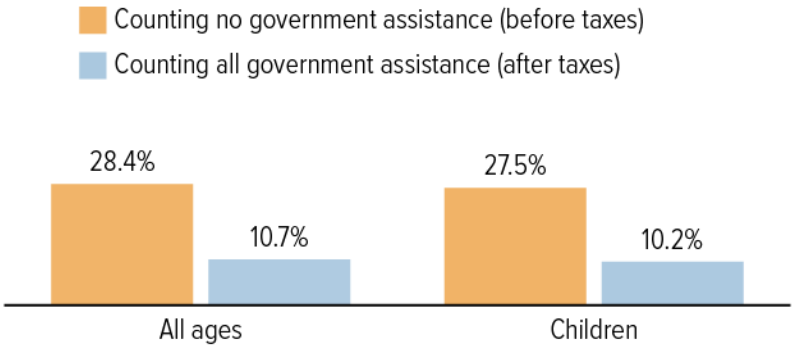
In Missouri, Safety Net Lifts Roughly 1.1 Million People Above Poverty Line and Provides Health Coverage to 40 Percent of Children

Center on Budget and Policy Priorities

Federal and state safety net programs lift an estimated 1.1 million Missourians above the poverty line each year, reducing the poverty rate from 28.4 percent (before counting government benefits and taxes) to 10.7 percent. Many are children: the safety net lifts roughly 250,000 Missouri children above the poverty line, reducing the child poverty rate from 27.5 percent to 10.2 percent.

Safety Net Cuts Poverty Rate by Nearly Two-Thirds in Missouri



All figures in this fact sheet reflect the most recent data of their kind available. The figures measure the combined impact of federal, state, and local policies, but federal programs account for the vast majority of poverty reduction in every state.

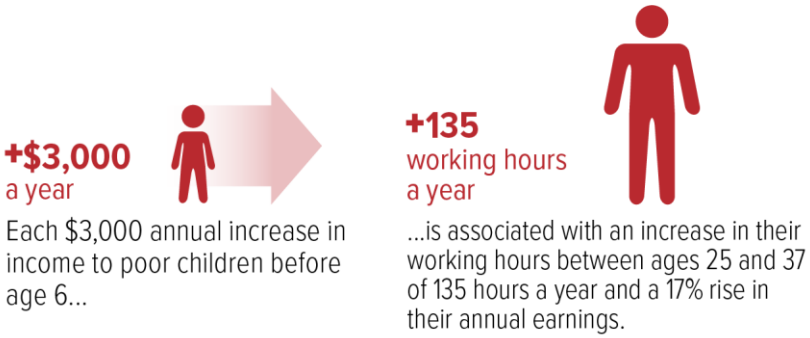
Impact of Largest Programs

Social Security lifts more Missourians above the poverty line each year than any other program. "Means-tested programs," which tie eligibility to a person's income — such as SNAP (formerly food stamps) and the Earned Income Tax Credit — also reduce poverty considerably, especially among the non-elderly. In Missouri:

- **Social Security** lifts an estimated 630,000 people — most of them elderly — above the poverty line and cuts the elderly poverty rate from 56.4 percent to 10.3 percent.
- **SNAP** lifts an estimated 220,000 people above the poverty line, and it makes many others less poor. Altogether, SNAP assists an average of 850,000 people a month, including about 360,000 children.
- Two working family tax credits, the **Earned Income Tax Credit** and **Child Tax Credit**, lift an estimated 150,000 people out of poverty. Altogether, roughly 1.5 million people — including 830,000 children — receive the Earned Income Tax Credit or low-income part of the Child Tax Credit.
- **Supplemental Security Income**, which provides critical aid to elderly and severely disabled people with very low incomes, lifts an estimated 92,000 people above the poverty line.
- **Housing assistance** lifts an estimated 76,000 people above the poverty line. In total, federal rental assistance helps 180,000 people keep a roof over their heads; many other families eligible for assistance don't receive it due to funding limitations.

Safety net programs not only reduce immediate deprivation but also have long-term benefits for children, a growing body of research indicates. The findings suggest, for instance, that SNAP and the Earned Income Tax Credit help reduce infant mortality and low birthweight, and improve children's reading and math test scores, high school completion, college entry, and expected future earnings. The findings also indicate that housing assistance that helps low-income families move to safe, low-poverty neighborhoods with better schools can enhance their children's long-term prospects.

Higher Income for Poor Children Is Associated With Increased Work Hours and Earnings Later in Life



Health Coverage

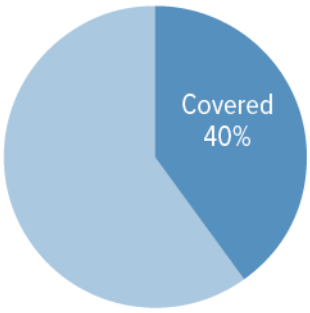
An estimated 950,000 Missourians have coverage through Medicaid or the Children's Health Insurance Program. (Health coverage provided through public programs doesn't count in determining a household's poverty status.) These programs are particularly essential to children's health, covering 610,000 — or more than one-third — of the state's children.

Missouri could provide coverage to 110,000 more adults, largely paid for by the federal government, by joining the 32 other states that have adopted health reform's Medicaid expansion.

Obtaining access to health care through Medicaid has long-term benefits. People eligible for Medicaid coverage in childhood miss fewer school days due to illness or injury, are more likely to complete high school and college, and earn more as adults.

More Than One-Third of Missouri Children Covered by Public Health Insurance

Share of children covered by Medicaid and Children's Health Insurance Program



Data note: The figures on people lifted out of poverty reflect a comprehensive poverty measure that includes cash benefits and income-like assistance such as SNAP and refundable tax credits, and adjusts for households' underreporting of benefits. The estimates average data over multiple years (in most cases 2009-2012) for increased reliability; 2012 is the latest year for which it is now possible to correct for underreporting. The figures modestly overstate the safety net's current overall anti-poverty impact, largely due to the subsequent decline in unemployment benefits. (The poverty-reduction figures for the EITC and low-income CTC, where adjustments for underreporting are not required, cover 2011-2013.)

The figures on program participation are the latest data available from program records – May 2016 for Medicaid, 2015 for SNAP and HUD and USDA housing programs, and 2013 for the EITC and CTC.

For methodological reasons, poverty-reduction figures for individual programs add up to somewhat more than the total for the safety net as a whole. For more detail on the lifted-out-of-poverty calculations and the data sources used here, as well as on the effects of particular programs at the state level, see http://www.cbpp.org/research/poverty-and-inequality/impact-of-the-safety-net-state-fact-sheets-data-sources-and-calculations.

(Graphic 1 source) CBPP analysis of 2009-2012 Census Bureau data from the March CPS and SPM public use files; corrections for underreported benefits from HHS - Urban Institute TRIM3 model. **(Graphic 2 source)** Greg J. Duncan and Katherine Magnuson, "The Long Reach of Early Childhood Poverty," *Pathways*, Winter 2011. **(Graphic 3 source)** CBPP calculations based on CMS Medicaid and CHIP enrollment data for March 2016 and Census Bureau population data.