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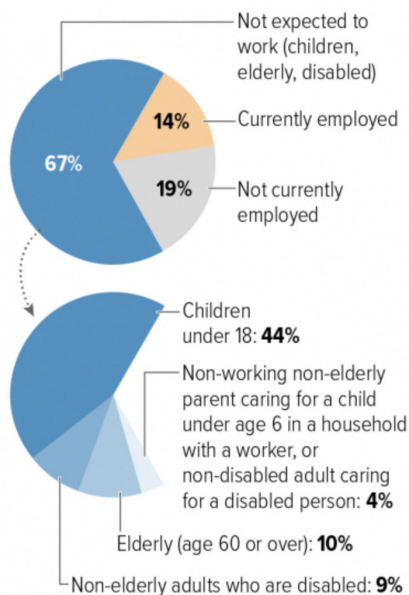
DO WORK REQUIREMENTS IN PUBLIC PROGRAMS WORK?

Legislators frequently propose that people who receive safety net benefits such as SNAP (formerly food stamps) or Medicaid be required to do paid or unpaid work in exchange. The most recent proposals include stricter work requirements for SNAP participants and introducing requirements for people who receive Medicaid or housing assistance.

Bread for the World has always argued that work is the surest way out of poverty. It is a cornerstone of our society that all adults who can work, should work. But do work requirements lead to the kind of jobs that pay enough to lift people out of poverty?

So far, the most successful work programs have been voluntary programs that combine employment and education. There is little data, because most such programs have been small, underfunded, and not followed up with careful evaluation.

4 Out of 5 SNAP Participants Are Not Expected to Work or Are Working



Note: This chart takes out individuals with earnings first, and then looks at those "not expected to work" among individuals without earnings.

Source: CBPP analysis of 2015 SNAP household characteristics data.

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Many people who receive SNAP are already working or looking for work. But people can't find and keep jobs if there are none available that they qualify for—work requirements or not. Too often, people instead lose their benefits and can afford even fewer groceries.

In Opportunity, Responsibility, and Security: A Consensus Plan for Reducing Poverty and Restoring the American Dream, authors

from the conservative-leaning American Enterprise Institute and the liberal-leaning Brookings Institution agreed that work requirements are acceptable, but only if serious penalties apply only to people who are offered jobs and refuse them without a valid reason.

Work requirements have neither raised the employment rate nor lowered the poverty level of families who receive Temporary Assistance to Needy Families (TANF),ⁱ also known as welfare.

- The U.S. economy was strong for two years after TANF began in 1996, and significant numbers of recipients found jobs. But by the fifth year, those who were required to work were no more likely to have jobs than those who weren't.
- Most of those required to work still lived below the poverty line, and some were poorer than before. In two of 13 TANF programs with work requirements, poverty decreased, but in all 13, participants were more likely to live in deep poverty (with incomes less than half the poverty level) than above the poverty line.
- Work requirements did not help recipients with significant barriers to employment find work. In New York City, only 34 percent of people in this group who participated in required work programs worked at all during the two subsequent years.

Most participants in the Supplemental Nutrition Assistance Program (SNAP)ⁱⁱ are children, elders, or people working without pay caring for family members.

- 67 percent of participants aren't expected to work because they are children, elders, people with disabilities, or people working without pay as caregivers for family members with disabilities.
- Nearly 60 percent of SNAP households with at least one working-age, non-disabled adult have someone in the workforce.

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- Receiving SNAP does not discourage people from working. In fact, employment rates among households with children and at least one non-disabled adult rose nearly 10 percent from 2009-2015—the Great Recession years.

Most Medicaid participants are either working, looking for work, or unable to work.

- Of adults eligible for “expanded Medicaid coverage” under the Affordable Care Act because they were uninsured, 78 percent lived in a family with a worker, and 59 percent worked themselves.ⁱⁱⁱ
- Of those in this group who were unemployed, 29 percent did unpaid work caring for a family member, 20 percent were looking for work, 18 percent were in school, 17 percent were ill or disabled, and 10 percent were retired.^{iv}
- States that expanded Medicaid and states that did not saw no differences in statistics such as the number of hours worked per week or wages.^v
- Of the 11 million Medicaid enrollees required to work, 46 percent have serious physical or mental limitations caused by diabetes, arthritis, cancer, heart disease, or mental illness.^{vi}

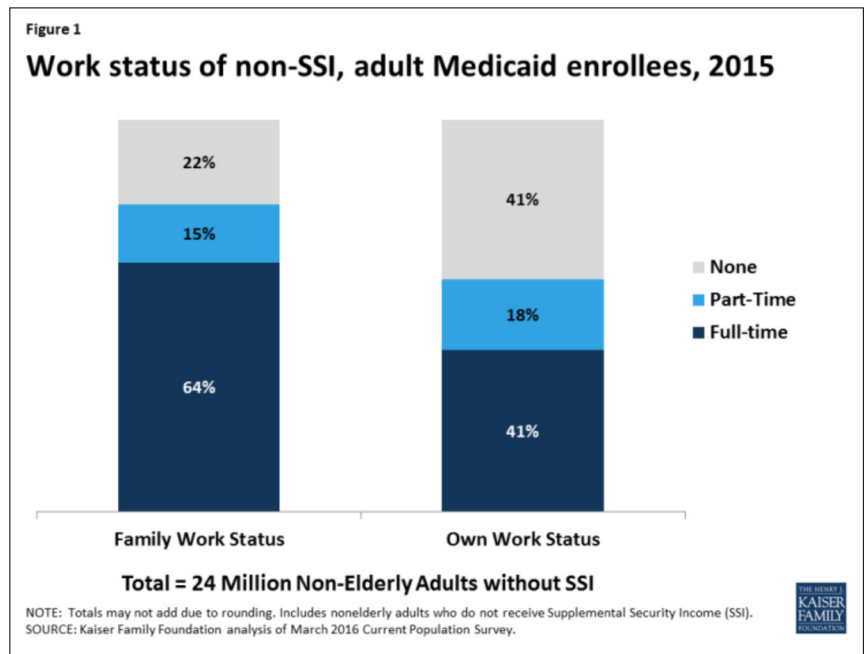
Legislators should have all the information before making decisions.

Whether work requirements in benefit programs “work” depends on the goal (e.g.,

increasing employment or reducing poverty). So far, we lack strong evidence that work requirements accomplish one or more of their stated goals.

Before adding to work requirements, legislators should review the evidence from past efforts. They should also learn the outcomes of the 10 current SNAP Employment & Training (E&T) pilot projects.

The pilots are testing a range of job strategies (e.g., sector-based approaches, work-based learning) in both urban and rural areas and in both mandatory and voluntary programs. Participants include childless adults, long-term unemployed workers, non-custodial parents, and homeless adults. The first report to Congress on the E&T pilots is available here.



Endnotes

ⁱ LaDonna Pavetti, “Work Requirements Don’t Cut Poverty, Evidence Shows,” Center for Budget and Policy Priorities, June 7, 2016, <http://www.cbpp.org/research/poverty-and-inequality/work-requirements-dont-cut-poverty-evidence-shows>

ⁱⁱ Center on Budget and Policy Priorities, Chart Book: SNAP Helps Struggling Families Put Food on the Table, Updated March 1, 2017: <http://www.cbpp.org/research/food-assistance/chart-book-snap-helps-struggling-families-put-food-on-the-table>

ⁱⁱⁱ Rachel Garfield, Robin Rudowitz and Anthony Damico, The Henry J. Kaiser Family Foundation, Issue Brief: “Understanding the Intersection of Medicaid and Work,” February 2017, <http://kff.org/medicaid/issue-brief/understanding-the-intersection-of-medicaid-and-work/>

^{iv} The Kaiser Commission on Medicaid and the Uninsured, The Henry J. Kaiser Family Foundation, Fact Sheet: “Are Uninsured Adults Who Could Gain Medicaid Coverage Working?,” February 2015, <http://files.kff.org/attachment/fact-sheet-are-uninsured-adults-who-could-gain-medicaid-coverage-working>

^v Anji Gangopadhyaya, Rational for Medicaid work requirements not supported by evidence, The Urban Institute, March 22, 2017, <http://www.urban.org/urban-wire/rationale-medicaid-work-requirements-not-supported-evidence>

^{vi} Leighton Ku and Erin Brantley, Medicaid Work Requirements: Who’s At Risk?, Health Affairs Blog, April 12, 2017, <http://healthaffairs.org/blog/2017/04/12/medicaid-work-requirements-whos-at-risk/>