



# Fast Facts on Welfare Policy

## Different Sets of Rules and Regulations Complicate Benefit Eligibility Across the 7 Major Programs That Serve Low-Income Families with Children

Program	Funding and governance	Categorical eligibility	Role of work and earnings <sup>a</sup>	Maximum income <sup>b</sup>	Asset tests	Maximum benefit
<b>SSI<sup>c</sup></b>	Federal entitlement	Severely disabled	Must have limited ability to work	70 percent of FPL	\$3,000 per family	70 percent of FPL
<b>TANF<sup>d</sup></b>	Federal grant to states; states determine eligibility standards within federal guidelines	Families with children	Some states limit work hours and/or require work history for two-parent families	Between 18 and 144 percent of FPL, depending upon state	Financial asset limit set by state  Vehicle value limited to \$5,000 in 15 states and D.C.; 24 states have no limit on at least one vehicle	15 to 66 percent of FPL
<b>Food Stamps</b>	Federal government funds and defines eligibility	All households	Eligibility limited to three months for nonworking able-bodied adults without dependents (ABAWDs)	130 percent of FPL	Financial assets <\$2,000  Vehicle value limited <sup>e</sup>	29 percent of FPL
<b>Child care</b>	See TANF	Families with children	Must be working, in training, or in job search	Income at or below 85 percent of State Median Income (SMI), or lower at state discretion	—	Up to full cost of care
<b>Housing</b>	See Food Stamps	Renters	—	—	—	Rent limited to maximum of 30 percent of income
<b>EITC</b>	Federal entitlement	Primarily workers with children	Must have earned income	230 percent of FPL	Investment income limited to \$2,400 per year	29 percent of FPL (at earnings of 72 percent of FPL)
<b>Health Insurance</b>	Medicaid: Federal and state funded entitlement; states determine eligibility standards within federal guidelines  SCHIP: See TANF <sup>e</sup>	Pregnant women, families on and recently off TANF, and low-income children	—	All on SSI  All who meet AFDC eligibility as of 1996  Children between 133 percent and 350 percent of FPL, depending upon state	Asset limits eliminated in most states (42) for children's eligibility <sup>f</sup>	Health insurance

FPL = Federal poverty level. All calculations of income and benefits relative to poverty are based on a family with one adult and two children.

<sup>a</sup> Some programs require participation in work activities that are not discussed here.

<sup>b</sup> Level of income (after deductions or disregards, which may be substantial) at which benefits phase down to zero.

<sup>c</sup> Eligibility for elders is not discussed here.

<sup>d</sup> Intermittent supports to low-income families provided using TANF funds may not be considered "assistance," and may have different eligibility rules.

<sup>e</sup> The limit on the fair market value of a vehicle in 1999 was \$4,650. However, since TANF recipients are presumptively eligible, the TANF vehicle limits apply in these cases.

<sup>f</sup> Disability-related eligibility other than SSI (e.g., medically needy) is not discussed here.

<sup>g</sup> States may operate SCHIP as a Medicaid expansion, in which case Medicaid rules apply.

<sup>h</sup> Ross, Donna, and Laura Cox. 2000. *Making it Simple: Medicaid for Children and CHIP Income Eligibility Guidelines and Enrollment Procedures*. Washington, DC.: Center on Budget and Policy Priorities.

Source: Chart appears in Zedlewski, Sheila R. 2002. "Family Incomes: Rising, Falling, or Holding Steady?." In [Welfare Reform: The Next Act](#) edited by Alan Weil and Kenneth Finegold (53-77). Washington, D.C.: Urban Institute Press.

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