

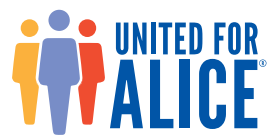


COVID-19 Impacts on Pennsylvania: The ALICE Story; One Year Later

Results from United Way of Pennsylvania's Second COVID-19 Impact Survey

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<https://bit.ly/impactosCOVID>

Survey conducted in March, 2021



United Way of Pennsylvania







COVID-19 Impacts on Pennsylvania: The ALICE Story; One Year Later

Results from United Way of Pennsylvania's Second COVID-19 Impact Survey

40% of Pennsylvanians do not have any savings set aside for unexpected expenses or emergencies such as illness or loss of a job – realities that many households are facing now.

With over 1.3 million (27%) Pennsylvania households one emergency away from financial crisis, an entire year facing the impacts of the COVID-19 pandemic placed great financial strain on Pennsylvania's ALICE families. ALICE (Asset Limited, Income Constrained, Employed) families have income above the Federal Poverty Level, but struggle to afford the bare minimum cost of basic household needs. ALICE often does not qualify for assistance and often does not earn enough to cover basic expenses such as housing, child care, food, transportation, health care, and technology. ALICE is in every Pennsylvania community and when combined with Pennsylvania households who live in poverty, nearly 2 million families are living below the ALICE Threshold which is a staggering 39% of Pennsylvania's population.

In August of 2020, United Way of Pennsylvania conducted the first COVID-19 Impact Survey to gather data regarding the experiences of Pennsylvanians 6 months into the COVID-19 pandemic. The first survey illuminated the devastating economic impact that the pandemic had on Pennsylvania households specifically those who live below the ALICE Threshold. Now, after living through the COVID-19 pandemic for one-year, United Way of Pennsylvania conducted a second survey to continue to highlight the experiences of our Pennsylvania communities and to call attention to those most impacted. Between March 15th 2021, and April 5th 2021, over 2,700 people living in Pennsylvania responded to the survey. Here are some highlights:

1. Households below the ALICE Threshold remain financially vulnerable

- a. Most respondents with household income below the ALICE Threshold had one month or less in savings to cover basic household bills (68%). This percentage decreased from August (77%) likely indicating that pandemic safeguards such as stimulus checks, unemployment insurance, and other forms of assistance helped Pennsylvania families financially stay afloat and save for future necessities or emergencies. Most respondents above the ALICE Threshold had two months or more in savings (65%) ([Figure 1](#))

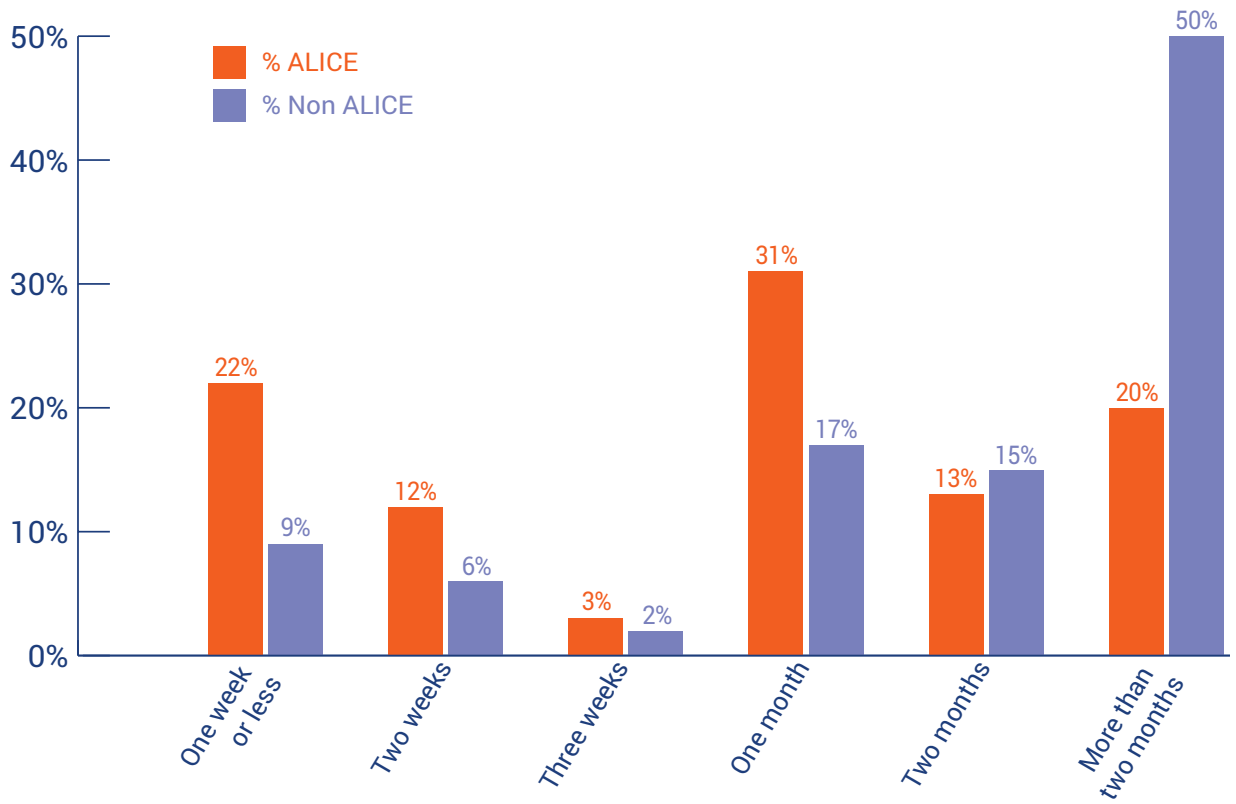
TEMPORARY
FACTORY
CLOSURE



Due Covid-19

Figure 1

Prior to March 1, 2020, how long could you cover your basic bills from your savings? (Rent/Mortgage, Utilities, Food, Transportation, etc.)



Percentages are rounded to whole numbers, resulting in percentages totaling 99% or 101%.

ALICE families do not have a savings safety net. ALICE families without savings and working hourly paid jobs are more likely to fall into debt and be unable to financially recover.

- b. 65% of respondents below the ALICE Threshold indicated changes in employment due to the pandemic which include loss of job, being temporarily laid off and changing jobs. Whereas, 63% of households above the ALICE threshold reported no changes to their employment status.
- c. 40% of respondents with household income below the ALICE Threshold applied for unemployment, 44% received food from a food pantry or food bank, 30% borrowed money from friends and family to make ends meet, 40% applied for government assistance programs, and 23% increased credit card balance.



As of the publishing of this report, the federal eviction moratorium is expected to expire on June 30th, 2021. For many households living below the ALICE Threshold, the loss of this pandemic safeguard could mean immediate displacement.

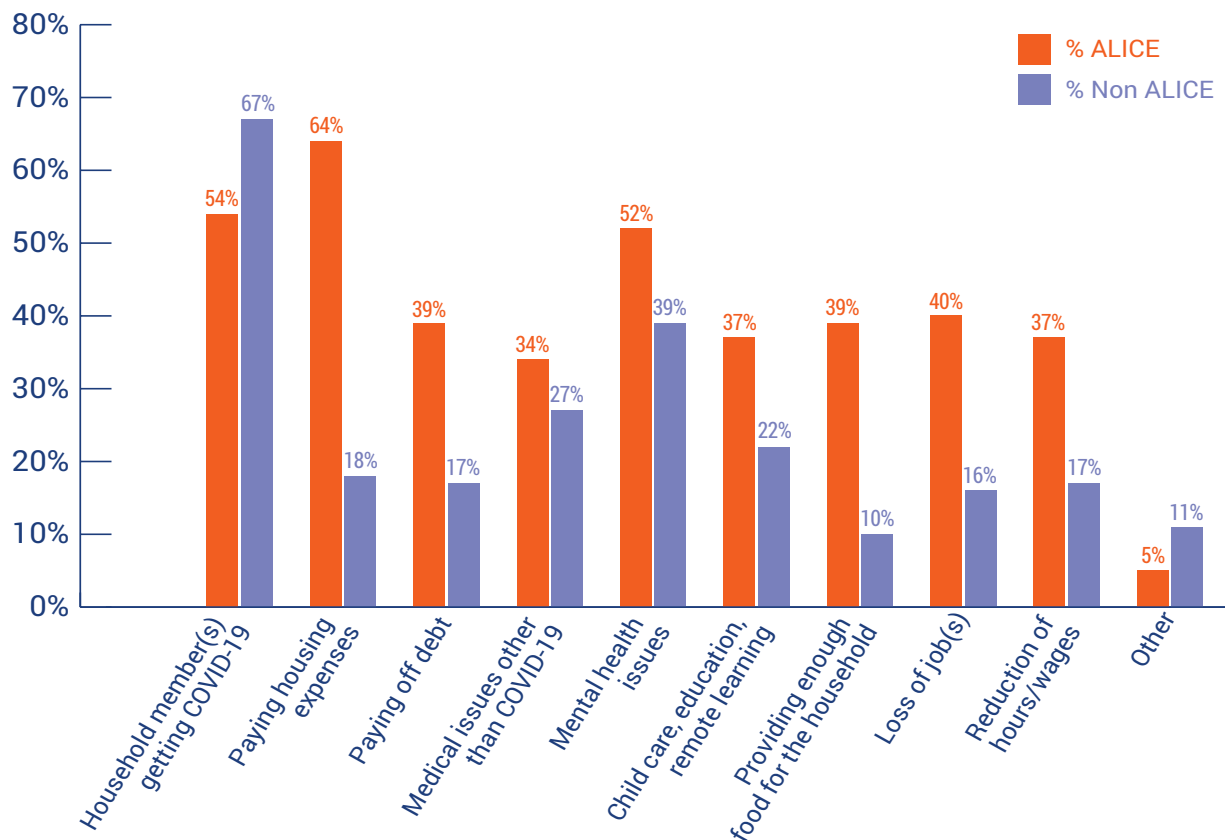
2. Housing stability is a significant concern for ALICE families.

- a. 64% of ALICE household respondents reported that paying for housing expenses is among their biggest concerns. (Figure 2)
- b. Households below the ALICE Threshold are 4x more concerned with facing eviction or foreclosure than non-ALICE respondents, but only 25% of ALICE Household respondents sought housing relief and assistance.

To get connected with information and resources on housing, rental relief, and utility assistance, visit PA211.org, dial 211, or text your zip code to 898-211.



Figure 2 What COVID-19 issues is your household MOST concerned about over the next two months?



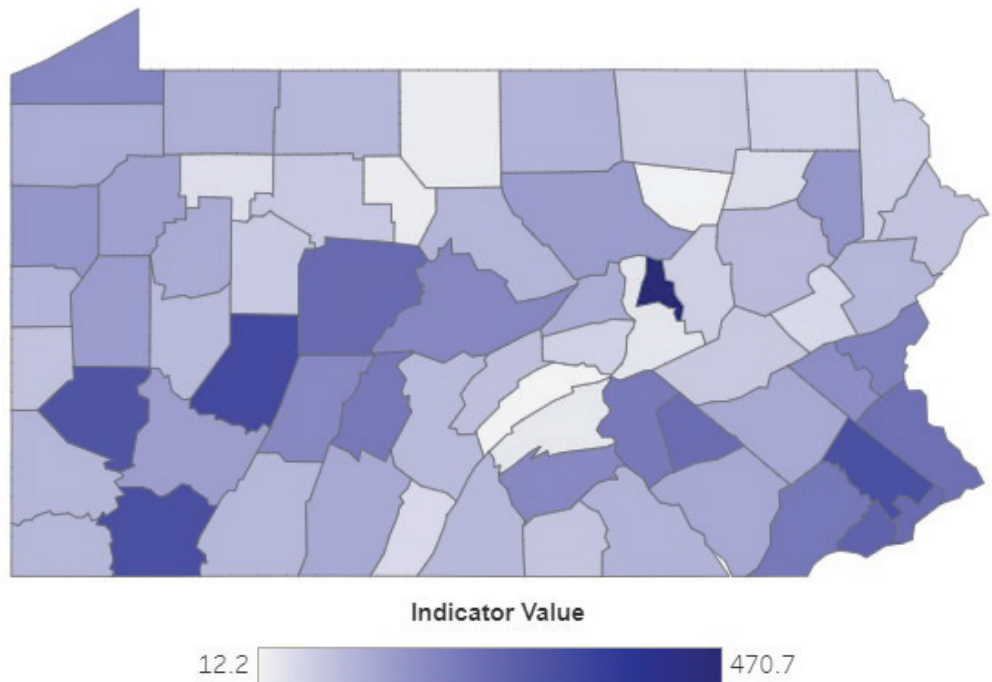


Access to mental health providers in Pennsylvania can be limited in certain communities. Mental health issues impact multiple aspects of a person's life, and delays in mental health treatment are associated with increased morbidity and mortality.

3. Health and mental wellbeing are a priority for all households.

- a. Household members contracting COVID-19 was the top concern for total respondents. Mental health and wellbeing are the second largest concern and general medical issues non COVID-19 related is the third. For households living below the ALICE Threshold, housing expenses remain the top concern followed by contracting COVID-19 and mental health and wellbeing.
- b. Medicaid and employer insurance are essential for households below the ALICE Threshold with 46% of respondents indicating that at least one member in the household is utilizing Medicaid, and 40% of respondents indicating a household member is on their employer health insurance. Loss of work could take away the crucial benefit of health coverage.
- c. Living in a community with a high mental health provider rate increases the likelihood that community members will access care when they need it, which has concrete effects on overall health. Mental health deserts exist in Pennsylvania leaving many people without access to vital services.

Amount of Available Mental Health Providers

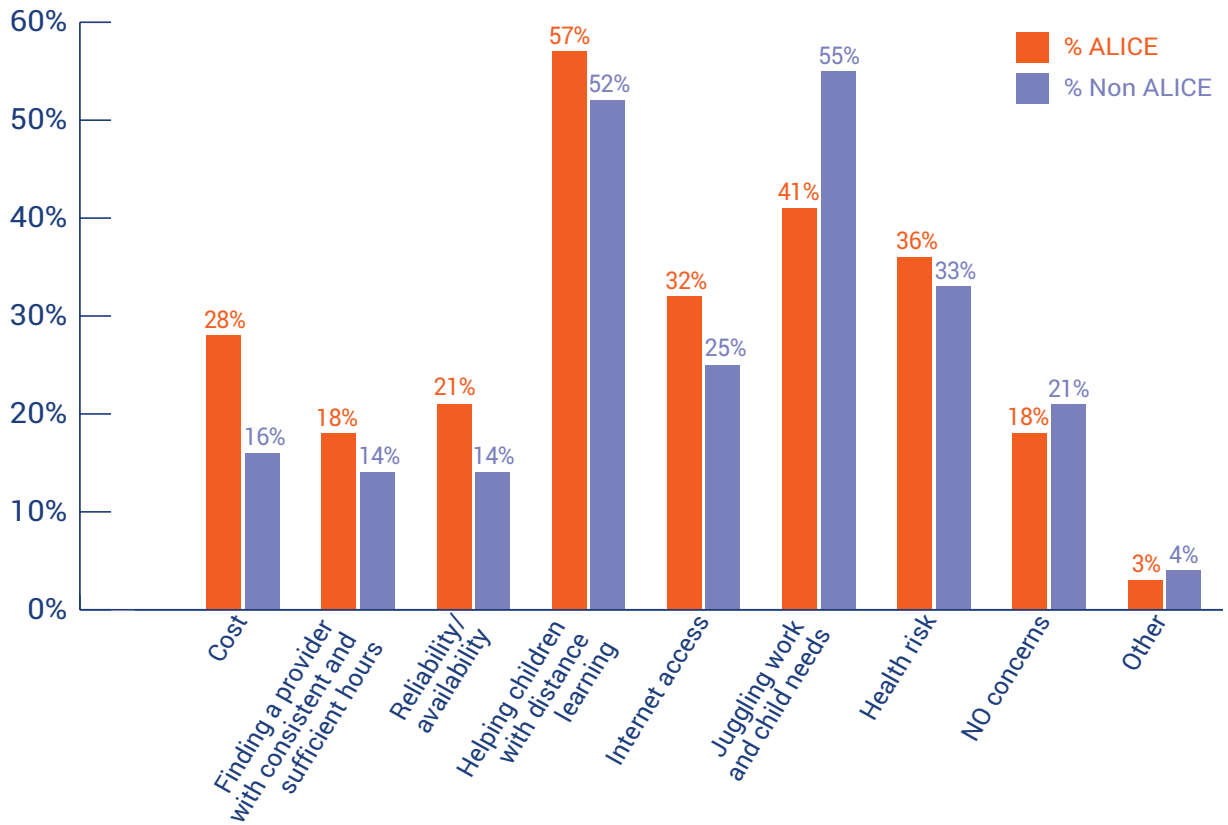


**The Mental Health Provider Rate indicator shows the rate of mental health providers per 100,000 population. The darker the blue, the higher the rate of mental health providers in 2018. To learn more, visit: www.unitedforalice.org/indicators/pennsylvania*



Figure 3

Since March 1, 2020, as a result of COVID-19 pandemic, what child care issues or concerns have members of your household had?



4. Child care is essential for working families; most households do not have adequate support to balance work and their children’s needs.

57% of respondents with households below the ALICE Threshold report either reducing their hours or leaving their job.

- a. Of total households with children, 45% have adjusted their work to accommodate their family’s need for child care.
- b. 57% of respondents with households below the ALICE Threshold report either reducing their hours or leaving their job.
- c. The top reported child care concerns and issues for families are: helping children with distance learning (53%), juggling work and children needs (53%), and the health risk for children and household members (34%) are the top reported. (Figure 3)
- d. Families with child care needs also report concerns about child care reliability and availability as well as finding a provider with consistent and sufficient hours.



25% of total respondents with families report a concern for Internet access to conduct distance learning. Households below the ALICE Threshold report that same concern at 32%.

5. Internet access is essential, and the COVID-19 pandemic emphasizes the digital divide that exists for households below the ALICE Threshold.

- a. 35% of households below the ALICE Threshold report purchasing an internet subscription or upgrade. Of these households, 70% report significant technology purchases such as a computer, mobile phone, and or utility use increase to adapt to stay-at-home orders and school closures.
- b. 25% of total respondents with families report a concern for Internet access to conduct distance learning. Households below the ALICE Threshold report that same concern at 32%.
- c. 26% of respondents with households below the ALICE Threshold do not have access to reliable broadband service compared to 15% of households above the ALICE Threshold.



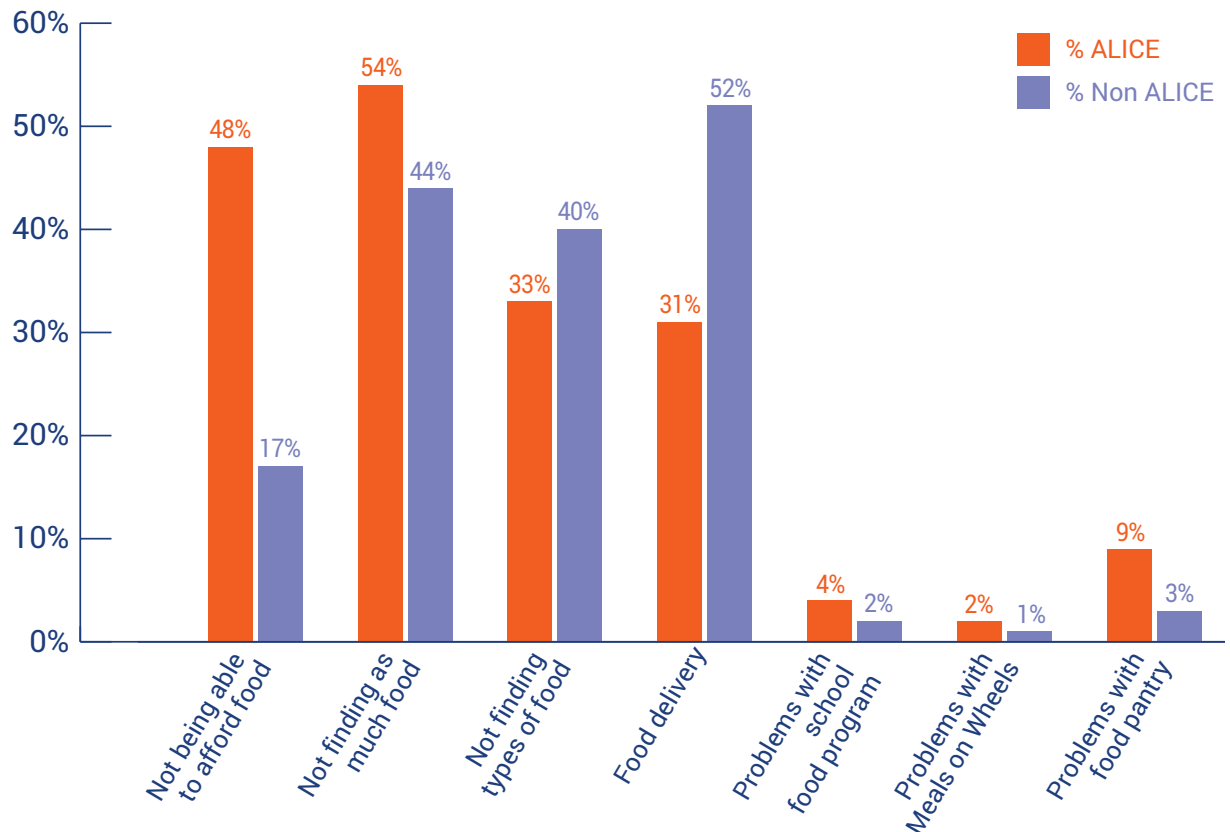


44% of respondents with households below the ALICE Threshold report utilizing food banks or pantries compared to 9% of households above the ALICE Threshold.

6. Food insecurity is prominent in households below the ALICE Threshold.

- a. 44% of respondents with households below the ALICE Threshold report utilizing food banks or pantries compared to 9% of households above the ALICE Threshold.
- b. Respondents with households below the ALICE Threshold report being unable to afford food at a rate of 48%, nearly three times that of households above the ALICE Threshold. (Figure 4)

Figure 4 Since March 1, 2020, how often did these happen to your household? (Select all that apply)



Percentages are rounded to whole numbers, resulting in percentages totaling 99% or 101%.





Who is ALICE in Pennsylvania?

ALICE is an acronym for **A**sset Limited, **I**ncome Constrained, **E**mployed. ALICE earns more than the Federal Poverty Level, but does not earn enough to afford the basic expenses outlined in the ALICE Household Survival Budget for Pennsylvania (**Figure 5**).

Figure 5

ALICE Household Survival Budget, Pennsylvania, 2018			
	SINGLE ADULT	TWO ADULTS, TWO IN CHILD CARE	SINGLE SENIOR
MONTHLY COSTS			
Housing	\$640	\$894	\$640
Child Care	\$0	\$1,229	\$0
Food	\$277	\$839	\$236
Transportation	\$332	\$789	\$287
Health Care	\$187	\$716	\$485
Technology	\$55	\$75	\$55
Miscellaneous	\$178	\$528	\$200
Taxes	\$293	\$734	\$300
MONTHLY TOTAL	\$1,962	\$5,804	\$2,203
ANNUAL TOTAL	\$23,544	\$69,648	\$26,436
HOURLY WAGE*	\$11.77	\$34.82	\$13.22

KEY TERMS

Household Survival Budget: The bare-minimum costs of basic necessities

ALICE: Households with income above the Federal Poverty Level but below the basic cost of living

Poverty: Households earning below the Federal Poverty Level*

ALICE Threshold:

The average income needed to afford the Household Survival Budget. Households below the ALICE Threshold include both ALICE and poverty level households

*Federal Poverty Level for a Single Adult Household = \$12,140. Family of Four = \$25,100.





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ALICE and COVID-19



The ALICE data available shows a point-in-time snapshot of economic conditions across the state in 2018. By showing how many Pennsylvania households were struggling then, the ALICE data provides the backstory for why the COVID-19 crisis is having such a devastating economic impact now. The ALICE research coupled with the information from the COVID-19 Impact Surveys of August 2020 and March 2021 can help advocates identify the most vulnerable in their communities and direct programming and resources to assist them throughout the pandemic and the recovery that follows. From the ALICE Report, we know that the number of ALICE households will increase with the economic disruption caused by COVID-19.





PANDEMIC SAFEGUARDS KEPT ALICE FROM SLIDING INTO POVERTY DURING THE COVID-19 PANDEMIC. With the end of these programs in sight, ALICE's financial outlook remains dire.



CHILD CARE CENTERS SUPPORT A FAMILY SUSTAINING WORKFORCE. Without access to affordable child care, Pennsylvania's workforce needs will remain unmet and the economy will continue to fluctuate.



ALICE NEEDS FAMILY SUSTAINING INCOMES TO ACHIEVE FINANCIAL STABILITY. Stimulus checks and Unemployment Insurance helped households below the ALICE threshold survive. However, as ALICE workers return to work, an economy without family sustaining jobs will continue to impede ALICE from reaching financial stability.



AS THE COVID-19 PANDEMIC CONTINUES TO IMPACT HOUSEHOLDS LIVING BELOW THE ALICE THRESHOLD, PA 211 REMAINS AN ESSENTIAL RESOURCE TO CONNECT PENNSYLVANIANS TO INFORMATION AND ASSISTANCE. Visit [PA211.org](https://pa211.org), dial 211, or text your zip code to 898-211 to get help.



THE IMPACT OF COVID-19 ON ALL PENNSYLVANIA HOUSEHOLDS HAS RESULTED IN AN INCREASED NEED FOR ACCESS TO MENTAL HEALTH SERVICES. In some areas of the Commonwealth, access to mental health services is an ongoing issue.

To Learn More about ALICE in Pennsylvania, please visit www.uwp.org/ALICE and review [ALICE in Pennsylvania: A Financial Hardship Study](#), released on January 26, 2021. This comprehensive report provides statewide and county specific research based information on pre-pandemic conditions for ALICE.

METHODOLOGY NOTE:

To determine whether households were above or below the ALICE Threshold, household composition was matched to the Pennsylvania state average Household Survival Budget then assessed based on indicated assets in housing and employment status. United Way of Pennsylvania's ALICE Report Research Advisory Committee felt this was the most accurate methodology to include what ALICE stands for: **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed.

The survey is a voluntary response sample conducted for three weeks between March 15th, 2021 and April 5th, 2021. Over 2700 people living in Pennsylvania responded. Since it is a random sample, it is not possible to make statements on the overall population.

ACKNOWLEDGEMENTS:

Thank you to the United Way of Pennsylvania network and partner organizations for your efforts to share and promote this survey project!

Thank you to our ALICE Research Advisory Committee for providing expert support and assistance during the development of the survey. A special thank you to the Center for Rural Pennsylvania for assisting in the result analysis!

CONTACT INFORMATION:

For more information about these survey results and to learn more about how you can get involved in advocating and creating change for ALICE in Pennsylvania, contact: Rebecca O'Shea, roshea@uwp.org, 717-238-7365 x 204.



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