The Effect of Emergency Financial Assistance on Mobility, SNAP Receipt, and Presence of Dependents

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Extreme housing instability is surprisingly common and harms many areas of life. Being evicted negatively impacts employment, finances, and health (Collinson et al., 2024), and homelessness predicts the same mortality risk as two decades of age (Meyer, Wyse and Logani, 2023). Studies indicate that temporary financial assistance can prevent the most extreme forms of housing instability, like entering an emergency shelter (Evans, Phillips and Ruffini (2021); Evans, Sullivan and Wallskog (2016); Phillips and Sullivan (2023)). But people facing housing instability have broader goals: maintaining their own housing rather than moving, accessing employment and benefits that provide long-term economic stability, and retaining children at risk of removal by child protection systems. Far less is known about the extent to which housing interventions successfully achieve these outcomes.

This paper studies whether emergency financial assistance for people at risk of homelessness affects outcomes observable in federal tax and census data. We use an established quasi-experimental research design (Evans, Sullivan and Wallskog, 2016), based on variation in referral to financial assistance at a call center in Chicago that is as-good-as random, conditional on observables. For a prior paper, Hungerman et al. (2024), we linked the call center sample to US Census/IRS records to study employment and earnings. In this paper, we leverage the same data to examine new outcomes: address histories, number of children claimed, and receipt of food benefits (SNAP) in Illinois. We find no evidence that referral to financial assistance affects residential moves, either local or long-distance, or household composition. We do however observe a small increase in SNAP uptake among the lowest-income callers.

As a second contribution, we consider whether prior studies that limit focus to local geography estimate treatment effects with bias. As in many other areas, prior studies of homelessness programs rely on local administrative records to measures outcomes (Rolston et al. (2013); Evans, Sullivan and Wallskog (2016); Phillips and Sullivan (2023); Cohen (2024)). Since we have access to national administrative address histories, we can test whether artificially limiting geographic scope generates bias. We find no such effects. Though 9 percent of control group participants migrate out of state in a year, limiting outcomes to Illinois does not noticeably change observed treatment effects.

I. Homelessness Prevention Call Center

During our sample period of 2013 to 2015, the Homelessness Prevention Call Center (HPCC), which is operated by Catholic Charities, coordinated emergency financial

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assistance for people at risk of homelessness in Chicago. The HPCC coordinates the allocation of assistance as follows. First, intake specialists collect basic demographic information and identifiers for all callers in order to screen for general eligibility for assistance. To be generally eligible for assistance, callers must (i) be currently housed but at imminent risk of homelessness, (ii) have recently experienced a crisis, (iii) be able to demonstrate that their crisis is temporary, and (iv) have a crisis that is solvable by the available financial assistance. Next, if a caller satisfies these general eligibility criteria, the intake specialist refers to an ordered list of agencies that provide assistance to determine whether there are funds currently available for assistance. Assistance from these referral agencies depends on both additional fund-specific eligibility requirements (e.g. some funds will not pay security deposits) and unpredictable variation in available budgets and staff. As a result, whether a particular generally-eligible caller gets referred to funds varies due to a mix of predictable, observable characteristics and unobservable factors that we take to be as good as random.

When funds are available, the intake specialist refers the eligible caller for assistance. The most common form of assistance is one-time rent arrears, though a minority of households also get help paying utilities arrears or a security deposit for a new unit. The average amount of assistance is about $900, which was about one month of rent in Chicago for this sample of callers during this period.[1] For more on the HPCC process see Evans, Sullivan and Wallskog (2016); Palmer, Phillips and Sullivan (2019); Phillips (2020); Downes, Phillips and Sullivan (2022); Hungerman et al. (2024).

[1]Throughout this paper, we will measure the effect of referral to assistance, rather than actual receipt. Descriptive evaluations of people referred by HPCC (George et al., 2011) and analysis of repeat calls by those not initially referred suggest that the call center's initial referral decision increases relative take-up by about 60 percentage points.

II. Data and methods

Our analyses focus on a sample of callers to the HPCC between July 1, 2013 and December 31, 2015 who requested financial assistance, met general eligibility requirements, and were calling for the first time in six months.[2]

Census and tax data allow us to compare the characteristics of those who call the HPCC to similar individuals who do not call to provide information on who calls for emergency assistance. Table 1 compares outcome means and trends for our main sample to similar people who live in the same neighborhoods (see Hungerman et al. (2024) for more information on how we construct this matched sample). Comparisons are made in $t = -6$, six years prior to calling the HPCC (columns 1 and 4) and $t = 0$, the year of the call (columns 2 and 5); columns 3 and 6 calculate percent changes. Row one shows that callers have persistently higher rates of unstable housing. Row two shows that callers use more food benefits generally and experience a larger increase in use prior to calling. Next, rates of marriage are persistently lower among callers. Finally, callers persistently claim more children on their tax returns in the seven years prior to calling.

The HPCC process makes referral to funds unpredictable, conditional on observed characteristics. We use this quasi-random variation in referral to financial assistance to estimate its direct effect on key outcomes by estimating the following:

[2]Intake data from the HPCC provide information on referral status, observables that determine fund-specific eligibility, demographic characteristics, and ZIP codes that we use to merge to 2009-2013 ACS records of neighborhood characteristics. We link the HPCC caller data to outcomes from Census data, tax records, and other administrative data. Address changes come from the Census master address file (MAF-ARF). Food benefit receipt records are from the state of Illinois Supplemental Nutrition Assistance Program (SNAP). Information on family composition, like marital status and number of children, rely on information reported on 1040s. We use identifiers reported to the HPCC prior to its eligibility screen to link to these data sources through the US Census's Protected Identification Key (PIK) process. For more details on these data and the matching process see Hungerman et al. (2024).

Table 1—: Outcomes for Callers vs Matched Noncallers.

	HPCC Callers			Matched Noncallers		
	Mean t = -6	Mean t = 0	% Change	Mean t = -6	Mean t = 0	% Change
Moved to New Census Tract	0.335	0.347	3.58	0.213	0.220	3.14
	(0.006)	(0.005)		(0.007)	(0.006)	
SNAP Receipt	0.668	0.833	19.76	0.414	0.465	12.33
	(0.008)	(0.004)		(0.011)	(0.007)	
Filed 1040 Joint	0.0319	0.0332	4.20	0.0862	0.1063	23.26
	(0.002	(0.002)		(0.004)	(0.004)	
Children	1.131	1.373	21.40	0.950	0.936	-1.53
	(0.013)	(0.013)		(0.016)	(0.016)	

Note: Table reports selected means 6 years prior to call and year of call for callers and a matched sample. Callers are matched 1-to-1 to non-callers based on a propensity score including age, gender, race, citizenship, and country of origin, with matches drawn from the same Census block as callers where possible.

$$(1)\quad Y_{it} = \alpha + F_{it}\beta + X_{it}\Gamma + Z_{it}\Pi + Y_{i,-1}\delta + \epsilon_{it}$$

Y_{it} is an outcome for call i. The treatment of interest is whether the caller was referred to funds, F_{it}. We control for fund-specific eligibility criteria that are known to affect referral, Z_{it}, like the amount and type of assistance the caller requested. Though not required for identifying causal effects, to reduce residual variance we also control for observed factors known not to be used in determining referrals, X_{it}, such as race, and the value of the outcome in the year prior to the call, $Y_{i,-1}$. For full lists of these control variables, see the notes of Table 2.

The fundamental assumption in estimating β is that, conditional on observed characteristics, referral to funds is as good as random. In baseline balance tests, Hungerman et al. (2024) shows that earnings levels that would be predicted by baseline X_{it} values are balanced across referred and non-referred callers, conditional on Z_{it}.

Especially vulnerable clients, such as those with very few resources, are often of particular interest because they likely face greater risk of having a temporary financial crisis lead to other bad outcomes (e.g. low-income callers may face higher risk of eviction and/or homelessness). For this reason, we will also examine the effect of emergency financial assistance on our main outcomes separately for low and high earning households, where we define these subsamples by splitting the full sample at the median of pre-call W-2 wages, which is about $6,000.

III. Results

Table 2 displays the intent-to-treat effect of being referred to funds, as measured via equation (1). Each cell shows a different estimate of β, with rows denoting different outcomes. The first column displays control group means and the remaining columns display results for either the full sample or the high or low wage sample. We also report results using information on the outcome from national data (Panel A), or from only Illinois data (Panel B).

In Panel A, we see that rates of changing addresses do not respond noticeably to being referred to funds. Address changes are quite common for HPCC callers; in the full sample, 40% of people not referred to funds change addresses, but as shown in column (2), we estimate no change in this rate, with a 0.0 percentage point point estimate for the treatment effect. The 95% confidence interval excludes declines in address changes greater than 1.6 percentage points, or 4% of the base rate. Subsequent rows of Table 2 restrict focus to larger moves across tracts and states, finding similar results. When we split the sample at the median of pre-call W-2 wages in columns (3) and (4), we find similar null results.

Table 2—: Treatment Effects on Outcomes Observed in Census Data.

	Mean Control	Adj. Dif. Full Sample	Adj. Dif. Low Wage	Adj. Dif. High Wage
A. National Outcomes				
Address Change	.40	-.000	.001	-.003
		(.008)	(.011)	(.012)
—Tract	.32	-.002	-.003	-.001
		(.008)	(.010)	(.011)
—State	.09	.001	.002	.003
		(.005)	(.008)	(.007)
# Children	1.54	.007	-.018	.041
		(.020)	(.031)	(.026)
Any SNAP	.80	.004	.017*	-.007
		(.008)	(.010)	(.014)
B. Zeroes Outside of Illinois				
Address Change	0.32	.001	-.005	.004
		(.008)	(.010)	(.012)
—Tract	0.25	-.002	-.010	.005
		(.007)	(.0010)	(.011)
# Children	1.37	.013	-.030	.055*
		(.023)	(.036)	(.030)

Note: See text for sources. Rounded sample sizes are 12500, 37500, 18500, and 19000 in each respective column. Table reports effects of being referred to funds by the HPCC. The specification includes controls for various characteristics of callers, as well as a measure of the outcome the year before a person called, and is estimated using data from the four years following each call. Controls include rank of the call within the day, age, income, day-of-week, month, first-five days & last-five days of month indicators, interactions of year-quarter with need amount category, gender, race, ethnicity, and receipt of public benefits. Statistical significance at the 10, 5, and 1% levels are denoted by *, **, and ***, respectively.

Similarly, we find no evidence that referral to assistance affects the number of children in the household. For the full sample, the 95% confidence interval for the treatment effect on the number of claimed children excludes values greater than 0.05, or 3% of the control mean. Not surprisingly given that emergency financial assistance targets vulnerable populations, a large fraction (0.8) have received SNAP benefits. Referral to funds appears to increase callers' incidence of receiving SNAP, though this effect is relatively small and concentrated among the poorest callers.

Our data allow us to track outcomes for callers who move out of state; we can also assess bias from *not* being able to observe such data. For each original outcome, we define a new outcome that is equal to the original outcome if the person remains in Illinois and zero if they leave the state.

Panel B of Table 1 shows that our results change little if we use only data on outcomes within Illinois. Comparing column (2) of Panels A and B for all observed address changes, the point estimates (0.00 and 0.1 percentage points) differ little, especially compared to a base rate of 40 percentage points. Census-tract changes are also similar. (Out-of-state changes are mechanically different in B and are omitted). Treatment effects for low and high wage subgroups are likewise similar, as are treatment effects on the number of children in the household. We do not conduct this analysis for SNAP receipt since the SNAP data come only from Illinois.

IV. Discussion

A growing literature has shown that emergency financial assistance can be an effective way to improve outcomes for very vulnerable populations, reducing homelessness (Evans, Sullivan and Wallskog, 2016; Phillips and Sullivan, 2023) and rates of violent crime (Palmer, Phillips and Sullivan, 2019) and increasing earnings (Hungerman et al., 2024). The results we present here

provide broader evidence on the overall effect of this common intervention.

Consistent with results from consumer address histories (Phillips, 2020), we show that emergency financial assistance has little effect on address moves, suggesting that any effects of financial assistance do not seem to affect more moderate forms of housing instability (like doubling up) that we would see in address changes. Rather, effects on housing stability are concentrated on the worst cases, such as emergency shelter or types of housing instability not measurable through official records (e.g. shifting to sleeping in a car and then not filing taxes and otherwise dropping off the grid).

We also find null results for the effect of financial assistance on the number of children in the household. Finally, we find that financial assistance leads to increased use of SNAP. While the magnitude of this effect is small, these results indicate that financial assistance is unlikely to reduce use of food benefits. We also show that using outcome data that is only available for those who reside within a state may not substantially bias estimates for interventions for those unstably housed.

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