

Supporting Our Neighbors:

**Understanding Who Receives
Public Assistance in Montana,
For How Long, and Why?**



For more information, contact:

Bryce Ward, ABMJ Consulting
bward@abjmconsulting.com
406.219.0694
www.abmjconsulting.com

This research was supported by



Learn more at
www.headwatersmt.org

October 2024

Table of Contents

Executive Summary	1
Summary Profile of Public Assistance Program Participants	3
Figure A: Composition of Montana families receiving at least one form of income-based public assistance, 2016-2022	
Figure B: Share of families of each type who receive at least one form of income-based public assistance, 2016-2022	
0. Introduction	6
1. What is income-based public assistance?	7
2. How many Montana families receive income-based public assistance?	8
A. How many families receive income-based public assistance in a given year?	
I. Table 1: Average share of families who report receiving income-based public assistance and median inflation-adjusted value among recipients	
II. Figure 1: Share of Montana families who report receiving any income-based public assistance over time	
B. How many families receive income-based public assistance across multiple years?	
I. Table 2: Share of Montana families who report receiving income-based public assistance at any point in two consecutive years and by number of years receiving, 2009-2022	
C. Does participating in one type of assistance program imply participation in others?	
3. Which families receive income-based public assistance?	13
I. Figure 2: Share of families receiving income-based public assistance (including Medicaid/CHIP) and share of all Montana families in each family category, post Medicaid Expansion	
II. Table 3: Percent of families in each category receiving at least one form of income-based public assistance	
4. Why are some family types more likely to receive income-based public assistance?	16
A. Who is eligible for public assistance?	
I. Table 4: Percent of each family type with income below 150% of FPL	
II. Table 5: Share of families with other characteristics with income below 150% FPL	
B. Who has access to public assistance programs?	
I. Table 6: Percent of families with income below 150% FPL who receive any income-based public assistance, 2016-2022	
5. What share of families receiving income-based public assistance have members working for pay?	22
I. Figure 3: Percent of Montana families receiving income-based public assistance with at least one adult working “full-time” (i.e., working more than 35 hours per week, attending school, or working part-time for economic reasons), 2016-2022	
II. Table 7: Distribution and likelihood of income-based public assistance by occupation, 2009-2022	
6. Who is more likely to receive income-based public assistance over two years?	26
I. Table 8: Share of Montana families in each category receiving income-based public assistance in one or two years	
7. How do other forms of public assistance interact with income-based public assistance?	28
A. Who uses tax credits, particularly the EITC?	
B. Who receives Social Security?	
8. How does public assistance benefit individuals and families?	29
I. Table 9: Share of families reporting various financial conditions by income or use of public assistance (not including energy subsidies or Medicaid/CHIP)	
9. Conclusion	32

Executive Summary

Public assistance programs have existed for a long time. While the names of the programs, the benefits provided, and the people eligible change over time, the primary goals have not. Public assistance programs aim to support citizens -- often families with children -- during periods of financial need by acting as a bridge to stability and a shield against the harm of poverty.

Each program has a specific set of eligibility criteria and usage rules, and one of the main eligibility criteria is income. These programs are often “means-tested,” meaning eligibility is restricted based on income and sometimes assets. While income eligibility thresholds vary by program and family circumstances (for example, the number of children or pregnant people), income thresholds are typically around 130-150 percent of the federal poverty level (FPL), although, for some groups and programs, the thresholds extend to 185-200 percent of the FPL.¹

For context, in 2024, for a single person family, 150 percent of FPL equals \$22,590 (approximately equal to the earnings from a full-time minimum wage job), and for a family of three, 150 percent of FPL equals \$38,730.

Generally, families eligible for some level of means-tested or income-based public assistance fall in the bottom 25 percent of the income distribution (for a given family size).

The benefits provided by these programs are relatively modest. While benefit amounts vary with a variety of characteristics (programs enrolled, child care costs, housing costs, presence of people who are aging/disabled), the median family of three earning income approximately equal to 150 percent of the federal poverty line reports receiving only about \$300 per month of benefits (not including Medicaid/CHIP).

The median three-person family with income around the poverty line receives only about \$400 per month in benefits.

For single-person families, median benefits among those receiving benefits are only \$300 per month for families at around the poverty level or \$167 per month for families earning around 150 percent of the poverty level.



This report describes these programs using the term income-based public assistance rather than means-tested public assistance, which is more straightforward to the average reader.

This report examines income-based public assistance programs, including the Supplemental Nutrition Assistance Program (SNAP), cash assistance (such as TANF), Supplemental Security Income (SSI), Women, Infants, and Children (WIC), Section 8 housing subsidies, the Low-Income Home Energy Assistance Program (LIHEAP) energy subsidies, Medicaid, and the Children’s Health Insurance Program (CHIP/Healthy Montana Kids).

This report examines the utilization of income-based public assistance programs in Montana by analyzing data describing the individuals and families who report utilizing these programs. First-person interviews of past and present program participants augment these statistical descriptions to paint a picture of who receives income-based public assistance in Montana, for how long, and why.

Key takeaways from this report:

There is no “typical” public assistance participant. Many families need these programs, often for short periods, due to caregiving and economic needs. In the words of one of the Montanans interviewed for this project, recipients are “just normal people.”

On average, over 120,000 Montana families receive at least one form of income-based public assistance each year. However, the families using these programs change each year as families’ eligibility or ability to overcome access barriers changes. Less than half of assistance participants persist in these programs over two consecutive years.

While these programs are for families living on low incomes, over 40 percent of Montana families with income below the poverty line report no use of these programs.

Most Montanans receiving income-based public assistance are working families with children or older or disabled family members.

Notably, domestic violence emerged in interviews as a factor that precipitated and exacerbated the need for public assistance, a challenge not captured in survey data.

Less than two percent of Montana families utilizing these programs are comprised of adults under age 65 who report no disability, have no children, and report no work.



On average, over 120,000 Montana families receive at least one form of income-based public assistance each year.

Most are working families with children or older or disabled members.

Summary Profile of Public Assistance Program Participants

To help clarify who receives income-based public assistance and why, we divide Montana families into groups based on family member characteristics, including the number of adults (single or multiple), the presence of children under age 18, and whether any member of the family is aging (65 or older) or disabled.² These characteristics help clarify who is eligible because these features of family structure affect income (families with fewer prime-age, non-disabled adults have less earnings capacity and thus lower income) and need (families with children or families with disabled members often have higher needs). In addition to the number and type of people in each family, we also examine employment status (whether the family includes full-time workers, part-time workers, or no workers). Collectively, these categories divide families into one of 24 categories.

Figure A shows the allocation of Montana families receiving income-based public assistance across these categories. The inner ring shows only employment status.

It shows that most Montana families receiving income-based public assistance are working.

Sixty-seven percent include at least one adult working full-time, attending school, or working part-time for economic reasons.³ Eight percent include at least one part-time worker. Twenty-six percent include no workers.

The second ring adds aging/disabled status. This ring shows the allocation of families by whether they include members who are aging/disabled by employment classification. In total, combining the “aging/disabled” sections of the second ring, **52 percent of families receiving income-based public assistance have someone who is aging or disabled.**

Among these families, roughly equal proportions include full-time workers or no workers. However, among non-working families, nearly all (91 percent) are families with at least one member who is aging/disabled.

The outer ring adds the number of adults and the presence of children and shows the allocation across all 24 categories. Forty-five percent of families receiving income-based public assistance have children, 43 percent have only a single adult, and 11 percent have both (i.e., single-parent families). Nearly all families with children receiving income-based public assistance (91 percent) include at least one full-time worker.

Collectively, when considering the population of Montana families who receive income-based public assistance, instead of imagining a single “typical family,” it’s more useful to imagine a group of families that includes:

- A large proportion of parents working full-time (41 percent),
- A significant proportion of adults without children working full-time (26 percent),
- Another significant proportion of families with aging/disabled adults who do not work (23 percent), and
- Only a tiny proportion of families with no aging/disabled members, no children, and no workers (2 percent).

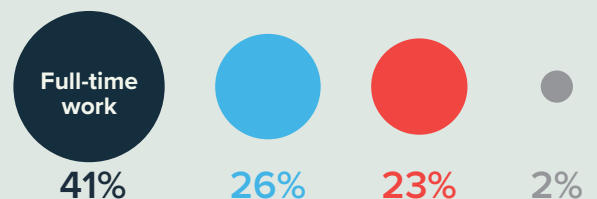
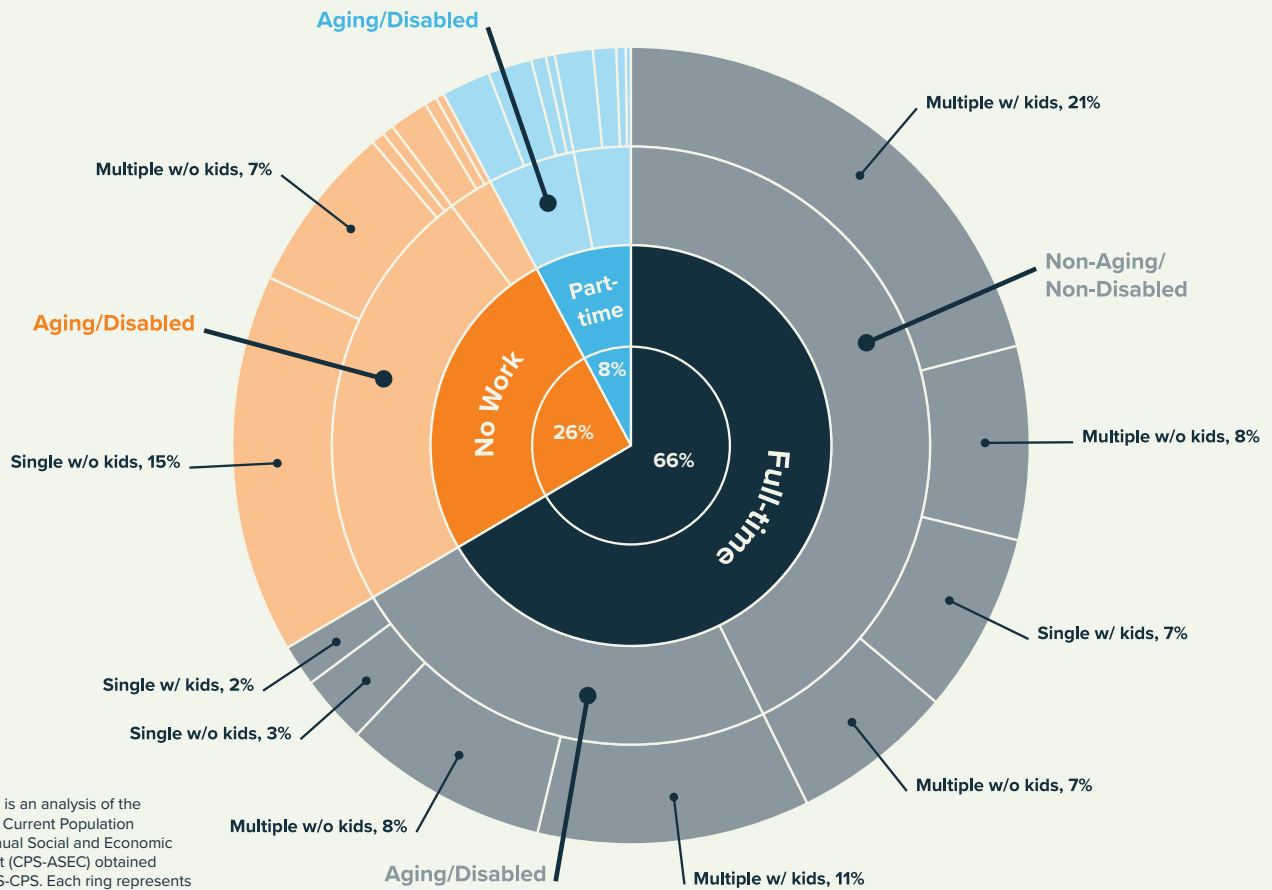


Figure A: Composition of Montana families receiving at least one form of income-based public assistance, 2016-2022



Notes: This is an analysis of the 2010-2023 Current Population Survey Annual Social and Economic Component (CPS-ASEC) obtained from IPUMS-CPS. Each ring represents 100% of Montana families receiving income-based public assistance, and the outer rings add additional characteristics.

The discussion above focuses on the composition of the population receiving income-based public assistance or which families comprise the most significant and minor shares. However, composition is not the only important question for understanding this population, as likelihood also matters. What types of families have higher concentrations in the public assistance population, or, given that not all families within a given category receive income-based public assistance, what share of families of each type receive income-based public assistance?

Figure B shows the shares of families of each type who receive at least one form of income-based public assistance. Utilization varies widely. While single, aging/disabled parents comprise only a small share of participants, they have the highest likelihood of participating in these programs. Seventy-four percent of these families receive at least one type of income-based public assistance. In contrast, among all

Montana families, the utilization share is 24 percent, and among families with multiple non-aging/non-disabled adults without kids, it is only 11 percent.

Having children in the household strongly influences the likelihood of receiving assistance.



Nearly all families without children have the lowest share, and nearly all families with children have the highest share. Single parents are likely to receive some form of public assistance. Aging/disability also increases the likelihood that a family will receive some form of public assistance.



Caregiving and Earnings Capacity

“I can only work part-time because when he’s not in school. I’m his only caretaker.”
– Parent, Lewis & Clark County

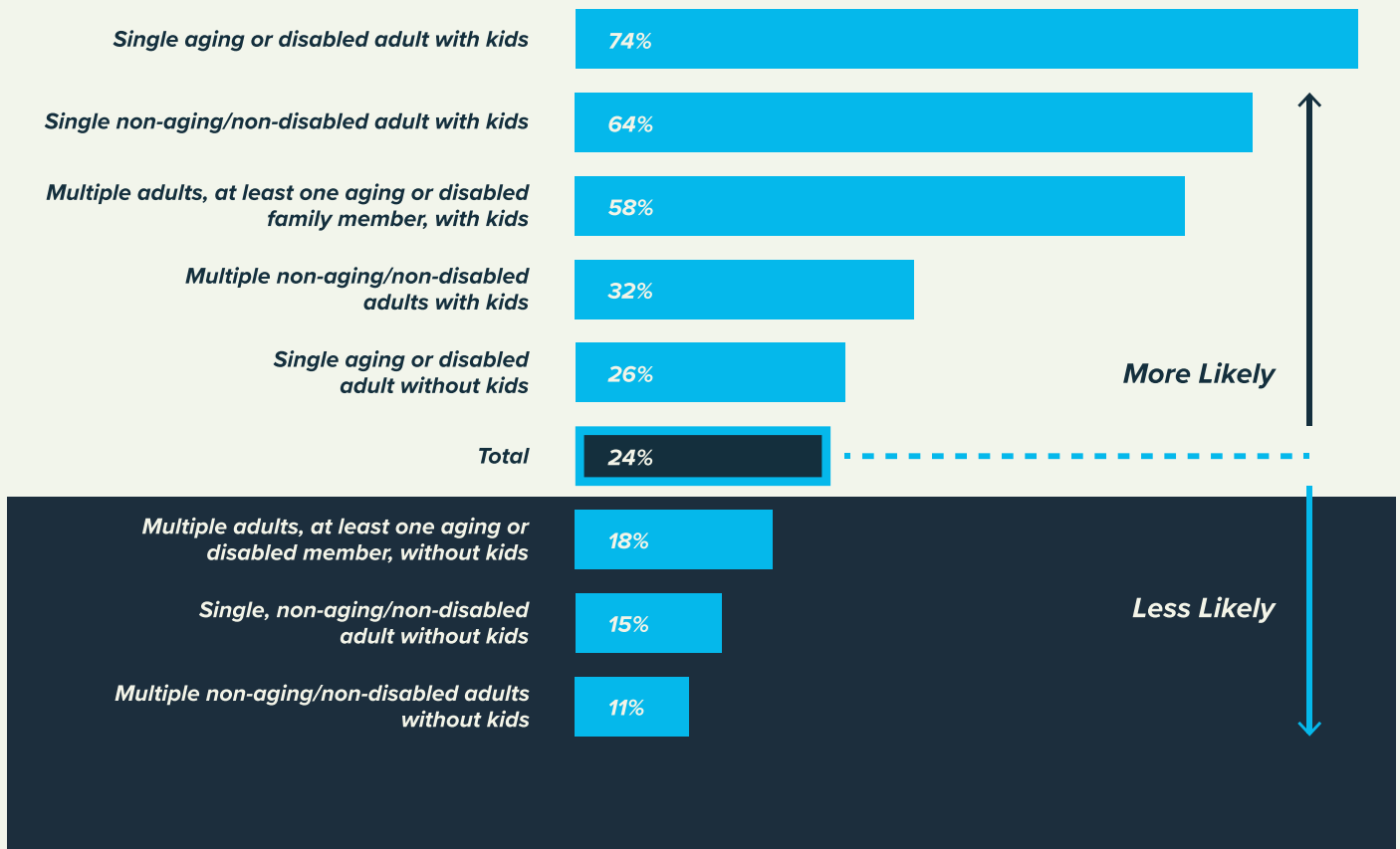
Public assistance needs are more concentrated in families with more caregiving responsibilities (such as those with children or aging/disabled adults) and those with lower earnings capacity (fewer non-aging/non-disabled adults). In interviews, Montanans repeatedly shared that caregiving, health issues, and logistical challenges make it difficult to meet their basic needs.

Several parents shared the challenge of juggling work and childcare. A single mother of two young children

stated: “I only work part-time because I have a little child.” Another parent said, “I can get as many jobs as I can fit in my day...the problem is trying logistically to fit them all in and still manage to sleep. My daughter has a life, too, and I have to drive her around.” Any parent can relate to one couple’s observation that “the stress of having a baby is hard enough!”



Figure B: Share of families of each type who receive at least one form of income-based public assistance, 2016-2022.



Notes: Analysis of 2010-2023 Current Population Survey Annual Social and Economic Component (CPS-ASEC) obtained from IPUMS-CPS.

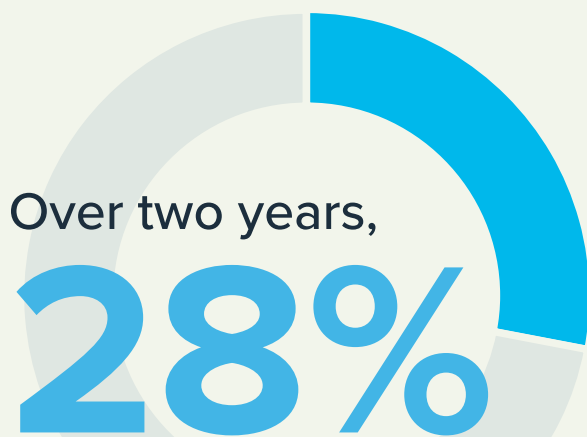
Introduction

0.

Income-based or means-tested public assistance programs provide essential economic security for people who are unemployed, underemployed, working low-wage jobs, or have disabilities that prevent them from working.⁴ Throughout this report, we use the term income-based public assistance rather than means-tested public assistance to describe these programs as it is more straightforward to the average reader.

These programs have a simple goal: to provide opportunities for people trying to escape poverty or experiencing temporary financial hardship to meet their basic needs for food, health care, warmth, and shelter.

Participation in these programs is widespread. Over two years, more than one in four Montana families (28 percent) reported receiving at least one form of income-based public assistance during at least one year.



...of Montana families reported at least one form of income-based public assistance during at least one year.

This population includes a wide variety of individuals and families. There is no “typical” participant.

This report describes income-based public assistance programs and the various individuals and families that utilize them. Primarily, this report presents a quantitative (statistical) description of who utilizes public assistance programs in Montana. However, at various points, the quantitative description is augmented with qualitative information obtained from interviews with individuals and families who currently participate or have participated in these programs.

Specifically, this report provides brief answers to seven core questions:

1. **What is income-based public assistance?**
2. **How many Montana families receive income-based public assistance, and for how long?**
3. **Which Montana families receive income-based public assistance?**
4. **Why are some family types more likely to receive income-based public assistance?**
5. **What share of families receiving income-based public assistance have members who work?**
6. **How does income-based public assistance interact with other programs?**
7. **How does income-based public assistance benefit families?**

What is income-based public assistance?

1.

Public assistance covers a wide variety of programs. The Census Bureau defines it as “programs that provide either cash assistance or in-kind benefits to individuals and families from any governmental entity.” That broad definition includes TANF, Social Security, Pell Grants, unemployment insurance, free and reduced school meals, housing assistance, and energy assistance.

This broader definition of public assistance can be divided into three buckets:

1. Income-based public assistance (e.g., Medicaid, SNAP)
2. Tax Credits – particularly refundable tax credits (e.g., Earned Income Tax Credit, Child Tax Credit)
3. Social insurance (e.g., Social Security, Medicare)

When looking at the broadest definition for which data are readily available, 63 percent of Montana families receive some form of public assistance each year.⁵ If other forms of government assistance like other tax credits or tax deductions (sometimes known as tax expenditures) were included, the share would be much higher.

When including tax credits and tax deductions, 63% of Montana families receive some form of public assistance each year.

This report focuses primarily on the first category, income-based public assistance. However, people who receive income-based public assistance also benefit (like other Montanans) from the other

categories of public assistance: tax credits like the Earned Income Tax Credit and the Child Tax Credit and social insurance like Social Security and Medicare. While income-based public assistance programs are the primary focus of this report, tax programs, and other social assistance are briefly addressed.

Income-based public assistance includes programs restricting eligibility based on income (and sometimes assets). The Congressional Budget Office (CBO) definition of income-based public assistance includes:

- Medicaid/Children’s Health Insurance Program (CHIP)
- Supplemental Nutrition Assistance Program (SNAP)
- Supplemental Security Income (SSI)
- Other assistance – housing assistance subsidies, low-income subsidies for Part D of Medicare, Temporary Assistance for Needy Families (TANF), Women, Infants, & Children (WIC), cost-sharing reductions under the Affordable Care Act, and state and local government general assistance programs.



The data used in this report do not include low-income subsidies for Medicare Part D and cost-sharing reductions under the ACA, but the remaining categories are (at least partially) included.

For this report, the population of families receiving income-based public assistance includes families who report receiving at least one of the following: cash assistance, SSI, SNAP, WIC, housing subsidies, energy subsidies, or Medicaid/CHIP. We include some discussion of each program; however, the primary focus is on an aggregate of all of them.

Some results exclude Medicaid and CHIP because a large portion of families only participate in Medicaid/

CHIP. These families differ from other families receiving income-based public assistance in ways that paint a modestly different picture of who participates in these programs.

The analyses in this report primarily rely on the Current Population Survey's Annual Social and Economic Supplement data.⁶ However, the sample size for Montanans enrolled in income-based programs in

one year is too small to paint a reliable picture, so the analysis aggregates 13 years of data (describing receipt from 2009-2022).⁷ However, given that Montana's expansion of Medicaid in 2016 changed the level and composition of public assistance recipients, we also present some statistics focused on 2016-2022.

How many Montana families receive income-based public assistance?

2.

A. How many families receive income-based public assistance in a given year?

Post-Medicaid expansion, over 120,000 Montana families participated in at least one form of income-based public assistance in a given year.⁸ This is equal to 24 percent of all Montana families.

Montana's share is slightly below the US average.

- The median participant family receives roughly \$3,500 in support from these programs.

Excluding Medicaid/CHIP, 1 in 7 Montana families (or approximately 68,000) received at least one form of income-based public assistance.



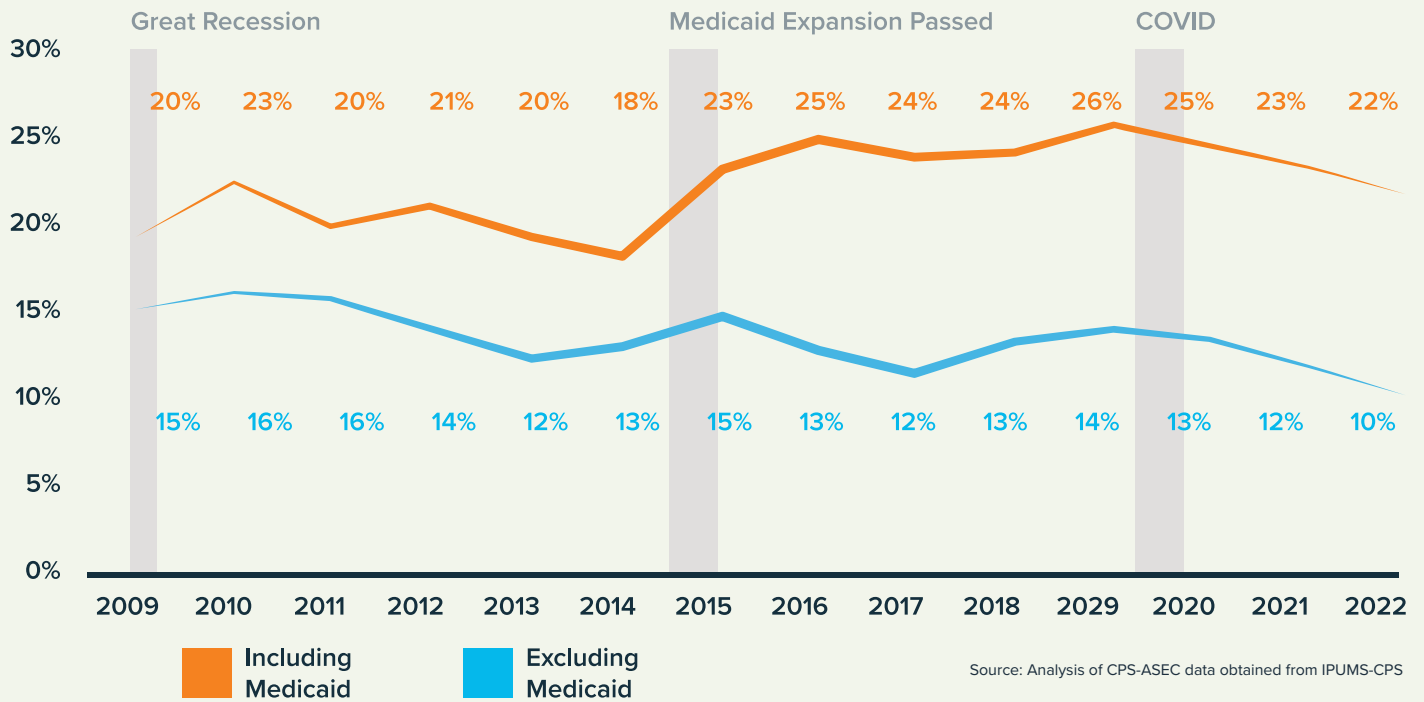
Table 1: Average share of families who report receiving income-based public assistance and median inflation-adjusted value among recipients

	Montana (2009-2022)	US (2009-2021)	Montana Median (\$2023)	US Median (\$2023)
Cash assistance	1.2%	1.2%	\$4,333	\$3,269
SSI	3.4%	4.1%	\$10,170	\$10,412
SNAP	8.6%	10.2%	\$2,314	\$2,594
WIC	2.1%	2.6%	\$678	\$677
Housing subsidies	3.3%	3.6%	\$2,909	\$5,076
Energy subsidies	3.9%	3.2%	\$644	\$389
Medicaid	17.5% (20.1% after 2015)	19.8% (20.1% after 2013)		
Any income-based assistance, excl. Medicaid	13.3%	15.6%	\$3,521	\$4,254
Any income-based assistance	22.2% (24.0% after 2015)	24.6% (25.1% after 2013)		

Source: Analysis of CPS-ASEC data obtained from IPUMS-CPS

While Medicaid expansion increased the share of families reporting any income-based public assistance, the percentage of Montana families who reported receiving any income-based public assistance, excluding Medicaid, generally declined slightly from Great Recession levels over the past decade (Figure 1).

Figure 1: Share of Montana families who report receiving any income-based public assistance over time



B. How many families receive income-based public assistance across multiple years?

Families' participation in income-based public assistance fluctuates year-to-year.

- The people who receive support from these programs this year are often not the same people who received support last year or the year before.
- Because many families move in and out of programs, looking at the share of families receiving support in a given year understates the number of families supported by these programs.

Looking over a more extended period, the population supported by these programs is much larger than those using the program at a given time. For instance, in the post-Medicaid expansion period, over two consecutive years, 28.1 percent of Montana families report receiving income-based public assistance at any point in at least one year.⁹ Slightly less than half of these families (13.5 percent) reported using at least one income-based program in two consecutive years. To clarify, roughly 7 percent of Montana families participating in income-based programs in one year did not receive it the year before, and another 7 percent of families who participated the year before did not this year.



Navigating Barriers to Accessing and Maintaining Services

“We’re so fortunate and grateful to be in a unit, but it always feels like, at any second, it can be ripped out from underneath us. So, we’re very much having anxiety about our housing security... It affects my mental health, that type of stress, the relationship I have with my kids, and fear of attachment within my own community.” – Parent, Gallatin County

Eligibility for and enrollment in a program does not always translate to assistance received. The interviewee quoted above described the “rollercoaster” of trying to use a Section 8 voucher, including multiple moves for her and her child due to waitlists, a lack of rental supply, and rental properties failing to pass required safety inspections. As a result, she shared, “I’m having a little bit of a problem unpacking because I’m just expecting to have to pack up again and move in a year.”

Navigating barriers to accessing and maintaining eligibility, given limited time and competing demands

(such as work or childcare), is a key reason people do not access assistance for some periods or simply never enroll, even while eligible.

Several interviewees noted that applying for and maintaining access to the various programs was challenging. One stated they “had to stay very persistent” to navigate the process. Another shared the challenges facing both them and their employer, saying “I can’t get my paystubs when I need them. It’s really hard to get them, “and” My boss wishes they could give me insurance, but it’s a small company, and that’s a lot of money.”



Table 2: Share of Montana families who report receiving income-based public assistance at any point in two consecutive years and by number of years receiving, 2009-2022

Montana (2009-2022)	% any over two years	% in 1 of 2 years	% in 2 of 2-years	Among those who receive any assistance, share receiving in both years
Cash assistance	1.1%	1.0%	0.2%	13.6%
SSI	5.0%	3.4%	1.6%	32.0%
SNAP	9.8%	6.1%	3.8%	38.8%
WIC	2.0%	1.6%	0.4%	20.0%
Housing subsidies	3.8%	2.2%	1.6%	42.1%
Energy subsidies	5.8%	4.0%	1.8%	31.0%
Medicaid	19.6% (23.2% after 2015)	10.6% (12.7%)	9.0% (10.5%)	45.9% (45.2%)
Any income-based assistance, excl. Medicaid	15.9% (16.0% after 2015)	9.3% (10.4%)	6.6% (5.6%)	.5% (35.0%)
Any income-based assistance	25.0% (28.1% after 2015)	12.8% (14.7%)	12.2% (13.5%)	48.8% (48.0%)

Source: Analysis of CPS-ASEC data obtained from IPUMS-CPS

If Medicaid/CHIP is excluded, 15.9 percent of Montana families report receiving any income-based public assistance over two years, and only 6.6 percent received any income-based public assistance in two consecutive years. As such, among this population, only 43 percent of families who participated in the programs in at least one year participated in both years.

Persistence and movement into and out of programs in Montana are similar to national rates. While Montana lacks data to track families for longer periods, national studies that track families over 48 months show similar results.¹⁰ Only 43 percent of people who received income-based public assistance at some point during the 48 months report participation in at least 37 months (e.g., more than three out of four years). This indicates that participants' utilization of these programs is transitory. They move in and out.

As discussed in more detail in a later section, single-parent families and families with at least one member who is aging or disabled are the most likely to receive assistance across multiple years.

Regarding specific programs, some Montana families are more likely to receive Medicaid or housing subsidies for more than a year.

- In the post-Medicaid expansion period, 10.5 percent of Montana families have at least one member covered by Medicaid for two consecutive years. As such, 45.2 percent of families who participated in Medicaid for at least one year participated for two successive years.
- Housing subsidies also have higher persistence. While only 1.6 percent of Montana families receive housing assistance in two consecutive years, this amounts to 42 percent participating across two years.

For most other programs, only about one-third of participants report receiving income-based assistance for two consecutive years.

Only a substantial minority of families persistently receive some form of income-based public assistance.

C. Does participating in one type of assistance program imply participation in others?

In this report, we group various income-based public assistance programs, and it is important to note that receipt of one type of assistance does not imply receipt of the others.

- Most Montana families who report receiving one form of income-based public assistance do not report receiving others.
- In the post-Medicaid expansion period, 60 percent of families who report receiving at least one type of income-based public assistance report utilizing only one program, 21 percent report support from two programs, 11 percent report support from three programs, and only 7 percent report support from four or more.

There are a variety of reasons that contribute to this pattern.

- First, each program has different eligibility requirements, so families or individuals eligible for one public assistance program are often not eligible for others.¹¹
- Second, it is difficult to measure program participation using surveys accurately.¹² People may not know or accurately report their participation in all programs.
- Third, many families only participate in some of the programs for which they are eligible. A recent study found that while 75 percent of those eligible participate in Medicaid/CHIP and 63 percent of those eligible participate in SNAP, only 22 percent of those eligible receive housing assistance, and only 28 percent of those eligible receive TANF.¹³

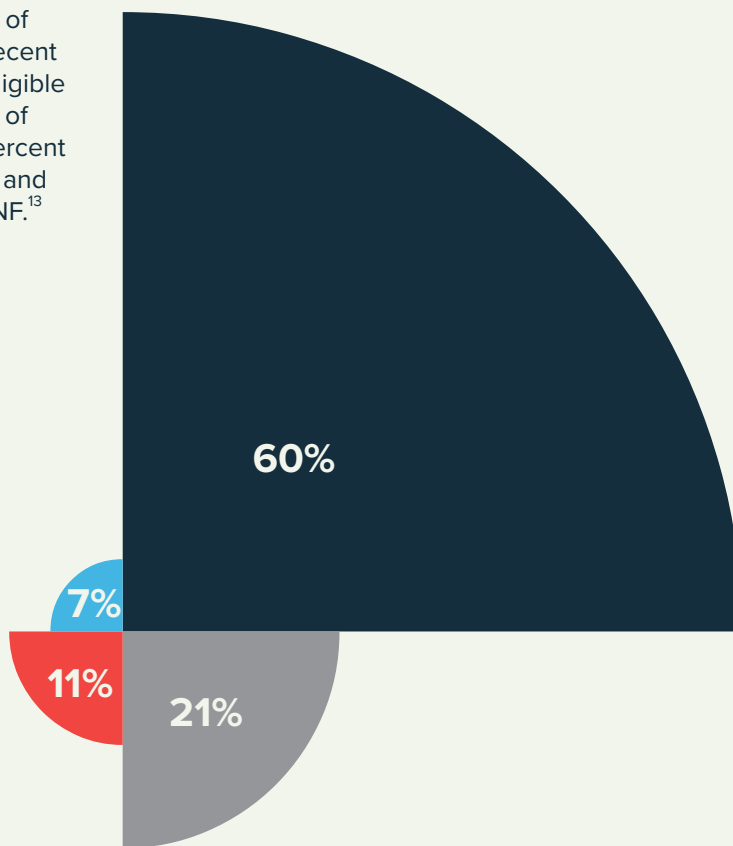
The interviews with Montana families receiving public assistance help clarify why some families move in and out of these programs and why some do not enroll in programs they qualify for. These interviews regularly touched on three themes: the challenging process of enrolling and remaining enrolled, hesitancy in applying for and participating in these programs due to the stigma attached, and temporary income changes impacting eligibility, or the so-called “benefits cliff.”

The benefits cliff occurs when families lose public benefits when they earn a raise or work more hours. This increase in income often does not offset the sudden decrease in benefits, leaving families unable to make ends meet.



of programs utilized by families by %

- 1 program
- 2 programs
- 3 programs
- 4+ programs





“I’m going to be getting this raise, so that will take me out of the income bracket, but just barely...I won’t have health insurance for either of us [me or my daughter].”

– Parent, Gallatin County

Interviewees were highly attuned to the impact of changes in income, often outside the individual’s direct control. Small changes in income can reduce or eliminate hundreds of dollars in benefits, causing the “benefits cliff.”

One interviewee observed: “For those who do work or try to work, it’s very much, almost dangerous, because if you can’t control the hours that you’re going to be scheduled. Or if you’re just a hair over, there went your benefits, there went your SNAP, and all of a sudden, you’re not qualified for Section 8. That benefits cliff is

huge. I just want to underscore how that needs to be redefined because we just can’t have people afraid to better their lives because they can’t get the support.”

She shared a story of helping her employer when a coworker had a medical emergency by picking up extra shifts for a few weeks, resulting in a loss of assistance for several months. It “gave the impression that I work a heck of a lot more than I do and was a burden on me and my employer to repeatedly write letters [to the Office of Public Assistance, explaining the circumstances].”



Which families receive income-based public assistance?



As with any large group, many people and families participate in income-based public assistance programs. There is no “typical” family that receives income-based assistance. To understand this population, consider a variety of people in various family types.

While some income-based public assistance programs are explicitly provided to individuals (like Medicaid or SSI), families are the more appropriate unit for this analysis. Eligibility is almost always a function of family income, so the family is the primary unit for analyzing income-based programs.¹⁴

Understanding who receives income-based support is primarily a question of which types of families participate in these programs.

To help simplify this discussion, this report divides Montana’s families into eight groups based on three characteristics:

- Whether the family has one or multiple adults,
- Whether any of the adults are over age 65 or report any form of disability, and
- Whether the family has any children present.

Most of these characteristics are self-explanatory, but the definition of disability requires additional explanation. This report defines disability broadly, including anyone who reported one of three disability indicators:

1. They reported “a health problem or a disability which prevents them from working or which limits the kind or amount of work” at any point in the prior year,
2. The reason reported for not working last year or the reason for only working part-year last year was “illness/disability,” or
3. The respondent said that they:
 - Were deaf or had serious difficulty hearing,
 - Were blind or had serious difficulty seeing even with corrective lenses,
 - Had cognitive difficulties (such as remembering, concentrating, or making decisions) because of a physical, mental, or emotional condition,
 - Had serious difficulty walking or climbing stairs,
 - Had any physical, mental, or emotional condition that makes it difficult or impossible to perform basic activities outside the home alone, or
 - Had any physical or mental health condition, making it challenging to take care of personal needs, such as bathing, dressing, or getting around.

Seventy-eight percent of Montana’s adult population who reported receiving income-based public assistance who also reported any form of disability reported that their disability/illness directly affected their ability to work (i.e., they satisfied one of the first two criteria listed).

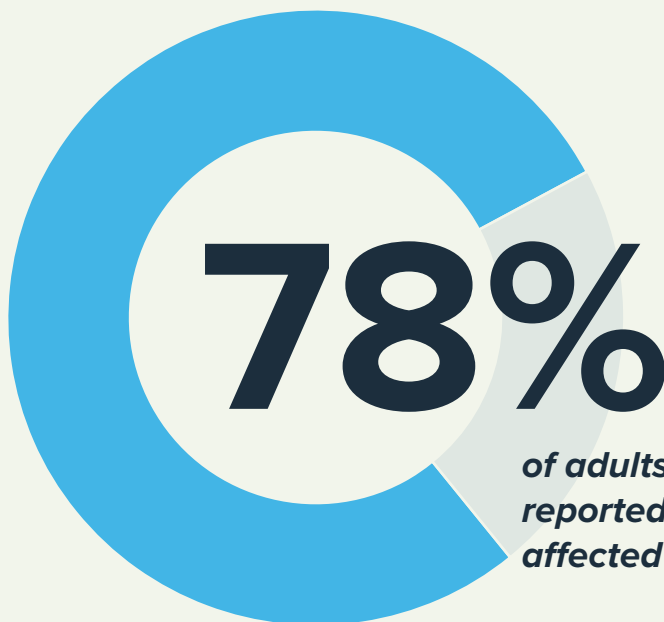
At various points, the discussion includes other characteristics, including age, education, employment, and occupation. However, the eight categories defined by these three characteristics provide a good baseline understanding of the population who receive income-based public assistance.

There are two important questions for describing the population of families receiving income-based public assistance.

First, there are composition questions. For example, what percent of the families who receive income-based assistance have aging or disabled adults, and what percent have children? These questions help clarify how much weight we should assign to different types of families when imagining the population receiving income-based public assistance.

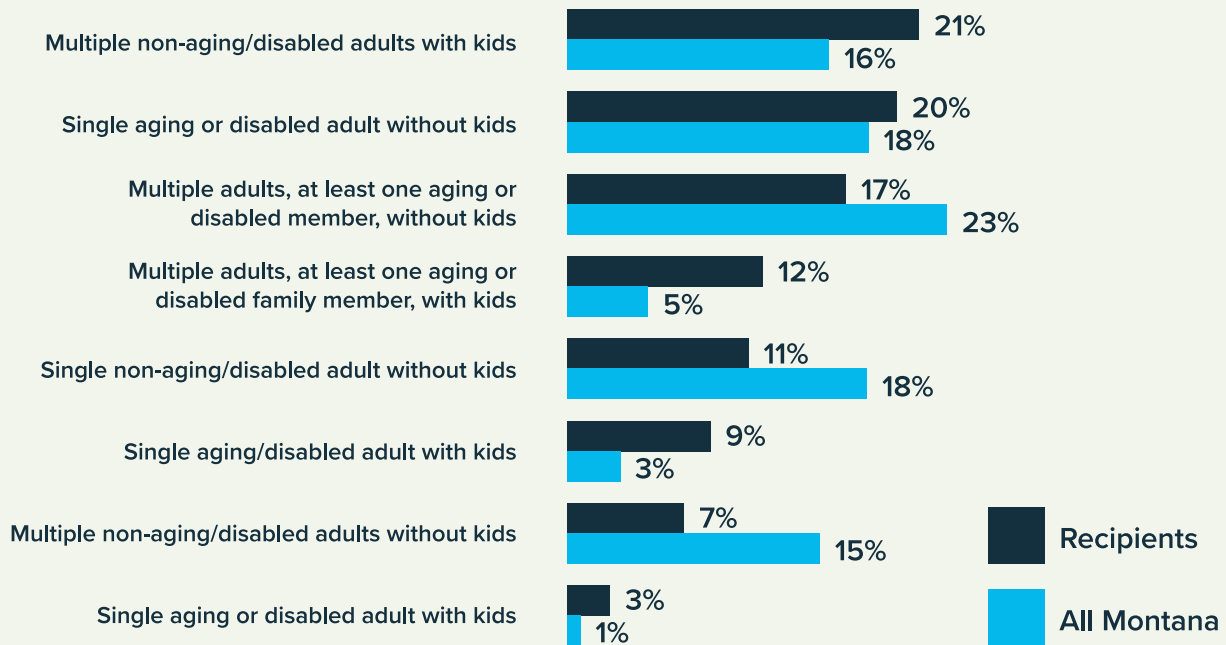
Second, there are likelihood questions. For example, how much more likely are families with aging or disabled adults or families with children to receive public assistance? Understanding which groups are more likely to receive income-based public assistance helps explain what factors drive participation. If families with aging or disabled adults, fewer adults, or more children are more likely to receive income-based public assistance, these factors (and their correlates) help explain public assistance utilization.

Figure 2 describes the share of Montana’s income-based program participants (including Medicaid) in each family category (blue bars). To help contextualize these numbers, Figure 2 also includes the total share of Montana families in each category (light blue bars).



of adults receiving public assistance who reported a disability said that it directly affected their ability to work.

Figure 2: Share of families receiving income-based public assistance (including Medicaid/CHIP) and share of all Montana families in each family category, post-Medicaid Expansion



Notes: Analysis of CPS-ASEC 2017-2023 obtained from IPUMS-CPS.

Several things stand out in this figure. First, focusing just on the blue bars that describe the composition of those who receive income-based public assistance, families with multiple (non-aging/disabled) adults and kids comprise the largest share of the population participating in income-based public assistance programs (including Medicaid). However, it is helpful to note that Medicaid/CHIP drives this result. Excluding Medicaid/CHIP, this group’s population share falls to 15 percent, the third-highest percentage.

Other parents (single with and without aging/disability or multiple with aging/disability) comprise most of the remainder (23 percent of recipients, including Medicaid/CHIP).

Second, comparing the dark blue bars to the light blue bars (which describe the composition of all Montana families) adds important context. When the dark blue bars are longer than the light blue bars, that group comprises a disproportionate share of participants, and members of that group are more likely to receive income-based public assistance.

Families with aging/disabled adults and no children also comprise a substantial share of Montana’s income-based program participants.

Thirty-seven percent of Montana’s families participating in income-based public assistance programs have no children and at least one aging or disabled single adult (a majority of these, 21 percent, are single adult families). If Medicaid is excluded, the share of recipient families with at least one aging/disabled member and no children rises to 49 percent.

- For example, families consisting of multiple non-aging/non-disabled adults with children comprise 21 percent of all families participating in income-based programs but only 16 percent of all Montana families. This suggests that this group is more likely to receive income-based public assistance.
- In contrast, families consisting of multiple non-aging/non-disabled adults comprise 7 percent of all families receiving income-based public aid, but these families comprise 15 percent of all Montana families. As such, this group is much less likely to participate in income-based public assistance programs.

Even though they comprise only a small share of the families who receive income-based public assistance (3 percent), aging/disabled single-parent families are the most likely to receive public assistance.

- As shown in Table 3, 74 percent of Montana families with a single, aging/disabled parent receive at least one form of income-based public assistance.
- Other single parents, as well as families with at least one aging/disabled adult, are also significantly more likely to participate in income-based public assistance programs (64 percent and 58 percent of these families receive at least one form of income-based public assistance).

These groups (along with single aging/disabled adults) are all significantly over-represented in the participant group.

Table 3: Percent of families in each category receiving at least one form of income-based public assistance

Family category (adults, aging/disabled, kids)	% of families in category who receive income-based public assistance
Single, aging/disabled adult, with kids	74%
Single, non-aging/disabled adult, with kids	64%
Multiple adults, at least one aging/disabled, with kids	58%
Multiple adults, no aging/disabled, with kids	32%
Single aging/disabled adult, without kids	26%
Multiple adults, at least one aging/disabled, without kids	18%
Single adult, no aging/disabled, without kids	15%
Multiple adults, no aging/disabled, without kids	11%

Notes: Analysis of CPS-ASEC 2017-2023 obtained from IPUMS-CPS.

Why are some family types more likely to receive income-based public assistance?



Families who receive income-based public assistance must overcome two hurdles. They must satisfy program eligibility requirements and successfully apply for and maintain access to the programs they are eligible for.

A. Who is eligible for public assistance?

Only certain people or families qualify for income-based public assistance. Not surprisingly, income is the primary determinant of income-based public assistance eligibility. So the first question for understanding who is eligible for income-based public assistance is, “Whose income is low (and why)?”

Income is complicated. Family income depends on the earnings capacity of its members and the individual or local conditions that shape how family members use their capacity.

Earnings capacity has two parts: how many hours family members can work and how much they can earn while working those hours.

- Families with fewer healthy, working-age adults have fewer hours they can potentially work and are more likely to have relatively low incomes.
- Similarly, families are more likely to have less capacity and relatively low incomes when geographic location, economic factors, discrimination, and education level limit access to jobs with high hourly earnings.

However, families with similar capacities may have different incomes due to differences in how their available capacity is realized. Differences in how families utilize programs can reflect differences in local conditions or individual circumstances.

- Local conditions matter because the local economy shapes the jobs available and the wages offered. In some places, it is more difficult for people to find jobs that utilize all their available capacity, like being unable to find full-time work in a community.
- Individual circumstances matter because some people may use their capacity for purposes other than earning money from market work, like caring for family members or attending school.

So, considering these factors and circumstances, families with certain characteristics may be more likely to have low incomes. For instance, low income is more common among families:

- With fewer healthy, working-age adults, including:
 - Single people, particularly those who are older or disabled,
 - Couples with at least one aging or disabled adult,
- With less educated or less experienced (e.g., younger) working-age adults,
- With more caregiving responsibilities (i.e., those with kids),
- With adults attending school,
- Who live in places with more economic struggles or fewer opportunities.

Table 4 shows the share of families in each group (or with members in each group) whose income is below 150 percent of the poverty line.

- The family type with the highest propensity for low income is single parents. Sixty-six percent of single-parent families with at least one aging/disabled member have income below 150 percent of the poverty line, and 46 percent of single parents without aging/disabled members live on low incomes.
- The next highest shares are among families with at least one aging/disabled member (42 percent among these families with a single adult and 30 percent among families with multiple adults). In general, relative to otherwise similar families (for each adult/aging-disability group (e.g., single non-aging/non-disabled adult), adding children increases the likelihood of having income below or near the poverty line.¹⁵

The family type with the highest propensity for low income is single parents.





Customer Service and Administrative Hurdles

“The humans that I’ve encountered, for the most part, have been awesome, but they are so overextended. It’s hard to get facetime...these people, are so overworked they’re doing impossible work” – Parent, Gallatin County

Data shows significant movement into and out of programs, as do interviews, often due to administrative hurdles and frustrating customer service for participants. Interviewees centered their frustration on processes, rather than people.

A retiree in Flathead County shared a similar message as the parent in Gallatin County, stating: “These are good programs, but they’re not working right now. I don’t know if they are just so overwhelmed and understaffed right now. I cannot get through to the Public Assistance Office...very frustrating because it throws me into that big black hole again.” She continued: “If we’re going to have public assistance programs, make them so people can reach them, they can get through, they can get answers.”

Another interviewee shared that they stopped using certain programs due to high administrative burdens: “TANF is a hard one to keep. There are so many hoops to jump through to get it, and so many hoops to keep it. If you’re working or doing anything else in your life,

it’s almost impossible to keep it, and so, I regularly have just let that go. Even if it would help me, it was not helping me to have to juggle all the hoops I had to jump through.”

In addition to administrative hurdles, some Montanans who are eligible for public assistance simply don’t know the programs exist or where to go for assistance. One interviewee shared: “I know the feeling of such loneliness. When it’s frustrating, it’s lonely. It’s depressing to be in a position where you don’t know where to go, you don’t know who to talk to, you don’t know what resources you have available out there, and you don’t have the computer and technology.”

Another delayed applying to SNAP due to confusion about the eligibility requirements and put off applying for TANF due to the child support requirement until she learned about the domestic violence waiver because she did not feel safe engaging with the father to get his participation.



Table 4: Percent of each family type with income below 150% of FPL

Family category (adults, aging/disabled, kids)	% of family type with income below 150% of FPL
Single, aging or disabled adult, with kids	66%
Single, non-aging/non-disabled adult, with kids	46%
Single aging or disabled adult, without kids	42%
Multiple adults, at least one aging or disabled family member, with kids	30%
Single non-aging/non-disabled adult, without kids	28%
Statewide	23%
Multiple non-aging/non-disabled adults, with kids	16%
Multiple adults, at least one aging or disabled member, without kids	14%
Multiple non-aging/non-disabled adults, without kids	8%

Notes: Analysis of CPS-ASEC 2010-2023 obtained from IPUMS-CPS.

Beyond these basic family structure types, other characteristics of families and their individuals affect income and participation in income-based public assistance. Table 5 provides additional information about the likelihood of different families to have income below 150 percent of the poverty line. Thirty-eight percent of families with adults attending school have income below 150 percent of poverty. Forty-three percent of families with someone over age 25 with less than a high school degree live on low incomes. Fifty-one percent of families with all adults under age 25 have low income.

Ultimately, there is a strong correlation between the family types most likely to have low income (shown in Tables 4 and 5) and those most likely to receive income-based public assistance (Figure 2 and Table 3). However, the correlation is imperfect. Eligibility is not solely a function of income. Many families living on low incomes are not eligible for various types of income-based public assistance. Nearly half of Montana families with income below 150 percent of the poverty line do not report receiving any income-based public assistance.

So, low income is not the only requirement to qualify for income-based public assistance. Families must satisfy other eligibility criteria and successfully enroll

-- and maintain their enrollment -- in the programs for which they are eligible.

Many income-based public assistance programs focus on people or families on low incomes who also satisfy other criteria, usually based on indicators of “need.” The most common indicator of need is family size, particularly the presence of children. Many programs are targeted exclusively or primarily to families with children. However, other characteristics (like the presence of someone aging or someone with a disability) may also indicate need, and some programs focus on these families.

In addition to focusing on particular families, many programs explicitly exclude certain families, regardless of income. For instance, eligibility for income-based public assistance also depends on immigration status.¹⁶ Federal law divides immigrants into two groups: qualified and not qualified. Qualified immigrants include lawful permanent residents (i.e., green card holders), refugees, people granted asylum, and other humanitarian immigrants. Qualified immigrants may be eligible for income-based assistance, but typically not until five years after they obtain qualified immigrant status. All other immigrants (undocumented immigrants and other people lawfully present, like tourists or students) are considered “not qualified.”

Table 5: Share of families with other characteristics with income below 150% FPL

Families with...	% with income below 150% of FPL
Someone over age 18 attending school	38%
No one over age 18 attending school	22%
Minimum education of persons over age 25 = Less than HS	43%
Minimum education of persons over age 25 = HS	24%
Minimum education of persons over age 25 = Some College	22%
Minimum education of persons over age 25 = College	11%
All adults < age 25	51%
All adults ages 25-64	21%
All adults over age 64	24%
Live outside metro counties	24%
Live in metro counties	21%

Notes: Analysis of CPS-ASEC 2010-2023 obtained from IPUMS-CPS.

B. Who has access to public assistance programs?

Beyond eligibility restrictions, there may be barriers to access. Only some eligible people for income-based public assistance enroll and maintain their enrollment. People regularly report various barriers to enrolling and remaining enrolled in these programs. For instance, one recent study found that 37 percent of new SNAP applicants do not complete the application process.¹⁷ Ultimately, only a fraction of those eligible enroll in most income-based public assistance programs.¹⁸

One recent analysis quantified the gap between eligibility and enrollment for Montana.¹⁹ Not including Medicaid, Montana families receive approximately \$400 million from income-based public assistance programs. However, if every eligible Montanan participated in SSI, SNAP TANF, WIC, energy assistance, and housing assistance (and Congress provided the funding to support these programs at this level of participation), Montana families would receive \$1.1 billion from these programs. This study found that additional assistance of this magnitude would reduce the post-tax and transfer poverty rate (the Supplemental Poverty Measure) by 33 percent, from 12.8 percent to 8.5 percent.

If every eligible Montanan participated in income-based public assistance programs and Congress provided the funding, it would reduce poverty by 33%.

Table 6 shows how the combination of additional eligibility and access barriers affect participation across the various family types. While survey data are highly imperfect for assessing eligibility for various income-based public assistance programs, looking at the share of different kinds of families living near or below the poverty line who receive some form of income-based public assistance helps clarify the role of varying eligibility requirements and access barriers.



Shame and Stigma

“If you are really struggling, it is so worth the trouble of getting enrolled. Don't feel ashamed.” – Participant, Flathead County

Another recurring theme among the interviewees was shame and the stigma of receiving assistance, both real and perceived. Many discussed delaying applying for programs or were reluctant to use them (particularly SNAP and WIC) because of these feelings. One participant mentioned, “I feel like you get better treatment for other insurance,” reflecting on their experience with Medicaid.

Several interviewees shared their struggles with overcoming the stigma. One said they had to get over their “misconception” of themselves as “someone who would use services.” Another described the difficulty receiving assistance, stating, “The hard part

was feeling ashamed to use SNAP when I went to the store. I felt ashamed knowing what others think about people who utilize services.” Another participant emphasized that those receiving public assistance “are just normal people; it's good for everyone to understand that.”

Some interviewees cited program changes that have helped reduce stigma, such as the implementation of SNAP electronic benefits transfer (EBT) cards, which “made it so it wasn't nearly so embarrassing and noticeable when you're in line and trying to get your food.”



Table 6: Percent of families with income below 150% FPL who receive any income-based public assistance, 2016-2022

Family category (adults, aging/disabled, kids)	Any, excluding Medicaid/CHIP	Any, including Medicaid/CHIP
Multiple adults, at least one aging or disabled family member, with kids	68%	92%
Single non-aging/non-disabled adult, with kids	66%	89%
Single aging or disabled adult, with kids	67%	88%
Multiple non-aging/non-disabled adults, with kids	45%	76%
Single aging or disabled adult, without kids	45%	51%
Multiple adults, at least one aging or disabled, without kids	31%	44%
Multiple non-aging/non-disabled adults, without kids	13%	37%
Single, non-aging/non-disabled adult, without kids	17%	36%

Notes: Analysis of CPS-ASEC 2017-2023 obtained from IPUMS-CPS.

Among Montana families with incomes below 150 percent of the poverty line, most families with children receive some form of income-based public assistance. Approximately 90 percent of single-parent families or families with low incomes with at least one aging/disabled adult receive some form of income-based public assistance, including Medicaid/CHIP, and nearly 70 percent receive at least one, excluding Medicaid/CHIP. Families on low incomes with children are generally eligible for most programs and are likely motivated to do what is necessary to overcome access barriers.

Similarly, families with aging or disabled members are eligible for more programs and are more likely to access programs they qualify for.

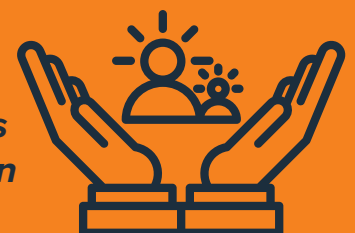
- Overall, 54 percent of Montana families living on low incomes with an aging or disabled member receive some form of assistance.
- This share rises to 68 percent if one includes only families with at least one member with a disability or impairment.

Outside these groups, it is rare for people -- even those with low incomes -- to receive income-based public assistance. Only 36 percent of families with low incomes without children, without someone with some

form of impairment/disability, and without someone over 65 report receiving any form of income-based public assistance. Excluding Medicaid, this share drops to 16 percent. As such, income-based public assistance has fewer effects on families without aging/disabled adults and without children. A recent study found that safety net programs lifted 69 percent of older adults and 44 percent of children who would otherwise have been in poverty. However, it only lifts 8 percent of non-disabled, non-elderly adults without children out of poverty.²⁰

These findings confirm that families with more caregiving needs (children or aging/disabled adults) or lower earnings capacity (fewer non-aging/non-disabled adults) are more likely to receive income-based public assistance. However, all the examined family types have at least a share who receive income-based public assistance, reinforcing that no “typical” family receives assistance.

Public assistance programs lifted 69% of older adults and 44% of children out of poverty.




How many families participating in income-based public assistance programs have members working for pay?

5.


The capacity discussion in the previous section addresses employment-related factors (disability, age, education) but does not address actual employment. Most Montana families receiving income-based public assistance are working. It is rare for a family with younger, non-disabled adults receiving public assistance to report no work. Among those that are not, older or disabled adults comprise the vast majority.

In the post-Medicaid expansion period, 67 percent of Montana families receiving income-based public assistance have at least one adult who works full-time, attends school, or works part-time for economic reasons (i.e., they would like a full-time job but cannot find one).²¹ However, the presence of a full-time worker varies widely across the family categories examined.

Figure 3 shows the share of families with at least one full-time worker by family type. The top section of the chart (dark blue bars) shows shares for families with children. The bottom section (light blue bars) shows shares for families without children. Ninety-seven percent of families with multiple non-aging/non-disabled adults with kids have at least one “full-time” worker (full-time work, attending school, or part-time for economic reasons), and 94 percent of similar families without kids have at least one full-time worker. In contrast, only 14 percent of single, aging/disabled adults without kids work full-time (or attend school or work part-time for economic reasons).

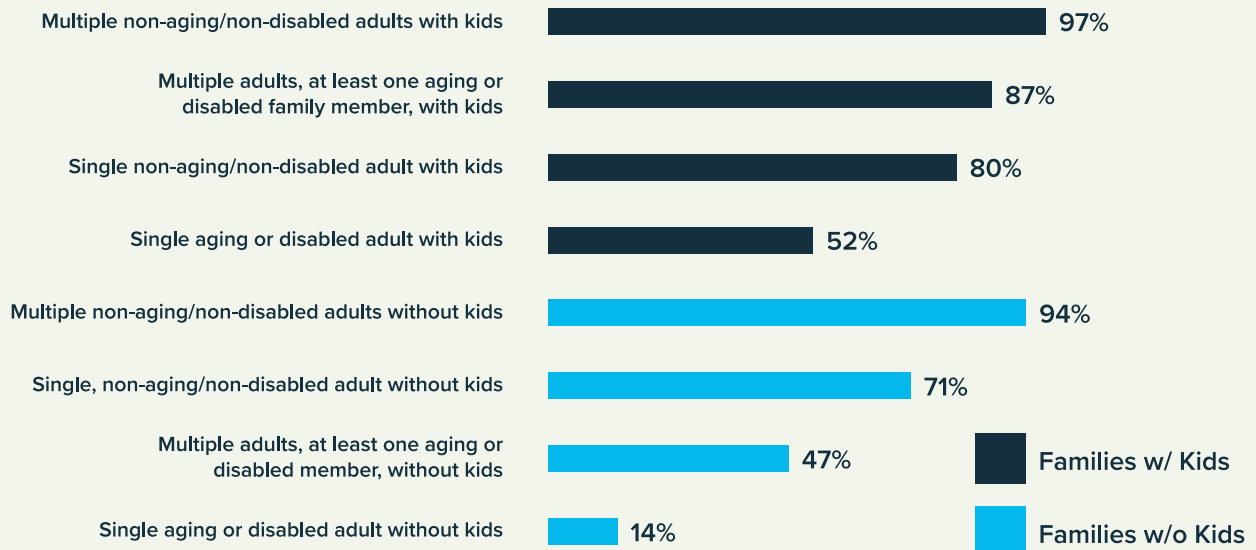


97% of recipient families with multiple non-aging/non-disabled adults with kids have at least one full-time worker in the home.



94% of similar recipient families without kids have at least one full-time worker.

Figure 3: Percent of Montana families receiving income-based public assistance with at least one adult working “full-time” (i.e., working more than 35 hours per week, attending school, or working part-time for economic reasons), 2016-2022



Notes: Analysis of CPS-ASEC 2017-2023 obtained from IPUMS-CPS.

Among the 33 percent of Montana families receiving income-based assistance without a full-time worker, 23 percent have a part-time worker. Twenty-six percent of families participating in income-based assistance programs report no work, nearly identical to the percentage of all Montana families who report no work (25 percent).

Nearly all families with no working adults have at least one older or disabled adult or children (93 percent). In less than 2 percent of Montana families receiving income-based assistance with adults under age 65, who report no disability, and have no children, does no one work.

To imagine Montanans receiving income-based public assistance at any given time, think of a mix of several different families. That mix should include:

- 41 percent full-time working-parent families (i.e., families with children and at least one full-time worker),
 - 32 percent have multiple parents and at least one full-time worker,
 - 9 percent are single parents working full-time,
- 26 percent full-time working adult families (i.e., families without children present with at least one full-time worker),
- 8 percent are families with no full-time workers but at least one part-time worker,
 - 2 percent are families with a single, aging/disabled adult without children,
 - 1.8 percent include multiple adults, with at least one aging/disabled member without children,
 - 1.6 percent are single, non-aging/non-disabled adults without children,
 - 1 percent are single, non-aging/non-disabled adults with children,
 - 1.4 percent other combinations,
- 26 percent are families with no full- or part-time workers,
 - 22 percent (or 86 percent of non-working families) are families with at least one aging/disabled adult and no children (the vast majority of these families are single adult families),
 - 1.6 percent are parents (with or without aging/disability),
 - 1.9 percent are non-aging/non-disabled/non-parents.

Workers who receive income-based public assistance tend to be concentrated in lower-wage occupations, with the top ten being:

Among adults in families with no workers, 90 percent listed “retired” or “ill/disabled” as the reason they did not work last year. Smaller proportions (6 percent, 2 percent) listed “taking care of home/family” or “could not find work” as the reason for not working.

It is worth noting that some other factors affect work among adults in families receiving income-based public assistance. First, families receiving income-based assistance report working fewer weeks and more weeks unemployed. For instance, among single adult families who reported some employment in the prior year, controlling for disability and age, people receiving income-based public assistance reported working five fewer weeks and three more weeks unemployed. This suggests income-based public assistance program participation may be linked with job displacement or seasonal work.

Second, while adults in families receiving income-based public assistance work in various occupations, they are more common in certain fields. Table 7 shows the composition and likelihood of income-based public assistance for workers in different occupation categories.

- The left column shows the occupation composition of the employed participants. For instance, 12.3 percent of employed income-based public assistance participants work in sales and related occupations (e.g., cashiers or retail salespersons), and 11.8 percent work in office and administrative support occupations (e.g., customer service representatives, administrative assistants).
- The right column shows the share of workers in each occupation group who live in families receiving income-based public assistance. For instance, 30.4 percent of healthcare support workers and 32.7 percent of food preparation and service workers receive income-based public assistance.

Workers who receive income-based public assistance tend to be concentrated in lower-wage occupations.

1.		Cleaning and maintenance
2.		Food preparation and serving
3.		Healthcare support
4.		Personal care and service
5.		Transportation and material moving
6.		Sales and related
7.		Farming, fishing, and forestry
8.		Production
9.		Construction
10.		Office and administrative support

Table 7: Distribution and likelihood of income-based public assistance by occupation, 2009-2022

Occupation category	% of recipient workers in occupation group	% of workers in occupation group who receive assistance
Building and Grounds Cleaning and Maintenance	6.3	32.9
Food Preparation and Serving	11.3	32.7
Healthcare Support	3.2	30.4
Personal Care and Service	5.5	30.0
Transportation and Material Moving	7.1	26.3
Sales and Related	12.3	26.1
Farming, Fishing, and Forestry	2.6	26.0
Production	4.3	23.9
Construction	6.5	23.3
Office and Administrative Support	11.8	21.3
Extraction	0.4	18.6
Community and Social Services	1.7	17.7
Protective Service	1.4	17.4
Installation, Maintenance, and Repair	2.8	16.3
Computer and Mathematical	1.3	16.2
Education, Training, and Library	4.3	15.2
Business Operations Specialists	1.4	14.8
Arts, Design, Entertainment, Sports, and Media	1.4	14.6
Management, Business, Science, and Arts	8.8	14.1
Healthcare Practitioners and Technical	2.9	11.1
Life, Physical, and Social Science	0.7	10.1
Legal	0.5	9.6
Financial Specialists	0.8	8.5
Military Specific	0.2	6.4
Architecture and Engineering	0.4	5.9

Notes: Analysis of CPS-ASEC 2010-2023 obtained from IPUMS-CPS.

Who is more likely to receive income-based public assistance over two years?

6.

The results above describe the composition of Montana's income-based assistance population in a typical recent year, but many people move into and out of income-based assistance each year. A natural question is which types of families tend to cycle through and which tend to persist.

Describing persistence is challenging for several reasons. First, the potential number of categories expands as one looks across years. Family and individual characteristics change over time. The number of adults or children may change, whether someone reports some form of disability may also change, and employment and wages may change.

As family characteristics change, needs change, earnings capacity changes, and participation in income-based public assistance programs changes.

Second, the data that tracks families over time is only a subset of the annual data. Only about one-fourth of families in the annual sample are tracked for two years. So, the smaller sample size for the two-year sample limits our ability to reliably describe the persistence of participation in income-based public assistance programs among smaller subpopulations.

Third, "persistence" is very loosely defined. The data only describes whether families participated in these programs at any point over the year. As such, families who received support during a single spell lasting less than a full year could report participating for two consecutive years if they participated at the end of one year and the start of the next. For example, a family that received assistance from November to February could "persist" for two years. So, this analysis likely overstates the share of families that persist on income-based assistance.

Table 8 describes income-based public assistance utilization over time for selected family types. This table differs slightly from the prior sections' tables and figures. In particular, the categories examined include only families with constant characteristics. To be included in the analysis, a single-parent family must have a single adult and children present in both years. Similarly, families with at least one aging/disabled adult would have to have at least one aging/disabled member in both years. This analysis omits families with changing characteristics.

In this analysis, the denominator is the total number of families in the described category. As such, this table describes the share of Montana families in each group who receive income-based assistance in one of two years, two of two years, and at least one of two years (the sum of the first two). The fourth column describes persistence, i.e., among the share of families who received assistance in the first year examined, what share also received it the following year.

Consistent with the description above, families with at least one aging/disabled adult or families with children are much more likely to participate for two consecutive years.

- For instance, 22 percent of Montana’s single-parent families received income-based assistance in one of two years, and 49 percent received assistance in two consecutive years. As such, 71 percent of Montana’s single-parent families receive income-based assistance in at least one of two years.
- Among those who received assistance in the first year, 80 percent received assistance in the following year. Similarly, high rates of use and persistence are found for other families with children or with at least one aging/disabled member. Families without children and without aging/disabled members have much lower rates of participation and persistence.

Domestic violence increases need in various ways.

Interviews with families receiving income-based public assistance in Montana uncovered an important issue not covered in the data—domestic violence. In a small sample of interviews, several participants mentioned domestic violence as a precipitating event leading them to seek public assistance to support themselves and their children.

Interviews with families receiving income-based public assistance in Montana uncovered an important issue not covered in the data—domestic violence. In a small sample of interviews, several participants mentioned domestic violence as a precipitating event leading them to seek public assistance to support themselves and their children.

Leaving a violent partner may trigger a need for assistance due to loss of income from the partner or personal income from the need to move or change jobs for safety. Additionally, domestic violence can

impair earning capacity due to the burden of legal processes, such as court dates, counseling sessions, treatment for trauma, lack of childcare, and housing instability, all of which can hinder regular work. Another interviewee reported trauma and PTSD resulting domestic violence, further impacting their ability to maintain employment.

The injuries and emotional scars caused by domestic violence can make it more difficult for individuals to work, highlighting the complex and multifaceted challenges faced by survivors.

Table 8: Share of Montana families in each category receiving income-based public assistance in one or two years

Family category (adults, aging/disabled, kids)	One of Two	Both	Any	Share persisting from first to second year
Single parents (regardless of aging/disability)	22%	49%	71%	80%
Single adults with aging/disability, without kids	13%	19%	32%	75%
Multiple adults with children (regardless of aging/disability)	20%	27%	47%	74%
Multiple adults with at least one aging/disabled, without kids	10%	8%	18%	66%
Multiple adults, no aging/disabled, without kids	7%	2%	9%	38%
Single adults, no aging/disability, without kids	11%	3%	14%	34%

Notes: Analysis of Longitudinal CPS-ASEC 2010-2023 obtained from IPUMS-CPS.

How do other forms of public assistance interact with income-based public assistance?

7.

Public assistance includes more than just income-based public assistance programs. Some families also receive assistance via the tax code (e.g., tax credits) or social insurance (e.g., Social Security), which may or may not be based on income. To illustrate how other forms of assistance interact with the programs included in the analysis above, this section briefly discusses how two programs—the Earned Income Tax Credit (EITC) and Social Security—interact with income-based programs.

A. Who uses tax credits, particularly the EITC?

The EITC is another income-based program designed to help boost the incomes of working families living on low incomes by helping to offset payroll taxes.

12% of Montana families claim the Earned Income Tax Credit (EITC) each year.



Over 60 percent of families who receive the EITC receive at least one other form of income-based public assistance (including Medicaid/CHIP). As such, 6 percent of Montana families receive the EITC but none of the other income-based public assistance discussed above.

Ultimately, one-third of families receiving income-based public assistance also benefit from the EITC. Among these families, the median value of the EITC is nearly \$2,800 per year.

The EITC is only available to families with earned income from work. So, EITC recipients differ from the wider population that receive income-based public assistance since some families that receive income-based public assistance do not work. In particular, families claiming the EITC are larger on average (including more adults and more children). Approximately two-thirds of EITC recipient families in Montana have children. They are also less likely to include aging/disabled adults. Slightly less than one-third of Montana's EITC recipient families have any aging/disabled adults.

Families living on low incomes also benefit from the refundable portion of the child tax credit, but the data used in this analysis do not include these amounts. One recent analysis calculated the total potential value of SNAP, TANF, EITC, and the refundable portion of the child tax credit for non-disabled, non-immigrant, single-parent families.²² This analysis found that, in Montana, these families are eligible for slightly more than \$6,000 per year of support via these programs. Of course, as discussed above, many families do not receive all the assistance for which they are eligible.

B. Who receives Social Security?

Approximately 33% of Montana families receive Social Security, and roughly 21% of Montana families receiving Social Security also receive some form of income-based public assistance.

So, 26 percent of Montana families receive Social Security and no other income-based public assistance.

Among families receiving at least one form of income-based public assistance, 29 percent also receive

Social Security. So, 7 percent of Montana families receive Social Security and at least one other form of income-based public assistance. Among these families, the median value of Social Security payments is approximately \$15,000 per year.

Social Security is primarily available for families with older Montanans. Families receiving Social Security and other income-based public assistance differ from others participating in income-based public assistance programs. Families receiving Social Security and other income-based public assistance are much more likely to include aging/disabled adults. Ninety-five percent have at least one aging/disabled adult, and they are significantly less likely to work. Eighty-three percent of adults in families receiving Social Security and other income-based public assistance do not work at all, and nearly 70 percent of these families include no working adults.

How does public assistance benefit individuals and families?

8.

Recent research focused on studying the benefits of public assistance on individuals, families, and children has found that the short-term benefits of income-based public assistance include:

- Less poverty²³
- Better health/less mortality²⁴
- Better nutrition²⁵
- Increased employment and earnings²⁶
- Less crime/recidivism²⁷



Income-based public assistance programs also generate significant long-term benefits, particularly for children. Several recent studies find that people who received assistance from various income-based

programs as children have better outcomes as adults (and these better outcomes are likely attributable to the income-based public assistance programs), including:

- Greater adult employment
- Higher adult earnings
- Higher educational attainment²⁸



Importantly, for many programs, these long-term benefits are sufficient to offset the program's cost. Several recent papers summarized the impact of various government programs using a concept known as the “marginal value of public funds (MVPF).”²⁹ The MVPF is simply the ratio of the support to recipients



How Programs Benefit Families

“I feel like a million dollars every day because I have a job to go to and I get to go into an office. I get to pay bills and it's really exciting because I feel human again. I got to sign my kid up for a science program...I was finally a parent, I didn't have to ask for help, I could do it myself...it brought me to tears being able to do that again.”

– Parent, Lewis & Clark County

Interviews with Montana families receiving income-based public assistance highlight the benefits these programs provide, including opportunities to overcome poverty and to care for one's children and family members. One interviewee said, “These programs make it to where I am able to provide for my children.” Broadly, interviewees expressed gratitude for these programs, with sentiments like, “These programs have been helpful, and I'm very grateful ...” or “I am thankful they exist.”

However, they emphasized different aspects of the support they received. One noted that “the services made it easier to go to work.” Another mentioned

that assistance helped during a difficult pregnancy when she could not work. A third interviewee said that energy assistance paid for heat in the winter and helped improve her home's efficiency.

In several cases, interviewees noted that, in an environment of rising housing costs and inflation, public assistance supplemented income from their work. “I would just like to say how grateful I am that we have these programs. I have always had a job, but living is so expensive. I wouldn't be where I'm at or have what we have without the help I have received and am still receiving.”



(expressed as their willingness to pay to receive each support) divided by the cost to the public of providing the assistance (i.e., outlays, administration costs, and any fiscal externalities (e.g., increased future tax revenues or lower expenditures). If the MVPF exceeds one, benefits exceed costs. Several recent studies document many public assistance programs have MVPFs substantially greater than one, particularly when assistance is targeted toward children.³⁰

However, it is also important to note that while income-based public assistance helps improve participants' financial security and improve outcomes, it is insufficient to eliminate financial hardship for most participant families.

The Federal Reserve conducts the Survey on Household Economics and Decision-making (SHED) annually. This survey provides a rich assessment of American families' financial conditions. It also includes information about receiving an almost identical set of income-based public assistance programs to those discussed above. The variables do not include energy

assistance and the survey groups Medicaid with Medicare. As such, the data can roughly identify the families receiving income-based public assistance, excluding Medicaid.

The Montana sample in the SHED is too small, so Table 9 describes the financial characteristics for all U.S. families receiving the included forms of income-based public assistance. Even with income-based public assistance, these families report significant financial struggles. For instance, most (71 percent) are not doing okay financially, few have an emergency fund (22 percent), and a quarter report that they do not have enough food to eat.

To help place these values in context, the table also includes information from families not receiving assistance, both those with relatively low incomes given household size and those with higher incomes.³¹ Relative to higher-income families that do not report participation in income-based public assistance programs (excluding Medicaid and energy assistance).

In 2023, families who received public assistance were roughly 2-3 times more likely to indicate that:

- They were not doing at least okay financially,
- They did not have an emergency fund,
- They were not able to handle an unexpected \$400 expense with cash or equivalent,
- They skipped medical care,
- They have medical debt,
- They were behind on rent at some point last year (among renters),
- They struggle to pay bills because of month-to-month variation in income,
- They did not pay their bills in full last month.

Families receiving public assistance are 8 times more likely to indicate that they did not have enough food to eat.



While income-based public assistance likely improves families' financial situations and boosts adult outcomes for children who benefit from these programs, it and other comparable forms of public assistance generally do not completely alleviate participant families' financial hardships.

Table 9: Share of families reporting various financial conditions by income or use of public assistance (not including energy subsidies or Medicaid/CHIP)

Financial conditions	No receipt of public assistance, higher income	No receipt of public assistance, lower income	Received public assistance
Not doing at least okay financially	19%	50%	71%
Have emergency fund	63%	26%	22%
Could handle an unexpected \$400 expense with cash or equivalent	74%	36%	24%
Skipped medical care because they could not afford	21%	41%	50%
Currently have medical debt	15%	21%	26%
Have less than \$50,000 in savings and investments	33%	72%	78%
Turned down for credit in past year (among applicants)	17%	37%	58%
Took out payday or pawn shop loan	2%	8%	17%
Behind on rent during past year (among renters)	10%	31%	31%
Monthly income varies month to month	25%	41%	38%
Struggle to pay bills because of monthly variance in income (among those with variable income)	24%	48%	65%
Did not pay bills in full last month (excluding credit cards)	10%	32%	38%
Sometimes/often do not have enough food to eat	3%	18%	24%

Notes: Analysis of 2023 Federal Reserve SHED data. Higher-income households are roughly those with income above 200 percent of FPL. Lower-income households are roughly those with income below 200 percent of FPL. See endnote 31 for more detail.

Conclusion

9.

A substantial share of Montana families receive income-based public assistance. Over two years, over 140,000 Montana families (28 %) will report participating in at least one income-based public assistance program.

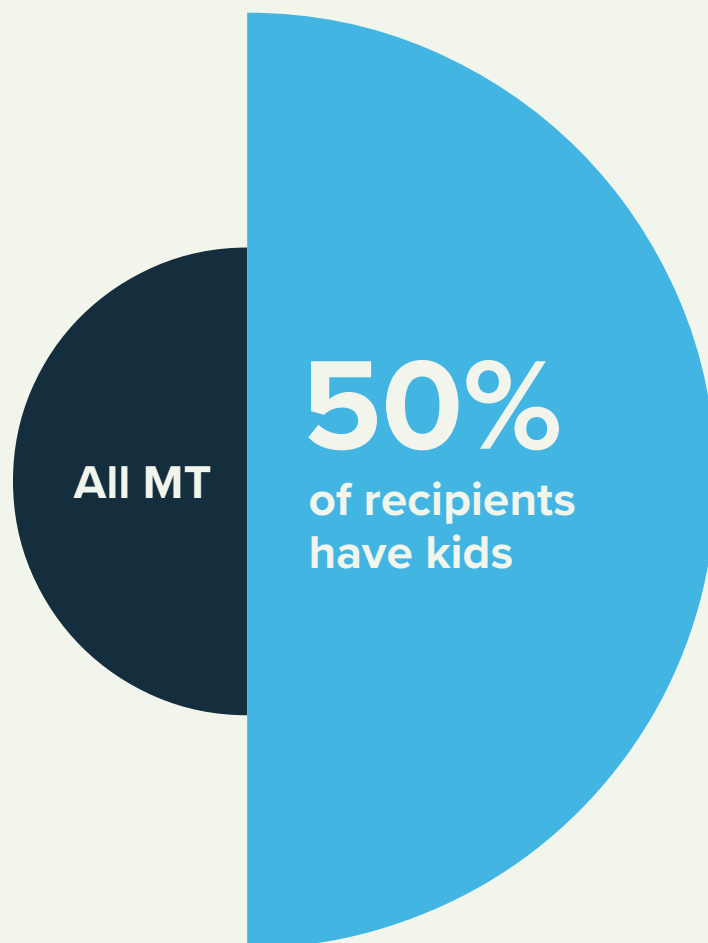
So, while families participating in income-based public assistance programs are more likely to have caregiving responsibilities and less likely to have non-aging/non-disabled adults, they have much in common with other Montana families. They are, in the words of one of the participants interviewed for this project, “just normal people.”

A population this large will contain a wide variety of people and families. However, two family characteristics are strongly related to receiving income-based public assistance.

- First is children. While only 25 percent of Montana families have kids, nearly 50 percent of families receiving income-based public assistance have children.
- Second is aging/disabled adults. While only 29 percent of Montana families have an aging/disabled adult, nearly 50 percent of families receiving income-based public assistance have one. Nearly all (77 percent) families receiving income-based public assistance have children or an aging/disabled adult.

Most families participating in income-based public assistance programs are working.

- Seventy-four percent include at least one worker (and 67 percent include at least one full-time worker).
- Nearly all families with children include at least one working adult, and nearly all families without a working adult include aging/disabled adults.
- It is rare for a family receiving income-based public assistance to include no children, no aging/disabled adults, and no working adults.



References

1. Table 1 in Aizer, Hoynes, and Lleras-Muney (2022) provides a simple overview of program eligibility. Aizer, A., Hoynes, H., & Lleras-Muney, A. (2022). Children and the US social safety net: Balancing disincentives for adults and benefits for children. *Journal of Economic Perspectives*, 36(2), 149-174
2. For a more detailed discussion of who qualifies as having a disability see discussion in section 3.
3. Economic reasons include seasonal declines in demand, unfavorable business conditions, and a slack economy. Noneconomic reasons include being in school, being ill, and having caregiving responsibilities for children or disabled and/or aging family members.
4. The Bureau of Labor Statistics defines 'unemployed' as those workers who are not currently in a paid job but are actively looking and available to work. The Bureau of Labor Statistics defines 'underemployed' as working "part time for economic or noneconomic reasons." Economic reasons include seasonal declines in demand, unfavorable business conditions, and a slack economy. Noneconomic reasons include being in school, being ill, and having caregiving responsibilities for children or disabled and/or aging family members.
5. This share includes people who report income or benefits from welfare, SSI, SNAP, WIC, housing subsidies, energy subsidies, EITC, Medicaid/CHIP, Social Security, educational grants/subsidies, unemployment insurance, or school lunches.
6. The CPS-ASEC public-use microdata analyzed in this report came from IPUMS-CPS. Sarah Flood, Miriam King, Renae Rodgers, Steven Ruggles, J. Robert Warren and Michael Westberry. Integrated Public Use Microdata Series, Current Population Survey: Version 10.0 [dataset]. Minneapolis, MN: IPUMS, 2022. <https://doi.org/10.18128/D030.V10.0>
7. The CPS-ASEC is administered in March of each year, but the relevant questions for this report ask about the prior calendar year. As such, the report examined the 2010-2023 CPS-ASEC data, but these data describe program participation during 2009-2022. Also note that the Census Bureau made changes to the survey over this time period, so the data are not strictly comparable; however, limiting the analysis to only the periods with comparable data yields nearly identical results.
8. Looking only at data post-Medicaid expansion in Montana (2016-2021), this share rises to 24 percent.
9. The sample that tracks families over time is only a subset of the larger sample. As such, the percentages differ slightly between the two samples.
10. Irving, S. K., & Loveless, T. A. (2015). *Dynamics of Economic Well-Being: Participation in Government Programs, 2009-2012: Who Gets Assistance?*. US Department of Commerce, Economics and Statistics Administration, US Census Bureau.
11. The eligibility criteria for each program are often complicated and variable. Some programs are only available to families with income below the poverty line (e.g., SSI). Some programs are available to people in families with incomes slightly to moderately above the federal poverty line (e.g., Medicaid for adults, SNAP, WIC). Still others are determined based on income as a percentage the area median (e.g., housing assistance). Most programs also impose of other eligibility criteria (e.g., asset limits, disability, children). See Moffitt, R. A. (2018). A Review of US Federal and State Means-Tested Programs. *Michigan Retirement Research Center Research Paper*, (2018-376) for a recent overview of each program and its eligibility requirements.
12. E.g., Meyer, B. D., Mok, W. K., & Sullivan, J. X. (2009). *The under-reporting of use of public assistance in household surveys: its nature and consequences* (No. w15181). National Bureau of Economic Research.
13. Macartney, S., & Ghertner, R. (2021). Participation in the US Social Safety Net: Coverage of Low-Income Families, 2018. *ASPE Research Brief*. Washington, DC: Office of the Assistant Secretary for Planning and Evaluation, US Department of Health and Human Services. According to this study, 53 percent of those eligible receive WIC, 59 percent receive SSI, and 20 percent receive energy assistance (LIHEAP).
14. Specifically, the unit of analysis for this report is the Supplemental Poverty Measure family unit.
15. Given that the poverty line is a function of both income and family size, this makes sense; however, it suggests that adding children does not lead families to increase income by an amount sufficient to keep up with the level of need embedding in the poverty line.
16. Broder, T. and Lessard, G. (2024) "Overview of Immigrant Eligibility for Federal Programs." <https://www.nilc.org/issues/economic-support/overview-immeligfedprograms/> [accessed June 1, 2024]
17. Cook, J. B., & East, C. N. (2023). *The effect of means-tested transfers on work: evidence from quasi-randomly assigned SNAP caseworkers* (No. w31307). National Bureau of Economic Research.
18. Moffitt, R. (2015). *Economics of means-tested transfer programs: Introduction* (No. w21751). National Bureau of Economic Research.
19. Giannarelli, L., Minton, S., Wheaton, L., Knowles, S., & Dehry, I. (2023). What if every eligible person in Montana received safety net benefits? Urban Institute. <https://apps.urban.org/features/attis-benefits-full-participation/pdfs/Montana.pdf>

References Cont.

- ²⁰ Greenstein, R. (2024). The austere US safety net for poor, non-elderly adults who are not raising children and do not receive disability benefits.
- ²¹ We apply the term “full-time worker” to anyone who satisfies any of these three conditions.
- ²² Schmidt, Lucie, Lara Shore-Sheppard, and Tara Watson, 2024. State Safety Net Database version 2.1 [dataset]. Brookings Institution, Washington, D.C.
- ²³ Greenstein, R. (2024). The austere US safety net for poor, non-elderly adults who are not raising children and do not receive disability benefits.
- ²⁴ See for instance, Wyse, A., & Meyer, B. (2023, October). Saved By Medicaid: New Evidence on Health Insurance and Mortality from the Universe of Low-Income Adults. In *2023 APPAM Fall Research Conference*. APPAM; Miller, S., Johnson, N., & Wherry, L. R. (2021). Medicaid and mortality: new evidence from linked survey and administrative data. *The Quarterly Journal of Economics*, 136(3), 1783-1829; Carlson, S., & Llobrera, J. (2022). *SNAP Is Linked With Improved Health Outcomes and Lower Health Care Costs*. Center on Budget and Policy Priorities; Mande, J., & Flaherty, G. (2023). Supplemental Nutrition Assistance Program as a health intervention. *Current Opinion in Pediatrics*, 35(1), 33-38.
- ²⁵ Mande, J., & Flaherty, G. (2023). Supplemental Nutrition Assistance Program as a health intervention. *Current Opinion in Pediatrics*, 35(1), 33-38.
- ²⁶ Cook, J. B., & East, C. N. (2023). *The effect of means-tested transfers on work: evidence from quasi-randomly assigned snap caseworkers* (No. w31307). National Bureau of Economic Research; Hall, J. P., Shartzter, A., Kurth, N. K., & Thomas, K. C. (2017). Effect of Medicaid expansion on workforce participation for people with disabilities. *American journal of public health*, 107(2), 262-264.
- ²⁷ Deza, M., Lu, T., Maclean, J. C., & Ortega, A. (2024). *Losing Medicaid and Crime* (No. w32227). National Bureau of Economic Research; He, Q. and Barkowski, S. (2020). The effect of health insurance on crime: Evidence from the Affordable Care Act Medicaid expansion. *Health Economics*, 29(3):261–277 ;Vogler, J. (2020). Access to healthcare and criminal behavior: Evidence from the ACA Medicaid expansions. *Journal of Policy Analysis and Management*, 39(4):1166–1213; Wen, H., Hockenberry, J. M., and Cummings, J. R. (2017). The effect of Medicaid expansion on crime reduction: Evidence from HIFA-waiver expansions. *Journal of Public Economics*, 154:67–94; Aslim, E. G., Mungan, M. C., Navarro, C. I., and Yu, H. (2022). The effect of public health insurance on criminal recidivism. *Journal of Policy Analysis and Management*, 41(1):45–91; Badaracco, N., Burns, M., and Dague, L. (2021). The effects of Medicaid coverage on post-incarceration employment and recidivism. *Health Services Research*, 56(52):2425; Arenberg, S., Neller, S., and Stripling, S. (2023). The impact of youth Medicaid eligibility on adult incarceration. *American Economic Journal: Applied Economics*; Gollu, G. and Zapryanova, M. (2022). The effect of Medicaid on recidivism: Evidence from Medicaid suspension and termination policies. *Southern Economic Journal*, 89(2):326–372; J´acome, E. (2023). Mental health and criminal involvement: Evidence from losing Medicaid eligibility. Job Market Paper, Princeton University.
- ²⁸ Aizer, Hoynes, and Lleras-Muney (2022), Butcher, K. F. (2017, January). Assessing the long-run benefits of transfers to low-income families. In *Hutchins Center on Fiscal and Monetary Policy at Brookings’ conference “From Bridges to Education: Best Bets for Public Investment,” held at Brookings*; Bailey, M. J., Hoynes, H., Rossin-Slater, M., & Walker, R. (2024). Is the Social Safety Net a Long-Term Investment? Large-Scale Evidence From the Food Stamps Program. *Review of Economic Studies*, 91(3), 1291-1330; Goodman-Bacon, A. (2021). The long-run effects of childhood insurance coverage: Medicaid implementation, adult health, and labor market outcomes. *American Economic Review*, 111(8), 2550-2593.
- ²⁹ Hendren, N., & Sprung-Keyser, B. (2020). A unified welfare analysis of government policies. *The Quarterly Journal of Economics*, 135(3), 1209-1318.
- ³⁰ Hendren & Sprung-Keyser (2020).
- ³¹ These data do not include a measure of income relative to poverty. The “lower income” group roughly consists of households with incomes below 200 percent of the poverty line. E.g., for households with 1-3 people, income below \$25,000, or, for households with 4-5 people, income below \$50,000.

To cite this report:
Ward, Bryce. (2024) Supporting Our Neighbors:
Understanding Who Uses Public Assistance in Montana,
for How Long and Why? Headwaters Foundation.
www.headwatersmt.org/supportingourneighbors



This research was supported by
Headwaters Foundation