



Public Assistance Supports Stable Families: A Family First Issue

Vital Role of the Safety Net

Public assistance programs, often referred to as “safety net” programs, have the potential to help low-income families meet the cost of basic needs and provide a bridge to long term economic stability. Programs such as food assistance, direct cash assistance, and refundable tax credits are associated with immediate and long term improvements for families. According to the Center on Budget and Policy Priorities (CBPP), these improvements include healthier birth weights for babies and improved health indicators for children. Children who benefit from safety net resources have also been shown to have higher levels of school enrollment, better math and reading test scores, and higher rates of high school graduation and college entry. Safety net programs have also been shown to reduce intergenerational poverty; children who benefit from safety net programs have higher incomes as adults.

The CBPP also found that families living in poverty often experience high levels of toxic stress. Women who experience long periods of stress during pregnancy may have higher levels of the stress hormone, cortisol, in their bloodstream. High cortisol levels have been associated with lower school achievement and higher chronic health conditions. Low-income women who have received safety net supports during pregnancy exhibit lower maternal stress, and lower cortisol levels.

Assistance in meeting basic needs is also linked to higher quality parenting and increased safety for children. A recent study published in Journal of the American Medical Association found that every 5% increase in enrollment in the Supplemental Nutrition Assistance Program (SNAP) could result in a 7.6% to 14.3% reduction in the number of children placed in foster care.

WHAT MAKES UP THE SAFETY NET?

FOOD ASSISTANCE

- **The Supplemental Nutrition Assistance Program (SNAP)** provides benefits to supplement the food budget of needy families so they can purchase healthy food and move towards self-sufficiency.
- **The National School Lunch Program (NSLP)** is a federally assisted meal program providing low-cost or free lunches to children in public and nonprofit private schools and residential child care institutions.
- **The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)** provides federal grants to states for supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to age 5 who are found to be at nutritional risk.

REFUNDABLE TAX CREDITS

- **The Earned Income Tax Credit (EITC)** is a tax credit for workers with low to moderate income. Eligibility for the tax credit is based on various factors including family size, filing status and income.
- **The Child Tax Credit (CTC)** is a tax credit available to taxpayers with dependent children under the age of 17.
- **The Supplemental Security Income (SSI)** program provides monthly payments to adults and children with a disability or blindness who have income and resources below specific financial limits, and also to people age 65 and older without disabilities who meet the financial qualifications.

HEALTHCARE

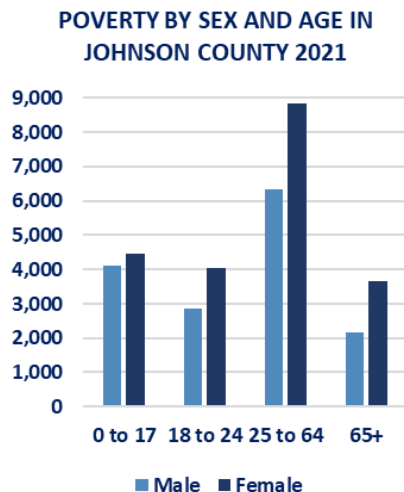
- **Medicaid** is the nation’s public health insurance program for people with low income. In Kansas the program is called KanCare
- **Children’s Health Insurance Program (CHIP)** provides low-cost health coverage to children in families that earn too much to qualify for Medicaid but not enough to buy private insurance.

CHILDCARE/EARLY EDUCATION

- **Head Start** is a Federal program that promotes the school readiness of children from birth to age five from low-income families by enhancing their cognitive, social, and emotional development.
- **The Child Care Subsidy Program** helps pay for child care costs.

Need in Johnson County

According to the U.S. Census American Community Survey, in 2021 36,492 people in Johnson County were living below the poverty line. The 2021 Federal Poverty Level for a family of three was \$21,960, or \$1,830 per month. Nearly 15%, or 90,341 residents, of Johnson County residents were living at or below 200% of the Federal Poverty Level in 2021. For a family of three, 200% of the Federal Poverty level was \$43,920, or \$3,660 per month.



Women and the Safety Net

Women are more likely than men to need and access safety net services throughout the course of their lives. According to the U.S. Census American Community Survey 2021 1-year estimates, women represented nearly 60% of Johnson County residents living in poverty in 2021. Female headed households with children under five in Johnson County were nearly four times more likely to be living in poverty than male headed households with children under five. Women over 65 were nearly three times more likely than men over 65 to live alone, and nearly twice as likely to live in poverty in 2021.

Women come into contact with healthcare services more often over the course of their lives than men. Pregnancy and childbirth, as well as the disproportionate responsibilities women carry as caregivers for children and aging parents contribute to higher levels of engagement with the healthcare system. The U.S. Census reported that women comprised 60% of adults receiving KanCare (the Kansas program administers Medicaid) between the ages of 18 and 64 in 2021.

The Kaiser Family Foundation reported that in 2019 across the U.S., 64% of all women covered by Medicaid were women in their child bearing years (19—49). In that same year, Medicaid financed 42% of all births, making it the largest single payer of services related to pregnancy. In Kansas in 2020, KanCare covered 31% of all births.

Holes in the Safety Net

Not all people in need are able to benefit from these programs, however. Income eligibility requirements and application processes vary between programs, and many poor and low-income people do not qualify for benefits that could keep them from sinking into deeper poverty. For example, Temporary Assistance for Needy Families, or TANF is a federal program that provides cash assistance to families in need. However, to qualify for TANF, Kansas families cannot earn more than 28% of the Federal Poverty Level, or \$512 per month for a family of three, and cannot have personal assets exceeding \$2,500. In 2021, 19,783 Johnson County residents lived in extreme poverty (\$10,980 for a family of three). Of these, nearly 25% (4,754) were children, yet only 303 children per month on average benefitted from TANF in 2021. A family of three can receive a maximum of \$429 per month in Johnson County, and in Kansas benefits are limited to a lifetime maximum of 24 months.

Health benefits can also present eligibility challenges for adults. Medicaid is the nation’s public health insurance program for people with low income and covers a broad array of health services with limited enrollee out-of-pocket costs. In Kansas, federal Medicaid dollars are administered through the program known as KanCare. KanCare eligibility currently provides no coverage options for adults without a disability and without children under the age of 18, or for adults with children who make more than 38% of the Federal Poverty Level (FPL). Thirty-eight percent of poverty for a family of three was \$695 per month in 2021. Children can be covered under KanCare at 230% of FPL (\$4,209 per month), and pregnant women at 171% of FPL (\$3,129 per month) for up to 12 months after delivery. KanCare coverage for new mothers is a new provision passed during the 2022 Kansas legislative session. While these provisions are expected to improve postpartum services of an estimated 9,000 Kansas mothers, the coverage extension is not a law and is at risk of disappearing in the future under a new administration or other budget priorities.

2021 Monthly KanCare Income Eligibility Limits by Family Size			
Pregnant Women			
FPL	Family of 2	Family of 3	Family of 4
171%	\$2,482	\$3,129	\$3,776
Parents of Children 18 and Under			
FPL	Family of 2	Family of 3	Family of 4
38%	\$552	\$695	\$839

Strengthening the Safety Net: Recommendations

Research has shown that a strong safety net has lifelong benefits for vulnerable children and families. There are a number of actions that elected officials could take to increase the health and well-being of those in need in the state of Kansas:

Expand KanCare (Medicaid)

Kansas is one of 11 states that have not expanded Medicaid. Expanding KanCare access could provide health insurance to approximately 150,000 additional Kansans. Expanded Medicaid access has been shown to increase access and utilization of healthcare, healthcare affordability and financial stability, and positive health outcomes.

Expand eligibility for safety net programs.

Current income eligibility requirements for many safety net programs are set at a level of extreme poverty. Raising income eligibility and asset limits to accommodate low-income households could prevent deepening poverty and increase the potential for long term financial stability. In addition, increasing the length of lifetime eligibility limits for TANF from 24 months to 60 months would provide the longer term supports that enable households to stabilize and thrive.

Increase benefit levels

Temporary increases in benefit levels during the COVID Pandemic resulted in lower poverty rates, increased savings, and improved financial stability for vulnerable families, according to the Economic Policy Institute. Raising benefit levels, particularly for reimbursable tax credits and direct cash assistance programs would help families meet the cost of basic needs and lessen the likelihood of deepening poverty.

Streamline application processes

Those who apply for one safety net program should have the option of being automatically enrolled in other programs they would be eligible for. Streamlining processes could also have a positive impact on agencies administering safety net programs and could alleviate application backlogs.

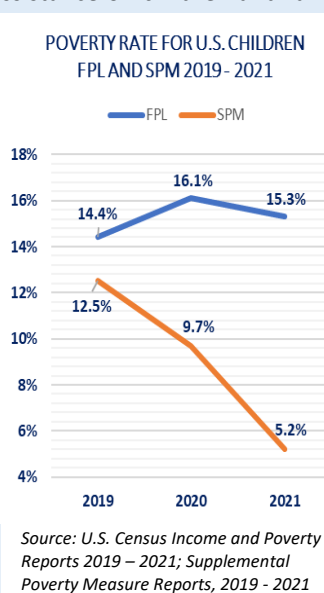
Supplemental Poverty Measure: How Public Assistance Impacts Poverty

UCS fact sheets, presentations, and online interactive maps related to poverty are based upon the Federal Poverty Level (FPL) which is updated annually by the U.S. Department of Health and Human Services. According to this measure, individual or family pre-tax incomes that fall below the FPL are considered “in poverty”.

Beginning in 2011, the U.S. Census Bureau began publishing data based on the Supplemental Poverty Measure (SPM). The SPM includes pre-tax income and adds the value of public assistance resources such as refundable tax credits, nutritional assistance, subsidized housing, and home energy assistance. In addition, the SPM subtracts the value of expenses such as income and payroll taxes, medical out-of-pocket expenses, and childcare expenses.

Public assistance programs have the potential to help low-income families meet the cost of basic needs and provide a bridge to long term stability. The SPM provides valuable insight to the impact of public assistance on children and families. For example, as shown in the chart,

the 2021 poverty rate for U.S. children using the SPM was nearly 10% lower than the poverty rate using the FPL.



However, equating public assistance with household income can be problematic as public assistance does not reflect the wages individuals or families actually earn. Additionally, public assistance programs have time and eligibility limitations that make these supports temporary and sometimes difficult to sustain. It is also important to note that the FPL, based on individual and family cash income, is the measure that government agencies use to calculate eligibility for public assistance programs.

Sources: U.S. Census American Community Survey, 2021 1-year data; DCF, FY 2021 Monthly Caseload Detail; U.S. Department of Health and Human Services; U.S. Census 2021 Poverty in the United States Report; U.S. Census Supplemental Poverty Measure 2020 Report; Kansas Department of Health and Environment KanCare Eligibility Guidelines 2021; Center of Budget and Policy Priorities: Income Support Associated With Improved Health Outcomes for Children, Many Studies Show, May 2021; Kansas Medical Assistance Report, Fiscal Year 2021; Kaiser Family Foundation, Medicaid Coverage for Women, 2022; Economic Policy Institute: Pandemic Safety Net Programs Kept Millions out of Poverty, September 2022

PUBLISHED DECEMBER, 2022