

'In the group that falls between the cracks'

By Traci Moyer | The Herald Bulletin | Posted: Tuesday, May 12, 2015 7:00 am

ANDERSON — This is how fast it can happen.

One day Nancy Smith was making \$17 an hour as a warehouse manager; the next day she was laid off.

That was in 2010.

Today, Smith, 49, is a home health-care specialist making \$10 an hour and living just above the federal poverty level.

Indiana has 352,042 households with income below poverty and 570,300 households where people are struggling to pay for their housing, health care and transportation. Smith belongs to this second group.

The Indiana Association of United Ways released a report last year on the financial stability of Hoosiers and coined the acronym ALICE -- Asset Limited, Income Constrained, Employed -- to describe those who linger between poverty and self-sufficiency.

"I'm in that group that falls between the cracks," Smith said.

The largest segment of ALICE households is between the ages of 25 and 64. Hoosiers in this category often move in and out of poverty or hover near poverty's edge as the years pass. According to the United Way, Indiana residents like Smith walk a financial tightrope without a safety net to cushion a headlong plunge into poverty.

When the company Smith worked for eliminated her job, she decided to return to school. But she had to make more sacrifices along the way, including giving up her home and moving back in with her 83-year-old mother on the city's south side.

"To pay what bills I have, I am living with my mom," Smith said. "For me to be able to make it over time, that is what I needed to do. But I'm still just getting by."



Extra hours

After her class, Nancy Smith goes to the computer lab and does her class work.

An Anderson University nursing student, Smith spends most of her time these days studying, working her full-time job, or at school. She's pursuing her third college degree.

Smith returned to Ivy Tech in the fall of 2010 and earned an associate's degree in applied science in health care support and dementia care in 2013. Realizing she needed only a couple of classes for a medical assistant degree, she continued her classes for another year.

Smith hopes to graduate with her bachelor's degree in nursing in 2017.

Emergency situation

Any of a range of emergencies could send Smith tumbling. For example, if her 2005 Chevy Impala had to be replaced, it would compromise Smith's job and her schooling.

“We pray that it survives just long enough to get me through nursing school,” she said. “It is not a vehicle I would drive for a very long distance. But it’s not like I’m going to take off and drive it to Florida or anything.”

Although she does get some funding including Pell grants and government student loans for her college courses, Smith still accumulates more than \$1,000 in school expenses each semester. She also pays for phone service, car insurance, gasoline expenses, groceries and other miscellaneous expenses.

When she's not in school, Smith works overtime when she can. But her take-home pay remains under \$500 a week, even if she works 56 hours.

If she couldn't live with her mother, she'd likely have a rent payment of \$500 or more a month, plus utilities. She simply wouldn't be able to pay all of her bills.

Furthering her education? That possibility would be remote, at best.

“I would be working every hour I could to survive,” Smith said.

So she chose to move in with her mother to afford her college payments and avoid taking out additional student loans.

Education is her solution to financial instability. The average entry level salary for a registered nurse, based on shift, hours and benefits, is \$44,000 — more than double Smith's current salary of \$18,300.

But living with her mother is not ideal.

“It’s stressful some days,” Smith said. “She is still my mom.”

Roy Smith of Anderson said his little sister has had it rough.

"She has done what she has had to do to survive and trying to improve herself," he said. "One thing our parents taught us is you have to believe in yourself. ... Considering all the things she's been through and the economy ... it's been a fight."

Enrolled in a bare-minimum health insurance plan to keep monthly premium payments low, Nancy Smith realizes she is one major health problem away from a lifetime of debt.

“If something happened where I ended up in the hospital for two weeks or a year, I would be screwed,” she said.

Inspiring determination

Cody Smith, 29, of Anderson, said witnessing his mom's determination to turn her life around has been inspiring.

"Life has been a struggle for her," he said. "Our world is messed up when you think about it. People in sports or athletes are billionaires, but we don't really need them. And then there are people out here risking their lives and saving people who make nothing.

"It seems like it's backwards, and we are paying people for jobs that don't really matter."

Smith has seen better times, and she's seen worse times.

“When we make more, we're spending more,” she said. “At one point, I was in the position to not be struggling. I didn’t have money to say, ‘Hey, let’s go on a vacation!’ But I did not want for anything.”

Smith will have student loan debt after she graduates. But she's hopeful her advanced degree will reap more income, helping her better balance her budget.

“I try not to think too much about the future,” she said. “I don’t have any control over it, and I can’t change anything. So why worry about it? God has purpose for everything, so it will all work out.”

She said she would welcome assistance from government or charitable programs. But she doesn't know of any that will help her.

“A lot of people try to buck the system,” she said. “But there are those that need help. And they should not be afraid to ask for help. Everyone needs a little help every now and then.”