



Understanding the Federal Poverty Limit and the ALICE Population in Wood County

The following ALICE terminology and research is from a United Way of South Wood and Adams County presentation, given on October 24, 2018 in Adams, WI. All other NorthCentral FSET data is original to the NorthCentral FSET CSS team. For more information, click [here](#).

Have you ever wondered how FoodShare or BadgerCare benefits are calculated? Benefit eligibility is directly related to where you fall on Federal Poverty Limit scale. The FPL, as we will refer to it from now on, can be a little confusing. If someone is at 100% FPL, that means that that person earns the minimum wage needed to survive in his or her county, as calculated by the federal government. If someone receives any more income than that amount, their percentage will go up. In order to receive BadgerCare, an individual must be at or below 100% FPL. FoodShare is a little more complicated, but most individuals receive FoodShare when their income falls at or below 200% FPL. Check out the graphic below:



| Persons in Household | 100% FPL | 138% FPL | 250% FPL | 400% FPL |
|----------------------|------------------------------------------------------------------------------------|----------|-----------|-----------|
| 1 | \$12,060 | \$16,642 | \$30,150 | \$48,240 |
| 2 | \$16,240 | \$22,411 | \$40,600 | \$64,960 |
| 3 | \$20,420 | \$28,179 | \$51,050 | \$81,680 |
| 4 | \$24,600 | \$33,948 | \$61,500 | \$98,400 |
| 5 | \$28,780 | \$39,716 | \$71,950 | \$115,120 |
| 6 | \$32,960 | \$45,484 | \$82,400 | \$131,840 |
| 7 | \$37,140 | \$51,253 | \$92,850 | \$148,560 |
| 8 | \$41,320 | \$57,021 | \$103,300 | \$165,280 |
| 9+ | If your household is larger than 8 people, add \$4,180 for each additional person. | | | |

For an explanation on how to use this graphic to calculate your FPL percentage, check out this video: <https://youtu.be/azRIHSrmwLs>

Now that you hopefully understand the FPL a little more than you used to before reading this article, let's relate this new knowledge to the Labor Market in the NorthCentral FSET region. When someone earns a wage at a certain number of hours per week that puts them just above the FPL, that wage might still not be enough for sustaining or growing a lifestyle, so it is called a "survival wage", or possibly more familiarly referred to as living "paycheck to paycheck". The United Way of Wisconsin dubbed this category the "ALICE" category, or those who are Asset Limited, Income Constrained, & Employed.

As of 2016, 10% of Wood County households were in poverty (or fell at or below the FPL), 24% fell into the ALICE threshold, and 66% fell above ALICE. When it comes to families



with children, 36% of single female-headed families are in poverty, 38% are ALICE households, and 26% fall above ALICE. Single male-headed households are recorded as being 16% in poverty, 34% in ALICE, and 50% above the ALICE threshold. 53% of individuals 25 or under in Wood County are classified as ALICE, whereas 15% of those between the ages of 25 to 44 are ALICE.

According to the employment data for the NorthCentral FSET Program (gathered by the CSS Team), the average wage in Wood County for FSET program participants as of November 2018 is \$11.28 an hour at an average of 32 hours a week. The ALICE report states that the survival budget for a single adult who falls within the ALICE threshold is \$9.92 an hour at 40 hours a week, and for a family of four is \$30.70 an hour (total income for the household) at 40 hours a week. As shown from the data gathered, the FSET participants in Wood County on average make a higher wage than the ALICE single adult survival income. There are several factors that go into explaining that specific data, such as the lack of information that we have on the household size of FSET customers that are working at \$11.28 an hour. However, this all of this data combined gives us a much clearer picture of survival vs. sustainable wages in Wood County.

If you have any specific questions regarding this information, please contact the CSS team!

References:

ALICE Report:

<https://www.unitedwayalice.org/wisconsin>

Federal Poverty Limit:

<https://www.ezhealthmart.com/federal-poverty-level-chart-2018/>