

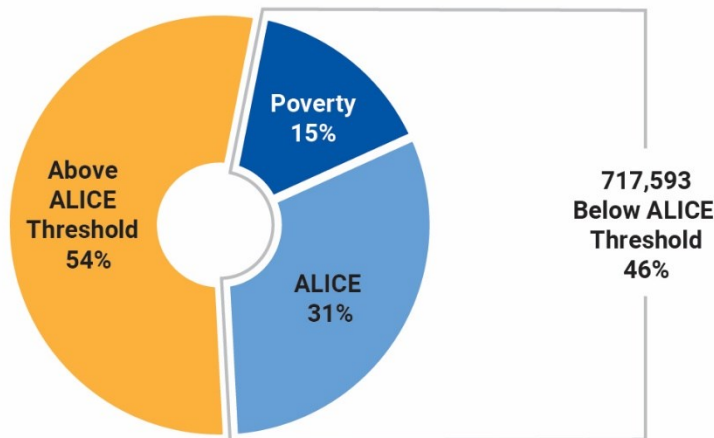
## CHILDREN IN FINANCIAL HARDSHIP: INDIANA

The number of children living in financially insecure households in Indiana continues to be systematically undercounted. According to the outdated Federal Poverty Level (FPL), 15% of children in Indiana (237,295) lived in poverty in 2022. Yet [United For ALICE](#) data shows that another 31% (480,298) — more than twice as many — were also growing up in financial hardship. These children live in households that are **ALICE®**: **A**sset Limited, **I**ncome **C**onstrained, **E**mployed, earning above the FPL but not enough to afford the basics in their communities.

With poverty-level and ALICE households combined, a substantial **46% of the nearly 1.6 million children in Indiana lived in a household with income below the [ALICE Threshold of Financial Survival](#) in 2022**, ranking Indiana 21<sup>st</sup> among all states and the District of Columbia (with 1<sup>st</sup> representing the lowest rate of children living in financial hardship). These households do not earn enough to afford housing, child care, food, transportation, health care, technology, and taxes — the basics needed to live and work in the current economy.

### Children by Household Income, Indiana, 2022

Total Number of Children in Indiana = 1,562,606



*Note: This research uses the U.S. Census Bureau's American Community Survey [Public Use Microdata Sample](#) (PUMS) and focuses on children, whose ALICE status is determined by their household's income compared to local cost of living. 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. This analysis does not include children who are unhoused or living in group quarters. In this Brief, percentages are rounded to whole numbers for ease of reading, which may result in percentages totaling 99% or 101%. All numbers are presented in the [ALICE Children Data Dashboard](#).*

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



### KEY FINDINGS 2022

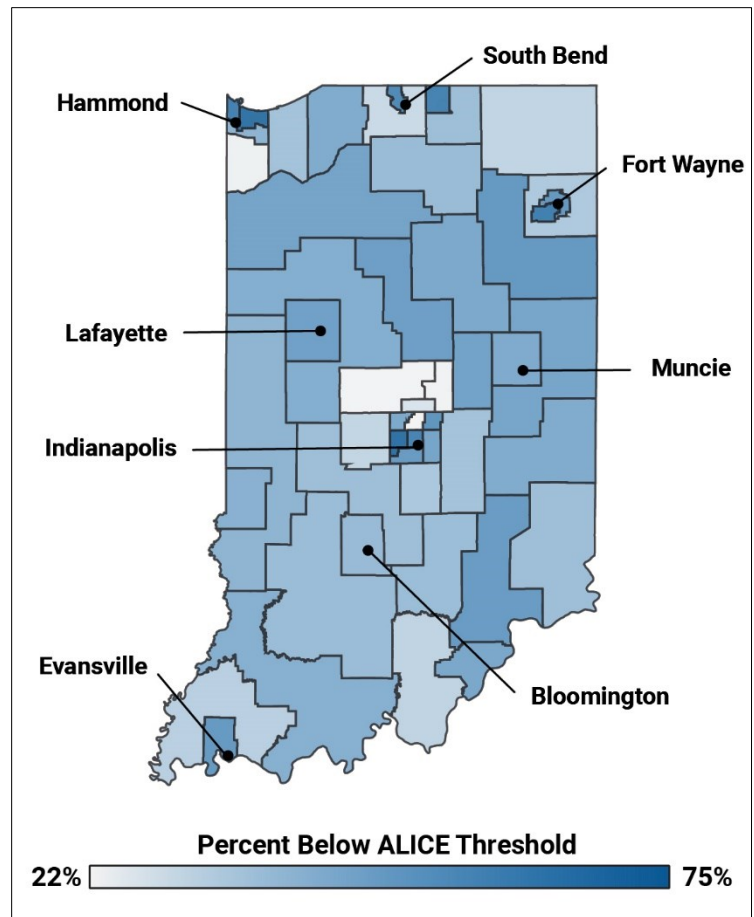
- Nearly half (46%) of children in Indiana lived in households experiencing financial hardship. While 15% were below the FPL, an additional 31% were ALICE.
- By race/ethnicity, Black and Hispanic children continued to face greater hardship due to systemic barriers to financial stability: 71% of Black children and 62% of Hispanic children in Indiana lived in households with income below the ALICE Threshold, compared to 43% of Asian children and 39% of White children.
- Having working adults in the household did not guarantee financial stability: 29% of Indiana children in households with two adults in the labor force were still below the ALICE Threshold.
- Children below the ALICE Threshold often lacked access to crucial resources. More than 490,250 children below the Threshold in Indiana did not participate in SNAP, and nearly 172,000 had no high-speed internet access at home.

Since the first *ALICE in Focus: Children* brief (2019 data), the conflicting economic and social forces of the COVID-19 pandemic — inflation, wage growth, and the expansion and expiration of [pandemic public assistance](#) (especially relevant for households with children) — have impacted children and their families in various ways. As shown in our 2023 [ALICE in the Crosscurrents](#) Report, the situation for households below the ALICE Threshold improved in some respects and worsened in others, over the course of the pandemic and during its aftermath.

In Indiana, from 2019 to 2022, the number and share of children living in financially insecure households continued to climb. In 2019, 688,348 children in Indiana (44%) were below the ALICE Threshold. By 2022, this number had increased to 717,593, and the rate of financial hardship to 46%, driven by an increase in the number of ALICE children.

There are children below the ALICE Threshold in [communities across the state](#) ([Public Use Microdata Areas](#), or PUMAs), at rates ranging from 22% in the Marion County, Washington Township (South and East) and Indianapolis City (North) PUMA to 75% in Marion County, Wayne and Decatur (Northwest) Townships and Indianapolis City (West) PUMA. [Visit the ALICE Children Data Dashboard](#) to see additional data (for 2019 and 2022) and an interactive version of the state map.

## Percentage of Children Below ALICE Threshold by PUMA, Indiana, 2022



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

## TERMS AND DEFINITIONS

- **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 county. Despite struggling to make ends meet, ALICE families often do not qualify for public assistance.
- **ALICE Household Survival Budget:** The minimum cost of household necessities (housing, child care, food, transportation, health care, and technology), plus taxes, adjusted for different counties and household types. While the FPL for a family of four in Indiana in 2022 was \$27,750, the average bare-minimum cost of living for that family was \$73,080.
- **ALICE Threshold:** Derived from the Household Survival Budget, the minimum average income that a household needs to afford basic costs. Children **below the ALICE Threshold** include those in poverty-level and ALICE households combined.

# WHO ARE CHILDREN BELOW THE ALICE THRESHOLD?

A child's start in life impacts their long-term health, wellness, education, and career. Family financial stability is one of the strongest [predictors of current and future well-being](#). Financial instability not only contributes to daily experiences of [stress, trauma, and hardship](#) in the present, but it impedes a child's opportunity for [future success](#), including higher education, a higher income, and long-term asset building.

Children below the ALICE Threshold (poverty + ALICE) in Indiana are those under age 18 living in households with income below the basic cost of living for their community. Children in Indiana's financially insecure households are from all locations and demographic groups; are of all ages; are born in the U.S. or abroad; are of all abilities; are of all races/ethnicities; and live with parents or guardians who are married or single, working or not working, and English-speaking or non-English-speaking.

## Demographics

The largest numbers of children below the ALICE Threshold were found in the state's largest demographic groups. Yet the rate of hardship ranged substantially across groups. **In Indiana in 2022:**

**Age:** There were 123,654 infants/toddlers (age 0–2 years), 83,221 preschoolers (3–4 years), and 510,718 school-age children (5–17 years) living in households

below the ALICE Threshold. The rates of financial hardship were slightly higher for infants/toddlers (53%) and preschool-age children (51%) than for school-age children (44%).

**Race/ethnicity:** By number, children below the ALICE Threshold were predominantly White (407,932), Black (117,457), and Hispanic (116,570). Yet due to [persistent discrimination and systemic barriers to financial stability](#), the share of children below the Threshold was higher for some groups: 71% of Black children, 62% of Hispanic children, and 53% of children of Two or More Races, compared to 43% of Asian children, and 39% of White children were growing up in financial hardship.

**Disability status:** Children with a disability were more likely to live in households below the ALICE Threshold (58%) than those without a disability (45%). When anyone in the household had a disability, 58% of children lived below the Threshold, and if a parent or guardian had a disability, children were even more likely to be below the Threshold, at 62%.

**Nativity and language:** Of the 39,782 children in Indiana who were born outside the U.S. (3% of children in the state), 61% were below the ALICE Threshold, compared to 46% of those born in the U.S. Rates were even higher for the 37,096 children living in a family with limited English-speaking ability (2% of children in the state), with 80% below the Threshold.

## ALICE CHILDREN DATA DASHBOARD

The ALICE Children Data Dashboard includes interactive data on children living in hardship by:

- State, regional, and local geographies
- Demographic categories including children's age, race/ethnicity, disability, and nativity
- Household characteristics
- Children's access to key resources
- Data year (toggle between 2019 and 2022 for all variables)

[UnitedForALICE.org/Focus-Children](https://UnitedForALICE.org/Focus-Children)



# Children by Household Financial Status and Key Demographics, Indiana, 2022

	TOTAL	BELOW ALICE THRESHOLD	POVERTY	ALICE	ABOVE ALICE THRESHOLD
<b>ALL CHILDREN</b>	1,562,606	717,593	15%	31%	54%
<b>AGE</b>					
Infant (0–2 Years)	233,330	123,654	18%	35%	47%
Preschool-Age (3–4 Years)	161,873	83,221	17%	34%	49%
School-Age (5–17 Years)	1,167,403	510,718	14%	29%	56%
<b>RACE/ETHNICITY</b>					
Asian	39,415	16,890	12%	31%	57%
Black	166,020	117,457	35%	35%	29%
Hispanic	187,796	116,570	20%	42%	38%
Two or More Races	101,782	53,670	18%	35%	47%
White	1,051,883	407,932	11%	28%	61%
<b>NATIVITY AND LANGUAGE</b>					
Born in U.S.	1,522,824	693,191	15%	31%	54%
Born Outside U.S.	39,782	24,402	24%	37%	39%
English-Speaking Family	1,525,510	688,038	15%	30%	55%
Limited English-Speaking	37,096	29,555	24%	56%	20%
<b>DISABILITY STATUS</b>					
Child With a Disability	79,541	45,860	27%	31%	42%
Any Household Member With a Disability	354,124	205,333	24%	34%	42%

Note: The groups shown in this figure overlap across categories (Age, Race/Ethnicity, Nativity and Language, and Disability Status). All racial categories except Two or More Races are for one race alone. The Hispanic group may include children of any race. View more on the [ALICE Children Data Dashboard](#).

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

# Household Characteristics

Most children in Indiana lived with at least one of their parents (biological or adoptive). Children may live with married or unmarried parents, single parents, grandparents, or guardians. Household composition — especially the number of working adults — has a substantial impact on children’s financial stability.

## In Indiana in 2022:

**Living arrangements:** The largest number of children below the ALICE Threshold were in married-couple households (375,444), followed by single-female-headed households (221,419). But the percentage of children below the Threshold varied by adults’ marital status and partnership type: 35% of children in all married-parent households, 60% of children in unmarried-couple households, 51% of children in single-male-headed households, and 79% of children in single-female-headed households were growing up in hardship.

- **Children living with grandparents:** 11% of all Indiana children (164,739) lived in a home with a grandparent, which included both multi-generational households and households where grandparents

were raising grandchildren on their own. Just over half (52%) of children in these households were below the ALICE Threshold.

**Household work status:** Most children (94%) lived in a household with at least one worker. As the number of workers in the family increased, the share of children below the ALICE Threshold decreased. In Indiana, 77% of children living with one adult who was working were below the Threshold; with two adults, one of them working, 62% were below the Threshold; and with two adults who were both working, 26% were below the Threshold. Among all families with two or more adults, two of whom were working, 29% of children were still below the Threshold in 2022, demonstrating that having working adults in the household does not guarantee financial stability.

While parents and guardians work in every sector, children below the ALICE Threshold are concentrated in families where adults work in occupations with low median hourly wages. These include some of the most common occupations in the state: For example, 61% of Indiana children with an adult working as a cashier, earning a median wage of \$12.44 per hour, were below the Threshold in 2022.

## Children by Household Financial Status and Household Characteristics, Indiana, 2022

	TOTAL	BELOW ALICE THRESHOLD	POVERTY	ALICE	ABOVE ALICE THRESHOLD
<b>ALL CHILDREN</b>	1,562,606	717,593	15%	31%	54%
<b>LIVING ARRANGEMENTS</b>					
Grandparent Living With Grandchild	164,739	86,188	14%	38%	48%
Married-Couple Household	1,070,622	375,444	7%	28%	65%
Single-Female-Headed Household	281,003	221,419	38%	40%	21%
Single-Male-Headed Household	71,609	36,657	19%	32%	49%
<b>HOUSEHOLD WORK STATUS</b>					
One Adult, One Worker	188,945	145,481	33%	44%	23%
Two Adults, One Worker	330,500	203,837	20%	42%	38%
Two Adults, Two Workers	590,651	151,156	3%	22%	74%

Note: The groups shown in this figure overlap across categories (Living Arrangements and Household Work Status). "Grandparent Living With Grandchild" includes any arrangement where grandparents live with their grandchild, including where parents or other adults are present. For the Household Work Status category, the number of workers is defined as "workers in the family over the last 12 months" from when the survey was conducted. View more on the [ALICE Children Data Dashboard](#).

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

# INTERCONNECTED BARRIERS TO WELL-BEING

Children below the ALICE Threshold are more likely to lack stable housing, quality child care/early education, private health insurance, high-speed home internet access, and reliable food access. When basic necessities are at risk, families have to make impossible decisions — like choosing to pay for food or quality child care, for medicine or utility bills. Decisions made in one area of the budget can have both [short- and long-term consequences](#) that ripple across all other areas.

## In Indiana in 2022:

**Housing:** Children in families without stable housing face greater risks for [poor physical health, increased family stress, social isolation, and lower academic performance](#). Among children below the ALICE Threshold in Indiana, 44% were in families that rented and 56% were in families that owned their home. Below the Threshold, families of Black children had the lowest homeownership rate (20%), while families of Asian children had the highest (83%). Above the Threshold, the homeownership rate for families of Black children was higher (71%), but still substantially lower than for families of Asian (84%) and White children (90%). Overall, 45% of children in renter households and 15% of children in homeowner households were in families that were cost burdened, paying 30% or more of household income on housing.



**Education:** Of all preschool-age children in Indiana, 42% were enrolled in preschool, lower than the national average (47%). Preschool-age children below the ALICE Threshold were less likely than their peers above the Threshold to be enrolled in preschool (35% vs. 49%). Yet rates were very similar below and above the Threshold for children age 15–17, with 95% below the Threshold enrolled in school compared to 96% of their peers above the Threshold.

**Health insurance:** Access to health insurance is critical to both [wellness and financial stability](#) for families below the ALICE Threshold, and [especially for children](#). While most children in Indiana had health insurance (95%, mirroring the national rate of 95%), 5% of children below the ALICE Threshold (37,318) did not have coverage. Children in families with income below the Threshold were also more likely to have public health insurance (58%), while those above the Threshold were far more likely to have private health insurance (84%).



**Home internet:** The availability of internet access and devices for education has become increasingly essential for young people, yet the [digital divide](#) by income and race/ethnicity persists. Most children in Indiana (97%) had home internet access, and rates were very similar for children below and above the ALICE Threshold (96% vs. 97%). Yet, children in households below the Threshold were less likely to have high-speed internet, which is essential for work and online learning, than children in households above the Threshold (76% vs. 84%, respectively). High-speed internet rates increased for all children in Indiana through the pandemic, up from 73% in 2019 to 80% in 2022. Yet nearly 172,000 children below the Threshold in Indiana still did not have high-speed internet at home in 2022.

High-speed internet rates were lower for some groups below the Threshold: 63% for Asian children, 73% for Hispanic children, 76% for Black children, and 77% for White children. By location, the percentage of children below the ALICE Threshold with high-speed internet access was highest in the Hamilton County (Central), Carmel City and Fishers Town West PUMA (94%), and lowest in the Tippecanoe County, Lafayette & West Lafayette Cities PUMA (44%).

**Food access:** Households with children living below the ALICE Threshold were more likely to have difficulty putting food on the table. According to the [U.S. Census Household Pulse Survey](#), in 2022, 19% of Indiana families below the Threshold with children reported that sometimes or often “children were not eating enough because we just couldn’t afford enough food,” three times the rate for those above the Threshold (6%).

**Public assistance:** For a [variety of reasons](#), public assistance does not reach all children in households that are struggling. While most children in poverty are eligible for assistance, ALICE children live in households that often earn too much to qualify. For example, the income eligibility threshold in Indiana for the Supplemental Nutrition Assistance Program (SNAP) is 130% of

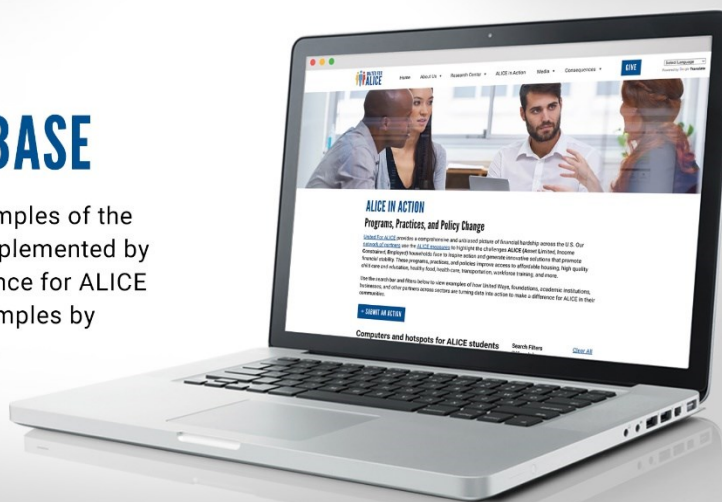
the FPL. Even though all children in poverty should be covered by SNAP, in Indiana the program was utilized by only 55% of children in poverty (130,896) and a mere 20% of children in ALICE households (96,410) in 2022. Of all children below the ALICE Threshold in Indiana, only 32% participated. This left a gap of more than 490,250 children whose families were struggling to make ends meet but not participating in SNAP.

**Intersectionality:** For some children, multiple intersecting forms of discrimination and limited access to resources make household financial instability more likely. For example, 71% of Black children in Indiana were below the ALICE Threshold in 2022. For Black children with a disability, the rate went up to 91%; and if the child lived in a renter household, the rate increased to 95%.

## ALICE IN ACTION DATABASE

The ALICE in Action Database includes examples of the programs, practices, and policy changes implemented by United for ALICE partners to make a difference for ALICE households in their communities. Filter examples by location, topic, target population, and more.

[UnitedForALICE.org/ALICE-in-Action](https://UnitedForALICE.org/ALICE-in-Action)



# Children by Household Financial Status and Key Indicators, All States, 2022

State (Rank)	Total	Household Income Status			Rent Burden	Preschool	Internet	SNAP
	Number of Children	% Poverty	% ALICE	% Below ALICE Threshold	% Below ALICE Threshold Paying 30% or More on Rent	% Preschool-Age Enrolled in School	% Below ALICE Threshold with High-Speed Internet Access	% Below ALICE Threshold Participating in SNAP
United States	72,094,339	16%	34%	50%	52%	47%	77%	39%
Alabama (42)	1,104,575	22%	32%	54%	48%	46%	72%	43%
Alaska (24)	173,285	14%	32%	46%	39%	41%	63%	32%
Arizona (37)	1,586,070	16%	37%	53%	52%	33%	77%	36%
Arkansas (40)	693,000	22%	32%	54%	44%	45%	70%	32%
California (48)	8,476,896	15%	42%	57%	58%	46%	80%	33%
Colorado (25)	1,207,812	10%	36%	46%	55%	52%	83%	29%
Connecticut (17)	728,030	12%	32%	44%	56%	64%	83%	36%
Delaware (11)	207,625	10%	31%	42%	39%	45%	82%	41%
D.C. (15)	123,619	16%	27%	43%	50%	78%	66%	64%
Florida (45)	4,285,475	17%	38%	55%	60%	49%	80%	38%
Georgia (46)	2,501,214	16%	39%	55%	50%	49%	76%	40%
Hawaii (31)	295,615	12%	37%	49%	56%	41%	82%	41%
Idaho (32)	464,228	13%	38%	51%	39%	42%	79%	23%
Illinois (16)	2,710,614	16%	27%	43%	50%	54%	76%	47%
<b>Indiana (21)</b>	<b>1,562,606</b>	<b>15%</b>	<b>31%</b>	<b>46%</b>	<b>45%</b>	<b>42%</b>	<b>76%</b>	<b>32%</b>
Iowa (6)	713,854	12%	28%	40%	45%	47%	77%	36%
Kansas (7)	684,065	13%	27%	41%	45%	47%	78%	24%
Kentucky (33)	1,001,572	21%	30%	51%	43%	37%	77%	42%
Louisiana (47)	1,055,445	24%	32%	56%	56%	54%	69%	49%
Maine (19)	242,867	10%	34%	44%	40%	38%	83%	34%
Maryland (27)	1,345,996	11%	35%	47%	55%	49%	79%	36%
Massachusetts (20)	1,331,435	11%	33%	45%	57%	58%	82%	45%
Michigan (28)	2,098,256	18%	29%	47%	52%	47%	78%	46%
Minnesota (5)	1,274,974	10%	29%	39%	49%	47%	80%	29%
Mississippi (50)	674,630	26%	32%	58%	49%	50%	66%	42%
Missouri (29)	1,358,979	16%	32%	48%	44%	43%	74%	36%
Montana (26)	233,024	13%	34%	46%	31%	31%	73%	23%
Nebraska (8)	472,831	12%	29%	41%	43%	45%	80%	30%
Nevada (49)	688,662	16%	41%	57%	57%	35%	75%	38%
New Hampshire (2)	248,473	6%	28%	34%	46%	55%	83%	27%
New Jersey (10)	1,986,050	13%	28%	42%	59%	67%	78%	37%
New Mexico (51)	453,284	23%	35%	58%	54%	39%	71%	55%
New York (41)	3,960,023	19%	35%	54%	55%	61%	74%	44%
North Carolina (39)	2,288,886	17%	36%	53%	47%	38%	77%	43%
North Dakota (1)	178,227	12%	21%	33%	24%	29%	71%	21%
Ohio (23)	2,550,190	18%	28%	46%	46%	43%	81%	44%
Oklahoma (44)	950,109	20%	35%	54%	45%	42%	72%	44%
Oregon (34)	830,894	13%	39%	52%	50%	46%	81%	43%
Pennsylvania (22)	2,605,028	16%	31%	46%	49%	45%	78%	45%
Rhode Island (13)	202,490	12%	31%	42%	49%	52%	80%	39%
South Carolina (38)	1,114,070	19%	34%	53%	48%	44%	76%	37%
South Dakota (4)	217,071	13%	26%	39%	30%	36%	77%	39%
Tennessee (35)	1,531,592	18%	35%	53%	46%	42%	76%	35%
Texas (36)	7,423,833	19%	34%	53%	55%	44%	73%	41%
Utah (14)	925,053	8%	34%	42%	45%	44%	84%	18%
Vermont (12)	113,366	11%	30%	42%	53%	70%	83%	30%
Virginia (30)	1,860,499	13%	36%	49%	49%	45%	76%	31%
Washington (18)	1,641,265	12%	32%	44%	52%	44%	80%	38%
West Virginia (43)	350,478	24%	30%	54%	43%	31%	78%	53%
Wisconsin (9)	1,236,815	13%	28%	41%	43%	41%	78%	42%
Wyoming (3)	129,389	13%	25%	38%	41%	45%	74%	29%



## LEARN MORE AND TAKE ACTION

The challenges Indiana’s ALICE families face are interconnected, and effective solutions must be, too. Working toward these solutions will require innovation and vision, both to recognize local factors and systematically address as many areas of financial struggle as possible.

### Learn more with:

- The [ALICE Children Data Dashboard](#), to dig deeper into related topics, demographics, and sub-state geographies
- [Resources related to children and financial hardship](#), including the references linked in this Research Brief, as well as additional resources that offer important context and even deeper analysis
- [Household-level data on ALICE in Indiana](#), including interactive maps, ALICE Household Survival Budgets, County Reports, demographics, and more
- The [ALICE Legislative District Tool](#), to see data by district, including state upper and lower chambers and congressional districts
- The [ALICE Wage Tool](#), to explore wage levels by geography and occupation
- The [ALICE Economic Viability Dashboard](#), which includes data on housing, work, and community supports for households below the ALICE Threshold
- The [ALICE Budget and Income Status Tool](#), where users can enter household details (income, household composition, and location) to see customized household costs and ALICE income status

### Explore Promising Practices:

- See examples of programs, policies, and policy changes implemented by ALICE partners to support ALICE households in our interactive [ALICE in Action](#) database
- Visit the [Action Planner](#), which includes strategies related to housing, work, and community resources paired with key data on households below the ALICE Threshold

### Connect with stakeholders:

- [Contact your local United Way](#) for support and volunteer opportunities
- See members of the [National ALICE Advisory Committee on Children](#)

**United For ALICE** is a driver of innovative research and action around financial hardship. The ALICE data and analysis are shared with United Ways, corporations, foundations, government, and nonprofits, to inform policy and promote positive change.

United For ALICE partners with the [Indiana United Ways](#) and [United Way of Central Indiana](#) to bring the ALICE research to Indiana.

The **ALICE in Focus Series** utilizes ALICE measures – the Household Survival Budget and the ALICE Threshold – to analyze the U.S. Census Bureau’s American Community Survey (ACS) Public Use Microdata Sample (PUMS). Each “Focus” in the series highlights a different demographic group. For more details about the methodology for the ALICE in Focus Series, go to [UnitedForALICE.org/Methodology](https://UnitedForALICE.org/Methodology).

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