

# Receiving From Government Programs

Advanced Level

Take Charge Today

Throughout life accidents and unplanned events happen to individuals and families that cannot be managed without the support of outside resources. Everyone is at some risk of having a major life trauma due to catastrophic weather or natural disasters, being injured at work, developing a disability, or experiencing unemployment. Accidents, disabilities and life events do not discriminate based on age, sex or race. These life-changing events can happen to anyone.



Most families rely on other family members and friends first when they are in need of assistance. However, if family and friends cannot provide enough support, **non-profit organizations** (such as food banks, the Salvation Army and the Red Cross) lend a helping hand to those in need. Another important source of assistance comes from government programs at the local, state and federal levels.

Most government benefit programs are set up to offer temporary assistance to those in need. Often, benefits expire after a set period of time. Income provided through government programs is typically less than if an individual were able to continue working. In most cases, individuals earn more by returning to work than by relying solely on government benefits for income over an extended period of time. The overall goal of most government programs is to provide a temporary safety net while encouraging citizens to achieve maximum self-sufficiency, independence and health.

However, some government programs offer long-term assistance. A well-known example of such a program is the federal Social Security retirement benefit program. This government benefit offers retirement income assistance for individuals of any income level who have paid into the program during their employment years. Medicare is another federal long-term benefit program that offers health insurance benefits for individuals over age 65.

An example of a non-profit program in my community is...



## Who Pays for Government Programs?

All government programs are funded by one source: **taxpayers** (people who pay taxes to federal, state, county or municipal (city/town) governments). You pay taxes in a variety of ways including income tax, payroll tax, property tax, sales tax and excise tax. So, everyone who owns property, earns income, or purchases goods and services pays a share of these government benefit programs.

Sales tax is not charged on all purchased items; however, many items you purchase such as clothes, movie tickets and gasoline are subject to sales tax (depending on the state in which you live).

Name one item on which you have paid a tax.



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**Federal Programs**

Federal programs do not vary from state to state in the United States. All 50 states have federal government programs delivered in similar amounts for the same purpose. Examples of federal programs are Social Security, Medicare and SNAP (food stamps).

**State Programs**

States receive money from the federal government to run programs that help people within the individual state. State administered programs allow states to have greater flexibility in determining their own rules for how money will be distributed to people in need. States also have the right to tax their own citizens and set up state-specific programs. Examples include TANF (Temporary Assistance to Needy Families) and unemployment insurance.

**Local Programs**

Local governments also raise money through taxes. For example, youth programs such as city recreation programs are often funded by local governments. Since local governments have fewer people to tax, these local programs are usually smaller in scale than federal programs and are designed to address very specific local needs.

Do you know an individual whose income earning ability was altered by a life-changing event? If so, describe.



**Examples of Government Benefit Programs**

It is important to be aware of existing programs in case you or a family member needs a temporary financial safety net in times of economic hardship. The following chart summarizes seven programs that are commonly used by individuals and families when times get tough. To find out more about these and other government programs, go to [www.govbenefits.gov](http://www.govbenefits.gov).

Federal Program	Who is the program designed to help?	What is the purpose of the program? What is provided by the program?	Funded by	Website
Social Security	<ul style="list-style-type: none"> <li>17 different Social Security programs exist that help people across every stage of the life span</li> <li>Eligibility requirements for each SS program vary drastically</li> <li>Further research into each SS program is required</li> </ul>	Depends upon the program but benefits are grouped into the following major categories: <ul style="list-style-type: none"> <li>Retirement                             <ul style="list-style-type: none"> <li>Provides supplemental income during retirement</li> <li>Many eligibility requirements exist including a minimum age</li> </ul> </li> <li>Disability                             <ul style="list-style-type: none"> <li>Adults and children who are disabled</li> <li>May provide supplemental income as well as help obtaining a job</li> </ul> </li> <li>Survivors                             <ul style="list-style-type: none"> <li>Supplemental income for families that have lost a wage earner or children who have lost a parent</li> </ul> </li> </ul>	Depends on the specific program	<a href="http://www.socialsecurity.gov">www.socialsecurity.gov</a>

**A note regarding Social Security benefits:** People with disabilities receiving SSI or Social Security Disability benefits may receive free assistance to help them understand the impact of work on their benefits, and how to use “work incentives” to become more financially independent. Known as “benefits counseling” or “work incentives coordination,” this service is available to people who are receiving SSI or Social Security Disability benefits, age 14 – 64, and working or trying to work.

The service is available nationwide. To find an agency that provides the service in your state, visit <https://secure.ssa.gov/apps10/oesp/providers.nsf/bystate>.

## Examples of Government Benefit Programs

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Supplemental Nutrition Assistance Program (SNAP), also known as food stamps	Low-income families with concerns about food security, nutrition, and affordability Specific eligibility depends upon many factors including: <ul style="list-style-type: none"> <li>• Number of people in household</li> <li>• Age of head of household</li> <li>• Age and number of children</li> <li>• Amount of earned income</li> <li>• Amount of income received from other programs</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Purpose-</b> Help low-income families purchase nutritious foods</li> <li>• <b>Provides-</b> Families receive a plastic card with the money the family is allowed loaded onto it, similar to a gift card, for use in buying food items only</li> </ul>	Federal government	<a href="http://www.fns.usda.gov/snap/">www.fns.usda.gov/snap/</a>
Medicaid	Certain categories of low-income individuals including: <ul style="list-style-type: none"> <li>• Children</li> <li>• Pregnant women</li> <li>• Parents of eligible children</li> <li>• People with disabilities</li> <li>• The elderly needing nursing home care</li> <li>• Specific eligibility requirements vary between each state</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Purpose-</b> To provide insurance (medical care) to certain low-income individuals</li> <li>• <b>Provides-</b> Pays money to health care providers</li> </ul>	Federal and state governments	Each state administers its own program, so search for your state and Medicaid
Medicare	<ul style="list-style-type: none"> <li>• Adults over age 65</li> <li>• Some individuals under age 65 with disabilities</li> <li>• Everyone with End-Stage Renal Disease</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Purpose-</b> Provide health insurance to the elderly and people with disabilities</li> <li>• <b>Provides-</b> Pays money to health care providers</li> </ul>	Federal government	<a href="http://www.medicare.gov/">www.medicare.gov/</a>
Temporary Assistance to Needy Families (TANF)	<ul style="list-style-type: none"> <li>• Low-income families with children</li> <li>• Specific eligibility requirements varies between each state</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Purpose-</b> Temporarily funds families with income inadequacy to help them achieve self-sufficiency</li> <li>• <b>Provides-</b> Families receive money, job training and other benefits</li> </ul>	Funded by the federal government but administered at the state level	Starting place for information <a href="http://www.acf.hhs.gov/programs">www.acf.hhs.gov/programs</a>
Unemployment Insurance	Adults who have lost jobs through no fault of their own	<ul style="list-style-type: none"> <li>• <b>Purpose-</b> Help those who have unexpectedly lost income</li> <li>• <b>Provides-</b> Income to families while the individual is actively seeking new employment</li> </ul>	Employers provide funding but each state government administers the fund	Starting place for information <a href="http://ows.doleta.gov/unemploy/">http://ows.doleta.gov/unemploy/</a>
Earned Income Tax Credit	Low-income individuals and families who file a tax return in a given tax year	<ul style="list-style-type: none"> <li>• <b>Purpose-</b> Support low-income individuals and families who have worked for pay and file a tax return</li> <li>• <b>Provides-</b> Additional tax return money</li> </ul>	Federal government	<a href="http://www.irs.gov/eitc">www.irs.gov/eitc</a>