

ALICE IN THE CROSSCURRENTS



AN UPDATE ON FINANCIAL HARDSHIP IN LOUISIANA

2024 Update | UnitedForALICE.org



Louisiana Association
of United Ways

LETTERS TO THE COMMUNITY

Louisiana Association of United Ways

Message from Sarah H. Berthelot, President and CEO

ALICE lives in every town and every parish in our state – working as child care providers, aides for the elderly, cashiers, mechanics, waiters, and so much more. Each and every day, we witness countless ALICE workers provide essential services that keep our economy moving, often times without adequate health care access and optimal child care supports. They are our friends, family, and people we rely on every day – through good times and hard times.

Thank you for taking time to learn about ALICE in Louisiana. When ALICE can improve financial stability, we are all stronger and more prosperous.

A very special thanks to the Entergy Corporation for their generous support and activism for ALICE. The Louisiana Association of United Ways is also grateful for the partnership of United Ways throughout our state and the countless governmental, nonprofit, and business partners who work to find ways to help ALICE.

To access a digital copy of this publication, you can visit launitedway.org/ALICE. You can also access expanded ALICE data and resources for Louisiana at UnitedForALICE.org/Louisiana.

Entergy Corporation

*Message from Patty Riddlebarger, Vice President
of Corporate Social Responsibility*

Entergy is pleased to partner with United Ways throughout Louisiana to bring forth the ALICE Report for Louisiana. It is an honor to serve as the Louisiana statewide sponsor since the inception of this project in 2016.

At Entergy, our focus on ALICE is rooted in the economic reality of the communities we serve – we know ALICE well.

That's why we are proud to have partnered with United Ways this past year to provide more than \$4.4 million in utility assistance, which reached thousands of Louisiana families living below the ALICE Threshold. Our joint focus on Volunteer Income Tax Assistance (VITA) provides free tax preparation services for Louisiana ALICE workers so they can access much-needed tax credits to support their families.

Entergy is deeply committed to equipping ALICE families with the tools to succeed while also inspiring action from businesses, policymakers, and communities to build stronger financial stability for hardworking families throughout Louisiana.

Participating United Ways:

Capital Area United Way

George H. Bell
President/CEO
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ALICE IN THE CROSSCURRENTS

2024
UPDATE

AN UPDATE ON FINANCIAL HARDSHIP IN LOUISIANA

In 2022, financial hardship in Louisiana continued to be shaped by the conflicting economic forces of the pandemic, and remained substantially undercounted by official measures.

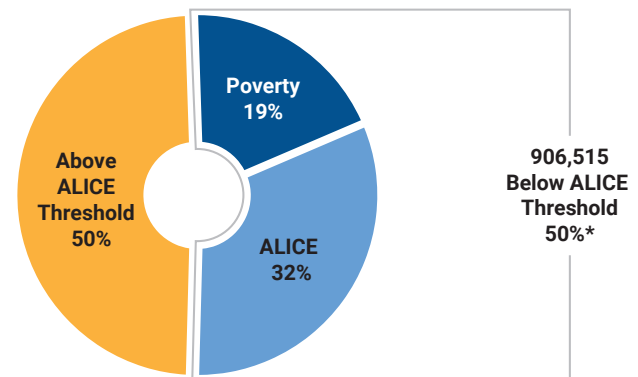
These powerful crosscurrents — COVID-19, inflation, wage growth, and the expansion and expiration of [pandemic public assistance](#) — impacted how many Louisiana households were below the [ALICE Threshold of Financial Survival](#).

Between 2021 and 2022, the number of households in poverty in Louisiana decreased by 913 (remaining at 19% of all households). At the same time, the number of ALICE households increased by 4,960 (remaining at 32% of all households), continuing a more than decade-long trend in the growth of this population. **In 2022, of the 1,799,695 households in Louisiana, 906,515 — 50%* — were below the ALICE Threshold.**

With the latest data from the [American Community Survey](#) (2022), the [U.S. Census Bureau's Household Pulse Survey](#) (2023), and the [Federal Reserve Board's Survey of Household Economics and Decisionmaking](#) (SHED) (2022), this Update highlights the conflicting forces that continue to present opportunities for, and barriers to, financial stability in Louisiana.

**In Louisiana in 2022, out of 1,799,695 households, there were 339,003 (18.8%) in poverty plus 567,512 (31.5%) that were ALICE, totaling 906,515 (50.3%) below the ALICE Threshold, which is rounded to 50% in this Update.*

Total Households in Louisiana = 1.8 Million



KEY TERMS

- **ALICE:** Asset Limited, Income Constrained, Employed — households that earn above the Federal Poverty Level (FPL) but cannot afford the basic cost of living in their parish. Despite struggling to make ends meet, ALICE households often do not qualify for public assistance.
- **ALICE Household Survival Budget:** Reflects the minimum costs of household necessities in Louisiana (housing, child care, food, transportation, health care, and technology) plus taxes, adjusted for different parishes and household types
- **ALICE Threshold of Financial Survival:** Derived from the Household Survival Budget, the minimum average income that a household needs to afford basic costs, calculated for all U.S. counties/parishes
- **Below ALICE Threshold:** Includes households in poverty and ALICE households combined
- **ALICE Essentials Index:** A measure of the average change over time in the costs of essential goods and services

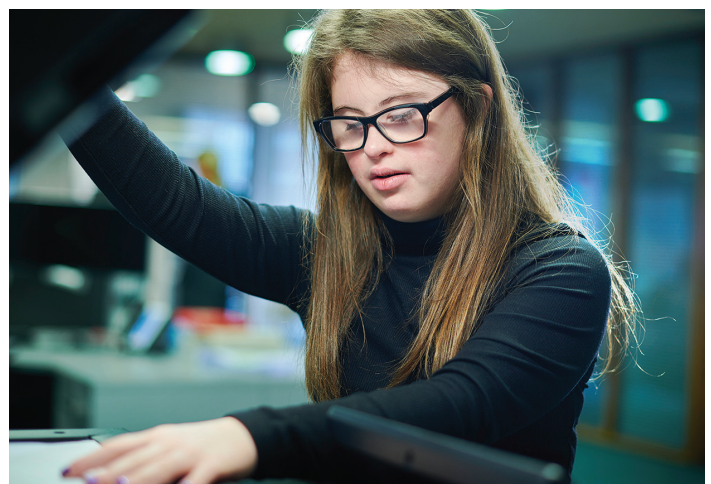


Louisiana Association
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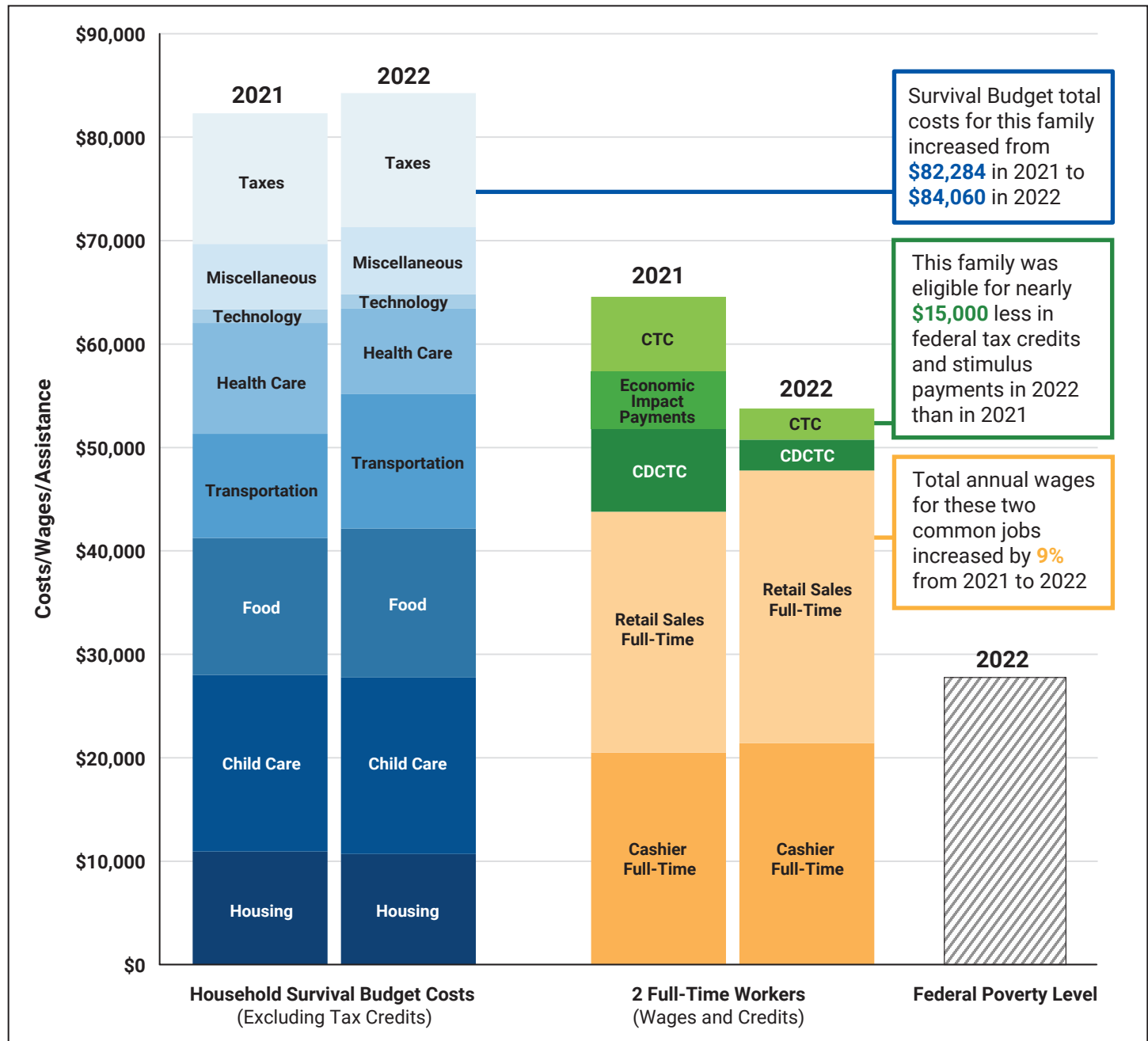
HOUSEHOLD COSTS, PUBLIC ASSISTANCE, AND WAGES

Financial hardship among Louisiana households shifted from 2021 to 2022 based primarily on three factors:

- **Costs:** From 2021 to 2022, the ALICE Household Survival Budget for a single adult in Louisiana increased from \$26,760 to \$27,420, well above the FPL of \$13,590. For a family of four with two children in child care, the budget (including tax credits) increased from \$66,288 to \$78,744, nearly three times the FPL of \$27,750. Excluding tax credits, costs for a family of four totaled \$84,060 in 2022, up from \$82,284 in 2021. (More data on inflation is available in the [ALICE Essentials Index](#) June 2024 Update.)
- **Public assistance:** Pandemic assistance had the most pronounced effects on families with children. The Economic Impact Payments and the expansions of the Child Tax Credit (CTC) and the Child and Dependent Care Tax Credit (CDCTC) helped many ALICE families through 2021. But this assistance was substantially reduced when the [2021 American Rescue Plan](#) expired, stimulus payments ended, and tax credits reverted to 2020 levels. In 2022, a family of four with two children in childcare in Louisiana was eligible for approximately \$15,000 less in maximum federal tax credits and stimulus payments than in 2021.
- **Wages:** As pandemic assistance wound down, wages increased for most low-wage jobs. For example, median retail sales wages in Louisiana increased from \$11.19 per hour in 2021 to \$12.66 per hour in 2022.



Comparison of Costs, Public Assistance, and Wages, Family of Four, Louisiana, 2021 and 2022



Note: CTC = Child Tax Credit, CDCTC = Child and Dependent Care Tax Credit. Full-time income is calculated based on 40 hours per week.

Sources: ALICE Threshold, 2021 and 2022; Bureau of Labor Statistics—Occupational Employment Statistics, 2021 and 2022; Internal Revenue Service, tax credits—CTC, CDCTC, EITC, 2021 and 2022; U.S. Department of the Treasury, 2022 and 2023.

See page 13 for Household Survival Budget sources and visit UnitedForALICE.org/Household-Budgets/Louisiana to see the Household Survival Budget for all parishes and for any household composition.

Across the country, between 2019 and 2022, [wages for the lowest-paid jobs increased](#) at a faster rate than at any point since 1979. This was in part due to a [tighter labor market](#) in which workers reevaluated their employment situation in the wake of the pandemic and inflation, and employers had to offer more competitive wages to attract and retain them. While minimum wage increases in some states also contributed to this effect, that wasn't the case in Louisiana; the state's minimum wage workers are paid the federal minimum wage (which has been \$7.25 per hour since 2010). But overall, low-wage jobs in Louisiana still saw notable wage increases from 2019 to 2022.

While these increases helped fill the gap when pandemic assistance ended, they were not enough to make up for years of falling behind. In 2022, of the 20 most common occupations in Louisiana as reported by the Bureau of Labor Statistics (BLS), 75% still paid less than \$20 per hour. And of the workers in these 20 most common occupations, 41% were below the ALICE Threshold in 2022. Occupations with the largest share of ALICE workers included personal care aides, cooks, cashiers, fast food and counter workers, and waiters/waitresses.

Labor Characteristics of Most Common Occupations, Louisiana, 2019–2022

Most Common Occupations	Total Employment, 2022 (BLS)	Percent of Workers Below ALICE Threshold, 2022 (ACS PUMS)	Median Hourly Wage, 2022 (BLS)	Percent Change in Wage, 2019–2022 (BLS)
Cashiers	59,490	58%	\$11.82	27%
Retail Salespersons	49,310	42%	\$12.66	17%
Driver/Sales Workers and Truck Drivers	46,170	37%	\$19.15	14%
Registered Nurses	43,790	8%	\$35.18	14%
General and Operations Managers	38,910	11%	\$48.45	5%
Laborers and Movers, Hand	37,540	46%	\$14.51	14%
Personal Care Aides	34,870	70%	\$9.46	5%
Secretaries and Administrative Assistants	33,900	30%	\$17.24	16%
Cooks	31,170	61%	\$12.27	15%
Office Clerks	30,500	42%	\$13.27	14%
Waiters and Waitresses	29,730	55%	\$9.96	13%
Food Preparation Workers	29,620	53%	\$10.21	14%
Customer Service Representatives	28,150	45%	\$15.53	6%
Fast Food and Counter Workers	27,830	57%	\$10.18	12%
Stockers and Order Fillers	27,800	55%	\$14.04	23%
Elementary and Middle School Teachers	27,670	18%	\$24.01	4%
Administrative Support Supervisors	21,760	35%	\$23.69	6%
Bookkeeping, Accounting, and Auditing Clerks	20,710	24%	\$18.78	6%
Sales Representatives, Wholesale and Manufacturing	19,350	14%	\$35.96	36%
Retail Sales Supervisors	19,100	42%	\$18.39	6%

Note: BLS = Bureau of Labor Statistics; ACS PUMS = American Community Survey Public Use Microdata Sample. Occupation titles and percent of workers below the ALICE Threshold come from ACS PUMS. ALICE Threshold status is determined by comparing workers' household income to the Household Survival Budget for their household composition and location. Employment and wage numbers are from BLS and are matched to the closest PUMS occupation title (which are generally broader than those in BLS).

Sources: ALICE Threshold, 2022; Bureau of Labor Statistics—Occupational Employment Statistics, 2022; U.S. Census Bureau, American Community Survey, PUMS, 2019 and 2022

To see the most common occupations for workers below the ALICE Threshold in your community, visit UnitedForALICE.org/ALICE-EVD. For more data on jobs by hourly wages and full-time, part-time, and hourly work schedules, visit UnitedForALICE.org/Labor-Force/Louisiana.

Financial Hardship Over Time

Despite some ups and downs in rates of financial hardship since the end of the Great Recession, the trend is clear: **The number of ALICE households in Louisiana has been steadily growing.** Between 2010 and 2022, the total number of households in the state increased by 7%, households in poverty increased by 15%, and the number of ALICE households increased by 20%. By 2022, 19% (339,003) of all households were below the FPL, and 32% (567,512) of all households were ALICE – a combined 50%* (906,515) of households struggling to make ends meet.

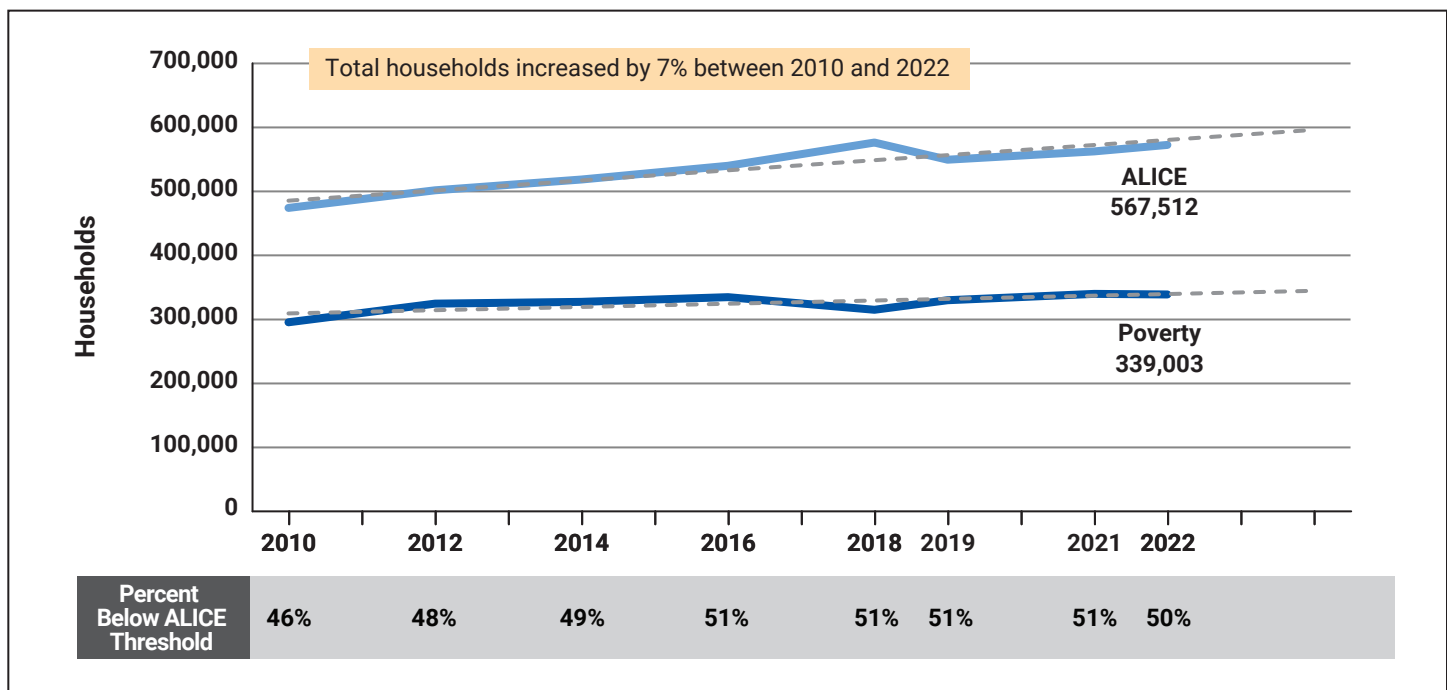
Zooming in to the period around the COVID-19 pandemic (2019–2022), there was surprisingly little change in the rate of financial hardship in Louisiana (51% of households below the ALICE Threshold in 2019 and 50% in 2022).

Yet by number, ALICE households and households below the ALICE Threshold continued to grow.

This consistent trend – a growing number of households that are struggling financially, often ineligible for public assistance, and undercounted by official measures – represents a major vulnerability in our economic system. It also suggests that overall social and economic policies are falling short in addressing the root causes of financial instability.

**In Louisiana in 2022, out of 1,799,695 households, there were 339,003 (18.8%) in poverty plus 567,512 (31.5%) that were ALICE, totaling 906,515 (50.3%) below the ALICE Threshold, which is rounded to 50% in this Update.*

Households by Income, Louisiana, 2010–2022



Note: The gray dashed trend lines in this figure highlight the general direction of the point-in-time data for the years shown. These lines indicate whether the numbers of ALICE and Poverty-Level households have been generally increasing, decreasing, or remaining flat. The ALICE and Poverty trend lines are both statistically significant (ALICE at $p < 0.001$ and Poverty at $p < 0.05$).

Sources: ALICE Threshold, 2010–2022; U.S. Census Bureau, American Community Survey, 2010–2022

To see additional data on financial hardship over time in Louisiana, visit UnitedForALICE.org/Louisiana.

SPOTLIGHT ON ALICE DEMOGRAPHICS

Families With Children

While recent attention has focused on the rising [Supplemental Poverty Rate](#) for children following the expansion and reversal of Child Tax Credits during and after the pandemic, longer-term trends — specifically, the decline in total families with children and the rise in ALICE households with children — tell a more nuanced story.

The number of households with children in Louisiana has been declining (down 6% from 2010 to 2022). This trend has been driven by a decrease in the number of married-parent households, which fell from 298,363 in 2010 to 275,155 in 2022 (down 8%), and single-female-headed households, which fell from 159,788 in 2010 to 147,023 in 2022 (also down 8%). At the same time, the number of single-male-headed households increased, from 37,864 in 2010 to 43,848 in 2022 (up 16%).

In Louisiana, the number of households with children in poverty declined over the past decade for married-parent and single-female-headed households but increased for single-male-headed households. At the same time, the number of ALICE households with children increased across all three family types. By 2022, 43% of families with children in Louisiana were below the ALICE Threshold. And longstanding disparities in financial hardship by household type remained: 82% of single-female-headed families and 57% of single-male-headed families were below the ALICE Threshold in 2022, compared to 20% of married-parent families.

Households With Children, Louisiana

	Married-Parent	Single-Female-Headed	Single-Male-Headed
Percent Change 2010 to 2022			
Total Households	▼ Decreased 8%	▼ Decreased 8%	▲ Increased 16%
Households in Poverty	▼ Decreased 2%	▼ Decreased 14%	▲ Increased 15%
ALICE Households	▲ Increased 8%	▲ Increased 13%	▲ Increased 29%
Percent Below ALICE Threshold, 2022	20%	82%	57%

Note: Poverty rates for families with children differ from rates for individual children, in part due to different surveys and in part because there are often multiple children in a single household, which can accentuate swings.

Sources: ALICE Threshold, 2010–2022; U.S. Census Bureau, American Community Survey, 2010–2022

THE COST OF CHILD CARE

Child care remains one of the highest Survival Budget costs for households with children, and the [child care system](#) is still feeling the impact of the COVID-19 pandemic. Provider shortages and lack of affordable care present fewer options for parents. According to the October 2023 Household Pulse Survey, when families in the West South Central Census Region (which includes Louisiana) were asked what they did when child care was closed, unavailable, or unaffordable, the most common responses for respondents below the ALICE Threshold were to cut work hours (30%), take unpaid leave (25%), or supervise one or more children while working (19%).

Households Headed by People Age 65 and Over

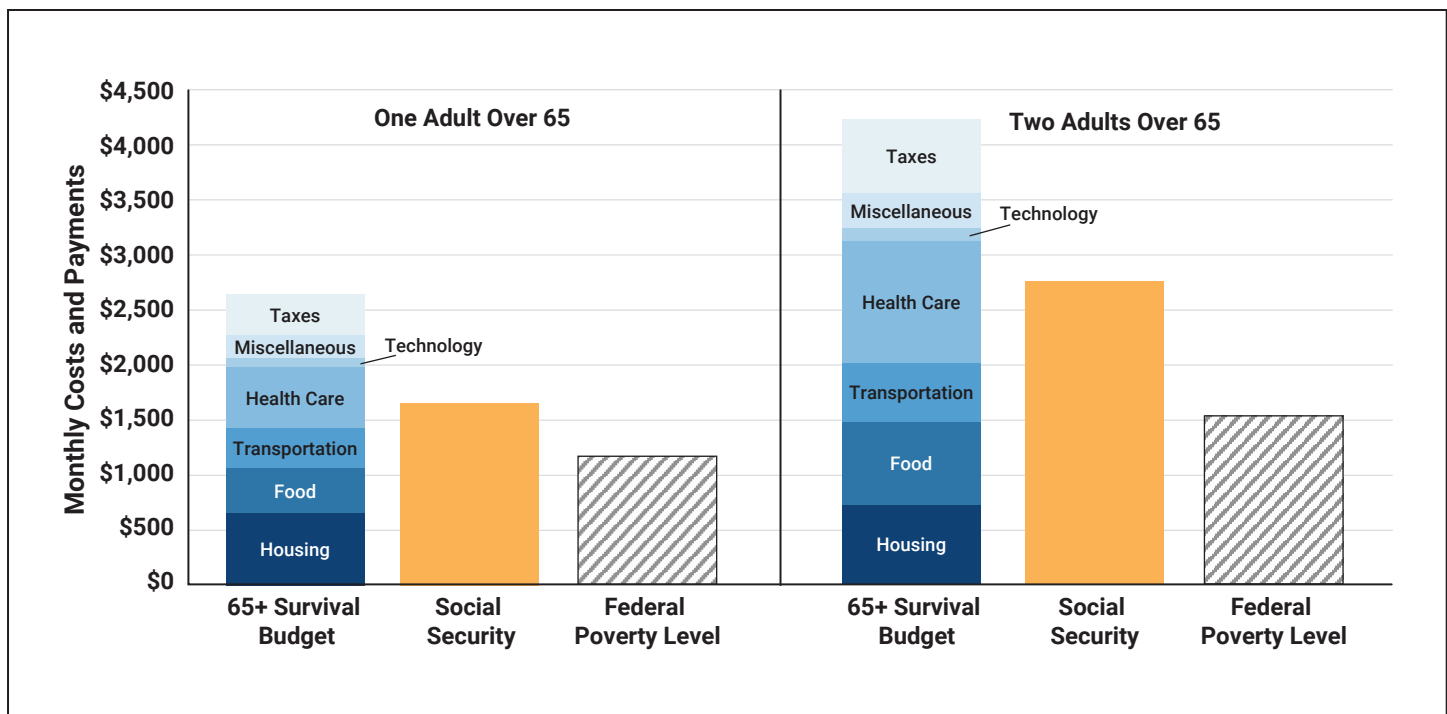
With the [aging of the Baby Boomer generation](#), households headed by people age 65 and over are the fastest-growing age group in Louisiana (up 40% between 2010 and 2022). They are also the age group with the most substantial increase in the number of households below the ALICE Threshold (also up 40% during the same period).

In 2022, 58% of Louisiana’s 65+ households were below the ALICE Threshold (285,259). While Social Security helps [reduce the poverty rate for households headed by older adults](#) (17% in Louisiana in 2022), benefits not been enough to help bring older adults to financial stability. As a result,

for more than a decade, a substantial number of these households have been ALICE (41% in 2022). In 2022, monthly costs for the ALICE 65+ Survival Budget for one adult in Louisiana were \$989 more than the [average Social Security payment](#) and \$1,483 more than the FPL.

With increasing costs and insufficient retirement savings, many older adults have needed to continue working. In 2022, just over 277,000 people age 65 and over living below the ALICE Threshold in Louisiana did not have retirement savings beyond Social Security, and more than 35,800 were working.

Monthly ALICE 65+ Survival Budget Total, Average Monthly Social Security Payments, and the Federal Poverty Level, Louisiana, 2022



Note: See page 13 for a breakdown of monthly ALICE 65+ Survival Budget costs.

Sources: ALICE 65+ Survival Budget, 2022 (see the ALICE [Methodology](#) for details); Social Security Administration, 2022

Households by Race/Ethnicity

Rates of financial hardship differ substantially by race/ethnicity in Louisiana due to [persistent systemic racism](#), [discrimination](#), and [geographic barriers](#) that limit many families' access to resources and opportunities for financial stability. In 2022, 67% of Black, 50% of Hispanic, and 51% of American Indian/Alaska Native households, as well as 49% of households headed by someone of Two or More Races, were below the ALICE Threshold in Louisiana, compared to 42% of White, 41% of Native Hawaiian/Pacific Islander, and 40% of Asian households.

These disparities are mirrored in the workforce. For example, Black and Hispanic workers were more likely than White workers to experience [disruption in employment](#) during the pandemic. And gaps in employment by income and race persisted. Overall, adults age 16+ below the ALICE Threshold in Louisiana were more likely to not be working, but looking for work (12%) than those above the Threshold (2%) in 2022, and the rate was even higher for Black workers (15%).



Household Financial Status and Key Demographics, Louisiana, 2022

	Total	Below ALICE Threshold	■ Poverty ■ ALICE ■ Above ALICE Threshold		
ALL HOUSEHOLDS	1,799,695	906,515	19%	32%	50%
AGE					
Under 25 Years	78,770	58,376	40%	34%	26%
25 to 44 Years	584,764	267,739	19%	27%	54%
45 to 64 Years	641,574	295,141	18%	28%	54%
65 Years and Over	494,587	285,259	17%	41%	42%
RACE/ETHNICITY					
American Indian/ Alaska Native	8,739	4,487	12%	39%	49%
Asian	27,363	10,995	10%	30%	60%
Black	529,270	354,803	23%	44%	33%
Hispanic	78,848	39,627	12%	39%	50%
Native Hawaiian/ Pacific Islander	720	292	9%	31%	59%
Two or More Races	65,991	32,507	14%	36%	51%
White	1,087,520	454,888	9%	32%	58%
HOUSEHOLD TYPE					
Married With Children	275,155	53,745	8%	12%	80%
Single-Female- Headed With Children	147,023	120,839	54%	28%	18%
Single-Male-Headed With Children	43,848	24,903	27%	30%	43%
Single or Cohabiting, Under 65, no Children	839,082	421,769	17%	33%	50%
RURAL/URBAN					
Rural	271,714	158,295	25%	33%	42%
Urban	1,527,981	748,220	18%	31%	51%

Note: The groups shown in this figure are based on head of household and overlap across categories. Within the race/ethnicity category, all racial categories except Two or More Races are for one race alone. Race and ethnicity are overlapping categories; in this Update, the American Indian/Alaska Native, Asian, Black, Native Hawaiian (includes other Pacific Islanders), and Two or More Races groups may include Hispanic households. The White group includes only White, non-Hispanic households. The Hispanic group may include households of any race. Because household poverty data is not available for the American Community Survey's race/ethnicity categories, annual income below \$15,000 is used as a proxy. Parishes are defined as rural or urban based on the USDA's designation of metropolitan or non-metropolitan at the census tract level. Parishes with 50% or more of the population in metropolitan tracts are designated as urban; those with 50% or more of the population in non-metropolitan tracts are designated as rural. In Louisiana in 2022, out of 1,799,695 households, there were 339,003 (18.8%) in poverty plus 567,512 (31.5%) that were ALICE, totaling 906,515 (50.3%) below the ALICE Threshold, which is rounded to 50% in this Update.

Sources: ALICE Threshold, 2022; American Community Survey, 2022

ALICE REMAINS IN THE CROSSCURRENTS

Many ALICE households face [ongoing distress](#) because they have not recovered from the Great Recession, debt accumulation, a job loss, or other major challenges. Many are working hard and still struggling to find safe housing, quality child care, nutritious food, accessible health care, and reliable transportation that they can afford. Rising wages and pandemic assistance mitigated some of the financial impact of business disruptions, a health crisis, and rising inflation that characterized the past few years. Yet half of households in Louisiana were still struggling in 2022 – [ranking](#) Louisiana 50th among all states and the District of Columbia in financial hardship (with 1st representing the lowest rate of hardship). Insights from the Federal Reserve SHED and the Household Pulse Survey help explain why:



Inflation is Hitting ALICE Harder

- **The cost of basics** is increasing faster than the overall rate of inflation, as reported by the [ALICE Essentials Index](#). And it has gotten harder for ALICE to keep up with bills than at the height of the pandemic. According to the Household Pulse Survey, 61% of households below the ALICE Threshold in Louisiana reported that it was somewhat or very difficult to pay for usual items such as food, rent or mortgage, car payments, and medical expenses in October 2023, up from 55% in August 2020.
- **Housing costs** are on the rise in many parts of the state, and the impact is greater for those who were already struggling financially. According to the SHED, in 2022, 29% of households below the ALICE Threshold in Louisiana reported that their rent or mortgage had increased in the prior 12 months (compared to 21% of households above the Threshold).

Changes in Public Assistance Impact ALICE

- **Food assistance:** Increased need for food assistance was a hallmark of the pandemic. Food pantries experienced a substantial increase in [demand for services](#), and Supplemental Nutrition Assistance Program (SNAP) [eligibility criteria broadened and monthly payments increased](#) (through February 2023). In 2022, the need remained high, with one in six Americans (49 million) [receiving private charitable food assistance](#) – down from the height of the pandemic, but still up markedly from 40 million in 2019. In part due to the SNAP income eligibility level in Louisiana (130% of the FPL), public food assistance was not accessible to all households that were struggling financially: Only 46% of all Louisiana households in poverty and 23% of all ALICE households participated in SNAP in 2022. Among all eligible people, estimated [SNAP participation rates were higher](#).
- **Rent:** With rising costs, the expiration of [pandemic rental assistance](#), and the end of the [federal moratorium on evictions](#), many Louisianians continued to struggle to pay their rent. According to the Household Pulse Survey, 23% of renter households below the ALICE Threshold in Louisiana were still behind on rent payments in October 2023, down from 28% in August 2020. In Louisiana in 2022, 63% of households below the ALICE Threshold were rent burdened (paying more than 30% of their income on rent) and 38% were severely rent burdened (paying more than 50% of their income on rent).

ALICE is Less Prepared for Crises and Retirement

- **ALICE struggles to save:** According to the SHED, 45% of respondents in Louisiana had emergency savings in 2022 (down from 55% in 2019). Yet only 25% of households below the ALICE Threshold had emergency savings (or rainy day funds) that would cover their expenses for three months in the event of sickness, job loss, economic downturn, or another emergency in 2022, down from 37% in 2019.
- **ALICE faces unexpected medical expenses:** According to the SHED, 17% of respondents below the ALICE Threshold in Louisiana incurred an unexpected major medical expense that they had to pay for out of pocket because it was not completely paid for by insurance in 2022, the same rate as in 2021. Medical debt generally reflects [poorer health](#) and lower rates of health care coverage, and can lead to [lower credit scores](#) and [additional financial hardship](#). Additionally, the [consequences of medical debt](#) are not experienced equally; those with lower incomes and people of color are more likely than their counterparts to be contacted by collection agencies and denied future care.
- **Financial hardship impedes retirement savings:** According to the SHED, in 2022, 18% of all non-retired adults and 22% of non-retired adults above the ALICE

Threshold in Louisiana reported that their retirement savings plan was currently on track. Yet only 14% of those below the Threshold reported the same.

- **Financial hardship takes a toll on mental health:** The negative impact of financial stress on mental health has been [well established](#). According to the Household Pulse Survey, 22% of respondents below the ALICE Threshold in Louisiana reported feeling nervous, anxious, or on edge nearly every day over the prior two weeks in October 2023 – up from August 2020 (20%), and considerably higher than for those above the Threshold (14% in 2023).

This research shows a clear trend in our communities and our economy: Financial hardship is widespread, and it's not going away. The current system is not working for ALICE. The narrative in this Update helps make the case for innovative, cross-sector change in Louisiana and across the U.S. The data, tools, and resources on the [United For ALICE](#) website can equip business, government, education, and nonprofit leaders to make data-informed decisions that address the root causes of financial hardship. Collaborative effort at all levels – local, state, and federal – will be needed to change the trajectory for ALICE households.



ALICE ONLINE

Visit UnitedForALICE.org to explore interactive data and resources. Click the icons below to get started.

 <p>Interactive Maps Data at the state, parish, municipal, and ZIP-code levels</p>	 <p>ALICE Demographics Information about ALICE households by age, race/ethnicity, household type, and location</p>	 <p>Parish Reports An in-depth look at ALICE data, parish by parish</p>
 <p>Data Sheet Spreadsheet of ALICE data over time and by location</p>	 <p>ALICE Household Budgets ALICE Household Survival and Stability Budgets for the state and one or more parishes</p>	 <p>ALICE Essentials Index Key data on the increase in the cost of household basics over time</p>
 <p>Legislative District Tool ALICE data by legislative district, including state upper and lower chambers and congressional districts</p>	 <p>National Overview National ALICE data and a comparison of financial hardship across U.S. states</p>	 <p>Economic Viability Dashboard Key data on the local economic conditions that matter most to ALICE households: Work, Housing, and Community Resources</p>
 <p>Research Advisory Committees Information about the members and role of these critical groups</p>	 <p>ALICE Methodology Overview of the sources and calculations used in the ALICE research</p>	 <p>Equity for ALICE Creating equity for ALICE by illustrating how structural racism and systemic barriers limit life outcomes, and working to remove those barriers so that all people can participate fully in all aspects of our social and economic systems</p>
 <p>ALICE Voices Are you ALICE? Use this tool to share your story</p>	 <p>ALICE in Action Programs, practices, and policy changes implemented by partners across the United For ALICE network</p>	 <p>ALICE Videos Videos that highlight the ALICE research and partner network</p>

ALICE RESEARCH & METHODOLOGY

The ALICE Household Survival Budget calculates the cost of household essentials for each parish in Louisiana and relies on a wide range of public data sources, listed below. For household income, the ALICE measures rely on the U.S. Census Bureau’s American Community Survey (ACS) – both household tabulated data and individual data from the Public Use Microdata Sample (PUMS) records. Household costs are compared to household income to determine if households are below the ALICE Threshold. The latest [ALICE Methodology](#) review was completed in the summer of 2023. Methodology enhancements include:

- Health care costs:** A “poor health multiplier” is used to capture the additional costs lower-income households incur for being in poor or fair health. Based on the latest research, out-of-pocket costs in the health care line item are increased by 19% (a more conservative estimate than the 30% used in prior years).
- Broadband added:** To reflect the finding that the majority of Americans now [have home broadband](#), basic broadband internet has been added to technology costs. The smartphone plan has been updated to include an unlimited (albeit less expensive than the previous 10GB version) smartphone plan for each adult in the household.
- Determining ALICE status:** For 2021 data and years prior, the ALICE Threshold was rounded by budget total to the nearest ACS income bracket (e.g., Threshold of \$32,500 corresponded to bracket \$30,000–\$34,999; **all** households in that bracket were below the ALICE Threshold). Starting this year (2022 data), the Threshold is calculated in proportion to where it falls within the bracket (e.g., if Threshold is \$32,500, **half** of households in the bracket are below the Threshold).

ALICE Household Survival Budget, Louisiana, 2022			
	Single Adult (Age 18–64)	Single Adult (Age 65+)	2 Adults, 2 in Child Care
Monthly Costs			
Housing – Rent	\$498	\$498	\$571
Housing – Utilities	\$163	\$163	\$310
Child Care	-	-	\$1,421
Food	\$441	\$407	\$1,202
Transportation	\$430	\$365	\$1,080
Health Care	\$184	\$550	\$690
Technology	\$86	\$86	\$116
Miscellaneous	\$180	\$207	\$539
Tax Before Credits	\$303	\$370	\$1,076
Monthly Total	\$2,285	\$2,646	\$7,005
ANNUAL TOTAL Before Tax Credits	\$27,420	\$31,752	\$84,060
Tax Credits (CTC and CDCTC)	\$0	\$0	(\$5,316)
ANNUAL TOTAL With Tax Credits	\$27,420	\$31,752	\$78,744
Full-Time Hourly Wage	\$13.71	\$15.88	\$39.37

Note: CTC = Child Tax Credit, CDCTC = Child and Dependent Care Tax Credit. Full-time hourly wage represents the wage needed at 40 hours per week to support the annual total, with credits. For the family of four, this represents the combined wage needed for two workers. Many households incur higher costs, especially for housing, as units may not be available at Fair Market Rent.

Sources: AAA, 2022; Agency for Healthcare Research and Quality, 2022; American Community Survey, 2022; Bureau of Labor Statistics, 2022—Consumer Expenditure Surveys; Bureau of Labor Statistics, 2022—Occupational Employment Statistics; Centers for Medicare & Medicaid Services, 2023—Medicare - Chronic Conditions; Centers for Medicare & Medicaid Services, 2020—Medicare Current Beneficiary Survey; Centers for Medicare & Medicaid Services, 2023; Federal Reserve Bank of Atlanta—Policy Rules Database; Federal Highway Administration, 2017; Feeding America, 2023; Frank, 2022; Internal Revenue Service, 2022; Louisiana Department of Education, 2021—Narrow Cost Analysis; Medicare.gov; The Zebra, 2022; U.S. Department of Agriculture, 2022—Official USDA Food Plans; U.S. Department of Housing and Urban Development, 2022—Fair Market Rents; USTelecom, 2022.

To view ALICE Household Survival Budgets for all parishes and for any household composition, visit UnitedForALICE.org/Household-Budgets/Louisiana.

Data Notes: The income data used in this Update rely on ACS estimates. The ACS is based on a representative sample, rather than all housing units and people; therefore, these estimates have a [degree of uncertainty](#). Some data points are geographic averages, others are one- or five-year averages depending on population size (see the [Data Sheet](#) for details). Percentages are rounded to whole numbers, sometimes resulting in percentages totaling 99% or 101%. ALICE analysis includes households regardless of work status, as employment is fluid and most households have members who are working, have worked, are out on disability, or are looking for work. ALICE analysis does not include people who are unhoused or living in group quarters.

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ALICE in the Crosscurrents: An Update on Financial Hardship in Louisiana is brought to you by [Louisiana Association of United Ways](#) in partnership with [United For ALICE](#), a driver of innovative research and action around financial hardship for ALICE households. With a commitment to [racial and economic justice](#), United For ALICE and United Ways across Louisiana share this work with foundations, government, corporations, and other nonprofits to inform policy and promote positive change for ALICE households. The grassroots ALICE movement, developed by United Way of Northern New Jersey, has spread to 31 states and the District of Columbia. Learn more about the ALICE movement [here](#).

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