



Connecticut Urban Opportunity Collaborative

EXECUTIVE SUMMARY:

Benefit Navigation Study



December 2024

In communities across the country,

direct cash assistance programs are building a track record as one of the promising pathways out of poverty by providing recipients with autonomy to make immediate and long-term financial decisions.

Recently, the Connecticut Urban Opportunity Collaborative (CUOC), a partnership between Fairfield County's Community Foundation, The Community Foundation for Greater New Haven, and Hartford Foundation for Public Giving, launched the **Changemakers Fund**, a pilot direct-cash assistance program with a cohort of 120 participants living in the cities of Hartford, New Haven and Bridgeport.

The cohort is made up of individuals who have a history of community involvement and advocacy with reported household annual incomes of \$66,592 or less. The initiative is structured as a one-year program with participants eligible to opt into the program over two additional 12-month periods, not to exceed 36 months. In the initial year, participants will receive \$500 monthly payments. Those participating in the second year will receive \$350 monthly, with third-year participants receiving \$200 monthly.

As the initial rollout period for the program neared, an unintended negative consequence quickly emerged: *For many participants, the influx of new income threatened or eliminated their eligibility for some of their existing benefits such as the SNAP program.*

This development surfaced a troubling Catch-22 that risked limiting the potential positive impact of the program as well as discouraging full participation among some selected to be part of the initial program cohort.

Recognizing this challenge, CUOC collaborated with The Connecticut Project and took action, co-investing in a person-to-person navigation process conducted by Connecticut 2Gen Initiative Advisory Board parents to assess the scope and potential impact of the issue. The Department of Social Services provided back-end technical support to ensure that navigators had access to experts if they encountered complex benefit cases.



The Changemakers Fund is a pilot direct-cash assistance program that was launched in Hartford, New Haven and Bridgeport.



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Data was collected for participants in the pilot via a person-to-person consultative navigation approach in which pilot program participants met either in-person or virtually with a navigator knowledgeable about benefits programs. The navigators conducted an assessment of each participant’s current benefits as well as their potential eligibility for additional benefits.

The study surfaced three key findings:

- 1** 80.8% of participants were already receiving between one and four of the screened benefits, which included SNAP, Medicaid (HUSKY Health), Medicare, TANF, and Section 8).
- 2** Collectively, participants could lose more than \$78,876 of public benefit dollars a year. On average, that translates to an individual household loss of \$736 a year in public benefits — a meaningful amount given that many participating households make under \$34,627 a year.
- 3** All told, 70.8% of participants were found to be potentially eligible for at least one additional benefit, with nearly half potentially eligible for three or more benefits. Participants were also made aware of other potential benefits they could be eligible for, such as Low Income Energy Assistance Program (LIHEAP), and Women, Infants & Children (WIC).

The data and insights derived from the study will play a vital role in successful execution of the direct cash assistance program. Further, the study presents significant additional value by providing data and key insights that could lead to better coordination and execution of existing benefits programs in ways that have the potential to better serve those in need while creating greater programmatic efficiencies.

In particular, the study’s methodology and findings support the case for wider adoption of the person-to-person navigator process to increasing participation in existing benefits programs, while also creating greater efficiency and alignment.



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To that end, the study's authors made several key recommendations:



Protect public benefits for individuals across Connecticut participating in direct cash pilots.

Under Connecticut law, direct cash transfers are factored into a family's countable income when determining eligibility for Temporary Family Assistance, a state program funded by the federal Temporary Assistance for Needy Families block grant. Under federal law, household income for purposes of SNAP benefits depends upon a state's definition of countable income under TANF. Consequently, families receiving direct cash pilot payments may see a decrease in their benefits from Temporary Financial Assistance and SNAP. Connecticut can enact legislation that carves out exclusions for cash transfer pilots and protects these benefits for participants.



Increase access to public benefits for underserved individuals and families through benefit navigation.

This navigation study demonstrated that direct contact is most effective in overcoming challenges experienced by potential benefit recipients. Benefit specialists or case managers from the appropriate state departments could be made available to respond to questions or provide support in a hotline or other direct method to streamline the process and increase access.



Simplifying benefits information. Navigators and participants described the process as "too complicated" with "too many steps." While Navigators did their best to explain information, many participants found challenging to recall all the required steps. A simplified process would also better accommodate participants with technological or literacy challenges.



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Ultimately, the direct cash assistance pilot and existing benefits programs all strive for the same goal: to provide support and assistance to low-income individuals to help them address their current needs, while also playing a key role in lifting people out of poverty.

We encourage decision makers and advocates to review the full study with an eye toward fostering greater collaboration, adopting more efficient best practices, and advocating for reforms that hold the potential to improve governmental efficiency while improving the lives and circumstances of those receiving benefits.



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