

The Six Major U.S. Welfare Programs

Temporary Assistance for Needy Families program (TANF)

The TANF program assists families with children when parents or other responsible relatives cannot provide for the family's basic needs for a period of time. The Federal government provides grants to States to run the TANF program. TANF provided income to 2.5 million recipients in 2017. Of these, 1.9 million were children. In 2016, TANF assisted only 23 percent of the families living in poverty. On average, a three-person family received \$447 a month. Despite this help, they still maintain a status below the poverty line. The new requirements were the reason for this decrease in coverage. Families who receive TANF must get a job within two years.

Over time, TANF has provided basic cash assistance to fewer and fewer needy families, even when need has increased. The amount of cash assistance provided to families has eroded in almost every state. This leaves families without sufficient funds to meet their most basic needs. Although a key focus of welfare reform was on increasing employment among cash assistance recipients, states spend little of their TANF funds on helping improve the employability of a TANF recipient. Employment among single mothers increased in the 1990s, but welfare reform was only one of several contributing factors. Additionally, most of these early gains have been lost. The TANF block grant was inequitable from its genesis and has only grown increasingly inequitable over the last two decades. TANF plays much less of a role in reducing poverty than AFDC did, and the provision of less cash assistance has contributed to an increase in deep or extreme poverty.

Data Source: <https://www.acf.hhs.gov/ofa/resource/tanf-caseload-data-2017>

Medicaid

Medicaid paid for the health care of 75.1 million low-income adults in 2017. The largest share, of this cost (40 percent) went to 30.0 million children. In 2014, Medicaid also paid health expenses for 9.8 million blind and disabled people. The smallest category of beneficiary was 5.4 million low-income seniors. Medicaid pays for any health costs that Medicare does not cover. The Affordable Care Act increased Medicaid coverage by 28 percent. The act also raised the qualification income level and allowed single adults to qualify.

Data Source: <https://dnav.cms.gov/>
<https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/index.html>

Child's Health Insurance Program (CHIP)

In addition to Medicaid, 6 million children received additional benefits from CHIP. CHIP covers hospital care, medical supplies, and tests. It also provides preventive care, such as eye exams, dental care, and regular check-ups to children.

Data Source: <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/index.html>

Food Stamps - Supplemental Nutrition Assistance Program (SNAP)

Food Stamps are part of the Supplemental Nutrition Assistance Program. It provided food vouchers to 42.6 million people in 2017. The average individual received \$126 a month. The total federal cost for SNAP in fiscal year 2017 was over \$70 billion. 93 percent of this was spent on food and the rest was spent on administrative costs. It requires recipients without children to work after three months. The program waives the requirement for those who live in areas with high unemployment rates.

There's an additional food stamp program for nursing mothers and young children. The Special Supplemental Food Program for Women, Infants, and Children (WIC) provides food or vouchers, education, and referrals to help feed pregnant women and children up to age six. In 2017, 7.3 million people received WIC each month. Of those, more than 75 percent were children or infants. The Child Nutrition Program provides free or reduced-cost lunches to 30 million children. It costs the federal government \$12 billion.

Data Source: <https://www.fns.usda.gov/data-and-statistics>

Supplemental Security Program

The Supplemental Security Program provides cash to help the aged, blind, and disabled pay for food, clothing, and shelter. As of 2018, roughly 8.2 million people receive an average \$551 per month. Of those, 7.3 million are blind or disabled.

Data Source: <https://www.ssa.gov/oact/progdata/index.html>

Earned Income Tax Credit (EITC)

The Earned Income Tax Credit is a tax credit for families with at least one child. It is a benefit for working people with low to moderate income. To qualify, you must meet certain requirements and file a tax return. A tax return must be filed even if you do not owe any tax or are not required to file. EITC reduces the amount of tax you owe and may give you a refund. To qualify for EITC you must also meet some basic requirements and have earned income from working for someone or from running or owning a business or farm. Additionally, you must have a child that meets all the qualifying rules for your income or meet an additional criterion pertaining to workers without a qualifying child.

For tax year 2018, a family of four (married filing jointly) must earn less than \$51,492 a year to qualify. In tax year 2017, over 27 million received credits totaling \$65 billion for an average \$2,455 per taxpayer. EITC lifted approximately 9.4 million people out of poverty, half of whom were children. It costs just 1 percent of the amount paid out to administer it. Unfortunately, almost one-fourth of the payments are in error.

Data Source: <https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit/eitc-reports-and-statistics>

Housing Assistance

Housing Assistance is provided through 1.2 million units of public housing. The Housing Choice Voucher Program gives certificates to rent approved units. The subsidy allows those who qualify to pay no more than 30 percent of their income in rent. Local agencies administer housing assistance to 2.2 million renters. This was formerly known as the Section 8 program. The Public

Housing Agency allows some families to use the voucher to purchase a modest home.

The Low-Income Home Energy Assistance Program provides energy assistance and weatherization programs. In 2018, it provided \$3.64 billion in block grants to the states.

Data Source: https://www.huduser.gov/portal/pdrdatas_landing.html

Major takeaway from the web search:

With a number of states planning ways to tighten their Medicaid and food stamp rolls, Americans continue to believe that too many counts on the government for cash and that government welfare programs hurt more than they help.

A new Rasmussen Reports national telephone and online survey finds that 61% of American Adults think there are too many Americans dependent on the government for financial aid. That's up from 55% in March of last year (2017) after running in the mid- to high-60s over the previous four years. Just nine percent (9%) think there are not enough Americans dependent on the government for financial aid, while 18% think the level of dependency is about right. Twelve percent (12%) are not sure.