

# STRESS TEST: PEOPLE, TECHNOLOGY, AND THE SAFETY NET IN RESPONSE TO COVID-19

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**The COVID-19 crisis and its economic effects are exposing harrowing financial insecurity at the household level. The financial challenges that face households didn't start with COVID-19 – and if things don't change, they will dampen the economic recovery of our nation.**

Between March and June 2020, the Aspen Institute Financial Security Program [convened a series of conversations](#) with experts and leaders to highlight the research, knowledge, and policies that will help businesses and policymakers **triage the immediate effects** of the pandemic, **design solutions for recovery**, and **address the structural challenges** which destabilize financial security at the household level. This brief summarizes the situation, strategy, and solutions for fixing the safety net – today, tomorrow, and for a decade to come. For more resources and a link to a live screening of the event featuring Code for America, Benefits Data Trust, and mRelief, [visit our website](#).

## The situation:

COVID-19 jolted the American economy – and it caused at least 30 million Americans to lose their jobs or have their working hours curtailed by April. The speed and volume of suddenly un- and under-employed has been unprecedented, and it has resulted in a remarkable amount of stress on the nation's social safety net. Code for America, for example, has reported that applications for the Supplemental Nutrition Assistance Program (SNAP) have nearly quintupled in their Get CalFresh tool since the pandemic began.

SNAP and other safety net supports – Unemployment Insurance (UI), Temporary Aid to Needy Families (TANF), and Medicaid – are desperately needed as jobs evaporate. They are administered by state governments, thereby creating a wide array of experiences for applicants. Some state online applications systems are so poorly designed that applicants remain stuck trying to access support weeks and months after beginning the application process.

These obstacles are the result of mismanagement, neglect, and, too often, intent – the result of America's long and racialized history of subjecting the poor and those in need of assistance to increased surveillance and stigmatization. COVID-19's economic impacts are widespread, but not evenly experienced. Black, Latino, and Native American communities, suffering disproportionately from income and wealth gaps due to generations of systemic racism, have fewer resources to weather the storm than White Americans. These past months have made the costs of designing a safety net that is not centered on meeting the needs of its users clear: “[I]f we are putting up barriers to reduce a 1 or 2 percent error rate, but blocking access for 20 or 40 percent or even more people... we know that those barriers are killing people,” said Trooper Sanders, CEO of Benefits Data Trust.

## The strategy:

The organizations featured in this digital event are deploying **user-centric approaches** to allow people in need to apply for and access benefits. In order to meet the urgent demands of this economic moment, state human service administrators and policymakers should adjust their intake and application systems in order to allow people to more easily access critical economic supports.

More broadly, the safety net itself must be thoughtfully redesigned. We must create a safety net that is **People-Centered, Tech-Enabled, and Aligned with private benefit systems**. People in need, whether they are facing deep, intergenerational poverty, the impacts of a once-in-a-lifetime pandemic, or on-going vulnerability due to low wages and poor job quality need to access support that treats them with dignity, supports their agency, and promotes opportunity. The fragmentation and insufficiency of the current safety net does not meet these goals. In order to build this new system we need policymakers to take the same user-centric approach that allows for effective and efficient application systems to function now – listen to the people who are experiencing challenges and build systems to meet their needs.

## Policy solutions:

Panelists named a number of solutions to these problems. They recommended government leaders **streamline enrollment processes** and cut the red tape required for sign up. **Benefit levels should be increased**, direct cash payments made easier to receive and spend, and SNAP online purchasing ([currently available in 43 states and the District of Columbia](#)) expanded to every state and territory. In the rest of 2020, they encouraged **directing money and technical support to help state agencies** switch to more efficient application processes.

The government could apply the best of what we know about user design in technology to safety net systems. For example, a truly user-centric system would institute **Opt-Out Benefit Receipt** instead of an application process, **a single Federal Eligibility Standard would save** states time and money to collect paperwork and verify, and **free online tax preparation** with prefilled returns for low-income households could increase access to tax-based benefits like the Earned Income Tax Credit (EITC).

## The summary:

Though the full discussion created a list actionable items, it also generated a guiding principle – that of economic dignity. As the pressure produced by the pandemic breaks down our flawed current system, we have an opportunity to design and deliver benefits that ensure families can be financially secure and build resilience to cope in crisis and thrive in the long run. These benefits should be people-centered, tech-enabled, and aligned with private benefit systems.

The technology that delivers the safety net is only a tool, one that inherits the biases of its developers. But if users are consistently centered through policymaking and implementation, it can reduce stress, expand access, and provide dignity to people during the times in their lives they need it most. Only when we center our vision for the safety net around dignity and respect will we adequately meet the financial needs of people across America – and rebuild a stronger economy.

**For Further Reading:** Here's more on how the tech industry is demonstrating how to fix the safety net. [Code for America](#) details the surges in applications for public benefits in California. Benefits Data Trust writes about [meeting the need during a pandemic](#). MRelief dug into [hunger by the numbers](#) in May.

*The Aspen Institute Financial Security Program's work on the safety net is part of the Global Inclusive Growth Partnership (GIGP), a collaboration between the Aspen Institute and the Mastercard Center for Inclusive Growth.*