



Reducing Barriers to Government Programs by Cutting Costs to Participate



Having access to increased resources is a necessary first step in supporting families; but the mere existence of these programs is not sufficient. Too often, the costs to participate still feel too great for families. People experiencing poverty may choose not to participate in government programs for fear of negative consequences, may struggle to access the benefits programs for which they qualify, or may struggle to navigate government processes and find themselves trapped in complicated, potentially harmful systems.

- 1. Choosing to Participate:** Government programs might appear solely beneficial at first, but program requirements can have unintended consequences that leave eligible people wary of participation. For example, resource limits can force people to choose between receiving necessary government support and saving money to build future economic security.
- 2. Accessing Support:** New and improved government benefits programs aim to support families with low incomes. However, administrative burden requirements impose financial, temporal, and cognitive participation costs on eligible recipients, sometimes preventing people from accessing the resources for which they qualify.
- 3. Navigating Systems:** Once involved in government programs and services, whether intentionally or unintentionally, it can be hard to navigate complex processes. It can be easy to get overwhelmed or simply forget about your involvement. But, this can have detrimental consequences; for example, when people fail to appear in court for minor offenses, like traffic violations.

To reduce the barriers associated with government programs and services, policymakers should cut the costs to participate. This means eliminating the resource limits that prevent people from choosing to participate in government programs, reducing the administrative burden associated with accessing government programs, and providing timely reminders that help people navigate complicated and sometimes harmful government systems, like appearing in court.

REDUCING BARRIERS

Cut Costs by Eliminating Asset Limits

Policymakers should relax or eliminate asset limits wherever possible to better help families build economic security. Many public assistance programs place limits on how many resources people can have in order to participate; for example, to qualify for Supplemental Security Insurance (SSI), an individual can't have more than \$2,000 in savings.¹ These asset limits force people who participate in government programs to live in a constant state of economic insecurity or risk losing critical benefits. Asset limits in SSI, TANF, and Medicaid have been shown to reduce savings, reduce vehicle ownership, and reduce overall wealth, respectively.²

Previous policy choices—like discriminatory housing policies or student loan practices—have disproportionately prevented people of color, women, and people with disabilities from being able to build resources. As a result, these groups have less wealth on average and are more susceptible to financial setbacks. Asset limits trap these groups: they cannot build up resources without risking their eligibility to critical benefits programs that help them make ends meet and overcome short-term financial setbacks. Eliminating asset limits would promote equity by ensuring that communities historically excluded from wealth-building programs can participate in programs that help them through tough times and can build longer-term economic security. Relaxing or eliminating asset limits also increases trust in government, promotes trust in financial institutions, and instills dignity and trust in people to make financial decisions for themselves.

The federal government should eliminate asset limits by:

- ▶ Passing the ASSET act, which eliminates resource limits for SNAP, TANF, and LIHEAP.³
- ▶ Passing the SSI Restoration Act, which increases resource limits for SSI.⁴
- ▶ Ensuring that federal agencies are reducing the burden placed on people to verify their eligibility, including reducing complexity and increasing automatic processes.

States can also eliminate asset limits by:

- ▶ Eliminating resource limits for TANF.
- ▶ Eliminating resource limits for other state-provided public assistance programs.
- ▶ Ensuring that state agencies are reducing the burden placed on people to verify their eligibility, including reducing complexity and increasing automatic processes.

REDUCING BARRIERS

Cut Costs by Reducing Administrative Burden

Policymakers should reduce the administrative burden associated with accessing government programs and services whenever possible. Administrative burden is the time, money, effort and other work people must endure to access government programs or services, like determining one’s eligibility, navigating unfamiliar processes, and completing complicated paperwork. Particularly for people living in chronic scarcity—those with limited time to gather necessary paperwork, limited money to pay required fees, or limited resources to travel to in-person appointments—administrative burdens aren’t just inconvenient; they can be the difference between accessing a critical government benefit or not.

Some administrative burdens are inevitable, but too often policymakers use them to purposely make it harder to access programs and services.⁵ When more explicit forms of racism were no longer available, policymakers turned to administrative burdens as a politically viable way to perpetuate systems-based racial inequality. Examples persist across critical government programs: from SNAP policies that exclude immigrants, to Medicaid policies that target Black mothers, to TANF work requirements that impact both Black and Hispanic families.⁶ Due to this historic discrimination, reducing administrative burden in government programs would promote racial equity by ensuring that communities historically excluded from wealth-building programs can access the programs for which they qualify. Reducing administrative burden also promotes economic growth and increases trust in government.

The federal government can reduce administrative burden by:

- ▶ Fully funding and staffing all government agencies responsible for administering government services to the public.
- ▶ Allowing states to permanently implement flexibilities that reduce administrative burden in government programs, such as SNAP and Medicaid.
- ▶ Continuing to leverage federal funding to incentivize states to permanently reduce administrative burden in their programs and services.
- ▶ Requiring that customer-facing, federally funded programs that provide critical services and benefits are not overly burdensome.
- ▶ Ensuring that policymakers and administrators do not use administrative burdens to reduce participation and subvert the goals of government programs.

States can also reduce administrative burden by:

- ▶ Fully funding and staffing all state government agencies responsible for administering government services to the public.
- ▶ Permanently implementing flexibilities that reduce administrative burden in government programs administered by the state, such as SNAP or Medicaid.
- ▶ Ensuring that state policymakers and administrators do not use administrative burdens to reduce participation and subvert the goals of state-administered government programs.

REDUCING BARRIERS

Cut Costs by Improving Court Reminders

Each year, millions of people are required to go to court, for minor offenses, such as traffic violations or disorderly conduct. Unfortunately, people miss one in three court dates, which can lead to increased fines and jail time, missed work, and trauma for the families and communities.⁷ Often people miss court dates for the same reasons they may miss other appointments; they are confused about the date; couldn't find transportation or child care; couldn't get off work; or had had to deal with an unexpected emergency. Ineffective communications about court dates create unnecessary friction and confusion for people, leading to severe consequences for the individual, families, and their communities.

However, simply using effective, behaviorally informed communications, including effective citation forms and text messaging, can reduce missed court dates by 36%.⁸ By redesigning court citation forms to make clear the purpose of the form, when and where a person needs to be, and the consequences for missing court dates and sending text message reminders, states can help keep people out of jail while saving governments and communities money. ideas42 estimates that about \$2,674 is saved for every court date attended.⁹ Excluding start-up costs, text messages cost about 3 cents per court date and there are no additional costs for sending new forms.

Effective court communications are especially impactful for communities with the lowest incomes. Text message reminders reduced missed court dates by 27% for people living in the bottom 20% of neighborhood wealth, compared to 19% in communities with the top 80% of wealth.¹⁰ This simple, cost-effective solution can be implemented state-wide to improve court appearance rates.

States can also reduce administrative burden by:

- ▶ Creating a behaviorally informed court citation template that includes: clear titles that describe the purpose and required action for the recipient; the court date, time, and location of the court appearance; the consequences for missing the court date; and contact information and hours for questions.
- ▶ Requiring courts to use the template for their citations.
- ▶ Requiring the collection of phone numbers and email addresses, if not gathered elsewhere, to be used for reminders.
- ▶ Implementing a text and email messaging system that can be used by all courts in a state. Message reminders should use a helpful tone and plain language and be sent at multiple intervals ahead of the scheduled court date.

Endnotes

- ¹ “Supplemental Security Income (SSI) Resources.” (2022). Understanding Supplemental Security Income SSI Resources 2022 Edition, Social Security Administration. Accessed at: <https://www.ssa.gov/ssi/text-resources-ussi.htm>
- ² Neumark, David and Powers, Elizabeth T., The Effect of Means-Tested Income Support for the Elderly on Pre-Retirement Saving: Evidence from the Ssi Program in the U.S (December 1997). NBER Working Paper No. w6303, Available at SSRN: <https://ssrn.com/abstract=226058>; Sullivan, James X., Welfare Reform, Saving, and Vehicle Ownership: Do Asset Limits and Vehicle Exemptions Matter? Available at SSRN: <https://ssrn.com/abstract=743164>; Gruber, J., & Yelowitz, A. (1999). Public Health Insurance and Private Savings. *Journal of Political Economy*, 107(6), 1249–1274. <https://doi.org/10.1086/250096>
- ³ ASSET Act, S.1809, 117th Congress, (2021). <https://www.congress.gov/bill/117th-congress/senate-bill/1809/text>
- ⁴ Supplemental Security Income Restoration Act of 2021, S.2065, 117th Congress, (2021). <https://www.congress.gov/bill/117thcongress/senate-bill/2065/text>
- ⁵ Wikle, Suzanne. (2021). “Administrative Burdens Exacerbate Inequities and Must Be Reduced.” The Center for Law and Social Policy. 23 August 2021. Accessed at: <https://www.clasp.org/blog/administrative-burdens-exacerbate-inequities-and-must-be-reduced/>
- ⁶ Floyd, Ife, Ladonna Pavetti, Laura Meyer, Ali Safawi, Liz Schott, Evelyn Bellew, and Abigail Magnus. (2021). “TANF Policies Reflect Racist Legacy of Cash Assistance.” Center on Budget and Policy Priorities. 04 August 2021. Accessed at: <https://www.cbpp.org/research/family-income-support/tanf-policies-reflect-racist-legacy-of-cash-assistance>
- ⁷ Based on multiple jurisdictions where ideas42 has worked on misdemeanor charges. Often, missed court date rates are 1 in 2. This number can be even higher for traffic offenses. Felony offenses typically have the lowest rate of missed court dates and are documented to be about 1 in 4 court dates missed nationally: Cohen, T. H. (2010). Pretrial release of felony defendants in state courts: State court processing statistics, 1990-2004. <https://www.bjs.gov/content/pub/pdf/prfdsc.pdf>
- ⁸ Cooke, Brice, Binta Zahra Diop, Alissa Fishbane, Jonathan Hayes, Aurelie Ouss, and Anuj Shah. (2018). “Using Behavioral Science to Improve Criminal Justice Outcomes: Preventing Failures to Appear in Court.” ideas42. January 2018. Accessed at: <https://www.ideas42.org/wp-content/uploads/2018/03/Using-Behavioral-Science-to-Improve-Criminal-Justice-Outcomes.pdf>
- ⁹ Common quantifiable costs include costs to the government such as warrant issuance, booking, jail, new court hearing, and attorneys, and costs to people such as fines, lost wages in jail, and inability to get a job, renew license or receive public benefits with active warrant.
- ¹⁰ Fishbane, Alissa, Aurelie Ouss, and Anuj K Shah. (2020). “Behavioral nudges reduce failure to appear for court.” National Library of Medicine, National Center for Biotechnology Information. 06 November 2020. DOI: [10.1126/science.abb6591](https://doi.org/10.1126/science.abb6591)