

2020



United Ways of Texas

# COVID-19 Survey

ALICE Subgroup

UNITED WAYS OF TEXAS

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## Executive Summary

The United Way COVID-19 Survey with the exemplary support of the Texas Association of United Ways and United Ways across the state was available from June 1-June 28<sup>th</sup>, 2020. Survey responses were collected through an online survey with a total of 3,224 responses from across the state, including 570 ALICE and 227 poverty households. This document represents the first summary findings. In this report, all results represent the ALICE/Poverty respondents unless explicitly noted as statewide. Those results marked “Above” indicate responses from 1755 respondents with incomes determined to be above the ALICE threshold.<sup>1</sup> Primary findings in this report include:

- 46% of living below the Federal Poverty Level expressed a fundamental fear of paying essential bills like rent, mortgage, and healthcare.
- ALICE households are twice as likely to experience a high effect of COVID-19, and those in poverty are three times likely.
- People below ALICE threshold are looking for work as a result of the pandemic. Compared to families above ALICE, ALICE households are twice as likely, and those in poverty are three times as likely to be looking for work.
- The impact of COVID-19 was felt even more harshly by those living below the ALICE threshold across family structures. More than 50% of single female parents are experiencing a high effect of the pandemic.
- As a result of the pandemic, 39% of families living below the ALICE threshold could not work due to the need for child care compared o 12% for families above.
- 28% of senior citizens below ALICE threshold are still looking for work and struggling to pay essential bills.
- ALICE households are going into debt with 33% increasing balances on credit cards and 16% taking out loans.
- 37% of ALICE households and 39% or homes in poverty needed to add technology to adapt to stay-at-home order or school closures. ALICE households were most likely to add a computer while families in poverty needed internet capacity.
- Families in poverty were significantly less likely to receive a stimulus check from the CARES Act. People below ALICE were more likely to pay essential bills with the CARES Act stimulus.
- Job loss affected low-income households more with job loss at 34% in ALICE households and 62% for those in poverty.

The people of Texas have endured the COVID-19 pandemic and its effect on the economy. This survey sheds light on the challenges and needs. The results should help to guide policy so that resources may be allocated to support those in need.

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<sup>1</sup> 671 respondents were eliminated because family income could not be determined.

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## Effects of COVID-19

The first page of the survey allowed people to describe the effect of the COVID-19 pandemic and resulting shutdown in their own families through three key questions. The first question centers on peoples’ concerns with a follow-up that asks about the most important concern. The last of the three questions explore the needs or what would be helpful.

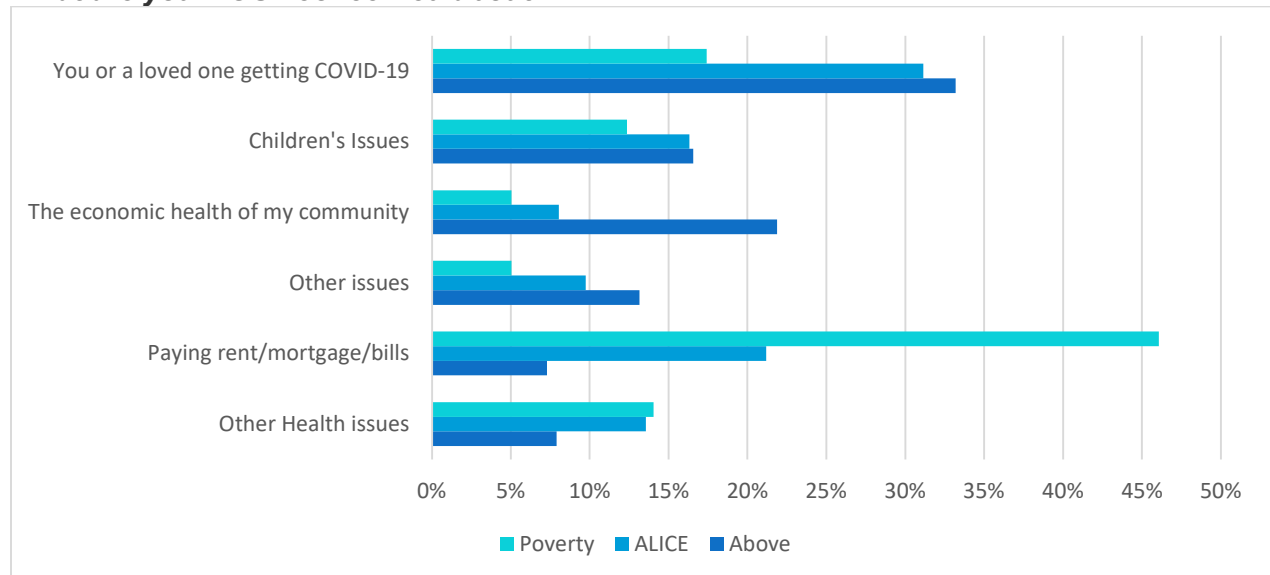
### What are you concerned about in the weeks and months ahead?

	Above	ALICE	Poverty
<b>You or a loved one getting COVID-19</b>	66%	67%	58%
<b>The economic health of my community</b>	66%	53%	43%
<b>Mental health issue</b>	43%	46%	40%
<b>Attending church or other social gatherings</b>	37%	35%	24%
<b>Remote learning during the upcoming school year</b>	35%	36%	37%
<b>Children’s well-being</b>	34%	37%	48%
<b>Paying other bills</b>	17%	44%	59%
<b>Paying rent/mortgage</b>	13%	36%	57%
<b>Medical issues other than COVID-19</b>	19%	25%	30%
<b>Getting food and other things I need</b>	14%	34%	53%
<b>Supporting my child during summer due to camp closures</b>	12%	13%	23%
<b>Adequate child care</b>	12%	12%	15%

Multiple responses were allowed.

*46% of living below the Federal Poverty Level expressed a primary fear of paying essential bills like rent, mortgage, and healthcare.*

### What are you MOST concerned about?



When asked about resources needed by the respondent, the most common answer was “help with bills” in general (including debt restructuring and forbearance). Close behind worries about jobs and housing. The need for communication technology and health insurance rounded out the list.

**What would make an important difference to your household's finances at this time?**

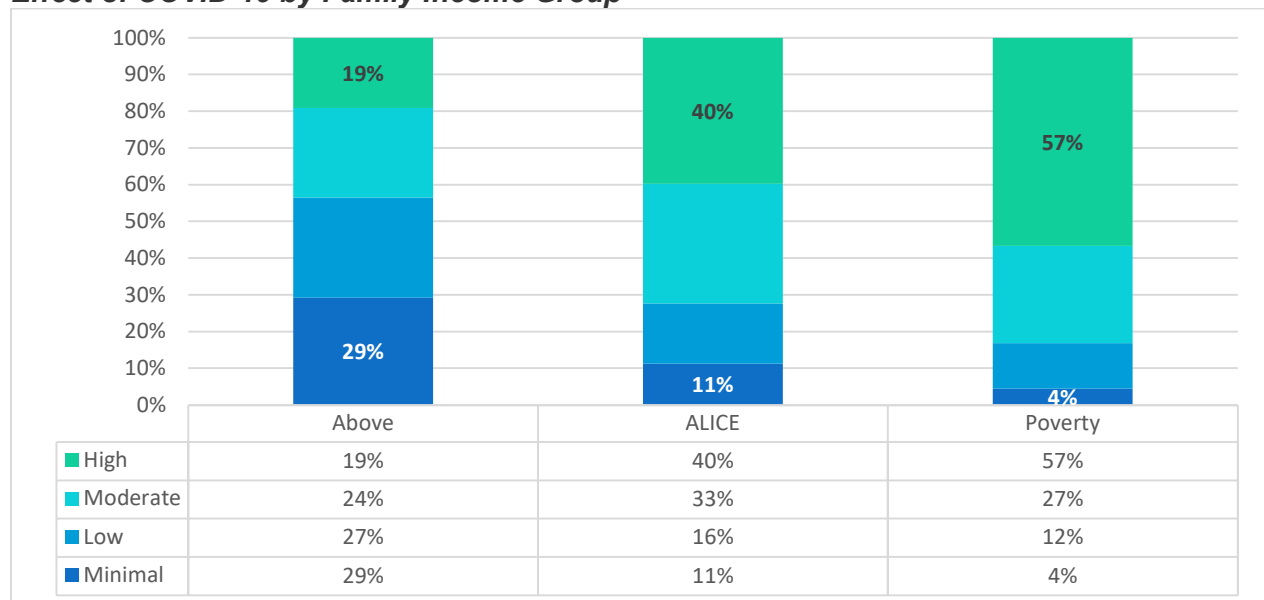
	Above	ALICE	Poverty
Assistance paying other bills	13%	35%	59%
New job opportunity for you or another adult in the household	14%	28%	35%
Assistance paying rent/mortgage	11%	31%	56%
Technology to assist with remote working and learning	11%	14%	28%
Health insurance coverage	10%	17%	27%
Elimination of health care bills relating to COVID-19	8%	11%	9%
Reinstatement of your job	7%	11%	16%
Other	8%	8%	4%
Access to child care	4%	7%	15%

Multiple responses were allowed.

*People below ALICE threshold are looking for work as a result of the pandemic. Compared to those above, ALICE households are twice as likely, and those in poverty are three times as likely to be looking for work.*

The two main questions (concerns and needs) were used to create a measure of the effect of COVID-19 on the individual. Please see the last section of this report for the method to create this measure. Each of the four levels should represent approximately 25% of the statewide sample.

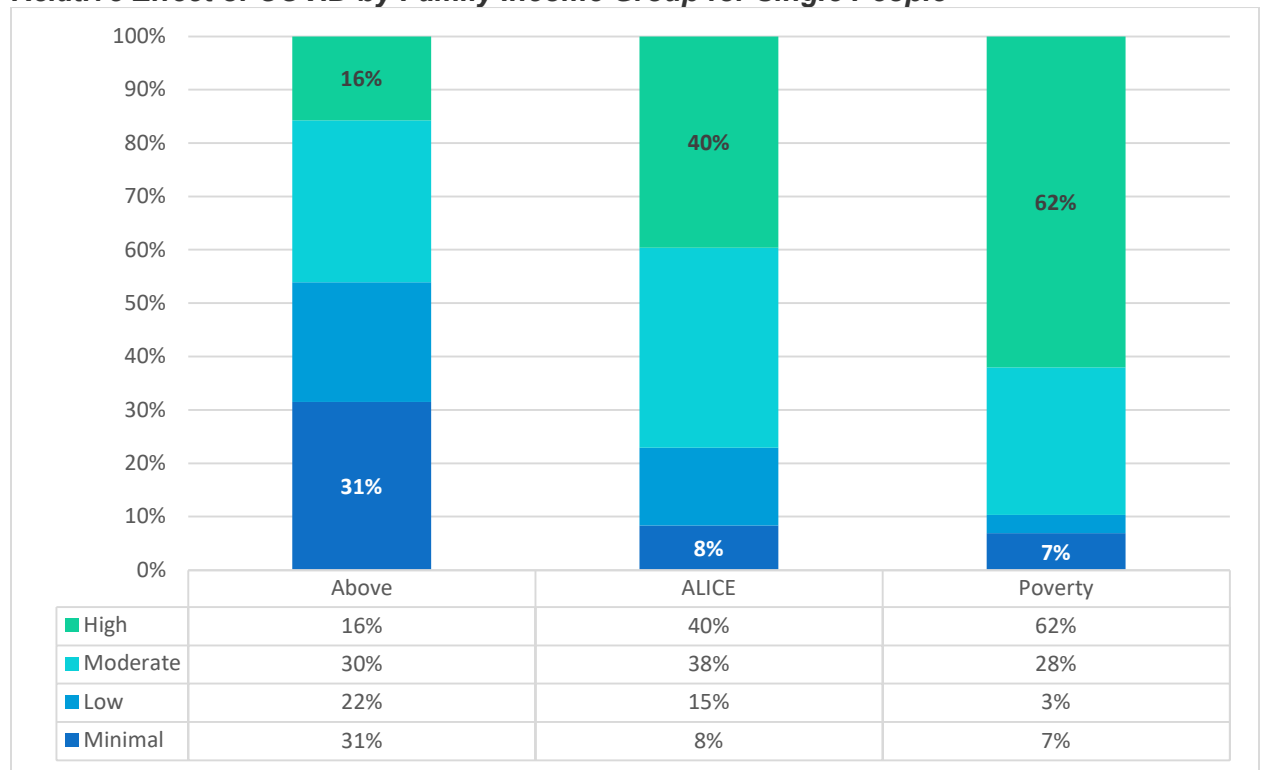
**Effect of COVID-19 by Family Income Group**



## Effect of Family Structure

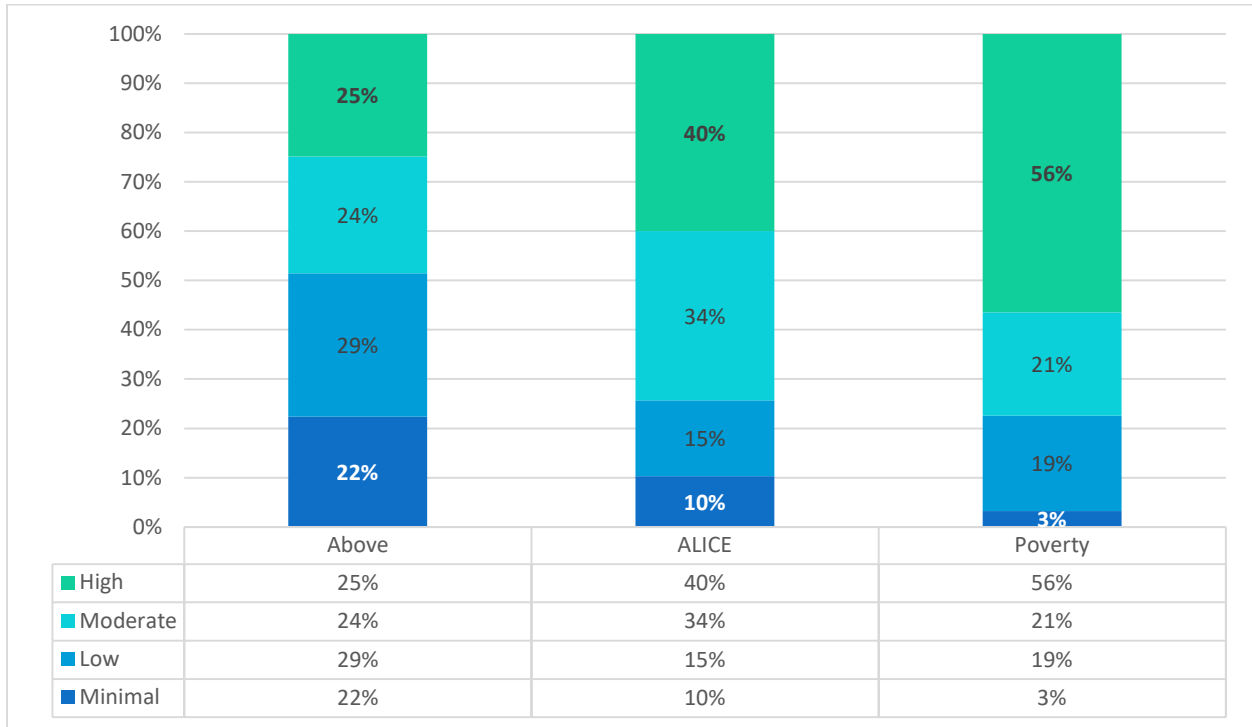
The effect of COVID-19 was different based on the family structure. Statewide, families headed by a single female reported the most potent impact of the pandemic 69% reporting moderate to the high effect of the virus. The result was even more prominent where children were involved with 89% of single mothers reporting a moderate to high effect of the virus.

### Relative Effect of COVID by Family Income Group for Single People

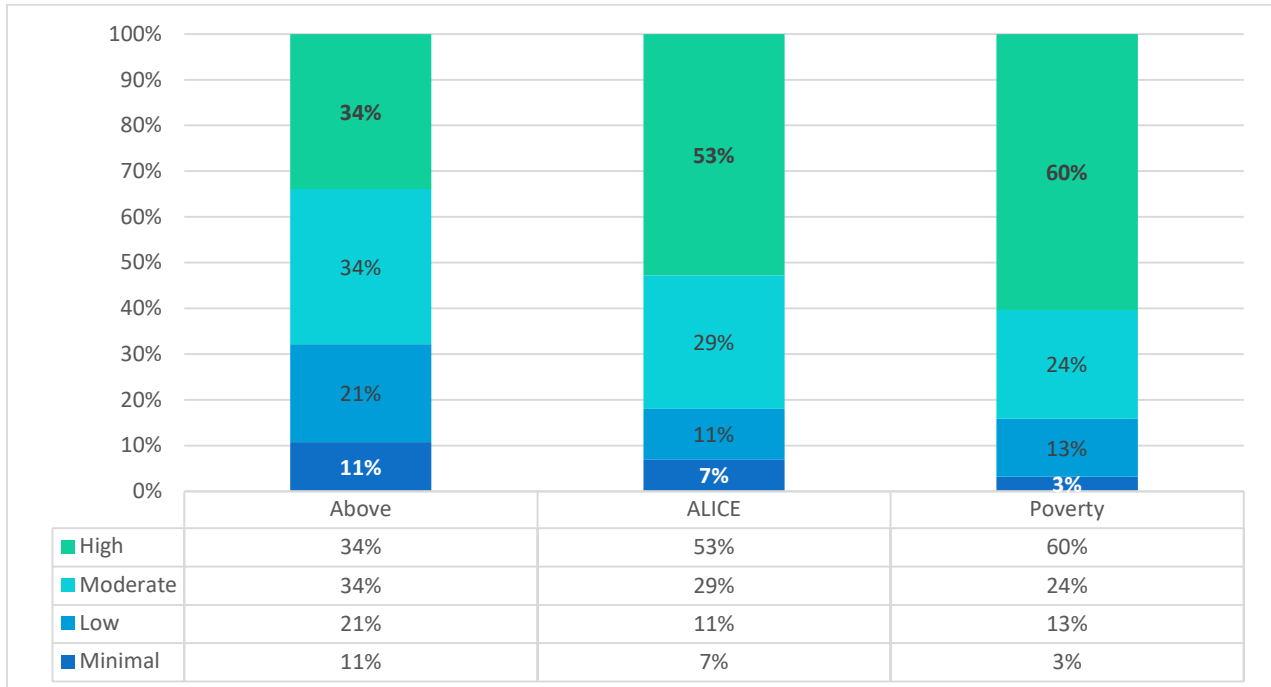


*The impact of COVID-19 was felt even more harshly by those living below the ALICE threshold across family structures. More than 50% of single female parents are experiencing a high effect of the pandemic.*

**Relative Effect of COVID by Family Income Group for Married or Cohabiting Couples With Children**



**Relative Effect of COVID by Family Income Group for Single Female Head of Household With Children**



Statewide, 22% of all households needed child care compared to 33% for families below the ALICE threshold. Yet, only 22% were able to keep their pre-pandemic provider. Statewide, 47% of the household started taking care of children at home – partially facilitated by job loss. Among households that depended on childcare, statewide 22% lost all or part of their work hour. Among the families below the ALICE threshold, 39% lost work hours due to day care issues compared to 12% above the ALICE threshold.

***Since March 1, 2020, how has your child care arrangement impacted your income?***

	Above ALICE	BELOW ALICE
<b>No impact</b>	23%	22%
<b>Change to In-home Care</b>	60%	35%
<b>Working similar hours with a new provider</b>	5%	4%
<b>Working reduced hours due to child care issues</b>	9%	17%
<b>No longer able to work due to child care issues</b>	3%	22%

Limited to those that needed child care to work. Multiple responses are possible.

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*As a result of the pandemic, 39% of families living below the ALICE threshold could not work due to the need for child care compared to 12% for families above.*

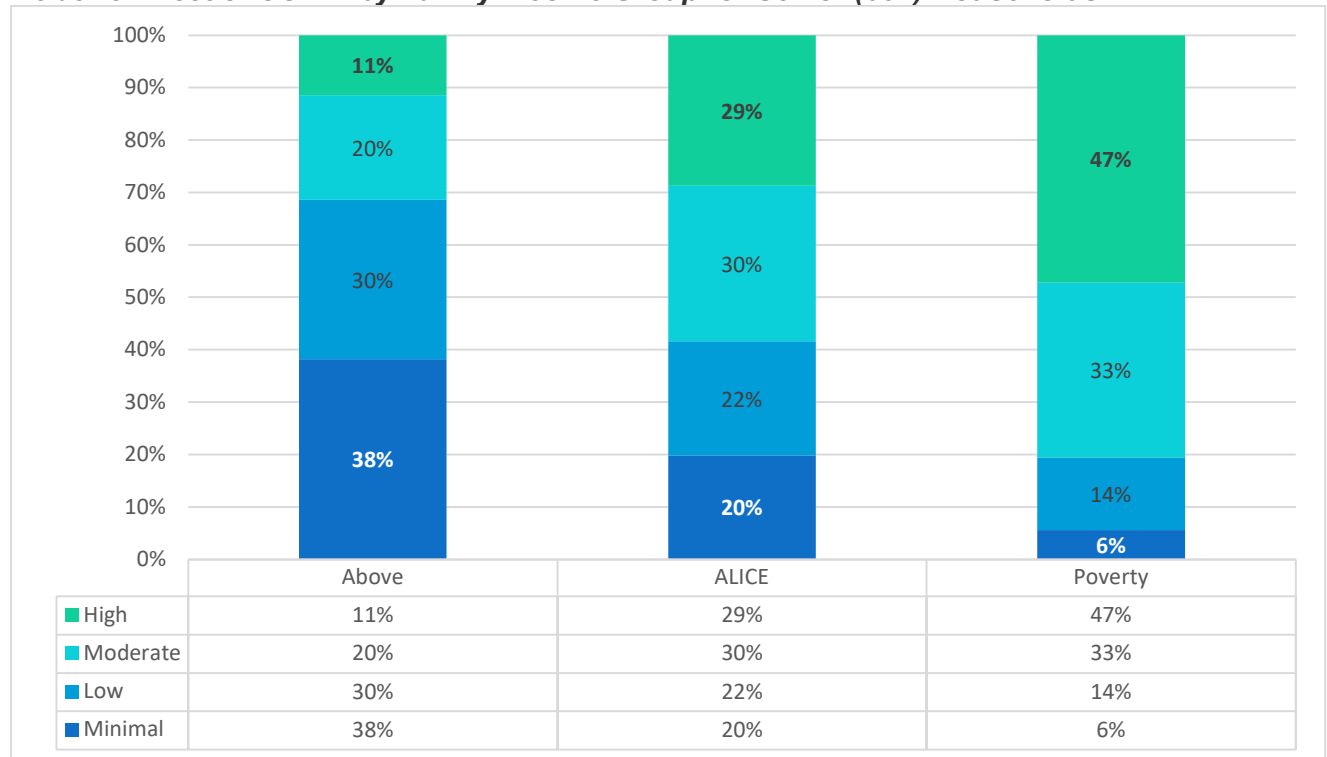
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## Senior Households

Of households run by seniors (age 65+), 54% experienced moderate to high effects of the pandemic. Seniors were significantly more likely to worry about catching COVID-19 yet still more likely to worry about the economic health of the community and the desire to attend Church or other social gatherings. Seniors are less likely to be concerned about mental health issues but more likely to worry about other medical problems.

**Relative Effect of COVID by Family Income Group for Senior (65+) Households**



### Top Concerns of Senior Households

	Above ALICE	Below ALICE
<b>You or a loved one getting COVID-19</b>	74%	68%
<b>Economic health of my community</b>	68%	58%
<b>Attending church or other social gatherings</b>	44%	34%
<b>Mental health issue</b>	35%	40%
<b>Medical issues other than COVID-19</b>	30%	37%
<b>Getting food and supplies</b>	74%	68%

***Top Needs of Senior Households***

	<b>Above ALICE</b>	<b>Below ALICE</b>
<b>New job opportunity for you or another adult in the household</b>	9%	28%
<b>Assistance paying other bills</b>	6%	29%
<b>Technology to assist with remote working and learning</b>	9%	20%
<b>Health insurance coverage</b>	8%	17%
<b>Assistance paying rent/mortgage</b>	3%	22%
<b>Elimination of health care bills relating to COVID-19</b>	5%	11%

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*28% of senior citizens below ALICE threshold are still looking for work and struggling to pay essential bills.*

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## Family Resources

Understanding family preparation and reaction to COVID-19 helps to guide resources and responses to help those suffering from the effect of the virus. In Texas statewide, 28% of the families were ready for only two weeks or less without an income.

### *Prior to March 1, 2020, how long could you cover your basic bills from your savings?*

	Above	ALICE	Poverty
More than two months	52%	19%	7%
Two months	18%	14%	12%
One month	16%	26%	26%
Three weeks	2%	3%	6%
Two weeks	5%	12%	19%
One week or less	7%	26%	30%

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*ALICE households are going into debt with 33% increasing balances on credit cards and 16% taking out loans.*

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### *Which of the following have you used to meet household needs?*

	Above	ALICE	Poverty
Increased balance on credit card	16%	33%	13%
Applied for unemployment	15%	22%	13%
Used a food pantry/food bank	6%	26%	59%
Borrowed from family or friends	5%	19%	31%
Applied for Food Stamps/SNAP	3%	10%	34%
Found a new way to make money	7%	7%	3%
Taken out a loan	5%	16%	19%
Applied for other government assistance	4%	6%	6%
Assistance from a community organization/nonprofit	1%	4%	13%

Multiple responses were allowed.

\* This group eliminated those that reported having “no needs” in an early question.

Statewide, 43% found other ways to make up for the loss of income. From open-ended comments, most used some combination of savings, cost reduction, finding other sources of income. Statewide, 65% of the population did not add anything to accommodate the stay at home order or school closures. Internet capacity (34% statewide) included added data, hotspot capability, new routers or range extenders, and enhanced cell data plans. The audio-visual category was created for people that added capability to their computers, such as new monitors, microphones, cameras, and printers. The “other” category included cables, subscriptions, and software.

***Have you purchased to adapt to a stay-at-home order or school closures?***

	Above	ALICE	Poverty
<b>Internet subscription/upgrade</b>	33%	34%	40%
<b>Computer</b>	23%	29%	19%
<b>Audio-visual for computer</b>	16%	7%	5%
<b>Tablet</b>	9%	15%	20%
<b>Other technology or equipment</b>	14%	5%	2%
<b>Mobile phone</b>	5%	10%	15%
<b>Added nothing</b>	34%	37%	39%

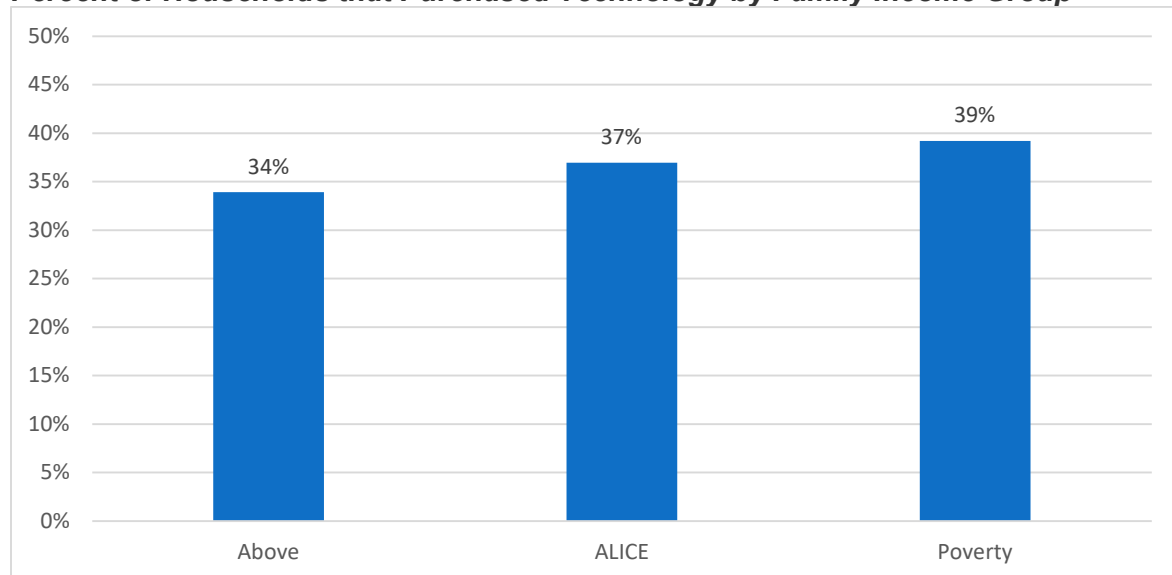
Multiple responses were allowed.

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*37% of ALICE households and 39% of homes in poverty needed to add technology to adapt to stay-at-home order or school closures.*

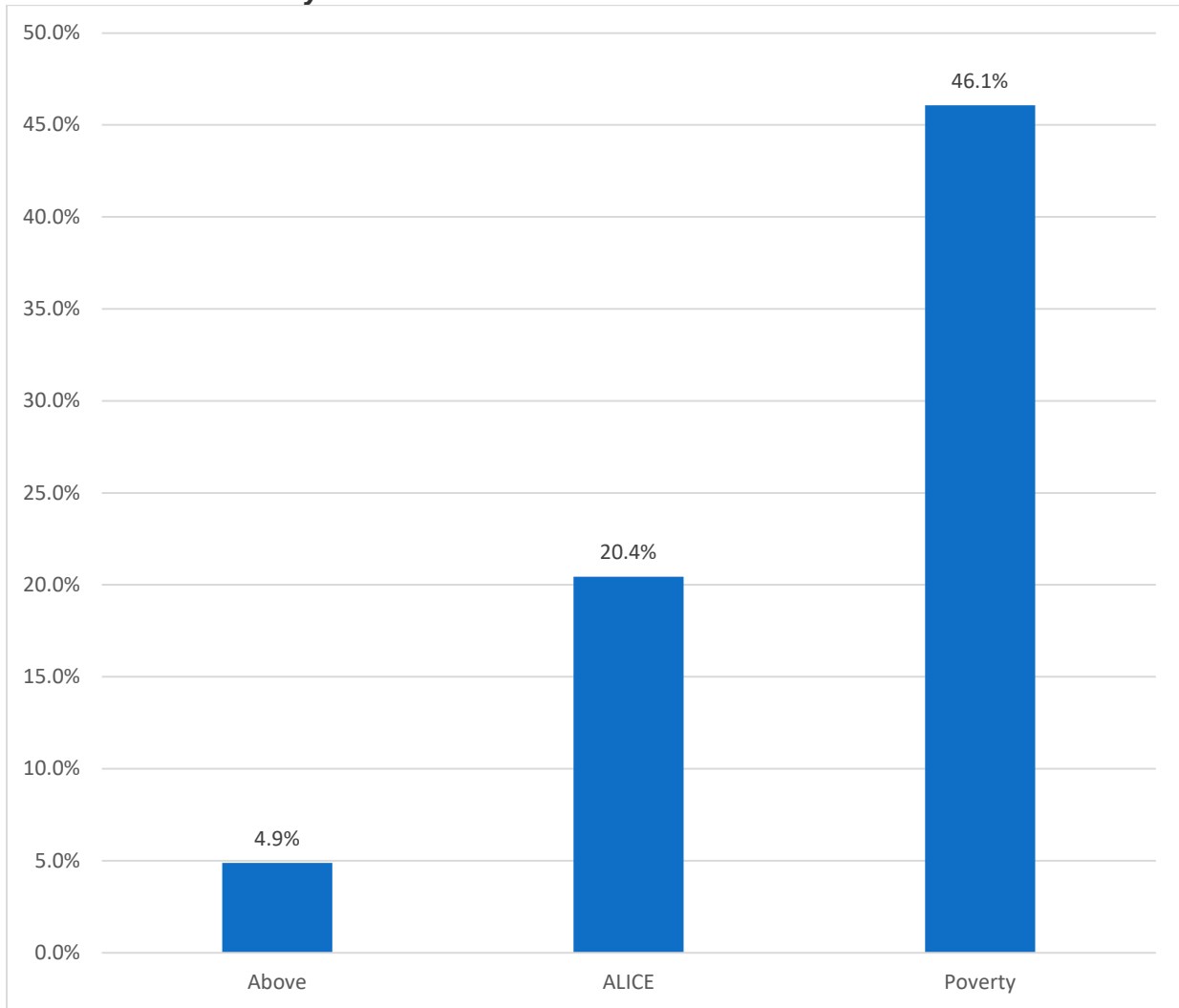
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***Percent of Households that Purchased Technology by Family Income Group***



Statewide, 11.3% of the respondents called or texted 211 for help or information. Statewide 211 use was affected by income, with 43% of the households below the Federal Poverty Level using the service and ALICE households four times more likely than those home above the ALICE threshold.

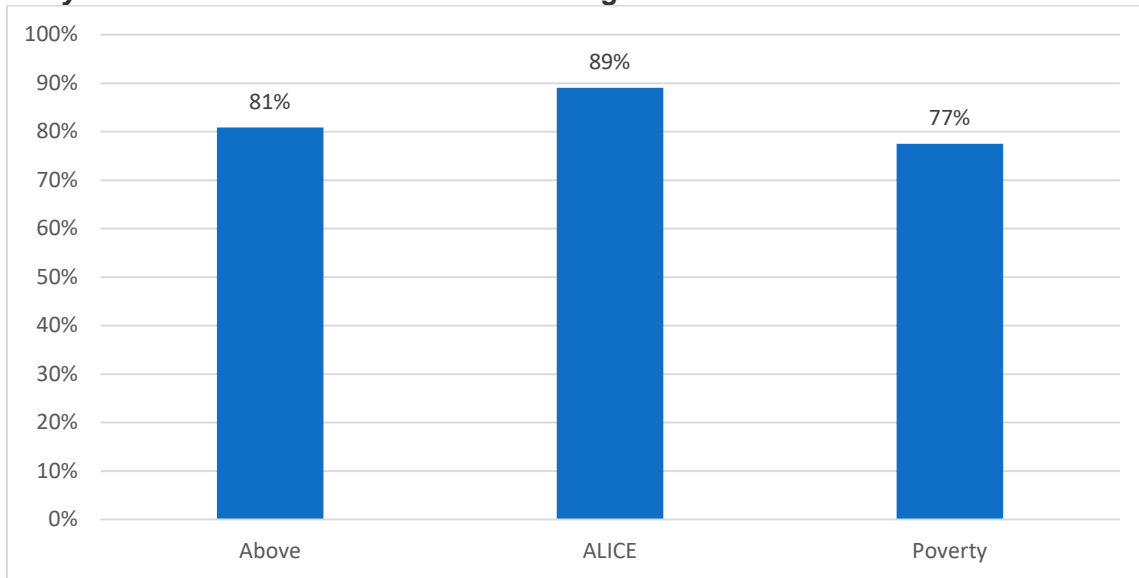
***Called or Texted 211 by Income Level***



## Stimulus Check

Nationally, more than 80% of Americans received a stimulus check from the CARES Act of 2020. Among the statewide respondents, 81% of survey respondents received a check in the household, with 9% more expecting a check.

### Did you receive a stimulus check from the government?



*Families in poverty were significantly less likely to receive a stimulus check from the CARES Act.*

### How many weeks of expenses, would this check cover for your family/household?

	Above	ALICE	Poverty
More than two months	2%	2%	2%
Two months	5%	6%	9%
One month	23%	35%	35%
Three weeks	16%	16%	12%
Two weeks	36%	28%	23%
One week or less	18%	13%	18%

***If you received a check, how did you/do you plan to spend the money?***

<b>Values</b>	<b>Above</b>	<b>ALICE</b>	<b>Poverty</b>
<b>Utilities</b>	26%	59%	71%
<b>Food</b>	25%	54%	70%
<b>Rent or mortgage</b>	28%	57%	64%
<b>Put in savings</b>	24%	24%	21%
<b>Pay off debt/credit card</b>	14%	12%	15%
<b>Other</b>	42%	24%	19%
<b>Donated or gave away the money</b>	11%	4%	3%

Multiple responses were allowed.

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*People below ALICE were more likely to pay essential bills with the CARES Act stimulus.*

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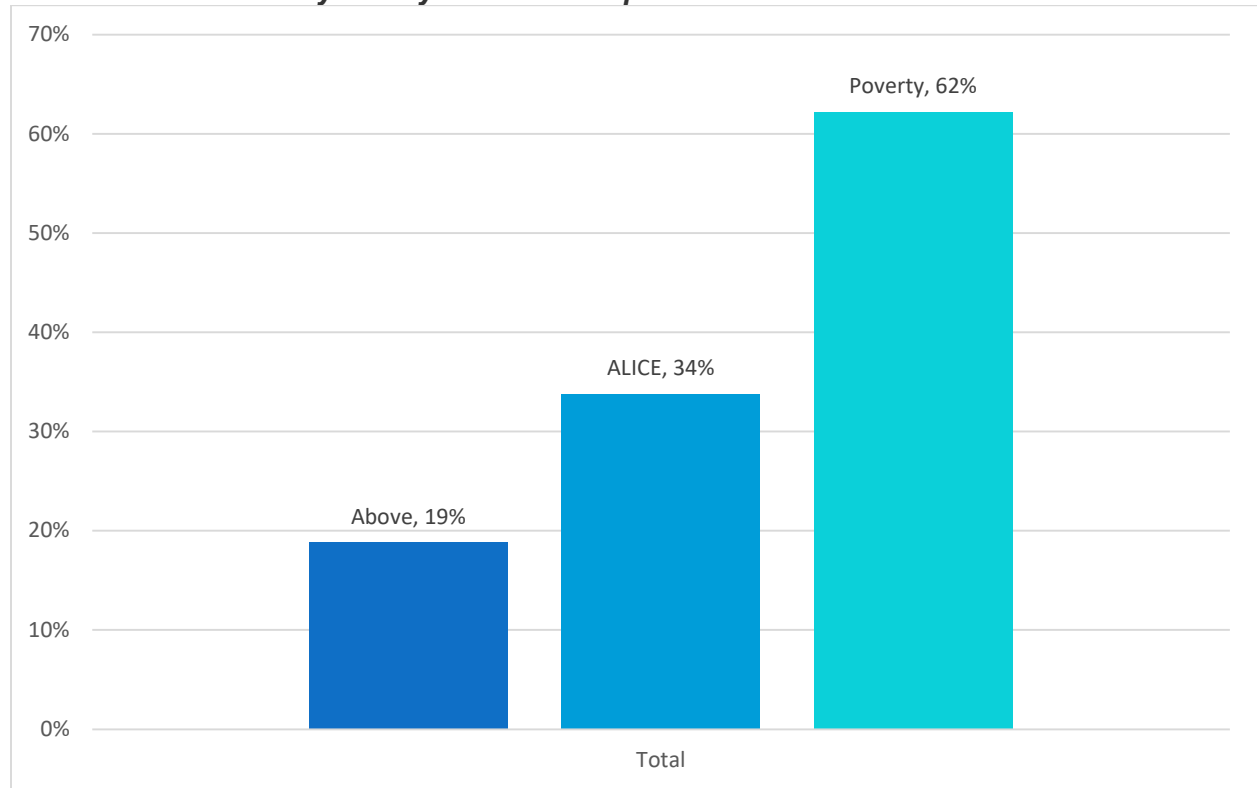
## Effects on Employment

Respondents were allowed to pick from six categories describing their employments since March 1, 2020. The first three (unchanged, increasing, and remote) constituted no loss in employment. The second three (became unemployed, reduced hours, or recently returned to work) constituted a loss of employment.

The total number of jobs (no loss and loss combined) constituted the number of jobs before the pandemic. Only those jobs with no loss were considered fully active after the pandemic started. The number of jobs divided by the number in the household 18+ became the jobs per adult.<sup>2</sup>

A second measure was to look at the percent of job reduction by household was defined as jobs prior divided by jobs not reduced after.

### Percent of Job Loss by Family Income Group



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*Job loss affected low-income households more with job loss at 34% in ALICE households and 62% for those in poverty.*

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<sup>2</sup> It is recognized that some teens may also have had jobs, this number was harder to define.



## Conclusions

COVID-19 has affected nearly everyone in Texas, but ALICE families most felt the effect. As a whole, families below the ALICE threshold were less prepared for this natural disaster and the most affected. ALICE households were thrown out of work, forced to buy technology to educate their children, and went into debt. At the same time, they continued to look for replacement jobs. At the same time, the support network was stretched even thinner as ALICE household borrowed money and visited food banks to meet essential needs. As the pandemic continues, we can only expect the pain to become even more pronounced.

## Definitions and Notes

**211 Service:** United Way supports 211, a free and confidential service that helps people across North America find the local resources they need 24 hours a day, seven days a week.

**ALICE Threshold** represents the minimum income level necessary for survival for a household. Derived from the Household Survival Budget, the ALICE Threshold is rounded to the American Community Survey income category and adjusted for household size and composition for each county. The team thanks to the cooperation of Dr. Ashley Anglin of the United Ways of New Jersey and the National ALICE team for defining ALICE thresholds.

**COVID-19 Effect Scale** was based on the first questions in the survey. There were 13 concerns, and 9 needs to make a possible combined score of 22. Statewide, 39% of the respondents indicated they had no needs. If a respondent indicated they had no needs, their score was cut in half. The COVID-19 Effect scores ranged from zero to 19 for this survey. Respondents were sorted into quartiles so that there were four levels of effects – minimal, low, moderate, and high. Each quartile included between 23% and 27% of all respondents.

COVID-19 Effect	Score	Count	Percent
Minimal	0-1.5	740	23%
Low	2-3.5	744	24%
Moderate	4-6.0	839	27%
High	7-19	842	27%

**Family income groups** were determined by a combination of ALICE thresholds and the Federal Poverty Level. The three levels included 1. Poverty (those below the federal poverty level), 2. ALICE, and 3. Above (households with incomes above ALICE thresholds).

**Federal Poverty Level** is a measure of income issued every year by the Department of Health and Human Services (HHS). Federal poverty levels are used to determine eligibility for specific programs and benefits, including savings on Marketplace health insurance, and Medicaid and CHIP coverage.

**Sampling Method** for this study is NOT a scientifically drawn random sample. Participants in this survey volunteered for the study through direct invitation. This study represents differences between groups that may not be consistent with the population. Proportions of demographic and economic subgroups in survey respondents are presented as a point of comparison to the general population.

**Significant Differences** are differences between groups found in this study that are sufficiently large enough to support the conclusion that differences also exist in the population.



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