

# 16

## Public Benefits

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*Goal: This unit provides an overview of public benefits. The Community Service Society **Benefits Plus** Manual is included as a resource tool. **Benefits Plus** is a comprehensive guide to federal, NYS and NYC government safety net programs and services.*

The federal government funds numerous programs to benefit the American people in the areas of public safety, health, education, public welfare and public works. Programs include those administered through the U.S. Department of Housing and Urban Development (HUD), U.S. Department of Health and Human Services, (HHS), the Department of Labor (DOL), and the Social Security Administration (SSA). Allocations from the federal government are often provided to State and City governments or non-profit institutions to directly administer programs for eligible recipients.

**A. Government Assistance.** One source of financial assets for individuals and families is the set of benefits enacted into law, beginning in 1935, to help people in need. One form of benefits are cash assistance including Social Security, Social Security Disability (SSD), and Unemployment Insurance, as well as those provided to the poor, Temporary Aid to Needy Families (TANF) and Supplemental Security Income (SSI). SSI is also provided to disabled persons who don't qualify for SSD.

Another form of assistance is in-kind benefits. These take the form of subsidies or benefits that can only be used for specific goods/services thought to fulfill basic needs. These benefits include Medicare, Medicaid, Food Stamps--recently renamed Supplemental Nutrition Assistance Program (SNAP), Section 8 Housing Subsidies, Women, Infants and Children (WIC), etc.



**ACCESSNYC**  
Benefit Information. One Place.

**RESOURCE:**

Access NYC: Public Benefits Screening

[https://a858-ihss.nyc.gov/ihss1/en\\_US/IHSS\\_homePage.do](https://a858-ihss.nyc.gov/ihss1/en_US/IHSS_homePage.do)

Earned Benefits for Employees from  
“Bridging the Gap” of the National  
Human Services Assembly

[www.nationalassembly.org/fspc/BridgingTheGap/EarnedBenefits.aspx](http://www.nationalassembly.org/fspc/BridgingTheGap/EarnedBenefits.aspx)

NYC Earned Benefit Fact Sheet (pdf)

[http://www.nationalassembly.org/fspc/documents/bridgingthegap/ny/ny\\_benefitstatesheet.pdf](http://www.nationalassembly.org/fspc/documents/bridgingthegap/ny/ny_benefitstatesheet.pdf)

## *What is an asset?*

In economics and finance, an asset is defined as property for personal use or as an investment which has monetary value. Examples are stocks, bonds, homes, and cash (Gorman and Forge, 2010). Public benefits may contribute to asset building by providing people with resources to meet basic needs over the long-term (Social Security Retirement Pension) or for shorter periods of time (TANF). The benefit is provided directly to the individual who applies and qualifies.

## *About Public Benefits*

These resources are intended to provide funds that enable people to make ends meet. Many of these programs are means-tested and income restrictions may be imposed on earnings or accumulating savings. Such restrictions can make it difficult for program beneficiaries to further accumulate assets. Public benefits available to the very poor tend to be rather restrictive, and may be accompanied by time limits or work requirements. For some families, public benefits serve as a bridge that provides enough baseline security to plan for greater financial or educational mobility.

One well-known example of a safety net program is the food stamp program, now

known as Supplemental Nutrition Assistance Program (SNAP). As of August 2011, nearly 45 million low-income people--1 in 7 Americans are eligible for SNAP. More than half of food stamp recipients are children and nearly 10% are over 60 years of age.

According to the U.S. Department of Agriculture, which is responsible for administering the Food Stamp Program, the nationwide average monthly benefit in 2010 was \$133.79, approximately \$4.50 a day or \$1.50 a meal.

**RESOURCE:**

VIDEO: "Hunger at Home: Since Recession 20 Million More Americans on Food Stamps" from ABC News.

[abcnews.go.com/US/hunger\\_at\\_home/hunger-home-recession-14-million-americans-food-stamps/story?id=14373319](http://abcnews.go.com/US/hunger_at_home/hunger-home-recession-14-million-americans-food-stamps/story?id=14373319)

## **Case Example One: Asset Building and Temporary Aid to Needy Families**

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Ms. K. is a 60-year-old African American, who is raising her three school-age grandchildren. Her adult daughter, the biological mother, is in the military. The father is not involved in supporting the children. As an older adult living on Social Security, Ms. K. is on a very tight income. She recently applied for cash assistance under the Temporary Aid to Needy Families Program (TANF) but was not approved. The family is having trouble making ends meet. As the worker assigned to the children's elementary school, you have been approached by Ms. K., who relays that she is having difficulty.

## **For Discussion:**

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1. Identify the public benefits available to this family. What strategies would you use to help Ms. K. access these benefits? To what extent do you think that access to public assistance will stabilize this family financially?
2. Are there any other asset-building strategies that would be useful for the K. family?
3. Consider what obstacles that you may encounter in assisting this family to obtain benefits.

## **Case Example Two: Asset Building and Social Security**

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Jessica N. is a 60-year-old Jewish American woman who has been a restaurant manager since she was in her early twenties. Jessica has worked hard all her life but has still found time to devote to her passion--jewelry design. She achieved some success this summer selling her pieces at street fairs. Jessica would like to retire from the restaurant so that she could focus on jewelry-making and selling her work. Jessica believes it's now or never, but she is hesitant to walk away from the only employer she has ever known, particularly at her age and in the current economy. In 2007, Jessica earned \$53,000. Jessica can retire early (at age 62) but her Social Security check will be smaller than if she waits to retire until she is age 65. Jessica participates in events at a local Jewish community center where she shared her concerns with the social worker on staff.

### **For Discussion:**

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1. Utilize the [web-based calculator](#) on the Social Security site to estimate Jessica's Social Security benefit if she retires at age 62. Estimate her benefit if she retires at age 65.
2. What other assets can you identify that might benefit Jessica?
3. Consider the relative strengths and weaknesses of these options.

## **Case Example Three: Public Benefits and Asset Restrictions**

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John L. is a 45-year-old Asian American man who was widowed two years ago and is raising his two young boys on his own. The L. family rents a three-bedroom apartment for \$1,400 a month. They receive Section 8, a federally-funded means-tested housing subsidy. Section 8 currently pays for the remainder of the rent after the L's pay 30% of their income. John works part-time in a local auto parts store and earns \$15 per hour. He was informed by his employer that he could increase his hours at work. While an increase in hours worked will raise John's income, this will impact the formula used to calculate the value of his housing voucher and consequently, his share of the rent will rise proportionally.

## For Discussion:

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1. What asset clashes are illustrated in this case example?
2. What asset restriction rules affect this family?
3. Do you think that the Section 8 guidelines discourage the development of other assets?

### RESOURCE:

“How to Pay for College” from  
the Financial Planners Association

[www.fpanet.org/ToolsResources/ArticlesBooksChecklists/Checklists/Education/HowtoPayforCollege/](http://www.fpanet.org/ToolsResources/ArticlesBooksChecklists/Checklists/Education/HowtoPayforCollege/)

The cost of a college education has sky-rocketed. Many college students finance a college education through student loans but costs add up very quickly. Most programs require that the loan repayments begin six months post-graduation making it difficult for new graduates to pay off loan debt. The entry-level job market for new college graduates doesn't pay well in many professions and finding employment in the current economy is competitive and difficult. With this in mind, eligible students can explore programs that fund educational grants. These needs-based grants provided through the federal government differ from other types of loans in that they do not need to be repaid.

The first step to determine eligibility is to fill out a **FAFSA (Free Application for Federal Student Aid)** form. The most common needs-based grants are Pell Grants and Federal Supplemental Educational Opportunity Grants (FSEOG).

**Pell and FSEOG Grants.** The Federal Pell Grant Program is a needs-based program that promotes access to post-secondary education for low-income individuals. Pell grants can be used at approximately 5,400 participating postsecondary institutions. Grant amounts vary and depend on a number of factors: the cost of tuition; the student's enrollment status (full-time or part-time); whether the student attends for a full academic year or less; and the amount of the family's Expected Family Contribution (EFC). Students who qualify for Pell grants who have the lowest EFC will be considered for **FSEOG grants** as well. These grants are needs based and generally range from \$100-\$4000.

Students without a college degree who attend proprietary (profit-making) schools are also eligible to apply for Pell grants. However, policy makers and others have ex-

pressed concern about the enrollment practices, training, and placement practices in many proprietary schools. Often students enroll in for-profit programs, not understanding that grants used for this purpose may be not available for undergraduate education. Commercial schools market aggressively to low-income students and should be carefully researched.

**Student Loan Forgiveness.** Some graduates can qualify for loan forgiveness, which means that the federal government will cancel all or part of an educational loan. Loan forgiveness programs have very specific guidelines and target certain helping professions such as nursing and social work, among others. Qualifying for loan forgiveness usually requires a commitment to work in an underserved community or do volunteer work. There are also needs-based loan forgiveness programs.

[“Student Loan Forgiveness Programs”](#) from Your Money New York.

Benefits Plus (formerly the Public Benefits Resource Center Manual) is a comprehensive tool for social workers, social service professionals and advocates who want to assist clients in accessing federal, New York State and New York City government benefit programs and services. We are deeply grateful that [Community Service Society of New York \(CSS\)](#) has generously agreed to share this invaluable resource with us. It is often called the “bible” of public benefit programs.

Benefits Plus describes more than 70 benefit programs and services available to the low-income population. Chapters provide practical information on Advocacy, Cash Benefits, Children’s Programs, Employment & Training, Food Programs, Health Programs, Housing Programs & Services, Immigrants’ Rights & Services, and Tax Credits. Included is the history of the benefit or program, a program description, and eligibility requirements.

NOTES  
UNIT SIXTEEN

1. Federal Pell Grant Program of the U.S. Department of Education. Retrieved from:  
<http://www2.ed.gov/programs/fpg/index.html>