

# Analyzing the Massachusetts Public Assistance System: Measuring Coverage Gaps

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JOHN W. McCORMACK GRADUATE SCHOOL  
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- ▶ The [Center for Social Policy \(CSP\)](#) researches the root causes of economic hardship and examines the intersection of public policies and employment practices to boost well-being. The center accomplishes this through active engagement with policymakers, researchers, service providers, and those facing economic hardship.
- ▶ The [On Solid Ground Coalition \(OSG\)](#), led by the Executive Committee made up of the Center for Social Policy (CSP), Citizens' Housing and Planning Association (CHAPA), and Homes for Families (HFF), is a cross-sector group of 40+ partners committed to a research-based, family-centered approach to ensuring access to housing stability and economic mobility for families living in Massachusetts.

## Introduction: Goals of this Study

- ▶ To calculate the percentage of people in Massachusetts who are eligible for various forms of public assistance as well as the percentage of people in Massachusetts who report actually receiving those benefits; the difference between these two numbers is called the **coverage gap**.
- ▶ To calculate the odds of receiving public assistance based on demographic characteristics, including: race, ethnicity, gender, veteran status, citizenship status, health status, and number of children in the household.

## Background: Types of Gaps

- ▶ **Eligibility Gap** – Low-income families who are ineligible for public assistance, but are still unable to make ends meet
- ▶ **Coverage Gap** – Low-income families who are eligible for public assistance, but do not receive benefits
- ▶ **Hardship Gap** – Low-income families who are working and receiving public assistance, but are still unable to make ends meet

# The Coverage Gap

- ▶ The size of the coverage gap for each benefit indicates the number of people who are eligible for a given benefit, but are not receiving that benefit. This information is important because it demonstrates the success of each program at reaching its target population(s); large coverage gaps may indicate problems with program design or delivery.
- ▶ Potential reasons for large coverage gaps include:
  - ▶ Inadequate program funding
  - ▶ Administrative challenges
  - ▶ Lack of awareness
  - ▶ Stigma
  - ▶ Other barriers

# Research Questions

- ▶ What proportion of Massachusetts residents are eligible for public assistance programs?
- ▶ What proportion of eligible Massachusetts residents actually receive benefits from public assistance programs?
- ▶ What demographic characteristics predict reciprocity?
- ▶ How does the state of Massachusetts compare to national statistics?

## Data & Methods

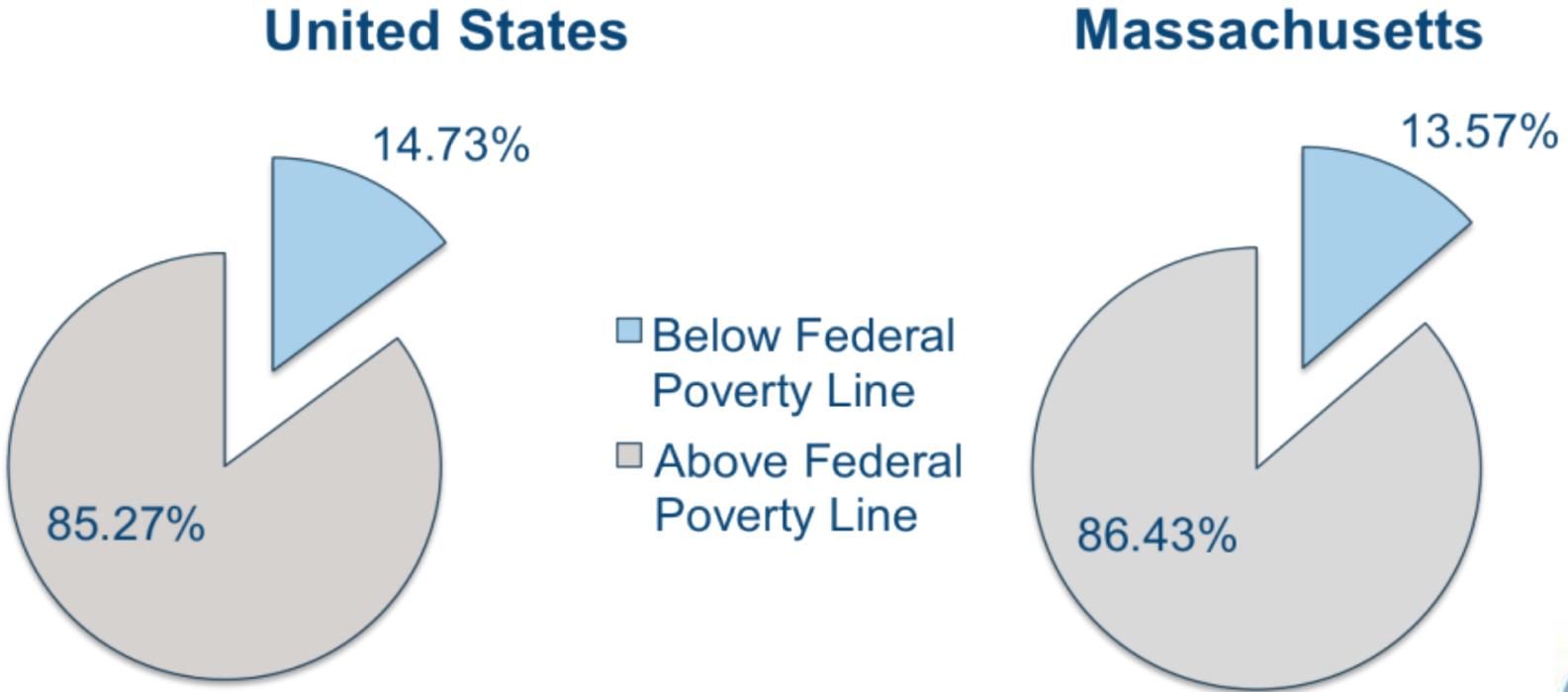
- ▶ Original qualitative dataset of eligibility requirements for 31 public assistance programs available to low-income families in Massachusetts.\* Eligibility requirements that were able to be accounted for in the data include:
  - ▶ Income limits
  - ▶ Work requirements
  - ▶ Age requirements
  - ▶ Family structure requirements (e.g. WIC is only available to low-income families with children under the age of 5)
  - ▶ Disability status requirements
- ▶ Quantitative data from the 2015 Current Population Survey Annual Social and Economic Supplement (CPS ASEC) was used to measure the size of the coverage gap for each public assistance benefit, based on the eligibility requirements from our original dataset.

\* For details on this dataset, see

[https://www.umb.edu/editor\\_uploads/images/centers\\_institutes/center\\_social\\_policy/The\\_Road\\_to\\_the\\_Cliff\\_Edge\\_08.16.17.pdf](https://www.umb.edu/editor_uploads/images/centers_institutes/center_social_policy/The_Road_to_the_Cliff_Edge_08.16.17.pdf)

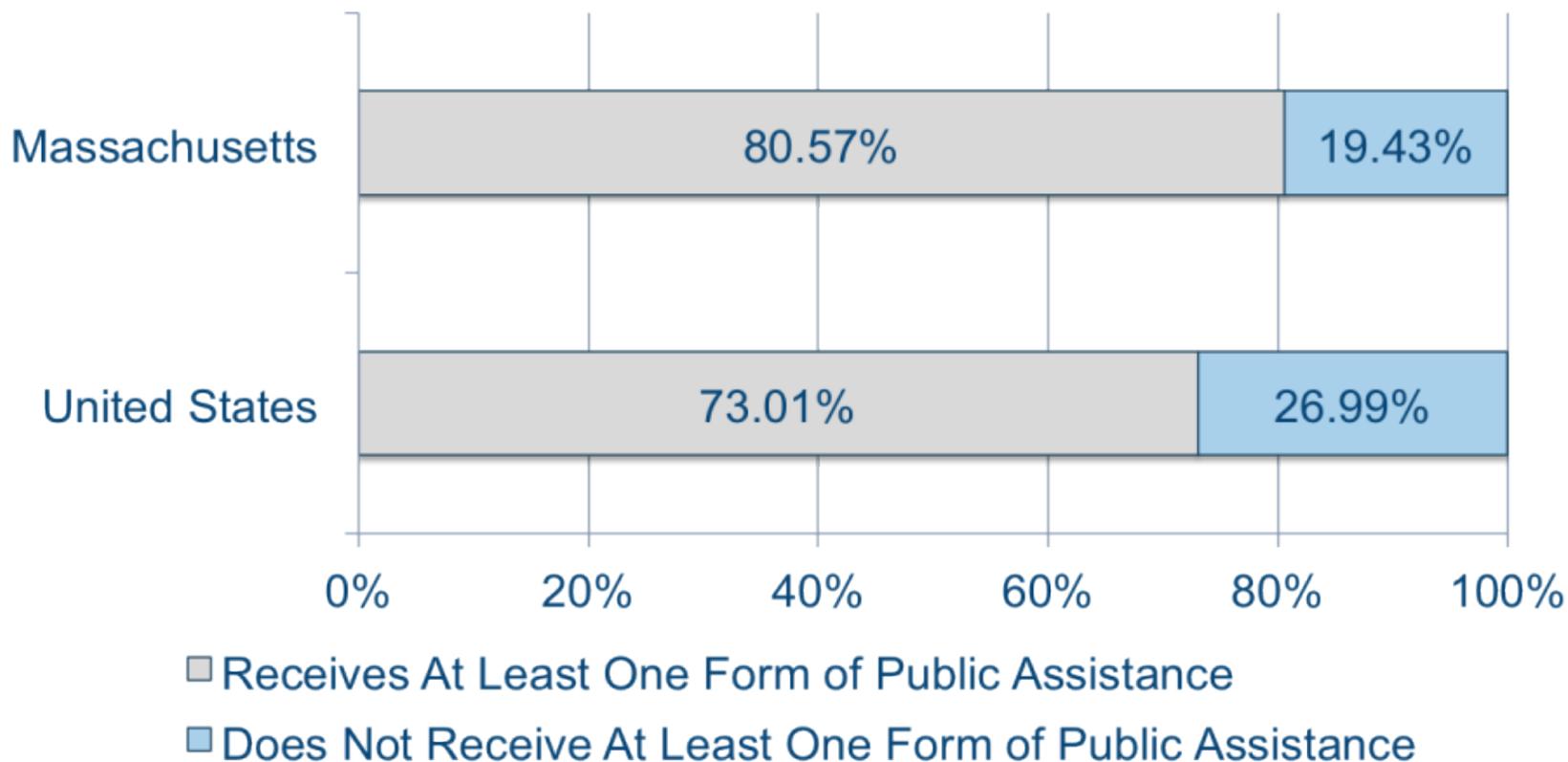
# Results – Poverty Rate

Figure 1: Households Above and Below the FPL



## Results – Public Assistance

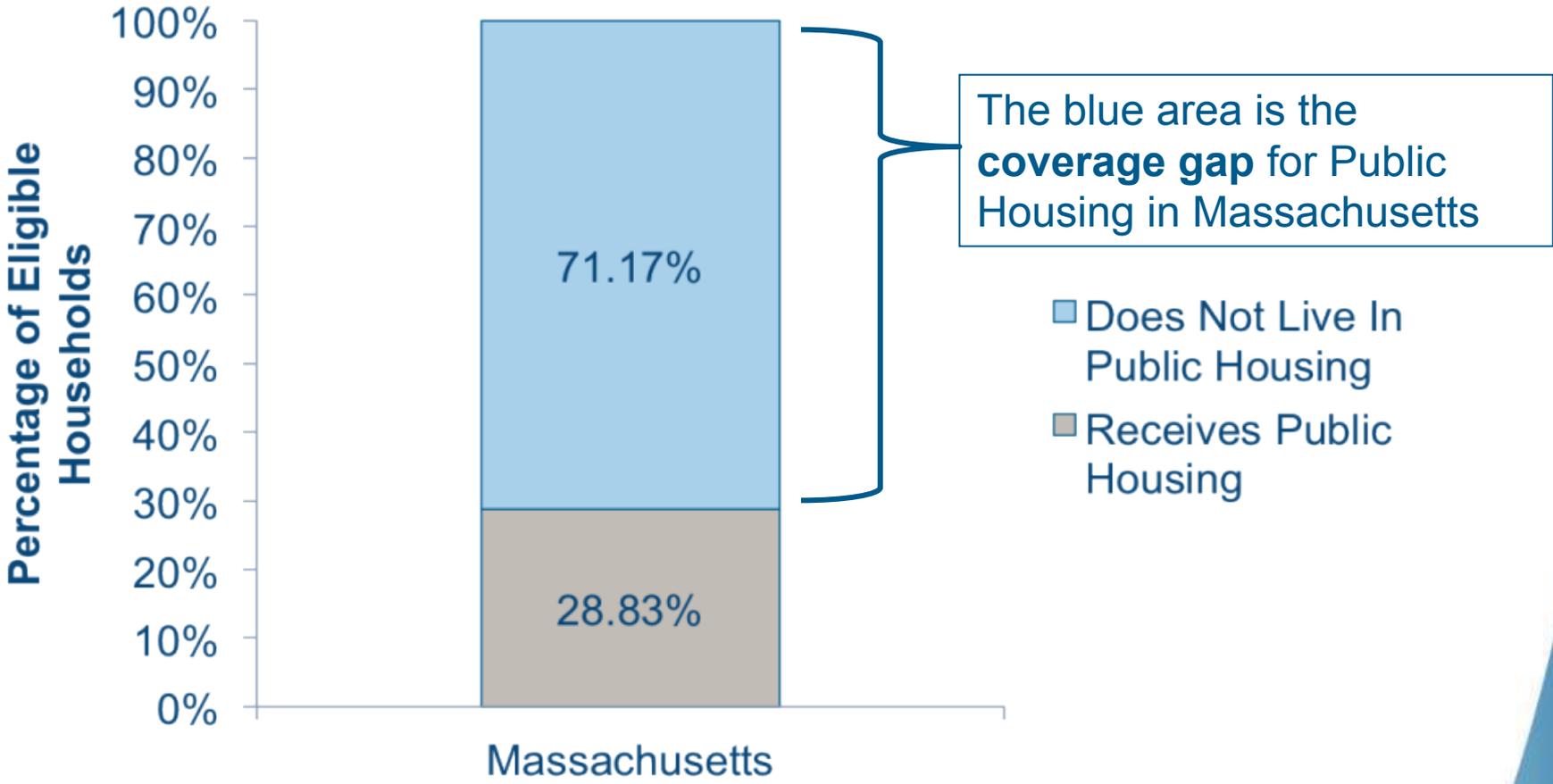
**Figure 2: Households Below 150% of FPL that Receive Benefits from At Least One Major Public Assistance\* Program**



\* "Public assistance" includes: cash assistance, SNAP, public housing, rental subsidy, heat subsidy, free/reduced school lunch, SSI, WC, and Medicaid.

# Results – Coverage Gap for Public Housing

Figure 3: Massachusetts Households NOT Currently Receiving a Rental Subsidy\* with Incomes Below 80% of Average AMI\*\* that Receive Public Housing

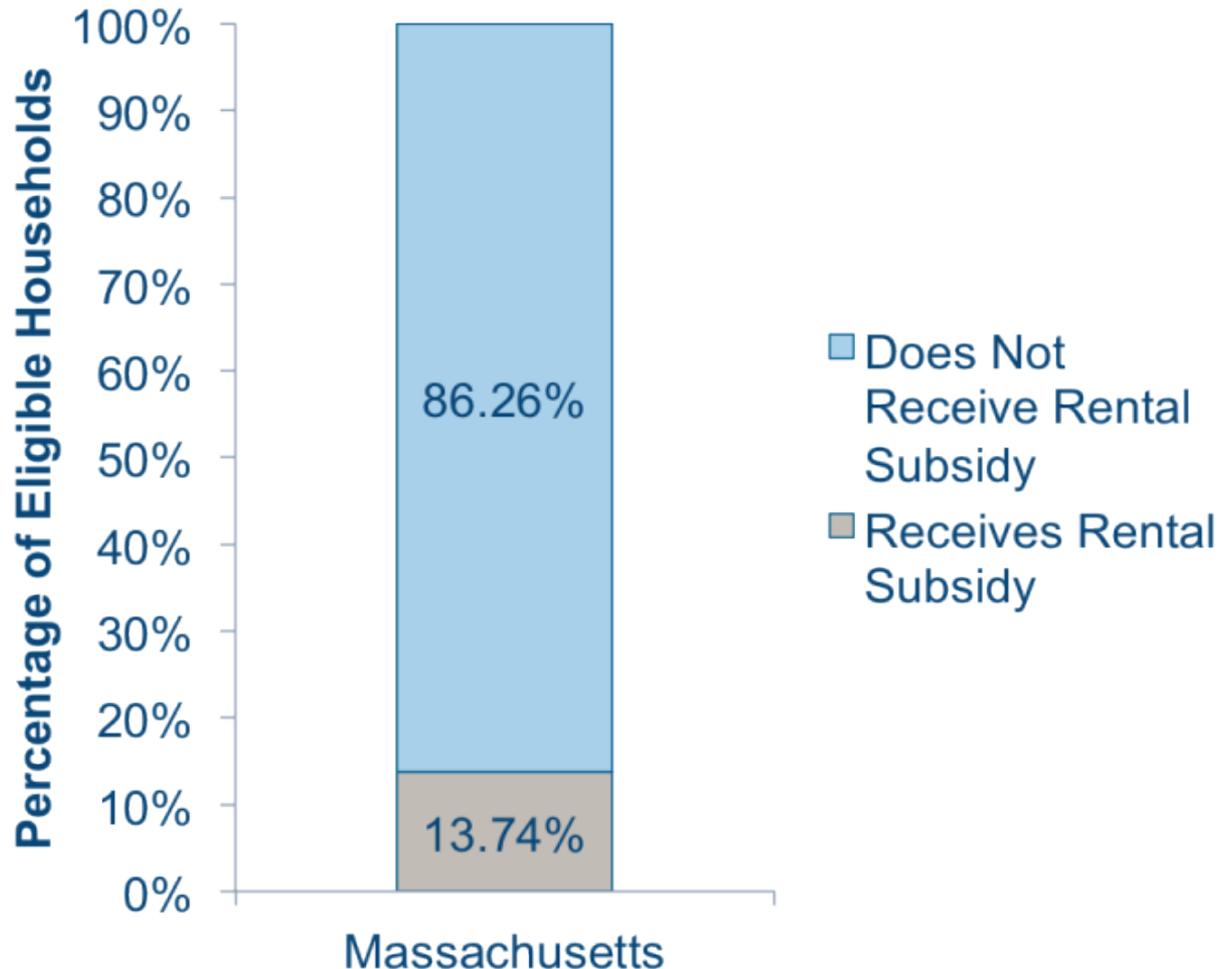


\* If a household is receiving one form of housing assistance (either public housing or a rental subsidy), then they are ineligible for the other.

\*\* AMI was averaged for the state because the CPS ASEC data does not indicate where survey respondents are located within the state, so this number serves as a best approximation. Average AMI was calculated by averaging the 2015 Median Family Incomes (MFI) for 19 areas in Massachusetts as determined by the U.S. Department of Housing and Urban Development (HUD) ([http://www.huduser.gov/portal/datasets/il/il15/FY2015\\_IL\\_ma.pdf](http://www.huduser.gov/portal/datasets/il/il15/FY2015_IL_ma.pdf)). The average AMI for the state of Massachusetts in 2015 was \$82,915.79.

# Results – Coverage Gap for Rental Subsidy\*

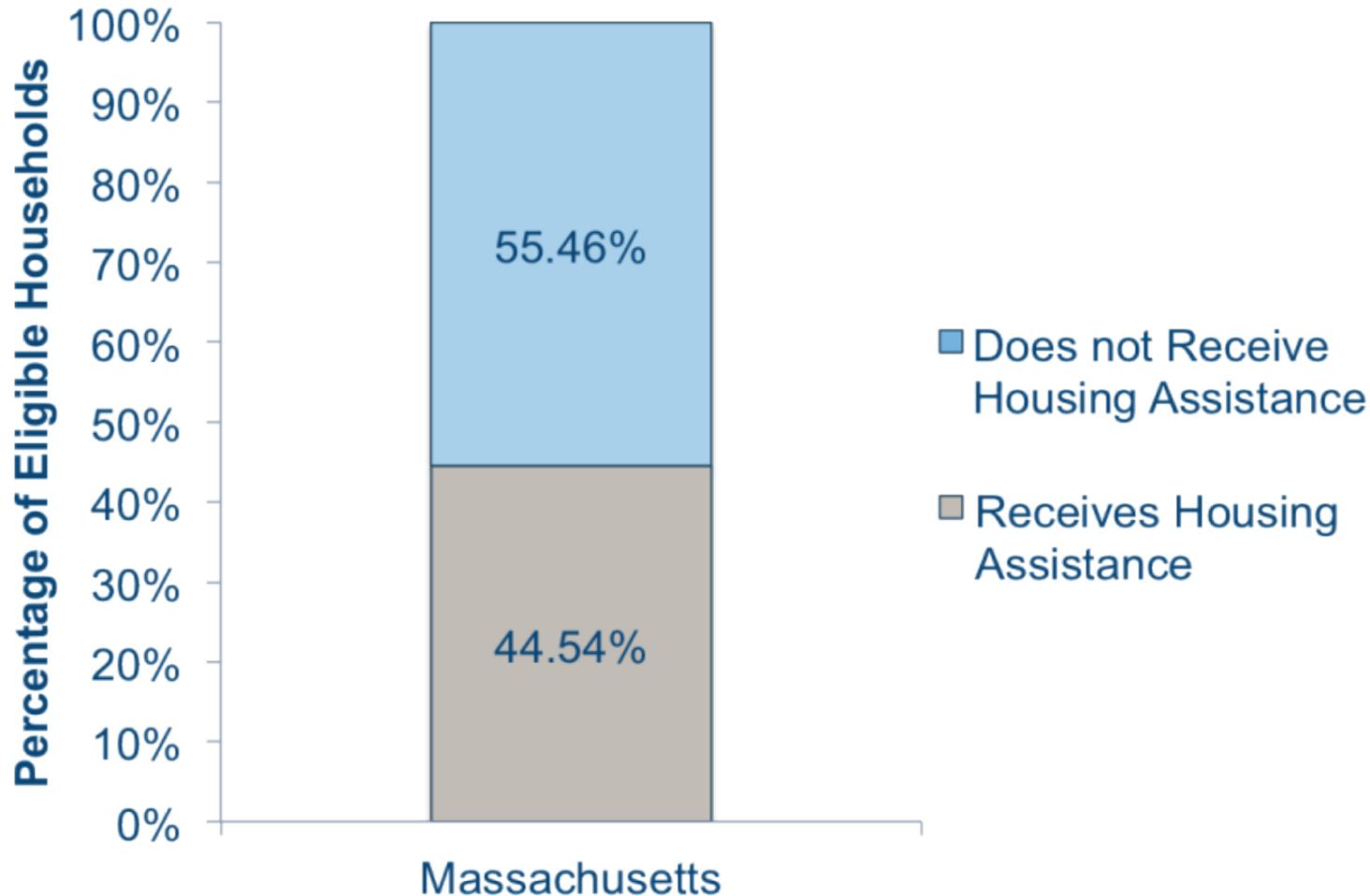
Figure 4: Massachusetts Households NOT Currently Living in Public Housing with Incomes Below 80% of Average AMI\* that Receive a Rental Subsidy



\* "Rental subsidy" includes local, state, and Federal rental assistance.

# Results – Coverage Gap for Housing Assistance\* Combined

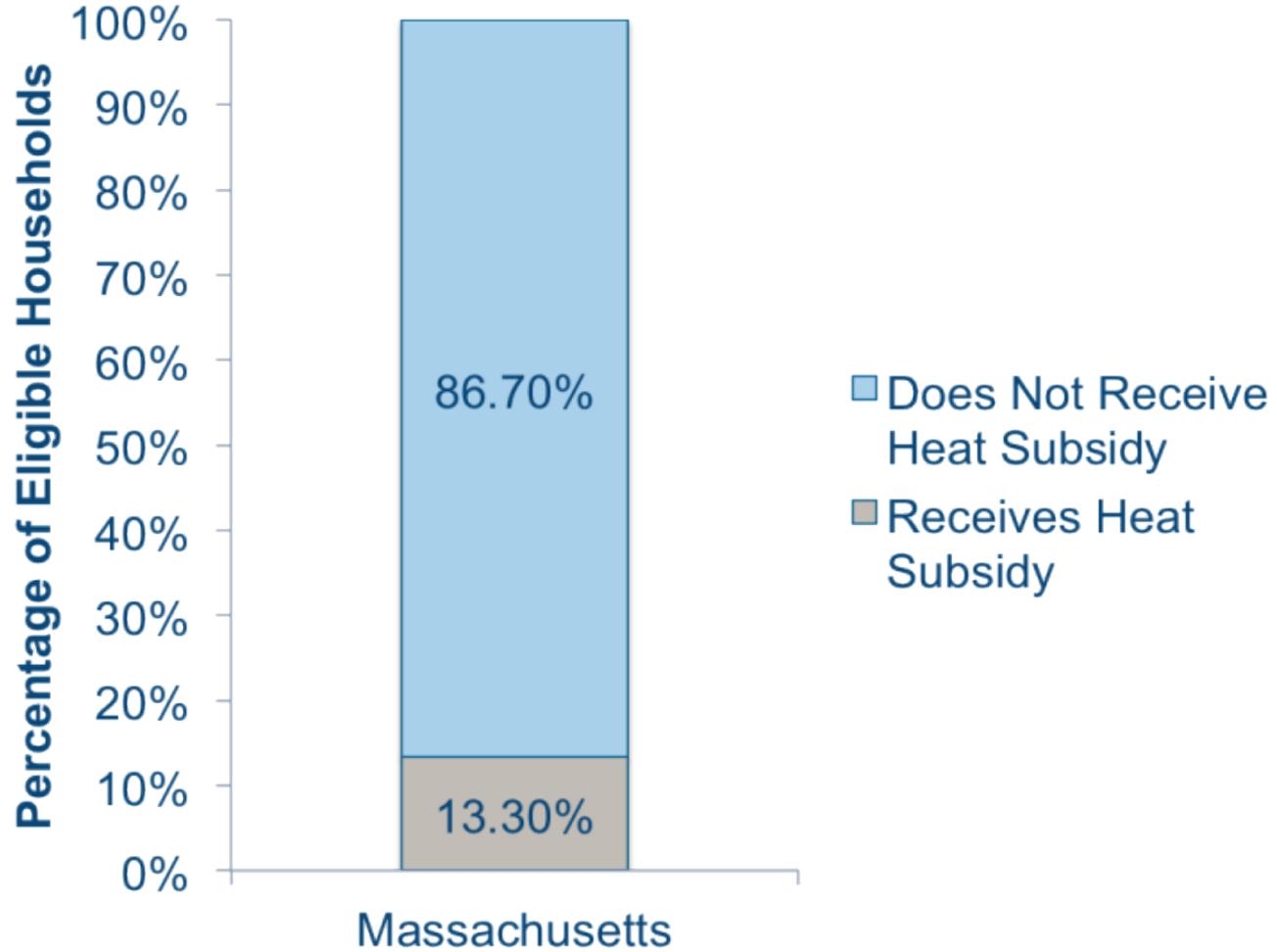
**Figure 5: Massachusetts Households Below 80% of Average AMI that Receive Housing Assistance**



\* "Housing Assistance" includes both public housing and rental subsidies (including local, state, and Federal rental assistance), since only one of the two types of housing assistance is needed per household.

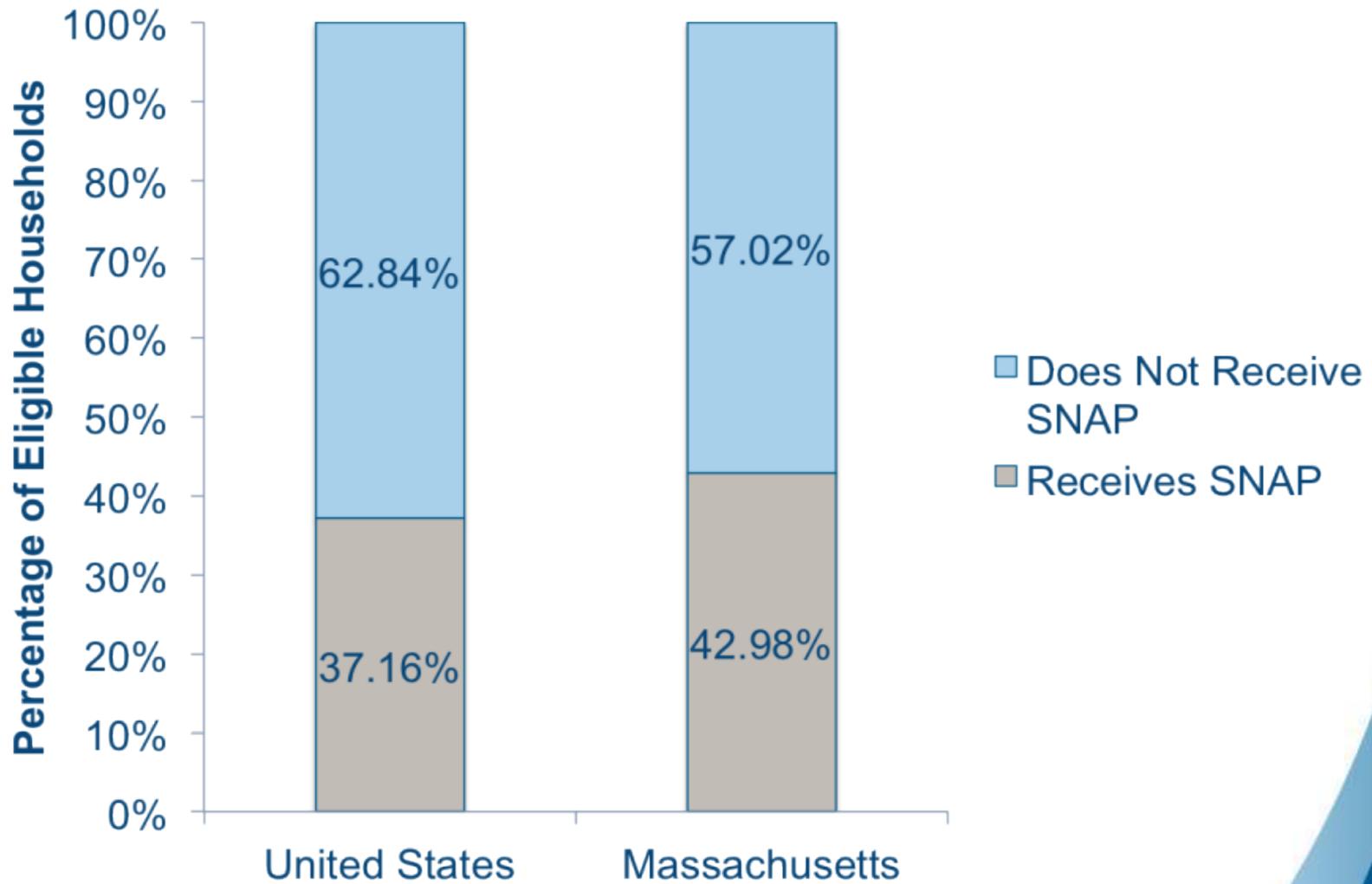
# Results – Coverage Gap for Heat Subsidy

**Figure 6: Massachusetts Households Below 60% of SMI that Receive Heat Subsidy**



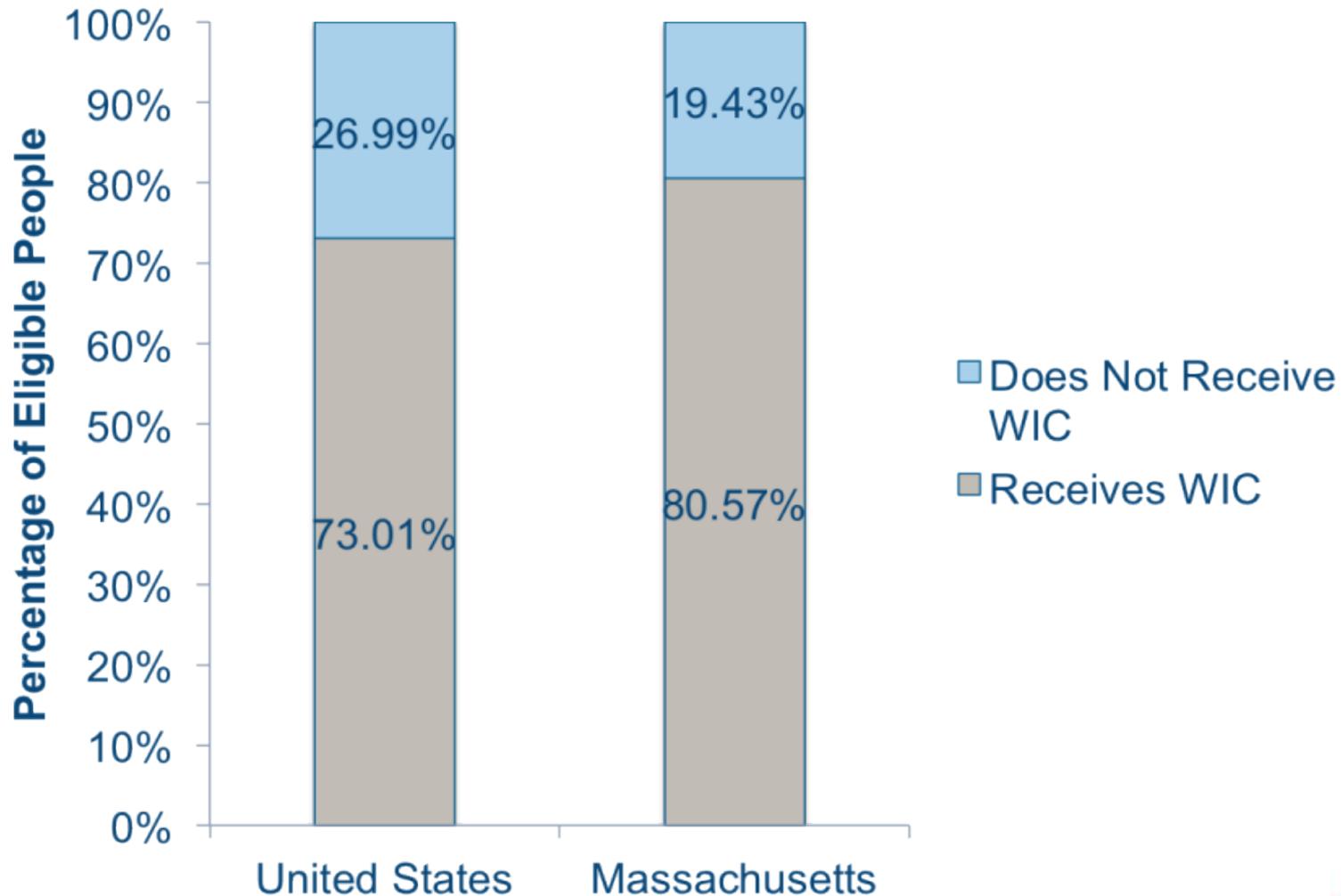
# Results – Coverage Gap for SNAP

Figure 7: Households At or Below 200% of FPL that Receive SNAP (Food Stamps)



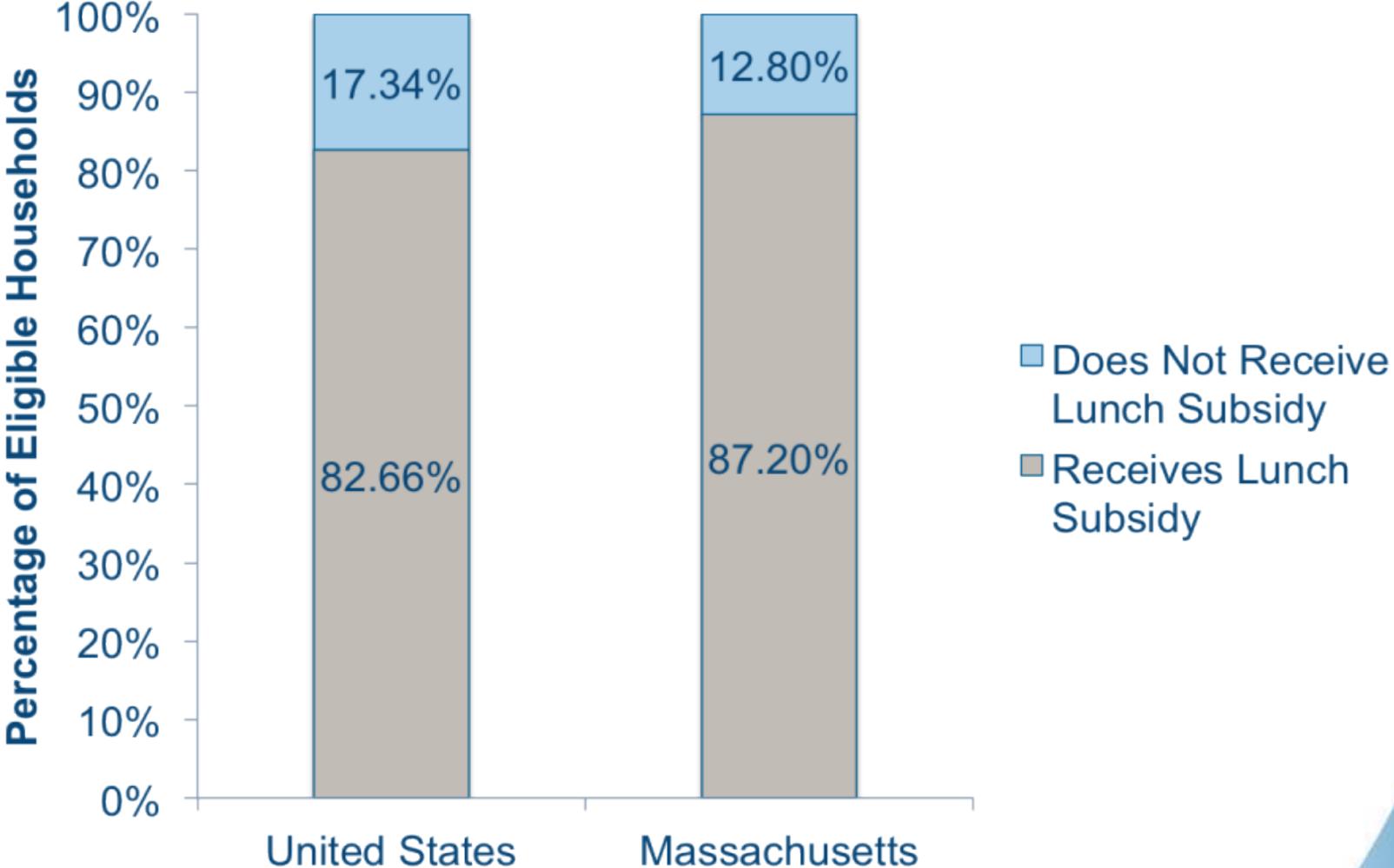
## Results – Coverage Gap for WIC

**Figure 8: People with Children Under Age Five and Incomes Below 185% of FPL that Receive Assistance from Women, Infants, and Children (WIC)**



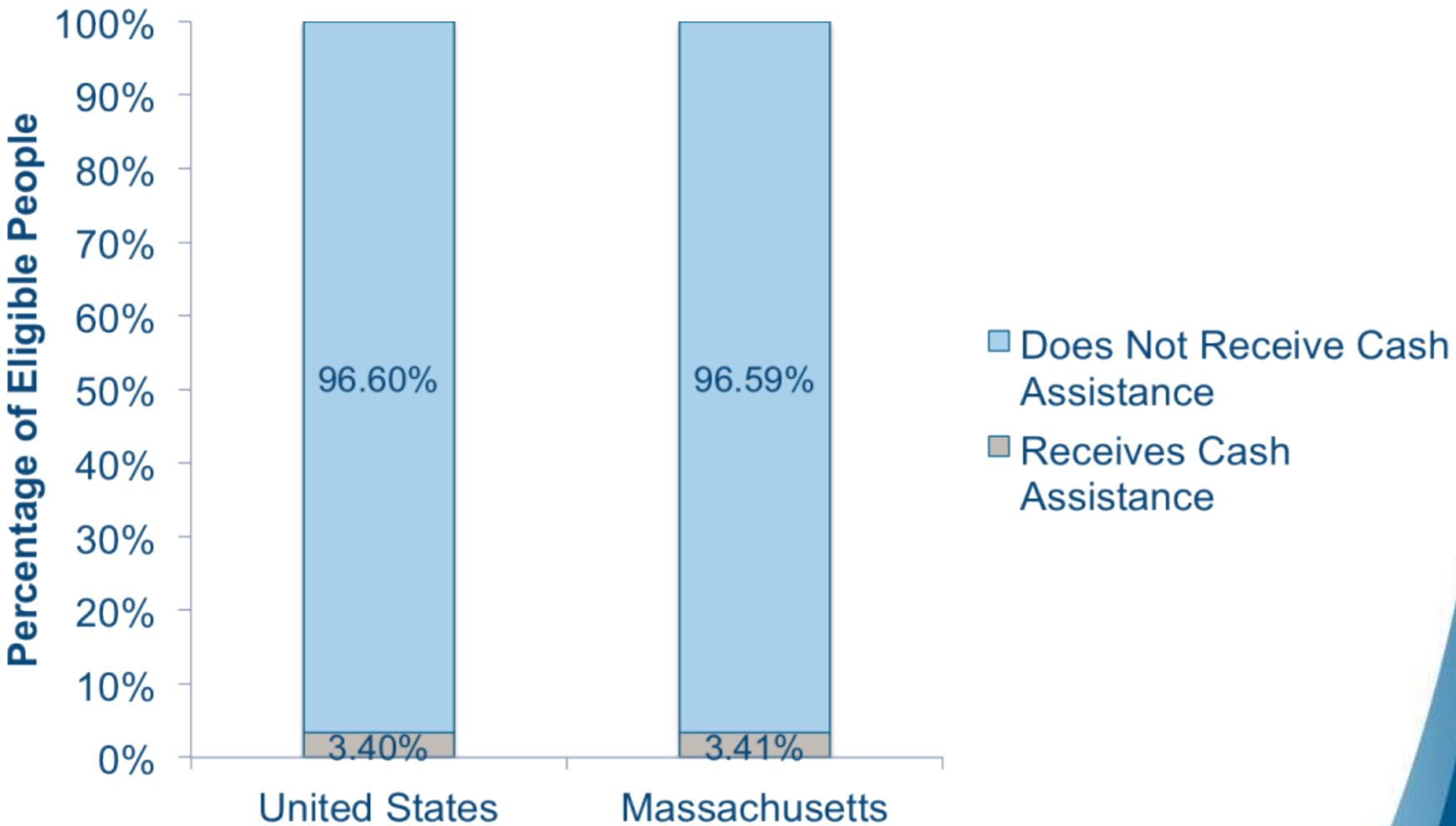
# Results – Coverage Gap for Lunch Subsidy

**Figure 9: Households with Children At or Below 185% of FPL that Receive Lunch Subsidy**



# Results – Coverage Gap for Cash Assistance

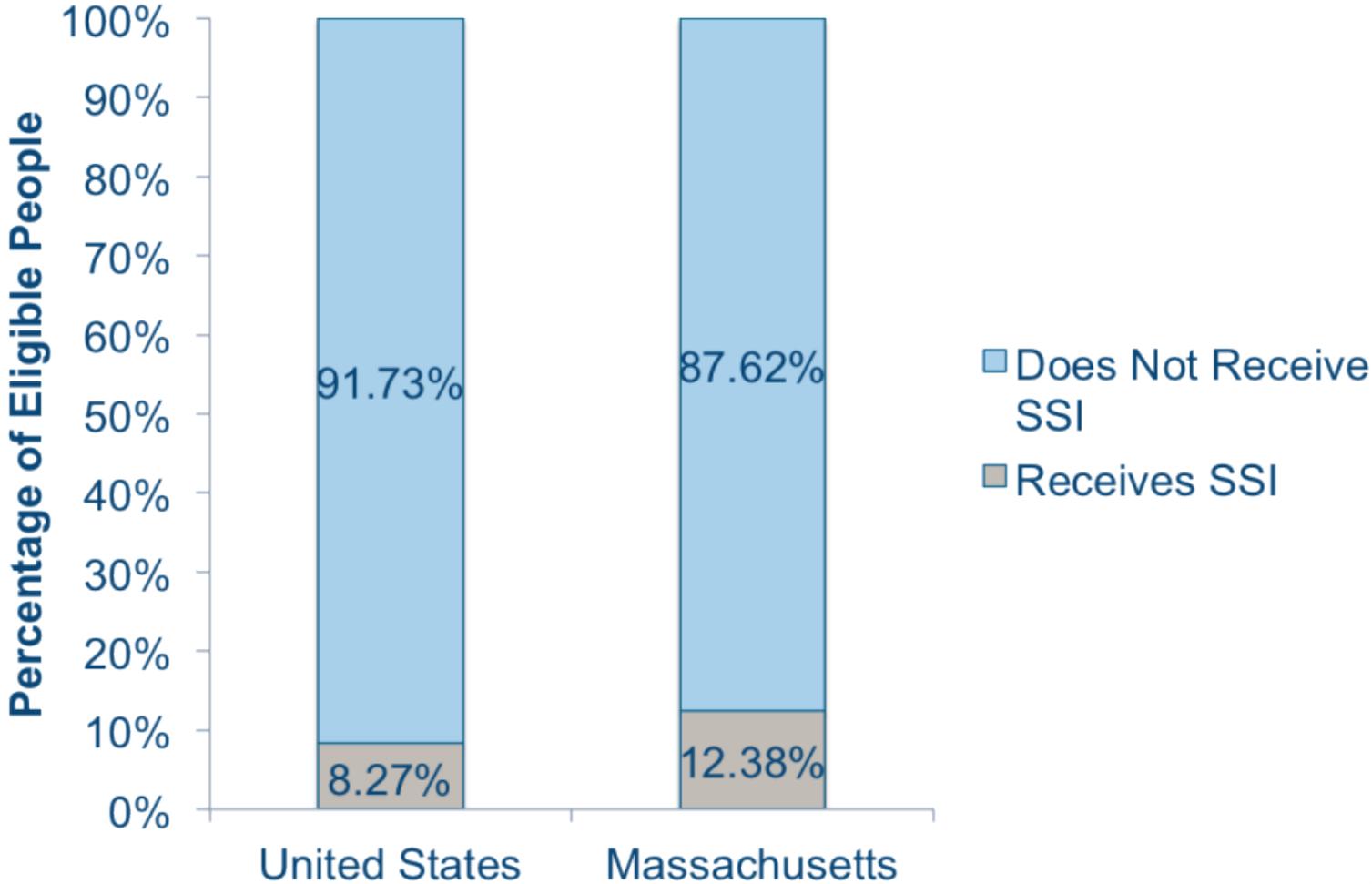
Figure 10: People Below FPL that Receive Cash Assistance\*



\*The specific income requirements for Temporary Assistance to Families with Dependent Children (TAFDC) are very complicated. For example, the incomes of the parents of teen parents get counted (Massachusetts Department of Health and Human Services, 2016). Due to the complicated income requirements for this particular benefit, the rate of receipt of cash assistance is calculated for people with incomes below the FPL to be able to compare people who are likely eligible for cash assistance between the state of Massachusetts and the rest of the country.

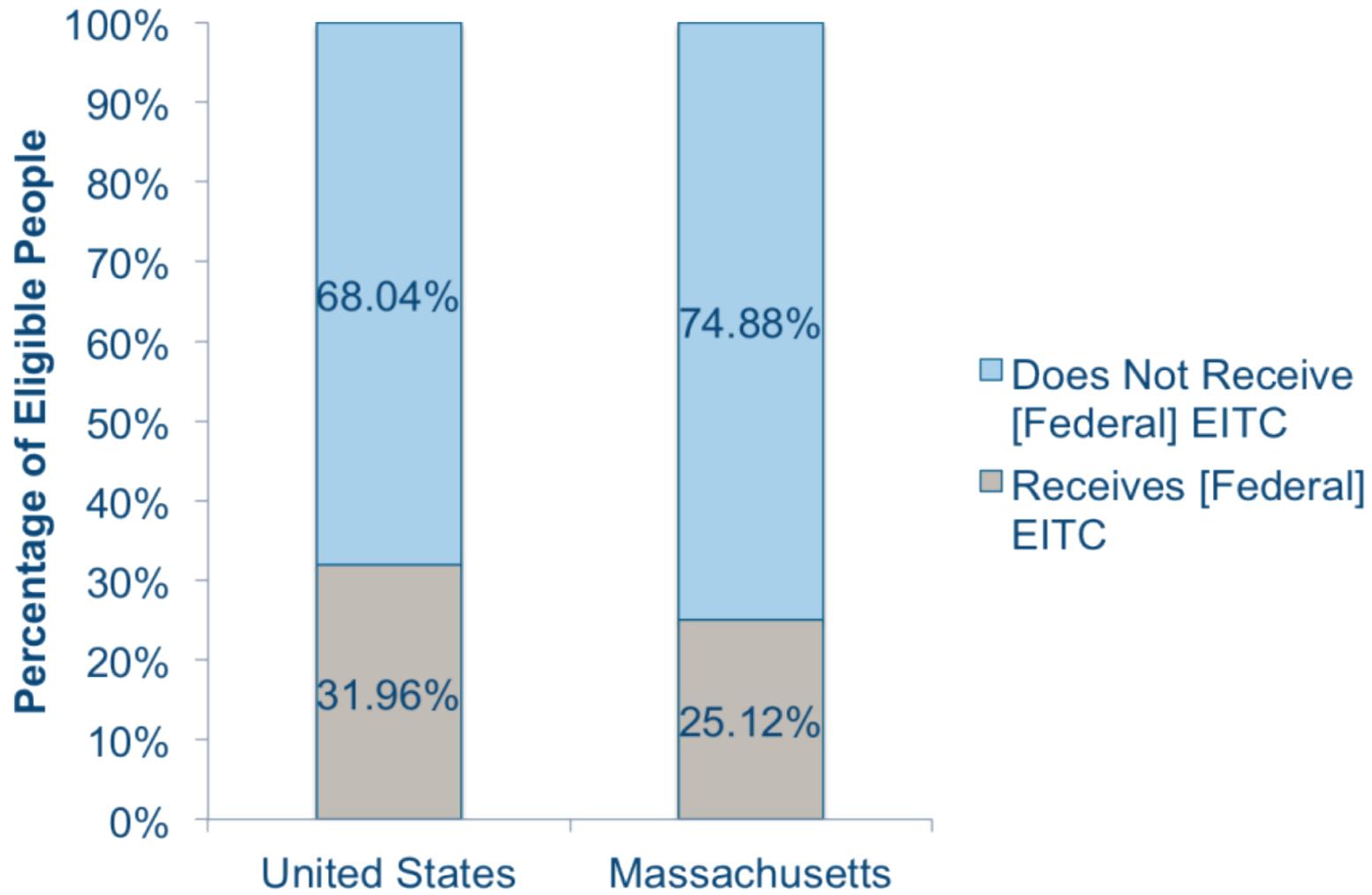
# Results – Coverage Gap for SSI

Figure 11: People Below FPL that Receive Supplemental Security Income (SSI)



# Results – Coverage Gap for EITC

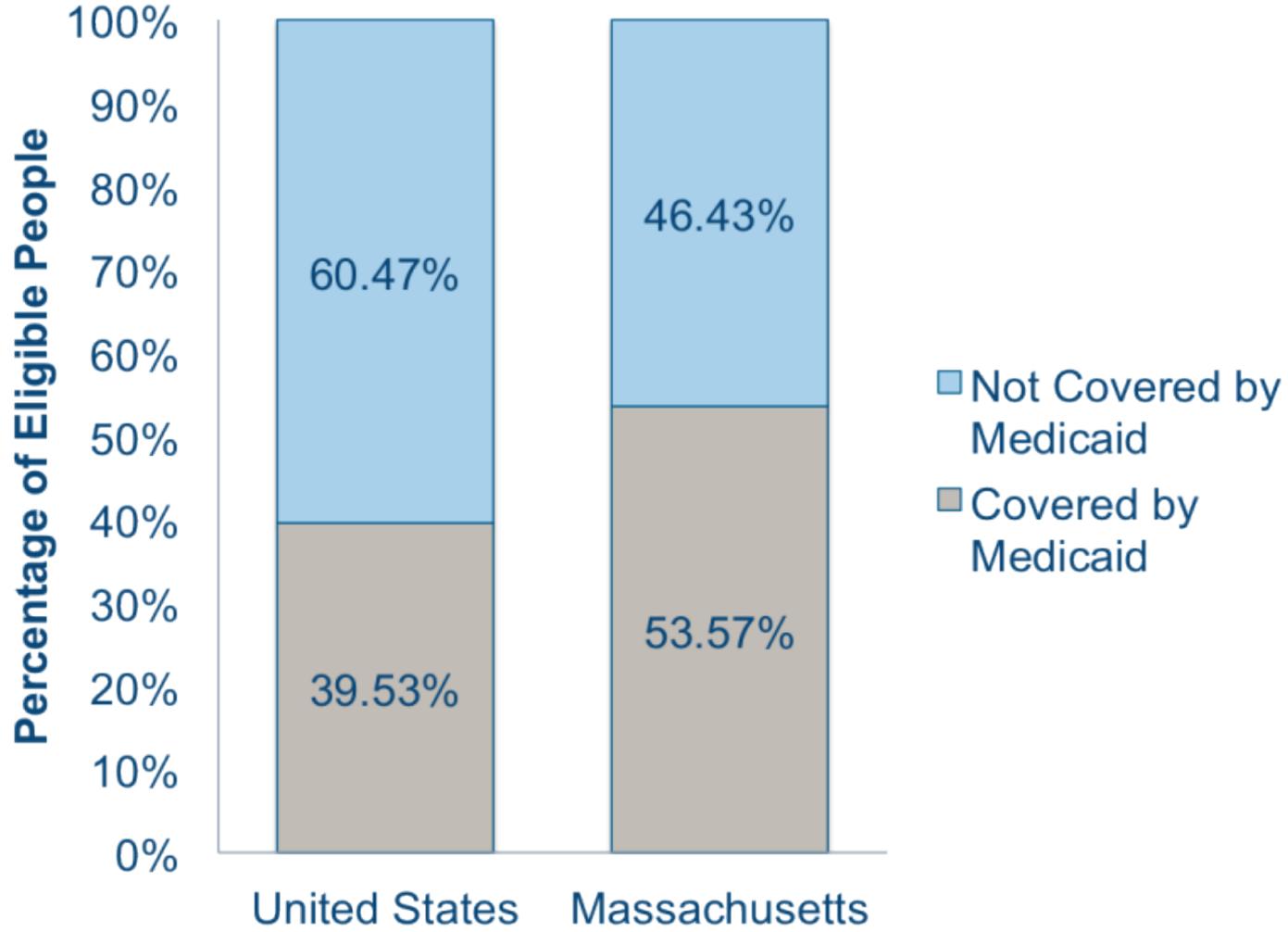
Figure 12: Income-Eligible People that Receive [Federal] Earned Income Tax Credit (EITC)\*



\* Income eligibility is based on 2015 income guidelines from IRS website: <https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit/eitc-income-limits-maximum-credit-amounts-2-years>

# Results – Coverage Gap for Medicaid\*

Figure 13: People Below 200% of FPL that Receive Medicaid

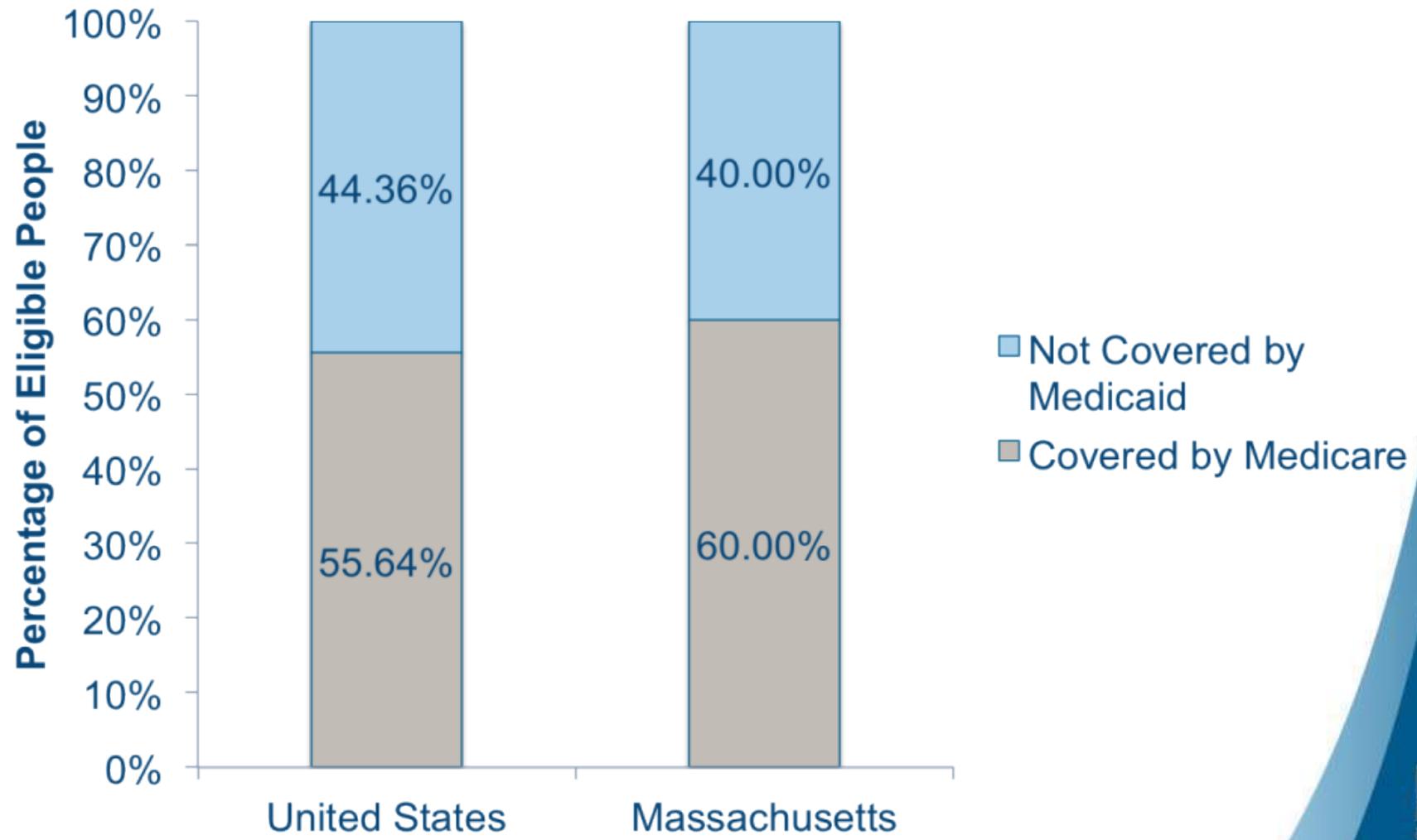


\* The Massachusetts Medicaid program is commonly known as MassHealth.



# Results – Coverage Gap for Medicare

Figure 14: People with Incomes below FPL who are age 65+ or have a Disability that Receive Medicare



# Regression Results –Public Assistance Reciprocity Based on Demographic Characteristics at 150% of FPL

	United States		Massachusetts	
	Raw	Odds Ratio	Raw	Odds Ratio
<b>Non-white</b>	0.752***	2.12***	0.656*	1.928*
<b>Female</b>	-0.003	0.997	-0.029	0.972
<b>Veteran</b>	***11.09-	0.336***	-2.151***	0.116***
<b>Non-citizen</b>	-0.412***	0.662***	-0.574	0.563
<b>Hispanic</b>	0.980***	2.665***	1.353***	3.870***
<b>Fair/Poor Health</b>	0.015	1.015	0.617*	1.853*
<b>Massachusetts Resident</b>	0.546***	1.726***		
<b>Constant</b>	0.602***	1.825***	1.113***	3.042***

\* p<0.05; \*\* p<0.01; \*\*\* p<0.001

# Regression Results Interpreted: Entire U.S.

- ▶ Race, veteran status, citizenship status, and ethnicity were all statistically significant ( $p < 0.05$ ) indicators of the odds of public assistance reciprocity at the national level.
  
- ▶ At the national level, the model predicts that on average, the odds of receiving at least one form of public assistance for a non-Hispanic white male American citizen earning less than 150% of the FPL who is not a veteran and is in good health would be about 65%.
  
- ▶ Holding all other variables constant, the odds of receiving at least one form of public assistance are about...
  - ▶ 112% higher for a non-white person when compared to a white person
  - ▶ 66% lower for a veteran relative to a non-veteran
  - ▶ 34% lower for a non-citizen person when compared to a citizen
  - ▶ 167% higher for a Hispanic person when compared to a non-Hispanic person

# Regression Results Interpreted: Massachusetts Only

- ▶ In the state of Massachusetts, race, veteran status, ethnicity, and health status were statistically significant ( $p < 0.05$ ) indicators of public assistance reciprocity.
- ▶ At the state level, the model predicts that on average, the odds of receiving at least one form of public assistance for a non-Hispanic white male American citizen earning less than 150% of the FPL who is not a veteran and is in good health would be about 75%.
- ▶ Holding all other variables constant, the odds of receiving at least one form of public assistance are about...
  - ▶ 93% higher for a non-white person when compared to a white person
  - ▶ 88% lower for a veteran relative to a non-veteran
  - ▶ 287% higher for a Hispanic person when compared to a non-Hispanic person
  - ▶ 85% percent higher for a person who identified their health as “fair” or “poor” when compared to a person in better health

## Conclusion & Discussion

- ▶ Overall, Massachusetts is doing better than the national average when it comes to connecting low-income residents with public assistance benefits in general.
  - ▶ **BUT** less than 50% of financially eligible people report receiving the following benefits: housing assistance, heat subsidy, SNAP, WIC, cash assistance, SSI, and EITC.
- ▶ In the state of Massachusetts, low-income people of color and/or who are of Hispanic descent are more likely to receive public assistance. Furthermore, veterans are less likely to receive public assistance than non-veteran.
- ▶ Qualitative follow-up is needed to further investigate the barriers that are preventing financially eligible people from accessing public assistance benefits.

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