

# ALICE IN FOCUS : Veterans

---

## SUMNER COUNTY



## Who is ALICE?

In 2019, there were 407,811 military veterans in Tennessee. Overall, a majority of them have fared better economically than nonveterans, in line with a belief that our nation must meet veterans' basic needs given their service and sacrifice. Yet in 2019, a substantial number of those who served our country (128,525) struggled to make ends meet in Tennessee. According to the Federal Poverty Level (FPL), 7% of veterans in Tennessee (30,340) lived in poverty in 2019. But United For ALICE data shows that another 24% (98,185) – more than three times as many – were also experiencing financial hardship, in households that earned above the FPL but not enough to afford the basics in the communities where they lived. We call them **ALICE: Asset Limited, Income Constrained, Employed**. The reality is that nearly one-third (32%) of all veterans in Tennessee lived in a household with income below the ALICE Threshold of Financial Survival\* in 2019.

*\*The ALICE Threshold is derived from the Household Survival Budget, the average income that a household needs to afford housing, child care, food, transportation, health care, a smartphone plan, and taxes. It is calculated based on household types geographically.*

## Defining Veteran Status

In this study, veterans are defined as those who were “on active duty in the past, but not now” as reported in the 2019 U.S. Census Bureau’s American Community Survey (ACS). This ALICE research uses the ACS definition and dataset because it is the only public source that includes both veteran status and the information needed to determine a person’s ALICE household status – their household composition, income, and location. The ACS asks whether each member of a household has ever served on active duty in the U.S. Armed Forces, the Reserves, or National Guard.

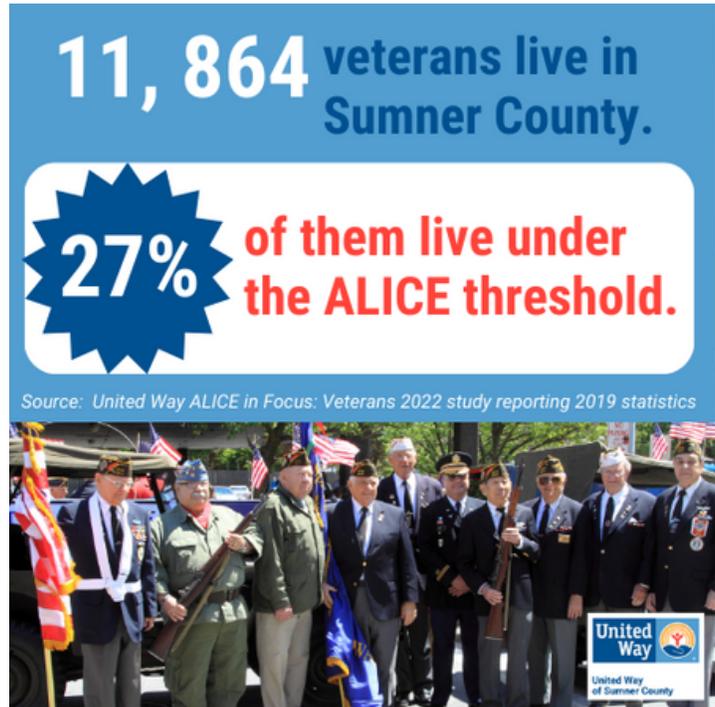
This ALICE in Focus analysis does not include:

- Veterans living in Census-defined “group quarters”: This includes 1,570 veterans in Tennessee living in non-institutional group quarters (such as college dormitories or group homes) and 5,147 in institutional group quarters (such as nursing homes or correctional facilities). Because the cost of living in these settings differs substantially from the cost of living in a household, the ALICE status of these veterans cannot be determined.
- Veterans experiencing homelessness: The ACS does not fully capture veterans who are not living permanently in households. However, the U.S. Department of Housing and Urban Development’s Point-In-Time Estimate of Homelessness reported 570 homeless veterans in Tennessee in 2020.

### ALICE in Sumner County

This summary based on the 2022 "ALICE in Focus: Veterans" United Way study will focus on Sumner County veterans who are living below the ALICE threshold including those who are under the FPL. The study uses 2019 data which is the most recent data available.

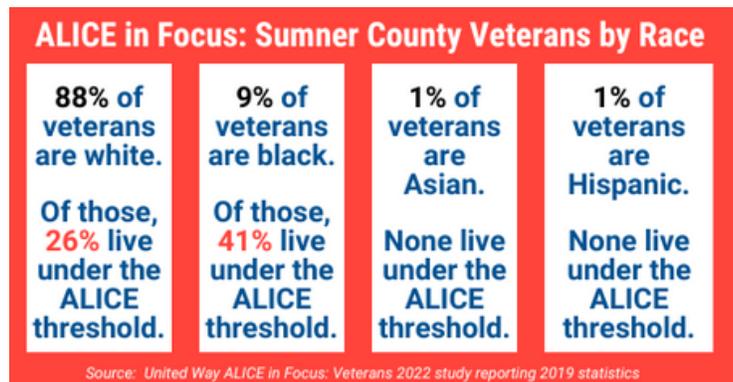
The study showed that Sumner County, Tennessee, has **11,864 veterans**. **27% of them live under the ALICE threshold** with less than 1% of them (32) living in poverty and the remaining 26% (3,200) living in ALICE households.



### ALICE by Race/Ethnicity

The majority of Sumner County veterans are white (88%) accounting for 10,446 vets. Less than 1% of them live in poverty (32), but another 2,729 of them are ALICE leaving 26% (2,761) of our white veterans living under the ALICE threshold.

There are 1,058 black veterans (9%) living in Sumner County. Of them, none live in poverty, but 439 (41%) are ALICE indicating that even though the population of black veterans in Sumner County is smaller, the rate of financial hardship is higher in this group than their white counterparts.



The smaller of our Sumner County veteran racial groups include Asian (142) and Hispanic (110), each at approximately 1% of the total veteran population. Neither group had any veterans living below the ALICE threshold.

There are no Native Hawaiian/Pacific Islander veterans or veterans with 2 or more races living in Sumner County.

### ALICE by Age

In Sumner County, 57% of our veterans (6,753) are between the ages of 17 and 64. None of them live in poverty, but 17% (1,170) are ALICE. However, the rate of financial hardship is much higher for our senior veterans. In Sumner County, 43% of our vets are seniors age 65+ (5,111). Less than 1% of them live in poverty (32), but another 39% are ALICE (1,998) for a total of 40% of our senior vets (2,030) living under the ALICE threshold.

### ALICE by Education

In 2019, Tennessee veterans were more likely than those who never served to have a high school diploma (94% vs. 88%). These findings are not surprising, as a high school diploma or equivalent is part of the enlistment criteria for the armed forces.

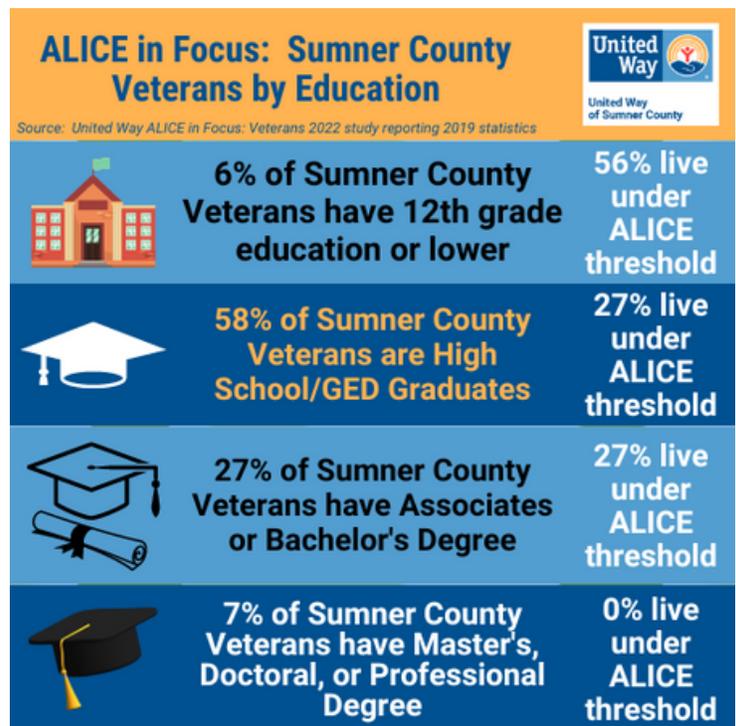
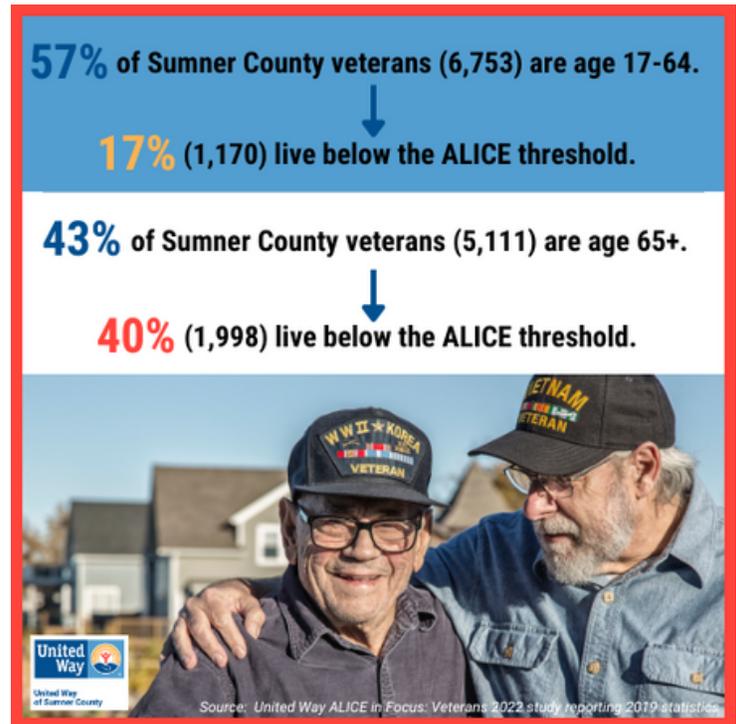
In Sumner County, only 6% of veterans (712) have not received their high school/GED diploma.

About 4% of them (32) live in poverty plus another 52% (369) who are ALICE leaving a total of 56% (401) living under the ALICE threshold.

58% of Sumner County veterans, ages 25 and older (6,835) hadve received at least a high school/GED diploma. None live in poverty, but 27% (1,835) are ALICE.

However, because the majority of veterans enroll in the military soon after high school, it generally takes them longer to attain post-secondary educational goals. In 2019, two-thirds (66%) of Sumner County veterans ages 25 and older had not completed post-secondary education, despite VA

benefits that help veterans with educational needs — like paying college tuition, finding the right school or training program, and getting career counseling. Of the 34% (4,045) who HAD completed post-secondary education, 27% (3,174) had received an Associates or Bachelors degree and 7% (871) had attained a Master's, Doctoral, or Professional degree. None of the Sumner County veterans who had earned an Associates or Bachelors degree were living in poverty, but 27% of them (848) were ALICE. None of those with a Master's Doctoral, or Professional degree were living below the ALICE threshold.



**More than half (53%) of Sumner County Veterans age 17-64 are in the labor force.**

**Of these, 14% live below the ALICE threshold.**

**(47%) are not in the labor force.**

**Of these, 41% live below the ALICE threshold.**



Source: United Way ALICE in Focus: Veterans 2022 study reporting 2019 statistics



## ALICE by Work Status

More than half (53%) of Sumner County veterans ages 17-64 (6,235) are in the labor force, meaning they are civilians who are currently working full time or part-time or are actively looking for work. None of them are living in poverty, but 14% (869) are ALICE, making enough to put them above the FPL but not enough to cover the costs to live in our area.

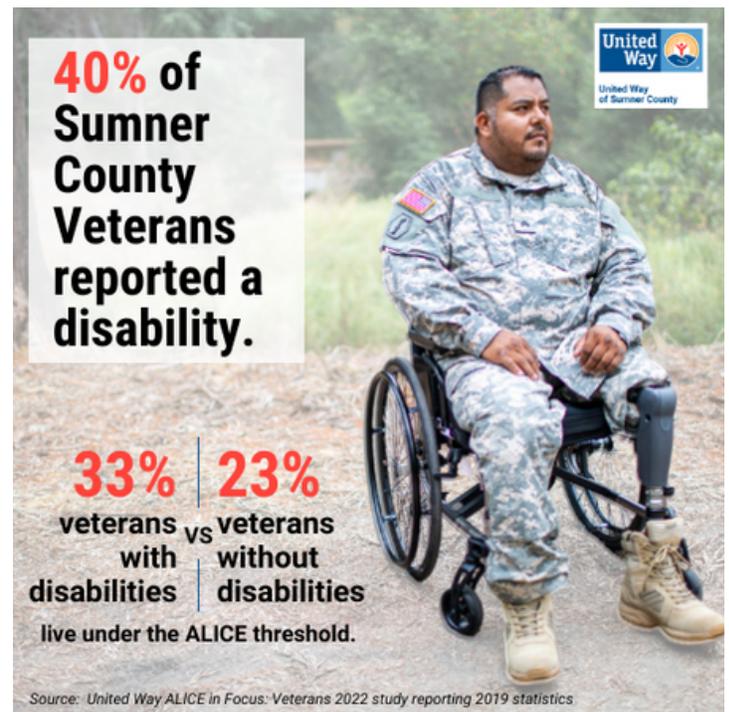
Slightly less than half (47%) of Sumner County veterans ages 17-64 (5,629) are **not** in the labor force. Less than 1% of them are living in poverty (32) but over 40% are ALICE (2,299) accounting for 41% (2,331) who are living under the ALICE threshold.

## ALICE by Disability

As a result of medical advances, military personnel are now more likely to survive a significant injury in combat, thereby increasing the number of veterans living with service-related disabilities. In 2019, 29% of veterans in Tennessee reported a service-related disability as defined by having a U.S. Department of Veterans Affairs (VA) disability rating. More generally, one-third (33%) of veterans in Tennessee reported having a disability (whether service-related or not), defined by the ACS as a cognitive, hearing, vision, or ambulatory disability, or one that makes self-care or independent living difficult.

In Sumner County, 40% of veterans (4,782) reported having a disability. The study found

that veterans with a disability are more likely to struggle financially than those without. Of those without a disability (7,082), none live in poverty and 23% (1,620) are ALICE. However, for those with a disability, just under 1% (32) live in poverty, but another 32% (1,548) are ALICE leaving 33% (1,580) living under the ALICE threshold.



## ALICE by Housing

Housing stability has a profound positive impact on overall well-being. People who live in owner-occupied housing are less likely to move and more likely to build assets over time.

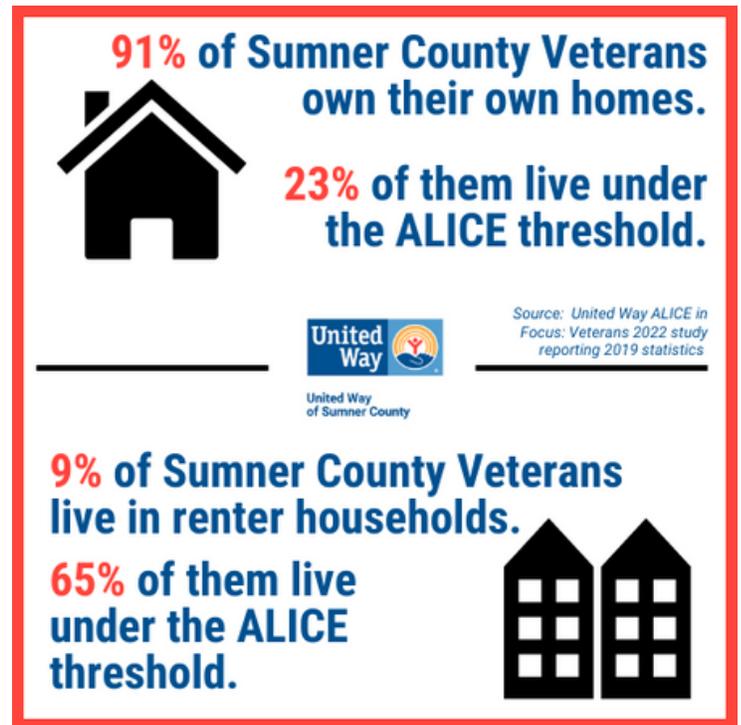
Overall, most veterans in Tennessee (82%) lived in owner-occupied housing units in 2019, a considerably higher rate than for those who never served (69%). This gap may in part be due to home loans available through the Veterans Benefits Administration, which make it easier for qualified veterans to purchase a home as they require no down payment and offer low interest rates and limited closing costs.

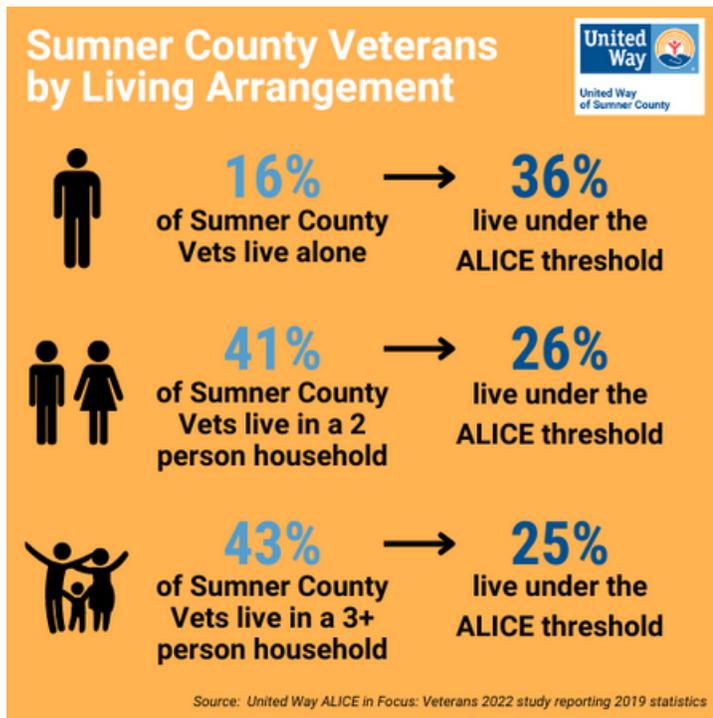
In Sumner County, 91% of our veterans (10,785) own their own homes and only 9% (1,079) live in renter households. Yet homeownership alone does not ensure financial stability. Even though a much larger portion of veterans living in renter households (65% or 696 veterans) live below the ALICE threshold, 23% of those who owned their own home (2,504) were also struggling to make ends meet.

In addition, approximately 3% of Sumner County veterans (375) are owner housing cost burdened and another almost 3% (348) are rent burdened, meaning that they pay more than 35% of income on rent or mortgage plus utilities, taxes, and insurance.

This means that 6% (723) of Sumner County veterans are more likely to experience housing insecurity and are therefore also at greater risk of becoming homeless.

It is also worth noting that 90% of veterans in Tennessee are male, yet Sumner County has no permanent homeless shelters for males.





## ALICE by Living Arrangement

Only 16% of Sumner County vets (1,911) live alone, yet a higher percent of them (36% or 697 veterans) live below the ALICE threshold than do those who live in two or three or more person households.

41% (4,819) live in two-person households with 26% of them (1,245) living below the ALICE threshold. 43% of Sumner County veterans (5,134) live in households with three or more people and 25% of them (1,258) are struggling to make ends meet.

## Public Assistance for ALICE Veterans: SNAP

For a variety of reasons, public assistance does not reach all people in households that are struggling. While most people in poverty are eligible, those in ALICE households often earn too much to qualify for assistance. In addition, income and asset limits for public assistance can create “benefits cliffs” that limit economic mobility.

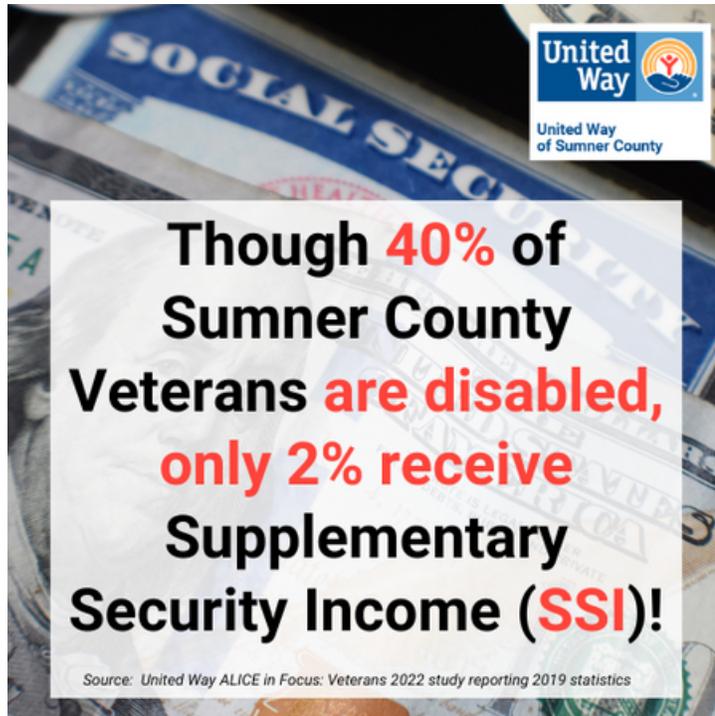
For example, the income eligibility threshold for one of the most far-reaching public assistance programs in the U.S., the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps), is generally 130% of the FPL. Even though all veterans living in households with income below the FPL should be covered by SNAP, **none** of the Sumner County veterans living in poverty and a mere 2% of the veterans in ALICE households (225), participated in this program in 2019.

This meant that despite efforts to increase veterans’ utilization – including reducing stigma, increasing awareness, and targeting groups at risk of food insufficiency – there were almost 3,000 veterans whose families were struggling to make ends meet in Sumner County that did not participate in SNAP.

**Almost 3,000 Sumner County Veterans living under the ALICE threshold, including those in poverty, are NOT receiving SNAP benefits.**

Source: United Way ALICE in Focus: Veterans 2022 study reporting 2019 statistics

## Public Assistance for ALICE Veterans: SSI



The VA provides disability compensation for an illness or injury that was caused by or became worse due to active military service. Benefits are based on the severity of the veteran's service-connected disabilities; the more severe the disability, the higher the VA disability rating, up to a maximum of 100%. Yet even with a 50% rating, which covers disabilities such as PTSD, impaired memory, and panic attacks, in 2019, the amount of the disability benefit did not come close to covering the cost of the ALICE Household Survival Budget anywhere in Tennessee.

Veterans with disabilities may also be eligible for Social Security Administration benefits along with or as an alternative to their VA

benefits. Unlike VA benefits, Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI) do not require a recipient's disability to be service-related. Yet to qualify, the disability must be expected to last for 12 months or longer and impact gainful employment. Veterans may also access Medicaid and Medicare health benefits when eligible for SSI and SSDI. Yet rules for participation are complex and impact payments and participation.

In addition, the criteria to qualify for SSI are extremely limiting: applicants cannot have assets greater than \$2,000 for an individual or \$3,000 for a married couple - a level that has not changed in 40 years. And because, 91% of Sumner County veterans own their own homes, most would be disqualified from SSI.

The bottom line is that even though 40% of Sumner County veterans reported a disability, only 2% receive SSI payments. This leaves 3,092 veterans who are not receiving SSI struggling to pay for basic needs.

# IMPACT OF THE PANDEMIC NATIONALLY

The inequities and barriers to financial stability that many veterans face were exacerbated during the dual health and economic crises of the COVID-19 pandemic. For veterans below the ALICE Threshold, there were additional challenges related to limited income/savings and meeting basic needs – challenges that are hidden by national averages.



For many veterans with disabilities, the [challenges](#) were even more substantial, and included a higher susceptibility to severe illness and death, limited options for those in congregate settings to transition to community settings, an extensive shortage of direct care and support workers, and additional costs related to personal assistance, home accommodations, and transportation.

As shown in our 2021 report [The Pandemic Divide](#), households below the ALICE Threshold suffered disproportionately during the pandemic. Expanding on these findings, we report our analysis of the Federal Reserve Board's [Survey of Household Economics and Decisionmaking](#) (SHED) (October–November 2021), which reveals that veterans below the ALICE Threshold were more likely than veterans above the Threshold to be adversely impacted by the pandemic:

- **Difficulty getting by financially:** Overall, 17% of veterans in the U.S. reported that they were struggling financially (finding it difficult to get by or just getting by), compared to 23% of people who never served. Yet there was a large gap by income: Below the ALICE Threshold, 36% of veterans and 41% of people who never served were struggling, compared to 10% of veterans above the Threshold.

- **Change in financial status:** While many veterans in the U.S. (43%) reported that their household financial status did not change much over the last two years, the pandemic has been tough on veterans who were already struggling to afford the basics: 29% of veterans below the ALICE Threshold reported being worse off (much worse off or somewhat worse off) than 12 months ago, and 33% reported being worse off than 24 months ago. Rates were similar for those who never served.
- **Rainy day funds:** Across the U.S., 71% of veterans reported that they had set aside emergency or rainy day funds that would cover their expenses for three months in the event of sickness, job loss, economic downturn, or another emergency. Yet there was a considerable difference according to income: Only half (49%) of veterans living below the ALICE Threshold had an emergency fund, compared to 80% of veterans above the Threshold. Rates for those who never served were substantially lower: Only 58% reported having a rainy day fund, and even fewer below the ALICE Threshold (38%) had one.
- **Credit alternative financial services:** Military personnel have long been [targeted for alternative financial products](#) such as nonbank money order or check cashing, payday loans, pawn shop loans, auto title loans, and tax refund advances. Nationally, veterans overall were slightly less likely than those who never served to use credit alternative financial services (14% vs. 16%).



Yet even with [legislation limiting the marketing and abuses of these services](#), veterans below the ALICE Threshold were twice as likely as those above the Threshold to have used a credit alternative financial service in the last 12 months (22% vs. 11%). Rates were slightly higher for those below the Threshold who never served.

- **Unexpected medical expenses:** Veterans below the ALICE Threshold in the U.S. were more likely than those who never served to incur an unexpected major medical expense that they had to pay for out of pocket because it was not completely paid for by insurance (25% vs. 19%).
- **Food insufficiency:** Throughout the pandemic, many veterans struggled to afford food. Veterans below the ALICE Threshold in the U.S. were nearly five times as likely as veterans above the Threshold to have received free groceries or meals through a food pantry or religious or community organization (19% vs. 4%). Rates were similar for those who never served.



- **Mental health:** Across the U.S., veterans below the ALICE Threshold were twice as likely as those above the Threshold to have needed mental health care or counseling but gone without because they couldn't afford it (6% vs. 3%). But rates were even higher for people who never served, both below and above the Threshold (14% vs. 5%). [Mental health \(or "invisible wound"\) conditions that go untreated](#) can negatively impact personal and professional relationships, work productivity, quality of life, and overall well-being for both veterans and their families. Treating mental health issues early can also reduce additional adverse consequences and help contain costs of caregiving.

The [Military Times/Institute for Veterans and Military Families 2020 Survey \(March 26–March 31\)](#) also documented widespread concern and need for additional resources during the pandemic. Nationwide, veterans reported that they would like access to and availability of medical care (77%); resources related to day-to-day life in their community (59%); assistance with veteran education, disability, health, and loan programs (44%); money management, insurance, tax assistance, and living assistance (41%); veterans' court services, available and accessible legal aid (35%); and access to and availability of mental health services (32%).

There were some key differences in need by gender and race/ethnicity. By gender, the percentage of females reporting that they would like resources was greater than for males in almost all categories. The biggest gaps were in access to and availability of services and resources for education (56% of females vs. 31% of males); access to and availability of services and resources for children's education (41% vs. 28%); and access to and availability of mental health services (54% vs. 31%).

By race/ethnicity, Black, Hispanic, American Indian/Alaska Native, Asian, and Native Hawaiian/Pacific Islander veterans – grouped together in the report as "minority" veterans – were more likely than White veterans to report needing medical care (82% vs. 76%), community support (64% vs. 58%), and benefits and claims assistance (60% vs. 41%).

The Wounded Warrior Project's (WWP) [Annual Warrior Survey](#) (June 2–August 30, 2021) provides additional national context about the needs of younger, more recent veterans (those who served post-9/11) who have a service-related mental or physical injury, illness, or wound. Overall, for these veterans, mental health problems were more than twice as common as physical problems.

For those who reported needing the aid or assistance of another due to an injury, health and/or mental health issue, their spouse was by far the most common caregiver (75%), followed by parents or siblings (8%) and children (3.5%). Hours of caregiving varied, with 43% needing less than 20 hours per week while 30% needed 40 hours per week or more.

# LESSONS FROM ALICE VETERANS FOR ALL ALICE GROUPS

This first analysis of veterans living in financial hardship using the ALICE metrics finds that nationally in 2019, veterans were less likely to have income below the ALICE Threshold than those who never served in the military (27% vs. 35%). The same held true in Tennessee in 2019: 32% of veterans were below the ALICE Threshold, compared to 40% of those who never served. This difference begs the question: Are there unique characteristics, experiences, or benefits associated with military service or veteran status that promote increased financial stability?

The ALICE data suggest three factors that help explain veterans' relatively better financial status: Veterans are more likely to be working full time, to own their own home, and to have private health insurance and access to VA health care benefits and disability compensation.



**Employment:** Of people in the labor force in Tennessee (age 17–64), veterans were more likely to have the stability of full-time employment (87%) than those who never served (79%).



**Homeownership:** Overall, most veterans in Tennessee (82%) lived in owner-occupied housing units in 2019, a considerably higher rate than for those who never served (69%). This gap may in part be explained by the fact that veterans as a group are older, and homeownership increases with age. But even for those in their prime working years (age 25–64), veterans fared better: 77% of veterans owned their own home, compared to 68% of those who never served.



**Health coverage and benefits:** Most veterans under age 65 in Tennessee had private health insurance (75%), a higher rate than among those who never served (71%). In addition, 49% of veterans were enrolled in TRICARE or VA health care – programs that can be combined with private insurance and Medicare or Medicaid for those who are eligible, to provide more comprehensive health coverage.

VA health care benefits, along with disability compensation, are critical resources for veterans with disabilities. Veterans are more likely to have disabilities than those who never served, and the presence of disabilities is one of the biggest drivers of financial hardship. Yet in Tennessee in 2019, veterans with disabilities were much less likely to face financial hardship: 40% of veterans with disabilities and 27% of veterans with service-related disabilities lived in a household with income below the ALICE Threshold, compared to 59% of those with disabilities who never served.

This *ALICE in Focus: Veterans* research also suggests that veteran status may contribute to reducing, but not eliminating, financial hardship in certain populations. For example, in Tennessee in 2019, rates of financial hardship for Black and Hispanic veterans were considerably lower than rates for Black and Hispanic people who never served. Additionally, rates of financial hardship were similar between male and female veterans, and both rates were lower compared to their nonveteran counterparts.

The transition from military to civilian life as a veteran is not free of challenges, and the benefits of service and veteran status are not experienced equally across all populations. Yet these findings suggest that more research would be worthwhile to better understand veterans' experience and the supports they receive, and to identify how these could be transferred to the general population in order to reduce financial hardship for all.

Descriptor for Sumner County	% of total veterans in Sumner County	Total # veterans	# ALICE veterans	% of total veterans in this category that are ALICE	# veterans in Poverty	% of total veterans in this category that are in poverty	Total # veterans under ALICE threshold	Total % Below ALICE threshold
all veterans	100%	11,864	3,168	26.70%	32	0.27%	3,200	27%
17-64	57%	6,753	1,170	17.33%	0	0.00%	1,170	17%
65+	43%	5,111	1,998	39.09%	32	0.63%	2,030	40%
Asian	1%	142	0	0.00%	0	0.00%	0	0%
Black	9%	1,058	439	41.49%	0	0.00%	439	41%
Hispanic	1%	110	0	0.00%	0	0.00%	0	0%
Native Hawaiian/ Pacific Islander	0%			#DIV/0!		#DIV/0!	0	
2 or more races	0%			#DIV/0!		#DIV/0!	0	
White	88%	10,446	2,729	26.12%	32	0.31%	2,761	26%
Born in US	97%	11,464	3,168	27.63%	32	0.28%	3,200	28%
Born outside US	3%	400	0	0.00%	0	0.00%	0	0%
English Speaking Household	100%	11,864	3,168	26.70%	32	0.27%	3,200	27%
Limited-English speaking household	0%	0	0	#DIV/0!	0	#DIV/0!	0	0%
With a Disability	40%	4,782	1,548	32.37%	32	0.67%	1,580	33%
Without a Disability	60%	7,082	1,620	22.87%	0	0.00%	1,620	23%
Single person household	16%	1,911	665	34.80%	32	1.67%	697	36%
Two person household	41%	4,819	1,245	25.84%	0	0.00%	1,245	26%
Three+ household	43%	5,134	1,258	24.50%	0	0.00%	1,258	25%
In Labor force	53%	6,235	869	13.94%	0	0.00%	869	14%
Not in Labor force	47%	5,629	2,299	40.84%	32	0.57%	2,331	41%
Owner Household	91%	10,785	2,504	23.22%	0	0.00%	2,504	23%

Descriptor for Sumner County	% of total veterans in Sumner County	Total # veterans	# ALICE veterans	% of total veterans in this category that are ALICE	# veterans in Poverty	% of total veterans in this category that are in poverty	Total # veterans under ALICE threshold	Total % Below ALICE threshold
Renter Household	9%	1,079	664	61.54%	32	2.97%	696	65%
Owner Housing Cost Burdened	3%	375	326	86.93%	0	0.00%	326	87%
Owner NOT Housing Cost Burdened	88%	10,410	2,178	20.92%	0	0.00%	2,178	21%
Rent burdened	3%	348	278	79.89%	0	0.00%	278	80%
Not rent burdened	6%	731	386	52.80%	32	4.38%	418	57%
12th grade education or lower	6%	712	369	51.83%	32	4.49%	401	56%
High School graduate/ GED	58%	6,835	1,835	26.85%	0	0.00%	1,835	27%
Associates or Bachelors Degree	27%	3,174	848	26.72%	0	0.00%	848	27%
Master's Doctoral, Professional Degree	7%	871	0	0.00%	0	0.00%	0	0%
Private Health insurance	71%	8,384	1,560	18.61%	32	0.38%	1,592	19%
Public Health Insurance	25%	2,927	1,294	44.21%	0	0.00%	1,294	44%
No health insurance	5%	553	314	56.78%	0	0.00%	314	57%
With High Speed Internet	72%	8,517	1,758	20.64%	0	0.00%	1,758	21%
No High Speed Internet	28%	3,347	1,410	42.13%	32	0.96%	1,442	43%
With home internet	91%	10,805	2,548	23.58%	0	0.00%	2,548	24%
No Home Internet	9%	1,059	620	58.55%	32	3.02%	652	62%
with Smartphone	84%	10,020	2,146	21.42%	0	0.00%	2,146	21%
No Smartphone	16%	1,844	1,022	55.42%	32	1.74%	1,054	57%

Descriptor for Sumner County	% of total veterans in Sumner County	Total # veterans	# ALICE veterans	% of total veterans in this category that are ALICE	# veterans in Poverty	% of total veterans in this category that are in poverty	Total # veterans under ALICE threshold	Total % Below ALICE threshold
Participating in SNAP	2%	225	225	100.00%	0	0.00%	225	100%
Not participating in SNAP	98%	11,639	2,943	25.29%	32	0.27%	2,975	26%
Receiving Supplementary Security Income	2%	186	108	58.06%	0	0.00%	108	58%
Not receiving Supplementary Security Income	98%	11,678	3,060	26.20%	32	0.27%	3,092	26%

Source: <https://unitedforalice.org/local-maps/focus-veterans>