income threshold for a family of that size (Citro and Michael, 1995). Government officials and public policy analysts produced the first OPM thresholds by calculating the average cost of a nutritionally sufficient and inexpensive diet for families of various sizes. This amount was then multiplied by three because a family of three or more in 1955 allocated roughly a third of their income to food (Blank, 2008). Since its inception, the OPM has
undergone little adjustment aside from inflation adjustments (Blank and Greenberg, 2008). Two of the most prominent flaws within the OPM are that (1) it focuses on pretax income alone, which fails to reflect the amount of resources that are available to families through other means (for example, the Earned Income Tax Credit (EITC), Child Tax Credit (CTC), child support received, and others) and (2) the relationship between the thresholds and family size reflects economic circumstance in terms of food alone, dismissing all other familial expenditures (Meyer and Sullivan, 2012).

The Interagency Technical Working Group (ITWG) created the SPM in response to these limitations in an attempt to improve the alignment between policy goals and benefit eligibility requirements. The current OPM has remained virtually unchanged since the early 1960's. The outdated nature of the OPM has caused many researchers and policymakers to critique its effectiveness in determining aid eligibility. In response, the Census Bureau led two decades of dialogue and research to revise the OPM (Meyer and Sullivan, 2012). During this time, dozens of official Census Bureau Publications (U.S. Census 2010), hundreds of papers, and two National Academy of Sciences reports were produced to assess strategies and potential barriers in creating a new updated poverty measure (Citro and Michael, 1995). The ITWG created the SPM in 2010 based largely on a 1995 National Academy of Sciences report in response to critiques that the official poverty measure may not provide an accurate assessment of the multiple contributing layers of household income (Citro and Michael, 1995). The ITWG created the new measure to assess all sources of household income when determining poverty status. As Citro and Michael (1995, pp.1-2) noted, “the proposed measure will more accurately describe changes in the extent of poverty over time that
result from new public policies and further social and economic change.” The move toward an updated measure made important strides in 2010 with the release of a new SPM by the Census Bureau (Fox et al. 2014). Previous poverty measures had been released by the Census Bureau drawing on experimental measures, but this was the first time the Bureau produced statistics using a single preferred alternative measure, the SPM (Short, 2011). The new SPM estimates showed how an updated measure can substantially alter our understanding of poverty and the role of the government in reducing it (Korenman and Remler, 2012).

The SPM uses a broader definition of family, incorporates safety net benefits, makes adjustments based on geographic location, and includes a larger number of financial circumstances in the calculation of its thresholds. The SPM allows cohabiting adults and their children to be counted as a family unit, whereas the OPM does not (Meyer and Sullivan, 2012). Unlike the official measure, the SPM takes into account the influence of governmental programs designed to assist low-income families like tax credits and noncash benefits (Short, 2013). Additionally, the SPM thresholds are generated using expenditure data for shelter, food, clothing, and utilities from the Consumer Expenditure Interview Survey. The SPM thresholds are adjusted for geographic location based on the American Community Survey (ACS) estimates over five years of median rent for a typical apartment in the 264 metropolitan areas surveyed by the CPS (Garner and Hokayem, 2011). Table 1 highlights which program amounts are added and subtracted from overall household income when determining SPM status. State-level medians for nonmetropolitan areas are calculated if a family resides outside of one of the CPS surveyed areas (Kaushai and Garfinkel, 2011). The official
poverty measure has undergone microscopic modification since its adoption in 1969 (Orshansky, 1963; Fisher, 1992). The SPM thresholds are produced based on five years of pooled data for different years using the Consumer Price Index to calculate separate thresholds for various categories of families, for example, renters, homeowners with a mortgage, and homeowners without a mortgage (Meyer and Sullivan, 2012).

**Table 1. SPM Calculation**

<table>
<thead>
<tr>
<th>SPM Program Influence on Household Income</th>
<th>Added to household income (+):</th>
<th>Subtracted from household income (-):</th>
</tr>
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<tbody>
<tr>
<td>Supplemental Nutritional Assistance (SNAP)</td>
<td>Taxes and Tax Credits (including Earned Income Tax Credit (EITC) and Child Tax Credit (CTC))</td>
<td>Work Related Expenses</td>
</tr>
<tr>
<td>National School Lunch Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplemental Nutrition Program for Women Infants and Children (WIC)</td>
<td></td>
<td>Child Care Expenses</td>
</tr>
<tr>
<td>Housing subsidies</td>
<td>Medical Out-of-pocket Expenses (MOOP)</td>
<td></td>
</tr>
<tr>
<td>Low-Income Home Energy Assistance (LIHEAP)</td>
<td></td>
<td>Child Support Paid</td>
</tr>
</tbody>
</table>

The OPM includes some cash benefits from the government including Social Security and Unemployment Insurance (UI), Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF), and worker’s compensation benefits, but it does not take account of noncash benefits or tax credits aimed at assisting low-income individuals and families (Fox et al. 2014). Alternatively, the SPM includes these tax and noncash benefits along with medical out of pocket expenses (MOOP) and work expenses (Renwick, 2013). The SPM also adjusts poverty thresholds based on geographic location, and it takes into account the cost of living using five-year American Community Survey data on rental payments (Fox et al. 2014). The inclusion of these
additional sources of income when calculating household income creates a slightly different overall incidence of poverty when using the SPM vs. the OPM. For example, in 2012, the overall SPM poverty rate was 16%, and the overall OPM poverty rate was 15.1% (Fox et al. 2014). The comparison of these two measures illustrates how differently various groups are represented across each measure (Korneman and Remler, 2012).

**Unanticipated Consequences: Changing Poverty Measures**

While the SPM and OPM both attempt to appropriately align policy goals with eligibility requirements, it is easy to see how the same family may be assessed differently across the two measures. This could cause a fluctuation in that family’s access to safety net benefits. The unanticipated consequences of favoring one measure over the other may restrict safety net benefits to particular groups of people who are more likely to be underrepresented in one of the measures. For example, current revisions to the CPS have included the collection of data regarding the amount of medical out of pocket (MOOP) spending per household each year. This value is subtracted from family income when calculating SPM thresholds (Betson, 2001). Medical spending contributes a significant share of overall expenditures for low-income households (Caswell, 2010). Insured families spend half of their total MOOP on health insurance premiums (Banthin et al. 2008). Researchers estimated that half of all U.S. bankruptcies in 2001 involved medical debt, and over 75 percent of the people affected had health coverage (Himmelstein et al. 2005). MOOP spending often significantly lowers overall food and shelter resources even amongst families who have health insurance (Caswell, 2010).
A family with significant MOOP expenses may fall below 130 percent of the SPM poverty line but above 130 percent of the OPM poverty line. Since the OPM is currently used to determine safety net eligibility, this family would no longer be eligible to receive some safety net benefits, including SNAP. Numerous studies have shown that poor nutrition influences overall health and well-being throughout the life cycle from children to the elderly (Cook et al. 2008). Some of these adverse outcomes can be decreased or even diminished with adequate safety net support (Cook et al. 2008). A low-income family with high MOOP expenses might be less likely to experience food insecurity if the SPM were used as the primary poverty measure when assessing safety net eligibility. However, there are other groups of people who may receive more safety net benefits under the current OPM.

The unanticipated consequences of focusing on either the OPM or SPM exclusively could have detrimental effects to low-income families who rely on safety net programs to survive. Each low-income assistance program has its own unique set of eligibility thresholds, and some of these thresholds vary by state. Below I will outline some of the major low-income assistance programs and assess which benefits are available to individuals at various poverty thresholds (100%, 150%, and 200%) of the OPM threshold.

**Background on Policies:**

*The Earned Income Tax Credit (EITC)*

The EITC program provides a refundable tax credit to lower-income working families. The program began as a part of an effort to derail political interest in a negative income tax in the late 1960s and early 1970s (Dahl, 2012). Senator Russell Long developed
the EITC to decrease the poverty rate while still maintaining the labor market attachment of low-income families by providing an incentive to work (Bitler and Hoynes, 2010). The program was informally known as the “work bonus” program because families would only receive benefits if they were employed (Hotz and Scholz, 2003). It has since become the fastest growing federal antipoverty program. The EITC grew from $3.9 billion in the first year it was part of the tax code in 1975 to $51 billion in 2008 (Bitler and Hoynes, 2010). The popularity of the EITC grew as Americans became more indifferent to safety net programs like the food stamp program. The EITC has played many antipoverty, labor market, and tax policy roles since its inception. The EITC now has a central place in the U.S. safety net and plays a substantial role in assisting lower income working families (Dahl, 2012). In 2015, the adjusted gross income of a single household with two children must be less than $44,648 (approximately 230 percent of the OPM level) to be eligible to receive EITC benefits ("2016 EITC Income Limits, Maximum Credit Amounts, and Tax Law Updates" 2016).

The Child Tax Credit (CTC)

The CTC is the largest federal aid program for children, and it provides over $46 billion in subsidies to families each year (Dahl, 2012). The Taxpayer Relief Act created the first CTC in 1997 as a $500 tax credit (Burman and Wheaton, 2005). In 2001 the Economic Growth and Taxpayer Relief and Reconciliation Act doubled the refundable portion of the CTC to $1,000 and expanded its coverage to include a larger number of lower income families with children. These expansions have enabled the CTC to become a very useful tool in decreasing poverty in lower income families with children. In 2015 the adjusted gross income of a single household with two children must be less
than $75,000 (approximately 390 percent of the OPM level) to be eligible to receive CTC benefits (“2016 CTC Income Limits, Maximum Credit Amounts, and Tax Law Updates” 2016).

**Supplemental Nutrition Assistance Program (SNAP)**

The Food Stamp Program (FSP) underwent numerous revisions during the PRWORA reform. Most notably, the FSP was renamed the Supplemental Nutrition Assistance Program (SNAP) to reduce the stigma associated with the FSP. The SNAP program was designed to help eligible low-income families afford a nutritionally adequate diet (Short 2012). It is the largest of the 15 federal nutrition assistance programs, and household income determines eligibility. In the United States an estimated 1 in 7 people are enrolled in SNAP (Leung, 2012). The program’s primary purpose is to raise nutrition levels for the working poor by increasing their purchasing power (Food and Nutrition Act of 2008). SNAP is intended to bridge the gap for households that devote 30 percent of their income to food and still cannot afford a nutritional diet (Short, 2012). Household income must fall below 130 percent of the OPM line to be eligible for this program, according to federal legislation. However, the Broad-Based Categorical Eligibility requirements allow each state to raise their poverty eligibility threshold up to 200 percent of the OPM line (Eslami et al. 2012). In the CPS, respondents report if any person in their household has received SNAP benefits in the previous calendar year. If the household has received benefits, the measure indicates the face value of benefits received by the family unit.

**Women, Infants, and Children (WIC)**
The Supplementary Nutrition Program for Women, Infants, and Children (WIC) is designed to provide food assistance and nutritional screenings for low-income pregnant and postpartum women (Short, 2013). The program is intended to improve dietary quality through education and subsidization of nutrient-dense foods (Herman, 2008). Family income must be below 185 percent of the OPM line, and participants must have issues related to a nutrient deficient (dietary deficiencies, abnormal nutritional conditions, nutrition-related medical conditions) to receive this benefit (Short, 2012). Families may also be eligible if they participate in other benefit programs like SNAP and TANF (IPUMS 2012). The program impacts half of all infants with their mothers, and about 25% of preschool children receive benefits according to the U.S. Department of Agriculture (2005). The CPS reports the estimated dollar value of benefits received from WIC for households and uses this value to calculate the SPM (IPUMS 2012).

Low-Income Home Energy Assistance Program (LIHEAP)

The Low-Income Home Energy Assistance program (LIHEAP) is a block grant program where the federal government gives states and jurisdictions annual grants to create and operate home energy assistance programs for at-risk low-income households (Stoltzfus, 2003). States may help pay cooling or heating bills, provide support during energy emergencies, and provide funds for low-cost weatherization (Short, 2012). Payments are dispersed through cash, vendor payments, coupons, and direct payments to landlords. Households that have at least one member receiving TANF, SSI, or SNAP benefits usually receive LIHEAP benefits (IRS 2015). In 2015, a single parent household with two children must make less than $30,135 a year or be below 157 percent of the OPM line to be eligible for LIHEAP benefits ("Low-Income Home Energy
The Temporary Assistance for Needy Families (TANF)

The Temporary Assistance for Needy Families (TANF) block grant assists states in funding services and benefits for low-income individuals (Falk, 2011). Nearly all TANF benefits go to single parent households, and for the most part, these households are headed by single mothers (Shalom et al. 2011). While there are some federal regulations, (for example, a family must have a dependent child) for the most part, states control eligibility and aid guidelines, and these guidelines vary widely in each state. The program requires that participants spend at least 20 to 30 hours a week seeking employment. If they do not meet this requirement, they will lose benefits, or the amount will be penalized (Moffitt, 2008). In 2012, the lowest maximum benefit paid to a single parent household with two children was $170 per month to a family with 11 percent of the OPM threshold in Mississippi. The highest maximum benefit was paid in New York at $770 per month to a single parent of two at 48 percent of the OPM threshold (Falk, 2011). The income eligibility restrictions for TANF benefits vary within each state, and therefore, national level data are not well suited for analyzing the program. For this study, the median state was selected as a point of reference. South Dakota was the median state in terms of income restriction eligibility at 48 percent of the OPM level in 2012 (Falk, 2014).

Medicaid and Medicare

Medicaid provides medical coverage for families with low-income. The Medicaid population is similar to the TANF program in that primarily single, and pregnant mothers receive these benefits (Shalom, et al. 2011). The disabled and elderly are eligible to
receive Medicaid benefits for expenditures not covered by their Medicare coverage. Even though the elderly and disabled make up a relatively small proportion of the Medicaid population, their costs are far larger than single mothers (Moffitt, 2008). States set the thresholds to determine which people are eligible. Typically, individuals under Medicaid receive full medical coverage with a zero copayment. Individuals will lose benefits if their income rises above the OPM threshold determined by each state. If an individual over the age of 65 falls below 100 percent of the OPM line, the state is required to pay for Medicare through a qualifying program (Falk, 2011). States that implemented President Obama’s health care reform plan utilize 133 percent of the OPM line as a cutoff for Medicare eligibility. In some states, pregnant women and children under 133 percent of the OPM line are eligible for Medicaid.

The Children’s Health Insurance Program (CHIP)

The CHIP program provides affordable health care coverage to children in low-income families that are at too high of an OPM level to be eligible for Medicaid benefits. CHIP underwent major expansions in 2009, which expanded child eligibility to those whose families were at 200 percent of the official poverty line (Thomas, 2009). Also, children who fell below 150 percent of the poverty line were not required to pay premiums. States produce these thresholds and limits, and limits vary by state. In 2015, a family of three must make below $41,406 or 216 percent of the OPM line to be eligible for CHIP benefits (“Income Guidelines for CHIP/Children’s Medicaid” n.d.)

The Intersection of Race, Gender, and Inequality

Racial minority females make up a large proportion of the low-income population. These marginalized groups will be disproportionately impacted by shifting poverty
thresholds. Social scientists have widely studied the “feminization of poverty” (Pearce, 1978, Northrop, 1994), which refers to the increase of women and their children within the poverty population. Attention to the particular plight of women and children has helped shape modern economic inequality research (Bianchi, 1999). Women are more likely to be in poverty than men, but aggregate figures often mask racial and ethnic variations within female poverty (Elmelech and Lu, 2004).

Research that focuses on economic inequality without assessing gender and race simultaneously dismisses the structural and economic barriers that racial minority women face. Palmer (1983) introduced the term “racial feminization of poverty” to highlight the fact that racial minority women are disproportionately more likely to fall into poverty than their white non-Hispanic female counterparts. Aggregate poverty data show that minority women are more likely to be poor than both white women and minority men (Northrop, 1994). A growing body of research has indicated that Native Americans and some Hispanic groups may experience poverty at rates comparable or higher than black women even though the majority of these studies have focused on black/white non-Hispanic poverty rates (Hardy and Hazelrigg, 1995). Moore et al. (2009) found that single mother headed households with children are far more likely to be poor than those living in two-parent homes, and this difference is notably higher for African American and female-headed households. Additionally, the U.S. OPM rates for African American and Hispanics were twice as high as the OPM rate for white non-Hispanic households in 2010 due to the predominance of single mothers amongst African American households and larger family sizes amongst Hispanic households (Gardin, 2012).
Race and gender are socially constructed identities and hierarchies of inequality whose meanings change over time and are historically specific (Northrop, 1994). They do not represent merely cultural or lifestyle choices. Race and gender fuel established systems of power where the dominant group exerts control over the subordinate groups through resources such as income, education, and health care (Baca Zinn and Dill, 1996; Connell, 1985). The socially constructed differences between gender and race are present and pervasive in all social organizations (Kanter, 1977). Lewis (2005) highlights how the perpetuation of colorblind racism provides opportunities to students differentially based on their race. Teachers unintentionally perpetuate inequality by penalizing students of color and rewarding wealthy white students. These macro experiences, in turn, create a micro-level reaction of internalized racism amongst minority students, which can lead to negative feelings of self-worth, low classroom attendance, and increased dropout rates (Steele, 2010). Structural racism is also present in our criminal justice system. For instance, individuals from all racial backgrounds use and sell drugs at similar rates, but black men are incarcerated at rates 20 to 50 times greater than those of white men (Alexander, 2013).

Race and gender are interrelated and operate at every societal level from personal interaction to structural processes, which is why they were selected as the primary intersectional categories for my thesis. It is imperative that gender and race poverty researchers when conducting poverty research. At the micro-level individuals respond to their surroundings and develop identities based on whether they employ the dominant, subordinate, or both groups (Shields, 2008). Most people occupy more than one group, which is why it is essential to assess identities from an intersectional
approach rather than assessing just one identity. Most researchers agree that the intersection of race and gender generate both oppression and privilege (Baca Zinn and Thornton Dill, 1996). For example, a white lesbian may receive the privilege of race while simultaneously facing the discrimination for her gender and sexual orientation. The need for an intersectional approach to assess multiple identities has been widely accepted among feminist scholars for the past 15 years (Collins, 1995; Crenshaw, 1995). However, the complexity that surrounds categorizing social identities brings about many methodological issues and questions when using the intersectional method (Crenshaw, 1995).

**Intersectionality Theory**

Intersectionality is a theoretical framework used for analyzing how multiple identities (such as race and gender) interlock at the micro-level and uncover systems of oppression and privilege for individuals who occupy multiple minority statuses at the macro-level (Bowleg, 2012). Crenshaw (1991) noticed that a major flaw in most policy and research is the lack of recognition of the role that multiple intersecting social identities have on impacting both the personal and societal levels of inequality. Crenshaw coined the term “intersectionality” in 1990 to refer to the exclusion of black women in white feminist theory and antiracist discourse (Davis, 2008). This body of work usually falls under the umbrella of multiracial feminism, multicultural feminism, or postcolonial feminism (Baca Zinn and Thornton Dill, 1996).

Before the term “intersectionality” was utilized, one of the first anthologies that captured the need to assess multiple minorities came from black feminist theory with *All the Women Were White, All the Blacks Were Men, But Some of Us Are Brave: Black
Women’s Studies (Hull, Scott, and Smith, 1982). Black feminist theory has spearheaded the intersectionality movement by providing a systematic treatment of the intersection of race and gender in predicting labor market outcomes (Brewer, 1983). These studies revealed that both sex and race influence individual experiences at both the micro and macro level. Gender and race are simultaneous and linked social identities, and theories that address these categories separately do not adequately capture individual experiences (Bambara, 1970).

The core of intersectionality revolves around three ideals: (1) social statuses are interdependent and intersect with one another (2) the starting point of focus should begin with people who occupy multiple historically oppressed and marginalized groups, and (3) multiple social statuses at the micro level (race, gender, sexual orientation, and others) intersect with macro-level societal structures (such as poverty, racism, sexism, homophobia, and others) (Crenshaw, 1991). A fundamental assertion within this framework is the notion that social statuses contain an intersecting relationship as opposed to an additive relationship (Cuadraz, 1999). For example, the inequality that a black woman faces cannot be defined solely by her race or gender exclusively; the intersection of her race and gender must be analyzed to explain the unequal circumstances she faces (Collins, 1995).

Crenshaw’s (1989, 1991) works represent milestones in theorizing and conceptualizing intersectionality theory. She critiqued the invisibility of black women in gender and race studies and assessed this relationship using American labor market data. Crenshaw (1991) highlighted the failure of mainstream research to focus on the experiences of black women, ethnic minorities, and women of color. Crenshaw (1989)
cites examples from domestic violence research where researchers largely ignored black female experience.

McCall (2005) provides a comprehensive review of studies using the lens of intersectionality and identifies three core approaches: (1) intra-categorical; (2) anti-categorical; and (3) inter-categorical. The intra-categorical approach focuses on particular groups at neglected points in time. This method utilizes a macro-level approach to analyze social structures that create and perpetuate inequality. The anti-categorical approach uses deconstructed analytical categories to highlight the potential barriers in attempting to categorize various minority statuses given their fluidity across time and cultures. The inter-categorical approach provisionally accepts these flawed categorizations to document inequality amongst groups with multiple minority statuses. McCall (2001) recommends the inter-categorical approach for its power in engaging with the macro institutions that create inequality.

**Intersectionality Methodological Issues**

The complexity in social categorization has created issues when attempting to conduct quantitative analysis using the intersectional framework. McCall (2005) has heralded intersectionality as the most significant theoretical contribution that feminist studies, in conjunction with related fields, has made to date. However, many researchers show uncertainty due to intersectionality's theoretical and political ambiguity. Bowleg (2012) argues that this ambiguity may also be a strength, as it provides endless opportunities for debate, research, and theorizing. The development of intersectionality generated various methodological issues as an unintended consequence. Hankivsky and Christoffersen (2008) describe intersectionality's
complexity: "without a doubt, this framework complicates everything." Research practice must mirror the complexities of real life, which can be quite difficult when trying to separate identities into neat, distinct categories (McCall, 2005). For example, many individuals belong to more than one racial group. The fact that there are not always clear categories when assessing social identities has caused debate among scholars. In turn, this has created different ideologies for categorization such as the anti-categorical and inter-categorical approaches.

Various forms of intersectionality theory exist in the various feminist bodies of research. However, the two most prominent methods in research are the anti-categorical and inter-categorical approaches. The anti-categorical method is typically supported by poststructuralists, whereas social constructionists support the inter-categorical model (Luthra, 1997). The anti-categorical approach argues that social identities are too fluid to be constrained by categorization. This mode of thought has received the most praise for satisfying the demand for complexity when assessing complex social identities (McCall, 2005). The inter-categorical approach argues that scholars should provisionally adopt existing analytical categories to analyze the facets of discrimination facing individuals who occupy multiple minority statuses (McCall, 2005). Experiences never fit neatly into binaries created by academic disciplines, as lives are far too complex. But, just as the social, political, economic and psychological dimensions of life are intertwined, so are the systems of race, class, sexuality, and gender that produce inequality (Weber, 2001). Regardless of how sexuality, gender, and race are constructed, assigned, or achieved, the oppression and discrimination are experienced
as real by the individuals in those groups (Collins, 2000; Crawley, Foley, and Shehan, 2008).

Social identities are contextual even though they persist throughout history. Race and gender hierarchies are always changing. They continually undergo change as political, ideological, and economic ideologies shift over time (Omni, 1994). The meaning of these identities varies across time and cultures. For example, the racial signifier "Native American" was developed when this minority group organized to resist their oppressive racial category politically and created a new racial identity to shed the oppressive "Indian" racial signifier (Omi and Winant, 1994). Social identities are constantly changing throughout time, which makes it impossible to create one set of categories for analyses that would be relevant across cultures and time. There is no single identity category that can describe how each individual responds to their social environment, but it is imperative to be mindful of the specific historical and contextual features of individual identities (Risman, 2004). This thesis attempts to utilize an inclusive approach to categorization by using an inter-categorical model to categorize identities for analysis.

**Gaps in the Literature**

Research has shown that gender and race play a large role in determining economic standing, but this relationship has not been assessed while looking at the unanticipated consequences of incorporating the SPM on safety net benefit access for minority women. Elmelech and Lu (2004) found that women are more likely to be poor than men from the same racial group. In addition, white women are less likely to be poor than racial minority men, and the largest gender poverty gap exists between white
men and white women. Greenman and Xie (2008) found that white women typically make 70 percent of the earnings of white men. The authors also found that minority women's relative wages are higher amongst minority groups. These results indicate that there may be less of a gender pay gap for racial minorities than for whites. Both studies suggest that marital status and number of children are significant in predicting minority incomes, specifically amongst blacks and Hispanics (Greenman and Xie, 2008; Elmelech and Lu, 2004). Additionally, white women are more likely to have higher levels of education and higher marriage rates, which puts them at a lesser risk for poverty (Greenman and Xie, 2008). Researchers have established a link between poverty, gender, and race. However, analysts have not considered how a shift from the OPM to the SPM might reshape our understandings of those linkages and affect eligibility for poverty-related benefits.

The present thesis attempts to bridge this gap by analyzing the impact of the SPM and OPM threshold calculations to determine which groups will benefit from each poverty measure. Current safety net program eligibility relies on the thresholds put forth by the OPM. If these eligibility guidelines were to incorporate the SPM thresholds as well, certain minority groups might experience an increase in safety net benefits while other groups may experience a decrease in benefits. For example, black women may have greater access to Low-Income Home Energy Assistance (LIHEAP), Women Infants and Children (WIC), and Supplemental Nutritional Assistance (SNAP) benefits using the SPM because they are more likely to be represented in this measure at the 100 percent of the poverty line, whereas Native American women may have greater access to these same benefits using the OPM where they are more likely to be
overrepresented (see Appendix Table 1). The unanticipated consequences of incorporating a new poverty measure could alter the racial and gender make-up of safety net participants. Many low-income families rely on safety net assistance for survival, and the nuanced relationships among gender, race, and income in previous research show that it would be problematic to assume that all minority women would be impacted similarly by changing the thresholds (Dudek, 2013). I hope to isolate the ways in which different minority women would benefit and be penalized by shifting to the SPM from the OPM.
METHODOLOGY

This thesis attempts to utilize an inclusive approach to categorization by using an inter-categorical model to categorize identities for the purpose of quantitative analysis. Readers should be cautious when interpreting the various status categories employed in this study and be mindful that the identities defined may not accurately reflect the entire spectrum of social reality. While many intersectionalists reject identity categories by arguing that identities cannot be categorized, the inter-categorical approach accepts such categories when conducting quantitative analysis across groups (McCall, 2005). Although I adopted gender and racial groups that are widely used in social science research, it is important to note that individuals’ identities do not fall into the neatly separable categories of female, male, white non-Hispanic, black non-Hispanic, Native American non-Hispanic, Asian/Pacific Islander non-Hispanic, multiple race non-Hispanic, and Hispanic.

Additionally, while using quantitative data, there are many methodological issues that can arise when using an intersectional approach. Most statistical methodologies rely on unidimensionality assumptions, which create an absence of guidelines for quantitative researchers who wish to study multiple minorities. The inclusion of multiple minorities calls for more complexity in estimation and interpretation than using a linear unidimensional model (Bowleg 2008). Logistic regression, in combination with the Stata
margins command, is utilized to address these concerns by producing the predicted probabilities of each binary dependent variable.

**Research Questions**

The primary research questions of focus are: (1) Does an intersectional relationship between gender and race exist when examining the OPM and SPM rates at 100 and 200 percent of the poverty thresholds? (2) Which groups of people would receive the largest safety net eligibility increase using the SPM, and which groups experience a decrease in eligibility? (3) What are the unanticipated consequences of incorporating the SPM when assessing safety net benefit eligibility?

**Data Source**

This study drew on pooled data from the 2010-2015 Annual Social and Economic Supplements (ASEC) of the Current Population Survey (CPS). I pooled the data because of the small sample sizes of minority women. For example, there were only 1,309 Native American women and 6,132 Asian/Pacific Islander women in the 2015 ASEC sample. Due to the small sample sizes of minority women, the statistical power for these groups may be low. Pooling ASEC data is standard when looking at smaller minority groups (Brown, Manning, & Payne, 2015). Additionally, data from the Great Recession, which officially ended in 2009, is excluded from the sample. The CPS first introduced the SPM in 2010, which makes this year an ideal starting point to obtain the largest sample of households with SPM data.

The ASEC is conducted annually in March, and they interview approximately 54,000 households that contain roughly 112,000 persons 15 years old and over. The ASEC obtains demographic data for around 31,000 children up to 14 years of age (March
2013 ASEC). The ASEC provides data on family characteristics, marital status, educational attainment, health insurance coverage, work experience, program participation, poverty status, and previous year's income from all sources (King et al. 2010). The CPS interviews each sampled household once a month for four consecutive months and then interviews them again for the same months a year later. Fifty percent of the sample appears in two consecutive years due to the interview process (Brown, Manning, & Payne, 2015). To eliminate the chance of double counting households, this analysis is limited to households in their first rotation of interviews (removing data from their second set of interviews). Removing the replicate households reduces the original 1,217,397 observations to 715,984.

The data in this study are weighted to adjust for the complex sampling design of the CPS using preloaded CPS sampling weights. The CPS data is publically available, and it can be downloaded from Integrated Public Use Microdata Series, International (IPUMS) (King et al. 2010).

**Dependent Variables**

Official Poverty Measure is used as a dummy variable based on the Census Bureau’s official poverty thresholds. The thresholds assess family size, number of children, and age of householder. Individuals in households below 100 percent of the official poverty line are assigned a 1, and individuals in households that are at or above 100 percent of the official poverty line are assigned a 0.

Official low-income status is used as a dummy variable based on the official poverty thresholds. Individuals in households below 200 percent of the official poverty
line are assigned a 1, and individuals in households that are at or above 200 percent the official poverty line are assigned a 0.

Supplemental poverty status is used as a dummy variable that incorporates tax programs, geographic cost of living, and a broader definition of family membership than the official measure when producing thresholds (King et al. 2010). Individuals in households below 100 percent of the supplemental poverty line are assigned a 1, and individuals in households that are at or above 100 percent the supplemental poverty line are assigned a 0.

Supplemental low-income status is used as a dummy variable based on the supplemental poverty thresholds. Individuals in households below 200 percent of the supplemental poverty line are assigned a 1, and individuals in households that are at or above 200 percent the supplemental poverty line are assigned a 0.

**Independent Variables**

Gender is coded 1 for female and 0 for male. Race-Ethnicity is coded into six mutually exclusive categories for the purpose of this study. These categories include (1) black non-Hispanic; (2) Native American non-Hispanic; (3) Asian/Pacific Islander non-Hispanic; (4) Multiple race non-Hispanic; (5) Hispanic; (6) White non-Hispanic, which is the reference group.

Education is coded into four dummy variables: (1) high school graduates are coded as 1 if they completed high school and 0 otherwise; (2) individuals who attended college but who did not graduate are coded 1 for some college and 0 otherwise; (3) those who graduated college or higher are coded 1 for college graduate or higher and 0
otherwise; (4) those who completed less than high school are included as the reference group.

Work status is coded into three categories: (1) working part-time is coded as 1 if an individual worked less than 35 hours a week and 0 otherwise; (2) not working is coded as 1 and 0 otherwise; (3) full-time workers are included as the reference group.

Age and number of children are included as continuous variables. Not married is coded 1 if individuals were not currently married and 0 if they were currently married. In addition, race and gender dummy variables are included to assess the interactive relationship between these two variables in the second model of each table.

**Analytic Strategy**

Four sets of logistic regression models are estimated to predict the likelihoods of official poverty, supplemental poverty, official low-income, and supplemental low-income. These measures are assessed at 100 percent and 200 percent of the poverty lines. Logistic regression is the appropriate analytical technique because the four dependent variables are binary. Model “A” assesses the relationship between the dependent variables and race/gender while including control variables for education, work status, age, marital status, and number of children. Model “B” introduces the interaction terms between race and gender. The first models highlight individuals who earn less than 100 percent of the poverty level in each respective measure, and the second models highlight individuals who earn less than 200 percent of the poverty level.
RESULTS

Descriptive Results

There are 347,851 male and 368,133 female respondents in the pooled study sample with a total sample size of 715,984. White non-Hispanics make up the largest proportion of the study population at 439,830 followed by Hispanics at 130,504, black non-Hispanics at 80,534, Asian/Pacific Islanders at 41,275, Multiple Race non-Hispanics at 15,757, and Native Americans with 8,804 individuals. Hispanic individuals may belong to any racial group because Hispanic is categorized as an ethnicity rather than a race. To maintain mutual exclusivity, individuals who selected Hispanic were placed into the Hispanic category rather than their selected race. Also, I categorized individuals into these racial and gender groups using an inter-categorical approach. These categories may introduce potential limitations, as they may not reflect the entire spectrum of gender and racial categories occupied by individuals within the study population.

Also, approximately 14.8 percent of the study population falls below 100 percent of the SPM line, and 14.5 percent falls below 100 percent of the OPM line. At the 200 percent threshold, this gap widens further where 42.4 percent of the study population falls below the SPM line and 35.1 percent falls below the OPM line.
Table 2. Demographic Characteristics at 100% of the Poverty Line

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Total</th>
<th>Below 100% of SPM Line</th>
<th>Below 100% of OPM Line</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent</td>
<td>Standard Deviation</td>
<td>Percent</td>
<td>Standard Deviation</td>
</tr>
<tr>
<td><strong>Sex</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>48.58</td>
<td>14.80</td>
<td>0.36</td>
<td>13.35</td>
</tr>
<tr>
<td>Female</td>
<td>51.42</td>
<td>16.36</td>
<td>0.37</td>
<td>16.08</td>
</tr>
<tr>
<td><strong>Race</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>61.43</td>
<td>10.65</td>
<td>0.31</td>
<td>9.69</td>
</tr>
<tr>
<td>Black</td>
<td>11.25</td>
<td>24.24</td>
<td>0.43</td>
<td>26.52</td>
</tr>
<tr>
<td>Native American</td>
<td>1.13</td>
<td>23.64</td>
<td>0.42</td>
<td>29.81</td>
</tr>
<tr>
<td>Asian/P.I.</td>
<td>5.76</td>
<td>16.44</td>
<td>0.37</td>
<td>11.83</td>
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<td>Multiple Race</td>
<td>2.20</td>
<td>16.20</td>
<td>0.37</td>
<td>18.38</td>
</tr>
<tr>
<td>Hispanic</td>
<td>18.23</td>
<td>27.03</td>
<td>0.44</td>
<td>24.95</td>
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<td><strong>Age</strong></td>
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</tr>
<tr>
<td>Less than 18</td>
<td>28.22</td>
<td>17.36</td>
<td>0.38</td>
<td>21.26</td>
</tr>
<tr>
<td>18 to 64</td>
<td>60.57</td>
<td>15.05</td>
<td>0.36</td>
<td>13.41</td>
</tr>
<tr>
<td>65+</td>
<td>11.21</td>
<td>15.00</td>
<td>0.36</td>
<td>9.36</td>
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<td><strong>Education</strong></td>
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<td></td>
</tr>
<tr>
<td>Less than High School</td>
<td>37.86</td>
<td>21.48</td>
<td>0.41</td>
<td>23.51</td>
</tr>
<tr>
<td>High School</td>
<td>21.47</td>
<td>17.28</td>
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<td>14.65</td>
</tr>
<tr>
<td>Some College</td>
<td>20.40</td>
<td>13.19</td>
<td>0.34</td>
<td>11.03</td>
</tr>
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<td>College Graduate</td>
<td>20.27</td>
<td>7.03</td>
<td>0.26</td>
<td>4.90</td>
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<td><strong>Marital Status</strong></td>
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<tr>
<td>Married</td>
<td>40.35</td>
<td>9.82</td>
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<td>Single</td>
<td>59.65</td>
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<td><strong>Work Status</strong></td>
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<td>Full Time</td>
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<td>0.42</td>
<td>21.56</td>
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<tr>
<td><strong>Children</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Children</td>
<td>60.06</td>
<td>15.08</td>
<td>0.36</td>
<td>11.62</td>
</tr>
<tr>
<td>One or more children</td>
<td>39.94</td>
<td>16.62</td>
<td>0.37</td>
<td>20.89</td>
</tr>
</tbody>
</table>

Total N=715,984

* Statistically different from zero at the 95 percent confidence level.

Table 2 shows the overall study population demographics, and it highlights the proportion of individuals who fall below 100 percent of the poverty line for both the SPM and OPM. Women are more likely to be in poverty than their male counterparts in both
measures, but both women and men are more likely to be in poverty using the SPM than the OPM. The gap between the two measures is largest amongst men with a 1.5 percent difference, whereas the gap is just 0.3 percent amongst women. Within racial groups, Hispanics have the highest SPM rate at 27 percent, and Native Americans have the highest OPM rate at 29.8 percent. Native Americans, Blacks, and individuals with multiple races are more likely to fall below the OPM line, and whites, Asian/Pacific Islanders, and Hispanics are more likely to fall below the SPM line.

A larger percentage of Native Americans are classified as poor when one uses the OPM compared to the SPM. Native Americans see a 6.2 percent increase in the poverty rate while looking at the OPM. In contrast, a larger percentage of Asian/Pacific Islanders are classified as poor when one uses the SPM compared to the OPM. Asian/Pacific Islanders see a 4.6 percent increase in the poverty rate while looking at SPM. In both measures, whites experience the lowest poverty rates.

A larger percentage of children are classified as poor when one uses the OPM compared to the SPM, whereas a greater percentage of adults are classified as poor when one uses the SPM compared to the OPM. The child OPM poverty rate is 3.9 percent higher than their SPM rate (21.3 percent versus 17.4 percent). Children also have higher poverty rates in both measures than their adult and senior counterparts. The senior SPM poverty rate is 5.6 percent greater than their OPM rate (15.0 percent versus 9.4 percent).

Regarding education, individuals who have completed high school are more likely to be classified as poor when one uses the SPM rather than the OPM. But individuals who have not completed high school are more apt to be classified as poor
when one uses the OPM. The largest difference occurs amongst secondary school graduates who experience a 2.6 percent higher SPM rate than OPM rate. In addition, single individuals are more likely to be in poverty than their married counterparts in both measures. Nevertheless, single individuals are more apt to be classified as poor when one uses the OPM rate rather than the SPM rate (20.4 percent versus 19.6 percent). Once we categorize people by their work statuses, all individuals have higher SPM rates than OPM rates. Finally, households without children have a higher SPM rate by 3.5 percent and households with children have a higher OPM rate by 4.3 percent. Table 3 replicates the results from Table 2, but the poverty thresholds are assessed at 200 percent of the poverty line to evaluate individuals who are considered low-income. Interestingly, at 200 percent of the poverty line, individuals from all demographic categories have higher SPM than OPM rates. Table 2 highlights the variability between the two measures in nearly every demographic category, but at the 200 percent threshold, many of these racial differences vanish. For example, the 100 percent OPM rate for Native Americans is 6.2 percent larger than their SPM rate, but their SPM rate is 5.6 percent higher than their OPM rate at the 200 percent level. The differences between the two measures as a whole also become more pronounced at the 200 percent level. In Table 2 the average difference between the two measures is 0.8 percent in Table 3 this average jumps to 12.5 percent. These results indicate that all individuals would experience higher safety net benefit access to programs with eligibility guidelines between 100 and 200 percent of the poverty line. Notably, Asian/Pacific Islanders have a SPM rate that is 16.8 percent higher than their OPM rate at this level (47.2 percent versus 30.4 percent).
To summarize the findings presented in Table 2, we can take a three percent difference as indicative of a substantial difference between the poverty measures. Using a three percent cut-off, the following groups are more likely to be classified as poor using the OPM rather than the SPM: Native Americans, children (i.e., those under age 18), and those who live with children. Using a three-percent cut-off, the following groups are more likely to be classified as poor using the SPM rather than the OPM: Asian or Pacific Islanders, those who are age 65-plus, those who are married, those who do not live with children, and those who are working part-time.

As Table 3 shows, for every single demographic group, the SPM overclassifies individuals as low income compared to the OPM. For example, 48.8 percent of women are classified as low income using the SPM, but only 37.2 percent of women are classified as low income using the OPM. For men, 45.9 percent are classified as low income using the SPM, but only 32.6 percent of men are classified as low income using the OPM.
Multivariate Results

Appendix Tables 1 and 2 show the coefficients and odds ratios from the eight sets of logistic regression models used to predict official poverty (OPM), supplemental
poverty (SPM), official low income, and supplemental low income. These logistic regression models are assessed at 100 and 200 percent of the poverty line. After each logistic model, the Stata *margins* command is utilized to generate the predicted probability of each measure occurring by race and then by race and gender, when all other variables are held at their mean values. I present these predicted probabilities in figures, below.

![Figure 1. Below 100% of the Poverty Line by Race](image-url)
Figure 1 shows that white non-Hispanic individuals have the lowest likelihood of falling below the poverty line in both the OPM and SPM. All racial groups have higher predicted SPM rates than OPM rates except for Native Americans, who have the highest predicted OPM rate. Hispanics have the highest predicted SPM rate overall.

In Figure 2, gender is included to assess the predicted probabilities for each gender and racial status combined. Men are much less likely to fall below the OPM line than women of all races except for Asian/Pacific Islander women. Women are also more liable to fall below the SPM line in all racial categories except for Asian/Pacific Islander and Hispanic. While looking at the overall poverty rates at the 100 percent of the OPM level, the interaction between gender and race are significant at the .001 level for Black females and Asian Pacific/Islander females. The multiple race female interaction is significant at the .01 level. In the SPM, the Black female, Asian
Pacific/Islander female, multiple race female, and Hispanic female interactions are statistically significant at the .001 level and the multiple race female interaction is significant at the .01 level (see appendix table 1).

In summary, among women, the largest differences occur for Asian/Pacific Islander and Hispanics. Even controlling for many factors, Asian/Pacific Islander women are much more likely to be classified as poor using the SPM rather than the OPM. The same holds true for Hispanic women—they are much more liable to be classified as poor using the SPM rather than the OPM. Among men, the largest differences also occur for Asian/Pacific Islander and Hispanics. These men are also more likely to be classified as poor using the SPM rather than the OPM. This means that many more Asian/Pacific Islander and Hispanic women and men will obtain access to safety net programs if the U.S. moves to using the SPM rather than the OPM.

Figure 3. Below 200% of the Poverty Line by Race

![Figure 3. Below 200% of the Poverty Line by Race](image-url)
Figures 3 and 4 assess the OPM and SPM rates at 200 percent of the poverty level to evaluate low-income individuals. The predicted probabilities for both the SPM and OPM are higher at this threshold. Figure 3 shows that individuals from all racial groups are more likely to fall below 200 percent of the SPM line than the OPM line. Hispanics have the highest predicted SPM rates at both the 100 and 200 percent thresholds. Figure 4 highlights that these rates vary within each racial group by gender. Whites have the lowest predicted probability of poverty in both measures, but again these rates are higher amongst white women. The largest SPM gender gap exists amongst Blacks where women are more likely to fall below the threshold. Men have higher predicted SPM rates within the Native American, Asian/Pacific Islander, and Hispanic groups. Hispanic men have the highest overall predicted probability of falling below the 200 percent threshold using the SPM.
The statistically significant interaction terms at 200 percent of the OPM level include black females, Asian/Pacific Islander females, multiple race females, and Hispanic females who are all significant at the .001 level. While looking at 200 percent of the SPM level the black female, Asian/Pacific Islander female, and Hispanic female interaction terms are all significant at the .001 level (see appendix table 2).

In summary, among women, the largest differences occur for Black, Asian/Pacific Islander, and Hispanics. These three groups of minority women are much more likely to be classified as low-income using the SPM rather than the OPM. In addition, all three of these groups experience a statistically significant interaction between gender and race. Among men, Asian/Pacific Islanders and Hispanics receive the largest increase in low-income status while using the SPM. Individuals of all genders and races would experience an increase in safety net access using the SPM, but this difference would have the largest influence on Black women and both men and women from Asian/Pacific Islander, and Hispanic groups. In the concluding section of this study, I discuss the implications of these results to inequality and women’s and men’s access to social safety net programs.
CONCLUSION

If the U.S. government used the SPM to measure poverty, a larger share of people would gain access to safety net programs. This holds true for eligibility at both 100 and 200 percent of the poverty line thresholds. This surge in safety net eligibility would give low-income minority groups the opportunity to access programs that would improve their health, nutrition, and overall well-being. In particular, this study finds that the following groups would benefit the most and gain the most access through a switch from the OPM to SMP: Black women, Asian/Pacific Islander women and men, and Hispanic women and men.

Previous research has shown that gender and race play a significant role in predicting economic well-being (Lewis, 2005). Elmelech and Lu (2004) found that women are more likely to fall below 100 percent of the OPM line than men from the same racial group, and white women are less likely to be poor than racial minority men. The results from this thesis mirror Elmelech and Lu’s (2004) findings amongst white, Black, Native American, Hispanic, and multiple race females. The only exception is amongst Asian/Pacific Islanders, where men have higher predicted OPM rates than females.

This study also finds statistically significant interactions between race and gender, which supports previous intersectional research claiming that race and gender play an important role in predicting economic inequality (Gardin, 2012; Moore et al.)
2009; Northrop, 1994; Lewis, 2005). However, this study’s results differ from previous research by highlighting the fact that some male minority groups have higher predicted probabilities of poverty than females from the same racial group.

The unanticipated consequences of moving from the OPM to the SPM could alter the eligible pool of safety net participants. Low-income families often rely on safety net assistance for survival (Gardin, 2012). Previous research and this thesis both show that an intersectional relationship between race and gender exists and if gender and race were studied alone this relationship would be masked (Dudek, 2013). The intersection of race and gender highlights the problematic nature in assuming that all minority women would be impacted similarly by incorporating the SPM when creating poverty thresholds.

Whites, Blacks, Asian/Pacific Islanders, Hispanics, and multiple race groups would all experience an increase in TANF eligibility using the SPM at 100 percent of the poverty line. However, the relationship between gender and race became more nuanced once the interaction term was added to the model. White, Black, Native American, and multiple race women would experience a larger increase in TANF eligibility than their male counterparts from the same racial group. These results show that the intersection of gender and race play a significant role in predicting poverty status and that this relationship varies within each gender and racial group. While white, Black, Asian/Pacific Islander, and multiple race women would experience the largest TANF eligibility increase using the SPM, Native American women would experience a decrease in eligibility under the same measure.
The majority of TANF benefits go to single mother headed households who are employed or spend 20 to 30 hours a week seeking employment (Moffitt, 2008). In 2012, eligible households received between $170 and $770 a month depending on their OPM threshold and geographic location (Falk, 2012). The incorporation of the SPM would create more equity amongst single mother white, Black, Native American, and multiple race households who would experience the largest surge in benefit eligibility. However, it is important to note that single mother Hispanic and Asian/Pacific Islander households would experience a decrease in benefit eligibility compared to the rates they currently experience under the OPM.

At 200 percent of the poverty threshold all racial groups have higher predicted SPM rates, but once gender is introduced, white, Black, and multiple race women have higher predicted SPM rates than men from the same racial category. However, the largest OPM and SPM differences occur amongst Black women, Asian/Pacific Islander women and men, and Hispanic women and men. These results indicate that while minority women make up a vast majority of safety net recipients, Black women, Asian/Pacific Islander women and men, and Hispanic women and men would benefit the most from the updated SPM thresholds. However, if the SPM were to be incorporated as a safety net benefit qualifier, all women and men would experience an increase in eligibility for SNAP, WIC, LIHEAP, and Medicare/Medicaid benefits if SPM were to be incorporated when determining aid eligibility.

The increase in SNAP and WIC eligibility would assist these historically marginalized groups in obtaining an adequate nutritional diet. Low-income households are at the highest risk for poor nutrition, and previous studies have shown that poor
nutrition negatively influences overall health (Cook et al. 2008). Previous research has also demonstrated that these adverse outcomes can be decreased or even diminished with adequate safety net support (Cook et al. 2008). The surge in both SNAP and WIC eligibility using the SPM would help to close the nutritional deficiency gap amongst all racial groups, but most notably amongst Black women, Asian/Pacific Islander women and men, and Hispanic women and men. Also, pregnant minority women would experience an increase in Medicaid eligibility. The incorporation of the SPM thresholds would create more nutrition and health equity amongst these at-risk women who face the intersectional penalties of both their gender and race simultaneously.

In conclusion, the use of the SPM to determine poverty thresholds would positively impact all low-income racial and gender groups at the 200 percent threshold, but the largest benefit would be seen amongst Black, Asian/Pacific Islander, and Hispanic women. The resistance to adopting the SPM when determining eligibility may be fueled by the same racial and gender biases that occurred during the PRWORA welfare reforms in 1996. The incorporation of the SPM would result in a transfer of resources to many disadvantaged minority women and the welfare reforms highlight the political resistance in providing benefits to these marginalized groups. In addition, if the eligibility rates for these programs were to increase, overall government spending on safety net programs would need to increase as well. The proposed increase to the overall safety net budget would undoubtedly be met with resistance since minority women would be the group receiving a disproportionate increase in benefit eligibility. In 2015 the U.S. spent $31.7 billion dollars on TANF benefits, $2.8 billion dollars on LIHEAP benefits, and $75 billion dollars on SNAP benefits (Office of Family Assistance,
At 100 percent of the poverty line we would see a 1 percent increase in TANF eligibility overall if the SPM were to be incorporated when determining eligibility and this 1 percent increase would result in the need to add roughly $317 million dollars to the overall TANF budget. At 200 percent of the poverty line we would see a 12.4 percent increase in SNAP and LIHEAP eligibility overall by including the SPM which would result in the need to add roughly $9.6 billion dollars to our SNAP and LIHEAP budgets combined. Given the decreased support in safety net benefit programs seen in the 1990’s it’s reasonable to assume that the incorporation of the SPM may be resisted due to the need for larger safety net budgets and the fact that minority women would receive the majority of the newly appointed benefits.

It is imperative to address the intersectional relationship between gender and race when conducting economic inequality research because minority women do not experience poverty at the same rate as males from the same racial group and they do not experience the same political barriers. While the incorporation of the SPM would increase safety net eligibility overall, it is important to be mindful of groups that may be penalized like Native American women who may lose TANF eligibility in the SPM. The increase in safety net eligibility could potentially increase incomes for these marginalized groups, which would help to decrease overall social inequality. Policymakers and future researchers should be mindful of these racial and gender variations when assessing the influence of both the OPM and SPM in determining aid eligibility.
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Appendix Table 1: Logistic Regression Models Predicting OPM and SPM Rates: 100 Percent of Poverty Line


Blank, Rebecca M. and David T. Ellwood. 2001. The Clinton Legacy for America’s Poor.


Herman, Dena R., Gail G. Harrison, Abdelmonem A. Afifi and Eloise Jenks. 2008. "Effect of a Targeted Subsidy on Intake of Fruits and Vegetables among Low-


Korenman, Sanders and Dahlia Remler. 2013. *Rethinking Elderly Poverty: Time for a Health Inclusive Poverty Measure?*.


