

Participation and Under-Enrollment in US Social Protection Programs

Input from the Center on Budget and Policy Priorities on Special Rapporteur De Schutter’s thematic report to the UN Human Rights Council

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Summary

Each section of this document provides a short summary of one social protection program that the Center on Budget and Policy Priorities researches with regard to its broader policy agenda. All sections contain two parts: an “Overview” part that briefly describes the social program of that section and a “Participation” part that includes notable statistics and additional resources on program participation.

Medicaid

Overview

- Created in 1965, Medicaid is a public insurance program that provides health coverage to low-income families and individuals, including children, parents, pregnant women, seniors, and people with disabilities. It is funded jointly by the federal government and the states.
- Each state operates its own Medicaid program within federal guidelines. States have considerable flexibility in designing and administering their programs, so eligibility and benefits vary widely from state to state.
- In 2018, Medicaid provided health coverage for 97 million low-income Americans over the course of the year.
- For more information, please see our “Introduction to Medicaid” publication found [here](#).

Participation

- [The Urban Institute estimated](#) an overall Medicaid participation rate of 73 percent for the uninsured who became newly eligible under the Affordable Care Act (ACA), and pre-ACA rates between 60 and 70 percent.
 - It uses these rates in its microsimulation model; for example, [here](#) it assumed a take-up rate of 72 percent among the uninsured if the remaining states expanded Medicaid.
- The Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, [authored a report this year](#) outlining barriers to obtaining health coverage, including under Medicaid, among uninsured populations.
 - 30 million individuals were uninsured in 2020, one-fourth of which were eligible for Medicaid.
 - More than 70 percent of uninsured individuals in the US cited the high cost of insurance as the reason for not having health coverage.

Children's Health Insurance Program (CHIP)

Overview

- CHIP covers children in families that earn too much to receive Medicaid but can't afford insurance through the private market.

Participation

- [The Urban Institute estimated](#) this year that Medicaid and CHIP participation rates for eligible children fell from 93.4 percent from 91.9 percent between 2016 and 2019. Among eligible parents, participation reached 80.9 percent in 2019.
 - The report also discusses of barriers to enrollment and includes state-by-state and demographic breakdowns of participation rates.

Supplemental Nutrition Assistance Program (SNAP)

Overview

- SNAP, formerly known as the Food Stamp Program, is the nation's most important anti-hunger program. In a typical month in 2018, SNAP helped 40 million low-income Americans afford a nutritionally adequate diet.
- The average SNAP recipient received about \$127 a month (or about \$4.17 a day, \$1.39 per meal) in fiscal year 2018.
- For more information, please see our "The Supplemental Nutrition Assistance Program (SNAP)" publication found [here](#).

Participation

- In May 2021, the USDA published reports outlining participation in SNAP at [state](#) and [national](#) levels.
 - Out of 43,862,000 eligible individuals in US, 82 percent received benefits in fiscal year 2018.
 - Participation among eligible individuals declined by 10 percent between fiscal years 2016 and 2018.
- [The Journal of Hunger & Environmental Nutrition published a piece](#) in 2017 reviewing literature on SNAP participation and the factors influencing enrollment.

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

Overview

- WIC provides nutritious foods, counseling on healthy eating, breastfeeding support, and health care referrals to nearly 8 million low-income women, infants, and children at nutritional risk — and leads to long-term benefits.
- WIC provided an average value of \$61.24 in food per participant per month in fiscal year 2016.
- For more information, please see our “Special Supplemental Nutrition Program for Women, Infants, and Children” publication found [here](#).

Participation

- [The USDA published a report](#) this year outlining WIC coverage rates at state and national levels.
 - 57 percent of the 11.9 million infants, children, pregnant people, and recent mothers eligible for WIC in 2018 received benefits.
- [The National Academy of Sciences, Engineering, and Medicine published a report](#) in 2017 reviewing WIC food packages and providing recommendations for program improvement.
 - [Appendix G](#) provides an overview of the report’s findings regarding barriers to program participation, including a [summary of relevant literature findings](#).

Earned Income Tax Credit (EITC)

Overview

- EITC is a federal tax credit for low- and moderate-income working people that rewards work as well as offsets federal payroll and income taxes.
- Thirty states plus the District of Columbia and Puerto Rico have enacted their own version of the federal Earned Income Tax Credit (EITC) to boost the incomes of people paid low wages.
- In March 2021, under the American Rescue Plan Act, the EITC for workers not raising children was increased to \$1,500 from \$540. The recovery legislation also increased the qualifying income cap to \$21,000 from \$16,000 and expanded the age range of eligible workers to include young adults aged 19-24 (except those attending school at least part-time) and people over 65.
- For more information, please see our “The Earned Income Tax Credit” and “State Earned Income Tax Credits” publications found [here](#) and [here](#).

Participation

- The IRS estimated that 78.1 percent of eligible individuals claimed the EITC in tax year 2018. It provides state-by-state participation estimates for tax years 2011 to 2018 [here](#).
 - Eligible workers who often miss out of claiming the credit include:
 - Living in rural areas
 - Self-employed
 - Receiving certain disability pensions or have children with disabilities
 - Without a qualifying child
 - Not proficient in English
 - Grandparents raising their grandchildren
 - Recently divorced, unemployed or experienced other changes to their marital, financial, or parental status

- It is important to note that the participation rate for families with children is roughly 83 percent, whereas the participation rate for workers without children is 65 percent. The overall participation for the EITC (78.1 percent) can mask these important distinctions.
- [Prosperity Now published a report](#) on the EITC participation gap in September this year.
 - 27.5 percent of US households were eligible to receive the EITC in 2017, 78 percent of which claimed it.
 - One of the report's co-authors, Steve Holt, also [published a brief with the Brookings Institution](#) in 2006 outlining extant research on the credit and providing recommendations for improving participation and its effectiveness.
- [The IRS also published a study on EITC participation in 2005](#) which, although dated, is still considered a primary source on the subject.
- [The Taxpayer Advocate Service's 2020 report on the EITC](#) compares program participation rates between different means tested programs, many of which are mentioned in this document:

FIGURE A.9. EITC Participation and Program Costs Compared to Other Means-Tested Programs

Program	SNAP	WIC	SSI	TANF	HUD	CHIP	Medicaid	School Lunch	EITC
Year	FY 2018	FY 2018	FY 2017	FY 2015	FY 2016	FY 2017	FY 2017	FY 2017	FY 2018
Number of Recipients	40.3 M	6.9 M	9.1 M	4.2 M	5.1 M	6.9 M	72.4 M	22.1 M	26.3 M
Number of Eligible Persons	47.4 M	12.6 M	15.7 M	14.9 M	15.9 M	7.4 M	106.5 M	25.9 M	33.7 M
Participation Rate (# of Recipients/# of Eligible Persons)	85%	55%	58%	28%	32%	93%	68%	85%	78%
Year Participation Rate Measured	2016	2016	1998	2014	2016	2015	2009	2006	2016
Total Benefits Paid Out	\$60.6 B	\$5.4 B	\$54.5 B	\$14.0 B	\$41.0 B	\$ 16.3 B	\$357.6 B	\$12.3 B	\$65.3 B
Average Annual Benefit per Recipient	\$1,503	\$491	\$5,974	\$3,357	\$8,039	\$2,362	\$4,939	\$557	\$2,435
Overhead Costs	\$4.4 B	\$2.0 B	\$4.1 B	\$1.4 B	\$3.0 B	\$2.9 B	\$60.3 B	\$1.2 B	\$653 M
Overhead Costs as % of Total Benefits Paid Out	7%	37%	8%	10%	7%	18%	13%	10%	1%
Improper Payments	\$4.0 B	\$194 M	\$4.8 B	\$1.3 B	\$1.7 B	\$1.2 B	\$36.2 B	\$1.9 B	\$16.3 B
Improper Payments as a % of Total Benefits Paid	7%	4%	9%	9%	4%	7%	10%	10%	25%
Overhead Costs + Improper Payments	\$8.4 B	2.2 B	\$8.9 B	\$2.7 B	\$4.7 B	4.1B	96.5 B	\$3.1 B	\$17.0 B
Overhead Costs + Improper Payments as a % of Total	14%	40%	16%	19%	11%	25%	22%	25%	26%

Sources:

SNAP: Payment Accuracy.gov, <https://paymentaccuracy.gov/> (last visited June 26, 2019); Supplemental Nutrition Assistance Program Participation and Costs (March, 2019) USDA; USDA Reaching Those in Need: Estimates of State Supplemental Nutrition Assistance Program Participation Rates in 2016 – Summary (Mar. 2019).

WIC: Payment Accuracy.gov, <https://paymentaccuracy.gov/> (last visited June 26, 2019); Program and Participation Costs (March 2019); USDA National and State-Level Estimates of Special Supplemental Nutritional Program for Women, Infants, and Children (WIC) eligible and Program Reach in 2016 (Summary) (Feb. 2019).

SSI: Payment Accuracy.gov, <https://paymentaccuracy.gov/> (last visited June 26, 2019); Social Security Administration 2018 SSI report: Understanding Participation in SSI Kathleen McGarry University of California, Los Angeles and NBER and Robert F. Schoeni University of Michigan Prepared for the 16th Annual Joint Meeting of the Retirement Research Consortium August 7-8, 2014; Social Security SSI Report 2018 Table IV.E.1—Selected SSI Costs Fiscal Years 1978-2018; SSI Annual Statistical Report, 2017 Federal Benefit Rates, Total Annual Payments, and Total Recipients.

TANF: Federal Safety Net <http://federalsafetynet.com/welfare-fraud.html> (last visited June 26, 2019); Temporary Assistance for Needy Families 12th Report to Congress

HUD: Payment Accuracy.gov, <https://paymentaccuracy.gov/> (last visited June 26, 2019); Center on Budget and Policy Priorities United States Fact Sheet: Federal Rental Assistance; Public and Indian Housing Tenant Based Rental Assistance; Congressional Research Services Congressional Research Service Department of Housing and Urban Development (HUD) FY 2017 Appropriations (June 2017). HUD overhead costs include

CHIP: Payment Accuracy.gov, <https://paymentaccuracy.gov/> (last visited June 26, 2019); Medicaid and CHIP Payment and Access Commission Medicaid and CHIP Data Book (December, 2018); Kaiser Family Foundation FY 2017 Total CHIP Spending, <https://www.kff.org/medicaid/state-indicator/total-chip-spending/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D> (last visited July 1, 2019); Medicaid/CHIP Participation Rates Rose among Children and Parents in 2015, last viewed at http://www.urban.org/sites/default/files/publication/90346/2001264-medicaid-chip-participation-rates-rose-among-children-and-parents-in-2015_1.pdf.

Medicaid: Payment Accuracy.gov, <https://paymentaccuracy.gov/> (last visited June 26, 2019); Medicaid Budget in Brief FY 2018; Medicaid and CHIP Payment and Access Commission Medicaid and CHIP Data Book (Dec. 2018); Understanding Participation Rates in Medicaid Implications for the Affordable Care Act (Mar. 2012) at <https://aspe.hhs.gov/basic-report/understanding-participation-rates-medicaid-implications-affordable-care-act> (last visited June 26, 2019).

School Lunch: Payment Accuracy.gov, <https://paymentaccuracy.gov/> (last visited June 26, 2019); National School Lunch Program Participation and Lunches Served (Apr. 2019); Number and percentage of public school students eligible for free or reduced-price lunch, by state: Selected years, 2000-01 through 2015-16 (Digest 2017: table 204.10); Federal Cost of School Food Programs (Apr. 2019); Nutrition Assistance Program Report Series The Office of Research, Nutrition and Analysis Special Nutrition Programs School Lunch and Breakfast Cost Study – II Final Report (Report No. CN08-MCII) Apr. 2008).

EITC: Payment Accuracy.gov, <https://paymentaccuracy.gov/> (last visited June 26, 2019); last viewed June 26, 2019; IRS CDW IRTF FY 2018 (June 2018); GAO testimony on Tax Administration Earned Income Noncompliance (GAO/T-GGD-97-105 May 8, 1997); TY 2016 EITC Participation-Census Report. We computed EITC improper payments by multiplying the EITC improper payment rate (25 percent) by the amount of EITC claimed after math error processing.

Totals may not add due to rounding.

- The report also details participation rates among families with children based on the number of qualifying children:

FIGURE A.7. EITC Participation Rates by Number of Qualifying Children, TY 2016

Qualifying Children	Eligibles	Participation Rate Estimate	Margin of Error
0	7,347,000	65%	2%
1	7,204,000	86%	1%
2	5,219,000	85%	2%
3	3,098,000	82%	2%
Total	22,868,000	78%	1%

Source: TY 2016 EITC Participation Census Report

Supplemental Security Income (SSI)

Overview

- Created in 1972, SSI provides monthly cash assistance to people who are disabled or elderly and have little income and few assets.
 - SSI recipients may have no more than \$2,000 in assets for individuals and \$3,000 for couples, with certain exceptions.
 - 86 percent of SSI recipients are eligible due to a severe disability (including blindness).
- For more information, please see our “Supplemental Security Income” publication found [here](#).

Participation

- A [2015 working paper](#) from the University of Michigan Retirement Research Center cited that 57.5 percent of eligible households containing persons aged 51 and older received SSI benefits.
 - The National Taxpayer Advocate Service (see Figure A.9 above) also cited a participation rate of 58 percent – 9.1 million out of 15.7 million eligible individuals received benefits when participation was measured in 1998.

Temporary Assistance for Needy Families (TANF)

Overview

- The TANF block grant, enacted in 1996, replaced Aid to Families with Dependent Children, which provided cash assistance to families with children experiencing poverty.
 - States must require a recipient to engage in work activities and must impose sanctions (by reducing or terminating benefits) if the individual does not meet the requirements without good cause.
 - In 2019, only 23 families received TANF for every 100 families in poverty. Fourteen states reach 10 or fewer families for every 100 in poverty.
- For more information, please see our “Temporary Assistance for Needy Families” publication [here](#), as well as [our comprehensive report](#) describing the racist policies and narratives that continue to influence the program.

Participation

- [The Department of Health and Human Services issued its 12th annual report on TANF](#) to Congress and found that only 28 percent of eligible families received TANF, down from 69% in 1997.