

**SOCIAL SUPPORT NETWORKS  
AND THEIR EFFECTS ON HARDSHIP AVOIDANCE  
AMONG LOW-INCOME HOUSEHOLDS**

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## **INTRODUCTION**

For low-income households, the difficulty of meeting essential living expenses with one's own limited financial resources makes it necessary at times to seek help from one's social support network: nearby family members, friends and neighbors, and other persons or organizations within the community.

These private networks—a specific component of social capital—can potentially lessen the severity of hardship when economic shocks occur; they may also have a preventive effect, acting at an early stage to avert a situation where basic living needs go unmet.

This paper explores these issues using recently released data from the 2008 panel of the Survey of Income and Program Participation (SIPP). The 2008 SIPP panel is distinctive in that the Adult Well-Being Topical Module was administered to sample members at two intervals, spaced apart by one year. This module includes questions about the difficulties experienced by households in meeting basic living expenses within the past year and about the extent of help expected and received from family, friends, and others in the community. Using multivariate models that incorporate a range of household economic and demographic characteristics as covariates, we consider whether those households indicating stronger social support networks tended to experience a lower subsequent incidence of hardships related to housing, utilities, medical care, and food.

## **BACKGROUND**

The role of economic support from one's family, friends, and community has been a focus of research within the international literature on social capital (for example, Gertler, Levine, and Moretti, 2006, Hadley, Mulder, and Fitzherbert, 2007). The issue has become more salient in the US context with the widespread losses in household incomes that occurred during the Great Recession of 2007-2009 across all segments of the income distribution. When households lose income or face unexpected expenses, they undertake a variety of coping strategies. They cut back on other consumption spending, draw from

their liquid assets (or liquidate other assets), turn to unemployment insurance or public income support programs (if they qualify), or take out loans. At some point in this process, they may turn to family members, friends, or community sources for help. How quickly or slowly one seeks out these latter forms of support will depend on complex considerations: the severity of one's needs, one's relationship with these potential private sources of help, and whether such sources may themselves be strained or depleted by similar circumstances. For instance, those individuals or organizations whose economic risks are highly correlated with one's own may be unable to provide help and may themselves be seeking support.

Some studies on social support networks and economic well-being among low-income families find that stronger social support networks are associated with better economic outcomes. Henly, Danziger, and Offer (2005) find that perceived support reduces the likelihood of living in poverty, based on a sample of 632 TANF recipients in Michigan in 1997. Harknett (2006), using data on 2,818 low-income single mothers in three US counties in the 1990s, finds that those with stronger private safety nets are less dependent on welfare and have better employment outcomes.

Other studies using nationally representative data find no influence of social support on material hardship. Using the 2004 SIPP panel, Guo (2010) does not find a significant effect on the role of nonprofits in averting material hardship, in comparison to governmental assistance.

Our study contributes to the existing literature on social support and economic hardship in several ways. First, we examine the effect of differing *sources* of social support (family, friends, and others) and differing *levels* of expected support (none, very little, most, or all of the help needed), together with a broad range of material hardship measures. Second, we examine the dynamics of entry into and exit from material hardship, using the longitudinal nature of the SIPP data. Third, the 2008 SIPP panel

coincides with the onset of the Great Recession, enabling us to examine the pattern of choices that American households make in coping with severe economic adversity.

## **DATA AND METHODS**

The Survey of Income and Program Participation (SIPP) is a series of panel studies conducted by the US Census Bureau. Each panel consists of a nationally representative sample, with over-representation among low-income households. Each panel is interviewed at regular intervals over a multi-year follow-up period. The 2008 panel has been followed for 48 months or 12 four-month waves. The questions asked at any given wave consist of the core module (administered at every wave) and several topic modules (administered only at selected waves). The key module for this research is the Adult Well-Being topical module, which was administered at waves 6 and 9. Measures of help expected from family, friends, or others (such as a private social agency or a church) and measures of material hardship are described in the Appendix.

Descriptive statistics and multivariate models were estimated for an analysis sample including all observations containing the specified variables (sample size: 19,675 households<sup>1</sup>) and for an analysis subsample including households in the lowest two income quintiles, based on monthly household income measured at wave 6 (sample size: 7,762 households). Included in the household income measure are means-tested government transfers such as Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (food stamps), and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). All descriptive and multivariate analyses are weighted using SIPP longitudinal weights.

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<sup>1</sup> We restrict our sample to households with heads under age 65, and observed in waves 4, 6, and 9.

### ***Multivariate models***

Logistic regression models were estimated to address the question of whether one’s social support network—as indicated by the level of help one expects to receive from family, friends, or others in the community—is associated with a lower risk of subsequent hardship related to housing, utilities, medical care, or food. Models were estimated for each of seven hardship indicators (for hardship status as measured at wave 9), for a composite hardship indicator (reflecting any of the seven separate indicators), and for hardship entry and exit rates (for changes in the composite hardship status as measured from wave 6 to wave 9).<sup>2</sup>

To isolate the effect of one’s social support network from other factors influencing hardship, we included the following covariates in the models:<sup>3</sup>

- Householder characteristics: age, race, ethnicity, gender, marital status, and educational attainment
- Household characteristics: household size, presence of child under age 6, monthly household income, net worth, total unsecured debt, liquid assets held (under \$2,000, between \$2,000 and \$9,999, or \$10,000 and above)

These multivariate analyses describe the association between the strength of expected social support and prevalence of material hardship. We do not draw any causal interpretation such as the extent to which social support reduces material hardship, as the relationship between social support and hardship can be complex. For example, an unexpected occurrence of a health problem could deplete one’s savings and cause some material hardship; it could also force a family to move out of the current neighborhood. As a result, they could lose their friends or church connection; their social support

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<sup>2</sup> Hardship entry is defined as having no reported hardship at wave 6 and having at least one reported hardship at wave 9. Hardship exit is defined as having at least one reported hardship at wave 6, and having no reported hardship at wave 9.

<sup>3</sup> All characteristics are measured at wave 6, except net worth, total unsecured debt, and liquid assets held are measured at wave 4, as wealth information is not available at wave 6.

network thus becomes weaker. In this example, social support and hardship are simultaneously determined by factors unobserved in the data; it is not the weaker social support network that itself causes the material hardship.<sup>4</sup>

## **DESCRIPTIVE PATTERNS**

Empirical estimates were conducted for both the total sample and the low-income sample (lowest two quintiles). In the following discussion of findings, basic descriptive statistics are shown for both samples. We then focus on the low-income sample in presenting the more specific patterns of support and hardship and the modeling results.

### ***Source and extent of expected help***

To categorize the strength of households' social support networks, we use their responses to questions in the wave 6 interview (May 2010–August 2010) about the extent of help they expect to receive from family, friends, or others if they faced a situation of need, such as an illness or a move.<sup>5</sup> See table 1.

More than four in ten US households (42.4 percent) expect nearby family members to provide all the help they would need. Another one-third (33.2 percent) expect friends to provide all the help needed, while one-fifth (19.7 percent) expect to receive all their needed help from others in the community.<sup>6</sup>

The modal response for expected help from friends was “most of the help needed” (37.2 percent).

The pattern of expected help was very similar for lower-income households as for the total sample.<sup>7</sup> For example, 14.6 percent of families report that they expect “no help” from family 12.2 percent report that

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<sup>4</sup> This simultaneity may also occur among households unable to form social support networks *because* they chronically experience hardship. To the extent that social support networks are based on an expectation of reciprocity, households unable to reciprocate have difficulty establishing the relationships that they can draw upon when in need.

<sup>5</sup> SIPP 2008 panel provides social support network information in waves 6 and 9. We use wave 6 information (rather than wave 9) as it is less confounded with the incidence of material hardship at wave 9.

<sup>6</sup> Respondents could indicate multiple sources of help, thus these percentages could be overlapped.

they expect “no help” from friends, among the lowest two income quintiles, compared with 13.9 percent and 9.5 percent from the full sample, respectively.<sup>8</sup>

### ***Hardship prevalence, entry, and exit***

As one expects, the prevalence rate for specific forms of hardship is quite different between the total sample and the low-income sample. See table 2. For the total sample, the most prevalent specific hardships (in the range of 9 to 12 percent) were as follows: missed utility payment, forgone dental care, and a missed housing payment. About one-quarter of all households (26.2 percent) experienced one or more of the indicated forms of hardship.

In contrast, fully four in ten low-income households (40.3 percent) experienced at least one of the indicated hardships within the past 12 months. The most prevalent types (in the range of 34 to 40 percent) were: missed utility payment, forgone dental care, forgone doctor or hospital care, and a missed housing payment.

The estimated pattern of year-by-year hardship entry and exit is also different between the two samples. See table 3. For the total sample, the estimated rates of hardship entry and exit, based on the prior-year measures reported in mid-2010 and mid-2011, are both in the range of 10 to 11 percent. For the low-income sample, both rates are in the range of 13 to 14 percent.<sup>9</sup>

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<sup>7</sup> It is noteworthy that nearly one-third (31.7 percent) expect to receive no help from others in the community, such as a private social service agency or church.

<sup>8</sup> Based on data from the Early Childhood Longitudinal Survey-Kindergarten cohort (ECLS-K), about one-quarter of the low-income sample indicates that “never” or only “sometimes” could a friend or family member loan them money if needed in an emergency.

<sup>9</sup> Using a sample of 753 mothers with cash assistance in an urban Michigan county during 1997-2004, Heflin and Butler (2012) find an annual hardship exit rate of 15.7 percent for food insufficiency, 13.7 percent for utilities disconnection, 9.2 percent for unmet medical needs, and 7 percent for housing problems. Using the SIPP, Anderson (2011) finds that among individuals in poverty in 2004, 31.4 percent of them were no longer poor in 2005 and 41.6 percent were no longer poor in 2006. Among individuals who were not in poverty in 2005, 3.5 percent became poor in 2005 and 4.2 percent became poor in 2006.



### ***Help received when hardship experienced***

The pattern of help received by households when they experience hardship is very similar between the total sample and the low-income sample. See table 3. (Respondents could indicate multiple sources of help.)

For both samples, the higher extent to which help is provided in these circumstances by nearby family members (versus friends or others) is consistent with the stronger expectations of help from family when needed.

### **MULTIVARIATE ESTIMATES**

We now turn to the multivariate estimates of the effect of one's social support network on the likelihood of experiencing hardship in the following year. Logistic regression models were estimated for the low-income sample on each of the ten hardship indicators described earlier and also on hardship entry and exit. Each equation included the full set of covariates relating to the household's or householder's economic and demographic characteristics. The coefficient estimates of primary interest are those on the nine dummy variables in each equation indicating one's expectation of receiving all, most, or very little help from family, friends, or others. The effects for each source of help are estimated relative to those expecting to receive no help from that source. The estimated effects on the occurrence of hardship are shown in tables 4, 5, and 6 for expected help from family, friends, and others, respectively. Figure 1 presents graphically the findings relating to the composite hardship indicator.<sup>10</sup>

Table 7 shows the estimated effects on the hardship entry and exit rates, for expected help from each of the three sources. In all of these tables, the coefficient estimates that are significantly different from

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<sup>10</sup> Figure 1 uses bar charts to display the hardship prevalence rate among subgroups according to their expected level of support from the indicated source (family, friends, or others). For each chart, the height of the four columns reflects the coefficient estimates from the composite hardship equation. The weighted average of the four values in each chart equals the sample mean (40.3 percent).

zero at the 0.05 level are shown in bold. Favorable (hardship-reducing) effects are indicated by negative coefficient estimates for hardship prevalence or entry and positive coefficients for hardship exit.

### ***Effects on hardship prevalence***

For each of the three sources of help, the estimate that captures the most general effect of one's support network is the effect on the composite hardship measure associated with expecting to receive all of the help needed. For this outcome (where 40.3 percent of the low-income sample experienced at least one type of hardship out of seven reported in wave 9), the effect was -12.6 percentage points for help from family, -10.3 percentage points for help from friends, and -11.6 percentage points for help from others. Proportionately, these effects amount to 26 to 31 percent of the mean prevalence rate. Stated otherwise, the rate at which households experienced hardship was lower by one-quarter to one-third among those previously indicating that they expect to receive all needed help from a source, versus those expecting no help from that source.

The pattern of estimated relationships between social support network and hardship prevalence is consistent with a favorable influence of one's social support network, in the following respects:

- Across all eight hardship indicators and the three sources of help, most of the estimated relationships between expecting to receive all or most of the help needed and experiencing subsequent hardships are negative and statistically significant at the 5 percent level. (This is so for 44 of the 60 such estimates in tables 4, 5, and 6.)<sup>11</sup>
- In most instances, the estimated relationship between expecting all of the help needed and experiencing hardships is not only significantly negative but also appreciably large in magnitude,

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<sup>11</sup> We acknowledge that with each additional outcome tested there is an increased chance of finding at least one significant effect, even if the null hypothesis is true for every outcome. The conservative methods developed to counteract this are typically applied when the number of tested outcomes is much higher than eight.

more than 10 percent of the sample mean prevalence rate. (This is so for 21 of the 30 such estimates.)

- For each hardship indicator and source of help, the estimated effects have the expected ordinal relationship—with the most favorable effect estimated for those expecting to receive all of the help needed, followed by the effects for expecting to receive most and very little of the help needed. (This is so for 22 of the 30 such combinations.)

The lack of statistical significance associated with expecting to receive very little of the help needed is understandable, given the weak distinction between expecting very little versus none of one's needed help.

#### ***Influence of household characteristics and liquid assets***

The effects associated with the economic and demographic covariates in the models also deserve mention. Lower prevalence of hardship was associated with households characterized by higher income, more liquid assets, or smaller household size and where the householder was Asian or Pacific-Islander (versus other non-white non-black), college educated (versus less than high school), or married (versus not married).

The coefficient estimates for holdings of liquid assets are noteworthy, when viewed in comparison to the favorable effects of one's social support network. Across the hardship indicators, the pattern of effects associated with having liquid assets in the range of \$2,000 to \$9,999 was very similar to those shown in table 4 for expecting all of the help needed from family. (Consider the -9.2 percentage point estimate in table 4 with respect to unmet essential household expenses. The corresponding value for having \$2,000 to \$9,999 in liquid assets was -9.4 percentage points.) This suggests a first-order monetary estimate for the economic value one derives from having nearby family members within one's social support network, with specific regard to hardship avoidance.

### ***Effects on hardship entry and exit rates***

Table 7 explores the issue of whether the favorable effect of social support networks comes through a reduced rate of *entry* into hardship or an increased rate of *exit* from hardship, or both. It appears to be more the former than the latter. One's expected receipt of all the needed help (versus none) or most of the need help (versus none) from family or from others reduces the onset of hardship (based on the composite hardship indicator). In contrast, only one form of expected help—the expected receipt of all (versus none) of the needed help from family--increases the rate of hardship exit. This suggests that social support networks operate in a way that fends off hardship rather than shortening the duration of hardship episodes when they occur.

### **CONCLUSION AND IMPLICATIONS**

Using the SIPP 2008 data, we find that a stronger social support network is associated with a lower incidence of material hardship, which appears to occur through a lower likelihood of entering hardship rather than and a higher likelihood of exiting hardship among low-income families. Results are significant and robust across a range of hardships related to housing, utilities, medical care, and food. These findings suggest that stronger social support networks could help low-income families avoid material hardship and making ends meet, especially during periods of economic recovery. The greater vulnerability to hardship associated with weaker support networks suggests that publicly funded benefit programs should be targeted, whenever possible, to those less likely to have access to such support.

## **APPENDIX**

### ***Measures of help expected from family, friends, or others***

The Adult Well-Being module includes a series of questions about the extent and sources of help that one would expect to receive in a situation of need. We use these responses to characterize the extent of one's social support network.

The wording of the three questions in this series is as follows:

- If you had a problem with which you needed help (for example, sickness or moving), how much help would you expect to get . . .
  - From family living nearby?
  - From friends?
  - From other people in the community besides family and friends, such as a social agency or a church?

The response categories were as follows for each of these three survey items:

- All of the help needed
- Most of the help needed
- Very little of the help needed
- No help

We use these questions to indicate the extent of one's social support network, separately in terms of family, friends, and others. For the multivariate analysis we constructed nine separate dummy variables, identifying the extent of help expected (all, most, or very little of the help needed) from each source (family, friends, and others).

### ***Measures of material hardship***

The Adult Well-Being topical module also included questions about forms of material hardship experienced by the households. We have used these to construct nine indicators of hardship and one

composite indicator (if any of the nine forms was experienced). Most studies that examine material hardship look at four general hardship domains: the ability to pay bills, health problems, food insufficiency, and housing problems, and the measures across data sources are similar.<sup>12</sup> As referred to in this paper, the **hardship prevalence rate** for each indicator is the percentage of households experiencing the indicated form of difficulty in meeting their basic living needs, within the most recent 12 months (or, as explained below, within the most recent four months, for food insecurity). In conjunction with the composite indicator, the **hardship entry rate** is the percentage of households experiencing any of the indicated hardships within the most recent 12 months, among those who had not experienced hardship during the prior 12 months. The **hardship exit rate** is the percentage of households not experiencing hardship within the most recent 12 months, among those who had experienced hardship during the prior 12 months.

As noted earlier, the Adult Well-Being topical module was administered at waves 6 and 9 for the 2008 SIPP panel. For wave 6, the 12-month reference period for the hardship indicators listed below corresponds to months 13-24 of each respondent's participation in the survey panel. For wave 9, the corresponding 12-month reference period covers months 25-36.<sup>13</sup>

The nine hardship indicators used in this paper are as follows.

#### Unmet essential household expenses

The topical module first asks generally about one's inability to meet essential household expenses.

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<sup>12</sup> For example, Pilkauskas, Currie, and Garfinkel (2012) use the Fragile Families and Child Wellbeing Study (FFCWS) 2007-2010 to examine the relationship between unemployment, government transfer, and material hardship. The FFCWS asks whether a household did not pay the full amount of rent or mortgage payment, or gas, oil, or electricity bill, in the past 12 months, which is also asked in the same way in SIPP. Their analysis combines missed rent/mortgage payment and missed gas, oil, or electricity payment into one measure and it ranges from 21.6 percent to 37.5 percent depending on unemployment rate. These statistics among fragile families lie between our prevalence rate of missed payment for total sample and lower-income sample.

<sup>13</sup> For the last interviewed panel members, month 13-24 corresponds to September 2009 to August 2010, and month 25-36 corresponds to September 2010 to August 2011.

“Next are questions about difficulties people sometimes have in meeting essential household expenses for such things as mortgage or rent payments, utility bills, or important medical care.

During the past 12 months, has there been a time when [you] did not meet all of your essential expenses?”

#### Hardships specifically related to housing, utilities, and medical care

The next questions in the topical module pertain to seven specific forms of hardship experienced within the past year. For each of these items, those responding affirmatively were asked whether, when the hardship occurred, any person or organization helped and (if so) whether the help was provided by family (“a family member or relative”), friends (“a friend, neighbor, or other non-relative”), or others in the community (“a department of social services”, “a church or nonprofit group”, or “other”).

- Missed rent or mortgage payment: “Was there any time in the past 12 months when [you] did not pay the full amount of the rent or mortgage?”
- Missed payment for gas, oil, or electricity: “How about not paying the full amount of the gas, oil, or electricity bills? Was there a time in the past 12 months when that happened to [you]?”
- Shutoff of phone service: “How about the telephone company disconnecting service because payments were not made? Was there a time in the past 12 months when that happened to [you]?”
- Forgone doctor or hospital care: “In the past 12 months was there a time [you] needed to see a doctor or go to the hospital but did not go?”
- Forgone dental care: “In the past 12 months was there a time [you] needed to see a dentist but did not go?”

### Food insecurity

Additionally, respondents were asked to complete the USDA's eight-item food security module to determine whether the household had limited or uncertain access to adequate food. As these questions pertain to the past four months only, they understate the extent to which food insecurity was experienced in the past year. Note also that follow-up questions about the receipt of help from family, friends, or others were not asked of those classified as food insecure.



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**Table 1. Source and Extent of Expected Help**

| Extent of expected help        | % expecting help from:             |         |        |
|--------------------------------|------------------------------------|---------|--------|
|                                | Family                             | Friends | Others |
|                                | <u>Total sample</u>                |         |        |
| All of the help needed         | 42.4                               | 33.2    | 19.7   |
| Most of the help needed        | 29.4                               | 37.2    | 22.2   |
| Very little of the help needed | 14.3                               | 20.1    | 27.3   |
| No help                        | 13.9                               | 9.5     | 30.9   |
| Total                          | 100.0                              | 100.0   | 100.0  |
|                                | <u>Lowest two income quintiles</u> |         |        |
| All of the help needed         | 40.1                               | 30.3    | 18.4   |
| Most of the help needed        | 29.4                               | 35.2    | 22.8   |
| Very little of the help needed | 15.9                               | 22.3    | 27.0   |
| No help                        | 14.6                               | 12.2    | 31.7   |
| Total                          | 100.0                              | 100.0   | 100.0  |

*Source:* Authors' calculations from the Survey of Income and Program Participation (SIPP) 2008 panel.

*Note:* Extent of expected help is measured at wave 6 (May 2010–August 2010).

**Table 2. Rates of Material Hardship**

|   | Total<br>sample               | Lowest<br>two income<br>quintiles |
|---|-------------------------------|-----------------------------------|
|   | <u>Prevalence rate (%)</u>    |                                   |
| Unmet essential household expenses          | 17.5                          | 28.2                              |
| Missed rent or mortgage payment             | 9.0                           | 34.5                              |
| Missed payment for gas, oil, or electricity | 11.8                          | 39.6                              |
| Shutoff of phone service                    | 4.1                           | 26.0                              |
| Forgone doctor or hospital care             | 8.8                           | 35.2                              |
| Forgone dental care                         | 10.9                          | 37.7                              |
| Food insecurity                             | 2.9                           | 5.7                               |
| Any type above                              | 26.2                          | 40.3                              |
|   | <u>Entry or exit rate (%)</u> |                                   |
| Entry into hardship                         | 10.3                          | 13.6                              |
| Exit from hardship                          | 10.4                          | 13.1                              |

*Source:* Authors' calculations from the Survey of Income and Program Participation (SIPP) 2008 panel.

*Note:* Prevalence of material hardship is reported at wave 9 (May 2011–August 2011). Entry into hardship is measured as experience any type of hardship (out of 7) at wave 9 among those not in hardship at wave 6; exit from hardship is measured as experience no hardship at wave 9 among those had at least one hardship at wave 6.

**Table 3. Whether Any Help Was Received During Hardship**

| Type of hardship                            | Among those experiencing hardship, % receiving any help from: |                                    |        |
|---|---|------------------------------------|--------|
|   | Family  | Friends                            | Others |
|   |   | <u>Total sample</u>                |        |
| Missed rent or mortgage payment             | 15.6  | 4.5                                | 10.0   |
| Missed payment for gas, oil, or electricity | 10.9  | 3.1                                | 15.4   |
| Shutoff of phone service                    | 10.3  | 2.7                                | 2.2    |
| Forgone doctor or hospital care             | 4.0   | 1.9                                | 4.1    |
| Forgone dental care                         | 2.6   | 0.6                                | 2.1    |
|   |   | <u>Lowest two income quintiles</u> |        |
| Missed rent or mortgage payment             | 19.3  | 6.0                                | 10.7   |
| Missed payment for gas, oil, or electricity | 13.4  | 4.3                                | 18.5   |
| Shutoff of phone service                    | 11.3  | 3.1                                | 2.3    |
| Forgone doctor or hospital care             | 4.7   | 1.9                                | 4.7    |
| Forgone dental care                         | 2.8   | 0.5                                | 2.5    |

*Source:* Authors' calculations from the Survey of Income and Program Participation (SIPP) 2008 panel.

*Note:* Experience of hardships and help received are measured at wave 9 (May 2011–August 2011).

**Table 4. Effect on Hardship Prevalence of Expected Help from Family, Lowest Two Income Quintiles**

| Type of hardship (at wave 9)                   | Extent of expected help from family<br>(wave 6)               |                        |                                  | Prevalence rate<br>(%, wave 9) |
|--|---|------------------------|----------------------------------|--------------------------------|
|  | All of help<br>needed   | Most of<br>help needed | Very<br>little of<br>help needed |                                |
|  | Effect on prevalence rate<br>(percentage points) <sup>a</sup> |                        |                                  |                                |
| <u>During past twelve months</u>               |   |                        |                                  |                                |
| Unmet essential household expenses             | <b>-9.2</b>   | <b>-6.6</b>            | 0.6                              | 28.2                           |
| Missed rent or mortgage payment                | <b>-4.5</b>   | <b>-2.5</b>            | 0.5                              | 34.5                           |
| Missed payment for gas, oil, or<br>electricity | <b>-5.4</b>   | -2.6                   | 0.9                              | 39.6                           |
| Shutoff of phone service                       | <b>-2.6</b>   | <b>-2.4</b>            | -1.1                             | 26.0                           |
| Forgone doctor or hospital care                | <b>-5.3</b>   | <b>-4.1</b>            | 0.1                              | 35.2                           |
| Forgone dental care                            | <b>-5.2</b>   | <b>-4.6</b>            | 0.6                              | 37.7                           |
| <u>During past four months</u>                 |   |                        |                                  |                                |
| Food insecurity                                | <b>-1.7</b>   | -1.0                   | -0.8                             | 5.7                            |
| Any type above                                 | <b>-12.6</b>  | <b>-9.8</b>            | -0.1                             | 40.3                           |

*Source:* Authors' calculations from the Survey of Income and Program Participation (SIPP) 2008 panel.

*Notes:* Sample size: 7,762 households. Entries in bold are significantly different from zero at the 0.05 level.

<sup>a</sup> Estimated effect is relative to those expecting to receive none of the help needed.

**Table 5. Effect on Hardship Prevalence of Expected Help from Friends, Lowest Two Income Quintiles**

| Type of hardship (at wave 9)                   | Extent of expected help from friends<br>(wave 6)              |                        |                                  | Prevalence rate<br>(%, wave 9) |
|--|---|------------------------|----------------------------------|--------------------------------|
|  | All of help<br>needed   | Most of help<br>needed | Very<br>little of<br>help needed |                                |
|  | Effect on prevalence rate<br>(percentage points) <sup>a</sup> |                        |                                  |                                |
| <u>During past twelve months</u>               |   |                        |                                  |                                |
| Unmet essential household expenses             | <b>-6.2</b>   | <b>-3.8</b>            | 0.4                              | 28.2                           |
| Missed rent or mortgage payment                | <b>-3.6</b>   | <b>-2.6</b>            | -1.3                             | 34.5                           |
| Missed payment for gas, oil, or<br>electricity | <b>-6.1</b>   | <b>-3.2</b>            | 1.0                              | 39.6                           |
| Shutoff of phone service                       | -0.8  | 0.5                    | 1.8                              | 26.0                           |
| Forgone doctor or hospital care                | <b>-2.9</b>   | <b>-3.1</b>            | 0.7                              | 35.2                           |
| Forgone dental care                            | <b>-4.9</b>   | <b>-3.1</b>            | 1.9                              | 37.7                           |
| <u>During past four months</u>                 |   |                        |                                  |                                |
| Food insecurity                                | <b>-3.3</b>   | <b>-1.6</b>            | -0.2                             | 5.7                            |
| Any type above                                 | <b>-10.3</b>  | <b>-5.1</b>            | 1.9                              | 40.3                           |

*Source:* Authors' calculations from the Survey of Income and Program Participation (SIPP) 2008 panel.

*Notes:* Sample size: 7,762 households. Entries in bold are significantly different from zero at the 0.05 level.

<sup>a</sup> Estimated effect is relative to those expecting to receive none of the help needed.

**Table 6. Effect on Hardship Prevalence of Expected Help from Others, Lowest Two Income Quintiles**

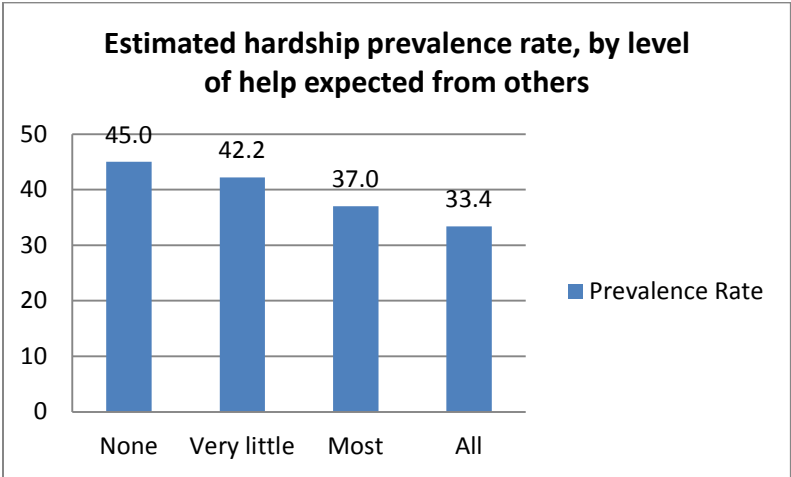
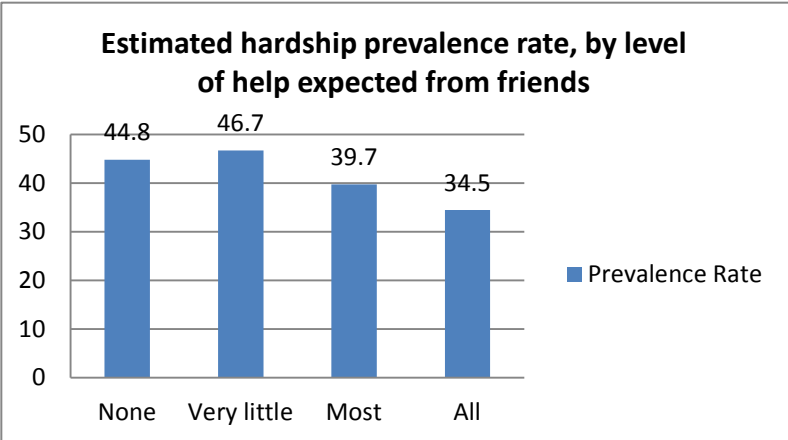
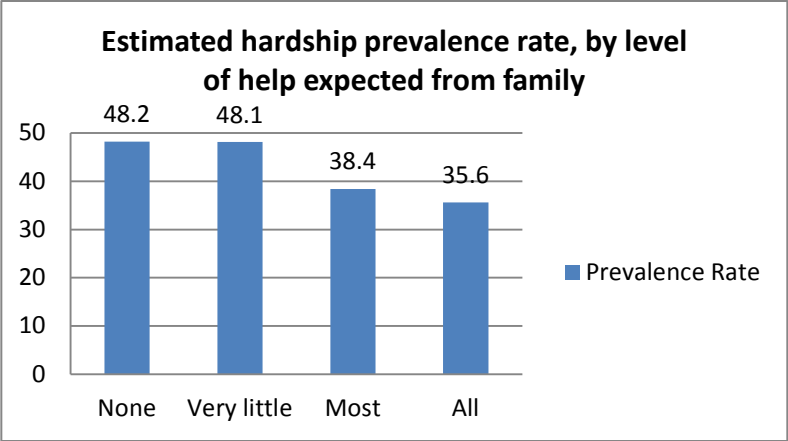
| Type of hardship (at wave 9)                   | Extent of expected help from others<br>(wave 6)               |                        |                                  | Prevalence<br>rate<br>(%, wave 9) |
|--|---|------------------------|----------------------------------|-----------------------------------|
|  | All of help<br>needed   | Most of help<br>needed | Very<br>little of<br>help needed |                                   |
|  | Effect on prevalence rate<br>(percentage points) <sup>a</sup> |                        |                                  |                                   |
| <u>During past twelve months</u>               |   |                        |                                  |                                   |
| Unmet essential household expenses             | <b>-7.8</b>   | <b>-5.3</b>            | <b>-3.0</b>                      | 28.2                              |
| Missed rent or mortgage payment                | <b>-3.5</b>   | -2.0                   | -0.5                             | 34.5                              |
| Missed payment for gas, oil, or<br>electricity | <b>-6.2</b>   | <b>-4.9</b>            | <b>-2.3</b>                      | 39.6                              |
| Shutoff of phone service                       | <b>-2.5</b>   | <b>-1.8</b>            | 0.1                              | 26.0                              |
| Forgone doctor or hospital care                | <b>-6.2</b>   | <b>-2.9</b>            | -0.7                             | 35.2                              |
| Forgone dental care                            | <b>-6.3</b>   | <b>-4.8</b>            | <b>-2.5</b>                      | 37.7                              |
| <u>During past four months</u>                 |   |                        |                                  |                                   |
| Food insecurity                                | <b>-1.2</b>   | <b>-1.1</b>            | <b>-1.0</b>                      | 5.7                               |
| Any type above                                 | <b>-11.6</b>  | <b>-8.0</b>            | <b>-2.8</b>                      | 40.3                              |

*Source:* Authors' calculations from the Survey of Income and Program Participation (SIPP) 2008 panel.

*Notes:* Sample size: 7,762 households. Entries in bold are significantly different from zero at the 0.05 level.

<sup>a</sup> Estimated effect is relative to those expecting to receive none of the help needed.

**Figure 1. Estimated Hardship Prevalence Rate, by Level of Help Expected from Family, Friends, and Others**



Source: Authors' calculations from the Survey of Income and Program Participation (SIPP) 2008 panel.



**Table 7. Effect of Expected Help on Hardship Entry and Exit, Lowest Two Income Quintiles**

| Source of expected help (at wave 6) | Extent of expected help (at wave 6)                                   |                     |                            | Hardship entry or exit rate (%) |
|-------------------------------------|---|---------------------|----------------------------|---------------------------------|
|                                     | All of help needed  | Most of help needed | Very little of help needed |                                 |
|                                     | Effect on hardship <u>entry</u> rate (percentage points) <sup>a</sup> |                     |                            | 13.6                            |
| Family                              | <b>-6.7</b>   | <b>-7.4</b>         | -3.6                       |                                 |
| Friends                             | -1.3  | 2.8                 | 3.1                        |                                 |
| Others                              | <b>-5.2</b>   | <b>-3.8</b>         | 0.9                        |                                 |
|                                     | Effect on hardship <u>exit</u> rate (percentage points) <sup>a</sup>  |                     |                            | 13.1                            |
| Family                              | <b>9.4</b>  | 5.7                 | 0.7                        |                                 |
| Friends                             | 7.1   | 2.6                 | -3.4                       |                                 |
| Others                              | 3.3   | 1.9                 | 2.6                        |                                 |

*Source:* Authors' calculations from the Survey of Income and Program Participation (SIPP) 2008 panel.

*Notes:* Sample sizes: 4,620 and 3,142 households for entry and exit, respectively. Entries in bold are significantly different from zero at the 0.05 level.

<sup>a</sup> Estimated effect is relative to those expecting to receive none of the help needed.