State safety nets offer uneven support to low-income working families, policy tool shows

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When it comes to providing economic assistance to families living near the poverty line, state practice and policy implementation vary in ways unexplained by differences in economic performance or the cost of living, according to data revealed in a newly updated and enhanced policy analysis tool from the National Center for Children in Poverty (NCCP) at Columbia University's Mailman School of Public Health. The 50-State Policy Tracker is a unique online tool for comparing safety net policies that are critical to the economic security of working families. The tool reveals striking variation among states, showing that state policy choices have a major impact on whether low-income working parents succeed in making ends meet.

"The good news is that more states are taking measures to help poor families, such as eliminating policies that discourage family savings and making more parents eligible for public health insurance," said Curtis Skinner, PhD, director of Family Economic Security at NCCP. "More state governments and social services agencies are looking at how their neighbors are using innovative policy approaches to help working families. Still, too many states have practices and guidelines that actually work against family efforts to achieve self-sufficiency."

Skinner noted that state-by-state differences across policy dimensions mean families living near the federal poverty line face very different eligibility rules and benefit levels for safety net programs depending on where they reside:

- Last year, Pennsylvania became the 39th state to adopt more generous income and asset guidelines in order to reach families in need of critical nutrition assistance. The federal government in recent years has encouraged states to increase the number of families served by its Supplemental Nutrition Assistance Program (SNAP)—food stamps—by lifting limits on personal assets and raising gross income limits. But eleven states—Alaska, Arkansas, Indiana, Kansas, Louisiana, Missouri, South Dakota, Tennessee, Utah, Virginia, and Wyoming—still follow more stringent guidelines. Louisiana reinstated a SNAP asset limit in 2014 after lifting it in 2010 in response to the widespread economic hardship caused by the Deepwater Horizon oil spill.
- Even though the number of uninsured adults dropped nationwide last year, affordable health insurance remains out of reach for low-income working parents who reside in states that opted out of Medicaid expansion. In non-expansion states, parents with dependent children are often unable to get health insurance, as they make too much money to be eligible for Medicaid but not enough to receive subsidies for private insurance under the Affordable Care Act. In Alabama and Texas, a family must have income below 18 percent of the Federal Poverty Guideline ($3,562 for a family of three in 2014) for the parent to receive Medicaid coverage. Fourteen other states limit family income to less than 60 percent of the FPG ($11,874 for a family of three in 2014) for parental coverage.
- Illinois recently joined Alabama, Colorado, Hawaii, Louisiana, Maryland, Ohio, and Virginia in encouraging low-income families to save by eliminating limits on assets (such as bank accounts) from eligibility requirements for their Temporary Assistance for Needy Families (TANF) programs. While most other states have limits between $2,000 and $3,000, nine states—Georgia, Indiana, Missouri, New Hampshire, Oklahoma, Pennsylvania, Rhode Island, Texas, and Washington—still

require that participating families have no more than $1,000 to participate in the program.

"Policymakers and advocates find the policy tracker invaluable for spotting innovative state approaches and flagging places where the safety net is failing to support the neediest families," said Renée Wilson-Simmons, DrPH, NCCP director. "Earning and saving more money can actually make some families worse off financially when states set very restrictive eligibility requirements for important work supports. So, even as the economy rebounds, having an effective mix of social programs that support employment, savings, and family health are critical in states looking to help low-income households get ahead financially. Our policy tracker helps identify state best practices to alleviate poverty."

The NCCP 50-State Policy Tracker makes it easy for policymakers, journalists, social researchers, and advocates to quickly and accurately compare state policies and programs vital to the well-being of low-income families. It includes key state data for 10 important social programs:

- Child care subsidies
- Child and Dependent Care Tax Credit
- Earned Income Tax Credit
- Family and medical leave
- Income tax policy
- Medicaid/Children's Health Insurance Program
- Minimum wage
- Supplemental Nutrition Assistance Program (SNAP)
- Temporary Assistance to Needy Families (TANF)
- Unemployment insurance

The 2015 update to the tracker introduces two new policy dimensions for inter-state comparison:

- While many states provide income tax refunds to their poorest residents in order to help families stay afloat, in some states, families living at the poverty line could actually face a tax bill. Policy tracker users can now explore differences in state income tax thresholds in order to examine the tipping point at which families in some states begin to incur a positive income tax liability.
- Encouraged by the federal government, more states are instituting policies to help working families keep childcare subsidies over a broader range of income. State exit eligibility limits are now captured in the policy tracker, allowing users to compare state approaches to balancing the competing demands of expanding program access by keeping income eligibility low and improving the stability and continuity of care by raising income limits.

Users can select from more than 40 other policies for comparison in a single state, states in the Northeast, Midwest, South, and West, or all 50 states and the District of Columbia. The tool's output is displayed in a table, and numerical data (e.g., the state minimum wage) can be ranked in order. A glossary provides users with additional explanations of how the ten programs work and defines the categories used to compare programs across states.

The NCCP 50-State Policy Tracker can be found online at http://www.nccp.org/tools/policy.

Provided by Columbia University's Mailman School of Public Health