

Pushed Over the Edge with Nowhere to Land

Qualitative findings concerning the
benefit cliff effect in Connecticut



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Research Overview

- ▷ Two-key informant interview, five focus groups July-December 2018
 - Bridgeport, Colchester, Hartford, Meriden, and Norwalk
- ▷ Recruitment through 2Gen community gatekeepers
- ▷ 47 parent/caregiver participants, receiving at least one public benefit
- ▷ Consent protocol was critical to open discussion
 - Anonymous but not confidential

1. A Sudden, Confusing Loss; Experiences “Falling Off” the Benefit Cliff



- ▷ Experience characterized as jarring;
 - Unaware that benefits could be cut completely, unprepared for severity of reduction
 - Marginal value added by increased income not offset by loss of benefits
- ▷ Loss of Care4Kids, HUSKY, and SNAP

“It’s like being pushed over the cliff, not falling. You have to work to qualify, but then working too much can cost you your Care4Kids? The same goes for food stamps and HUSKY, and with those we’re barely getting by [...] And because you’re not allowed to save anything up, to have money in your bank account, you have nowhere to land.”

2. Earning moderating behavior to avoid the cliff effect; rare & selective

- ▷ Restricting income to preserve benefits was not the norm
 - Behavior reported by only one third of respondents
 - Confirmed cumulative impact of cliff effect
- ▷ Variable, non-permanent increases in income
 - Restricting by turning down overtime, potential new job opportunities/raises

“My food stamps fluctuate all the time depending on how many hours I work. But it’s not that I want to miss work. My son is special needs; he’s got issues, so he’s got a lot of appointments that he’s got to go to, so I can’t go to work. And I only get so many paid vacation days, so I end up taking a lot that are unpaid. But because they have already calculated my income for my food stamps, I have to pay for food on top of rent when my benefits aren’t enough. So it’s like I’m dying, we’re struggling [...] So why would I take overtime or go asking for a raise if I’m going to lose my food stamps in the end?”

3. Information Gaps & Misunderstandings About Income and Asset Limits Reduce Saving Behavior

- ▷ Confusion about which benefits carry asset limits; no SNAP asset limit for under 185% FPL
- ▷ Informal saving in relatives' accounts, "quarters under the bed" because of fear of income & asset limits
- ▷ Confusing income for assets, spending down EITC quickly due to fear of being penalized

“You’ve got to report your income, so that you’re not going to the state saying I need help, and they’re looking at the \$800 sitting in your account. To them, once you have it, then that’s the limit. They’re not really worried about you saving, even if you want to save some money for college. Even if you have an account for your kids, those are still things that you have to report [...] I’m not saving to lose it.

4. The Socio-Emotional Burden & Two-Gen Impact of Benefit Maintenance

- ▷ Feeling judged, perceived as “undeserving poor” by benefit administrators, neighbors
 - Repeated emphasis on desire to not need benefits
- ▷ Sheltering children from loss of benefits & associated stress
 - “I’ll eat a box of crackers if I have to for dinner,”
- ▷ Feeling denied right to just spend time with their kids

“It’s like you’re working so hard, but have nothing to show for it. I’m working 80 hours a week, but I can’t find anything in my pocket when the bills come. I’m working so hard but they’re still questioning whether we deserve it [...] It makes hard working mothers want to give up. I’m strong so I know I’m not going to give up, but some people can’t be that strong.”

“You never see someone in my position getting ahead, do you? You just hear that we’re lazy, we’re ungrateful, or that we’re having more kids to stay on the system. That just makes me so sad, the hate we get for needing help. I just want to show them, the [politicians] who run on cutting welfare, how hard I work and how far back I get pushed for it. You want to call it falling off a cliff? No, cliffs are accidents. This is being beaten down.”

Thank you

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