



## **SOCIAL POLICY GLOSSARY**

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Absolute Poverty Line. A fixed level of cash (money) income. In the U.S. this is set to cover a minimally nutritionally adequate diet and assumes that food constitutes one-third of family income needs. The line is adjusted for family size and, annually, for increases in the cost of living.

Adoption Tax Credit. (See also Tax Credit). A one-time tax benefit, a credit against income tax liability for families adopting a child (and higher for a child with special needs), to help defray adoption expenses.

Advanced Maintenance Payments (see Child Support Assurance).

AFDC (Aid to Families with Dependent Children) (Title IV A of the Social Security Act). Now replaced by TANF (see below). Formerly, means-tested public assistance program that provided financial aid for needy children and their care-takers.

Block Grants (federal). Federal funds given to state or local government which must be spent for general purpose specified by grant. Block grants do not require pre-approval for individual projects or programs so long as they are spent in the agreed-upon area, such as some aspects of health, education, personal social services, and now public assistance for the poor. (State governments may also give funds to counties or other local jurisdictions in the form of block grants.)

Career Breaks. These are policies that are often established voluntarily by employers but may be statutory as well, which permit employees with family responsibilities to take time off following childbirth or adoption (or sometimes for other reasons as well). They are unpaid leaves from work, sometimes providing for opportunities for an employee on leave to return briefly to his/her job for training purposes. Sometimes the policy functions as an unpaid parental or child rearing leave.

Cash Benefit. A social benefit paid in the form of cash or money, such as TANF, OASI and SSI.

Categorical Grants (federal). Financial grants from the federal government given for very specific purposes, targeted on a special population (e.g., abused children; the disabled; the elderly) or special problem (e.g., drug abuse; domestic violence; homelessness).

Central Provident Funds. Public Central Provident Funds exist primarily in developing countries. They are essentially compulsory savings programs in which regular contributions

are withheld from employees' wages, matched by their employers, and set aside for each employee in a special fund for later repayment to the worker, usually as a lump sum with accrued interest. The fund can be drawn on for defined contingencies such as old age or health care or might be used to purchase housing.

Child Allowance (Also referred to as Child Benefit or family Allowance). A cash benefit provided to families based on the presence and number of children in the family. The benefit may vary by the ordinal position of the child, the age of the child, the employment status of the parent. Usually universal (not means- or income-tested), usually tax free, and usually not indexed but adjusted based on political decision.

Child Benefit. See Child Allowance.

Child Care services. Out-of-home care of children under compulsory school age, or of primary school age children when school is not open. Includes preschool (kindergarten, pre-kindergarten, nursery school) as well as centers, family day care homes, and before and after school services.

Child-conditioned Income Transfers. Those income transfers (cash benefits and cash equivalents) provided by government based on the presence of a child in the family. E.g. dependents' benefits, child allowances, child tax credits.

Child Development Block Grant (CCBDG) was originally authorized as an amendment to the Omnibus Budget Reconciliation Act of 1990 (OBRA 1990) and was subsequently re-authorized and amended by PRWORA (PL 104-193 -- "welfare reform". The program provides funding for child care services for low-income families and for activities designed to improve the quantity and quality of child care services generally. It is authorized through FY 2002.

Child Rearing leaves: Leaves from employment which developed in some countries as a supplement to maternity leaves or as a variation on parental leaves. Longer than maternity leaves, sometimes not limited to parents with a prior work attachment, and paid at a much lower level, the benefit policy is often described as a kind of "mother's wage". In some countries the cash benefit may be the equivalent of the government subsidy for out-of-home ECEC and used either to supplement family income while one parent is at home or to purchase private care.

Children. Usually defined as the age group from birth to 18 (U.S. definition) but sometimes limited to those under 15 (international organizations), and sometimes including all children regardless of age, if living with parents (Italy) and/or if dependent on parents, in a few other countries.

Child Poverty Rate. Percentage of all children living in families with incomes below the poverty threshold.

Child Rearing Leave and/or benefit. (See Family Leaves)

Child Support (sometimes referred to as Child Maintenance). Financial support provided by a non-resident, non-custodial parent for the support of a child.

Child Support Assurance (Sometimes referred to as Advanced Maintenance). Guaranteed minimum child support paid by a government agency when a non-custodial parent fails to pay financial support for his/her child, pays it irregularly, or at an inadequate level. The agency then attempts to collect from the absent parent the amount advanced. Several European countries (e.g. the Nordic countries, Austria, France, Germany) provide such benefits.

Child Tax Credit (See also Tax Credit). A credit against income tax liability. Currently, in the U.S. it is worth \$500 (in 2000) and is phased out for those with high incomes (e.g. 110,000 or more for married couples filing jointly). It is not refundable and therefore of no value to those with incomes below the income tax threshold although it may be refundable in other countries (and it may have different values elsewhere).

Child Welfare. (a) Either social policies (benefits and services) aimed at the health, development and well-being of all children; or (b) social services for troubled children and their families, including protective services, foster care, adoption, family preservation, residential treatment and home or community-based services.

Council of Europe. The Council of Europe (COE) is an intergovernmental organization, with 41 member European countries including all the EU countries. Its aims include:

(1) protecting human rights, pluralist democracy and the rule of law; (2) encouraging the development of Europe's cultural identity and diversity; (3) seeking solutions to problems facing European society ; and (4) helping to consolidate democratic stability in Europe. Its headquarters are in Strasbourg, France. It covers all major issues facing European society other than defense. It periodically organizes conferences of specialized ministers (for justice, education, family affairs, health, environment, migration, equality between women and men, reconciliation of work and family life, children, employment, mass media, culture, sport, youth).

Decentralization. A transfer of the locus of decision-making authority concerning policies from a higher level of government to a lower level (e.g., from federal to state or from state to county).

Demand Subsidies. Providing cash or cash equivalent (food stamps/vouchers) to client so that he/she can purchase goods and services in the marketplace. Assures client/consumer some freedom of choice within a circumscribed area.

Demogrant. A flat rate cash benefit provided residents or citizens without consideration of income, employment, or means. Usually financed from general revenues. E.g. old-age pensions for persons over a certain age; family or child allowances.

Dependent Care Tax Credit. A non refundable credit against income tax liability for up to 30 percent of employment-related dependent care expenses (expenses to care for a child under the age of 13 or a handicapped dependent or spouse). The expenses are limited to \$2,400 for one dependent or \$4,800 for two or more; and the tax credit is limited to between 20 percent (regardless of income) to 30 percent for lower income families, thus ranging from \$480-\$960 to a maximum of \$720 - \$1,440. About 6 million families claimed the credit in 1998.

Deregulation. Removal of governmental controls/restrictions from an industry (e.g., deregulation of airline industry) or social program (absence of federal child care standards).

Direct Income Transfers. Policy instrument that provides cash or cash equivalent to recipient (e.g., SSI; Food Stamps).

Disability Insurance. Disability benefit portion of OASI (DI). Social insurance benefit intended for those who are expected to be unemployed for one year or more due to illness. Indexed (linked to consumer price index). Contributory, linked to prior work history and earnings, designed to replace part of prior wage.

Discretionary Funding. Funding appropriated by Congress each year for specific purposes. (In contrast to non-discretionary or automatic funding.)

Discretionary Programs. Social programs for which funding must be appropriated each year.

Early Childhood Education and Care (or Early Childhood Care and Education). Services or programs targeted on pre-school aged children from infancy to the age of compulsory school entry, designed to provide care, socialization experiences, and cognitive stimulation as well as subsidized parental (child rearing) leaves for infant and toddler care. Financing and funding source as well as delivery patterns vary from country to country. Programs include: center care, family day care, pre-kindergarten, playgroups, nursery school.

Early Head Start (See Head Start).

Earned Income Tax Credit (EITC). A refundable tax credit (a form of negative income tax) that allows low income working parents to receive a credit against their income tax liability or a cash supplement if their taxable income falls below a certain amount. Since 1990, slightly adjusted for family size and indexed for inflation. The most important EITC is a federal benefit but some states have established EITC equivalents themselves. In 1997 the maximum EITC was \$2,210 for those with earnings between \$6,500 and \$11,930 and was phased down to zero for those with incomes at \$25,750. About 19 million families with children are estimated to have received this benefit in 1999.

Earnings Test. Determination of eligibility for benefit based upon cash earnings. Typically used for Old Age Insurance (social security, OASI) for those who are at least 62 and less than 65, for whom there is a limit on earnings in order to receive a full benefit.

Entitlement Program. Program that provides money or services to qualified beneficiaries as a legal right, based solely upon the specific status of the client. (OASI and Food Stamps are both entitlement programs with different requirements for eligibility; counseling services are not, the new TANF program is not.)

Equity. Fairness in seeing to fulfillment of needs and acknowledgment of rights in society.

European Union. An economic organization of 15 European countries with unified judicial control, and some limited responsibility for social policies as well, especially those linked to employment. Large areas of social policy are the primary responsibility of the fifteen member countries (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom) and a large number hoping to join.

Family. The term is often left deliberately vague in policy discussions internationally, to avoid debate. In the U.S., the term "family" is defined according to the Bureau of the Census as: "Two or more people related by blood, adoption, or marriage". In addition, for most social and family policy purposes, one other criterion is added: including a minor child, under age 18. Most cross-national data bases use the concept of "household" rather than family because of the diverse definitions of "family", and it is possible to get data on households with children.

Family Allowance. (Also referred to as Child Benefit or Child Allowance). A cash benefit provided to families based on the presence and number of children in the family. The benefit may vary by the ordinal position of the child, the age of the child, the employment status of the parent. Usually universal (not means- or income-tested), usually tax free, and usually not indexed but adjusted based on political decision..

Family Policy. Explicit or implicit national social policy (laws, regulations, other government actions) that influences, changes or otherwise impacts children and their families.

Family Benefit(s). Cash benefits provided by governments to families with children. Includes family (child allowances), cash benefits at the time of maternity, paternity, parental, or child rearing leaves, lump sum cash benefits at time of childbirth or adoption, and other special financial benefits targeted on children and their families.

Family-friendly Workplace Policies. A package of policies provided either voluntarily by employers, as part of collective bargaining agreements, or provided as statutory benefits, that facilitate the reconciliation of work and family life. These policies include: the various types of family and personal leaves (maternity, paternity, parental, child rearing, sick child, career break); the various forms of early childhood care and education services (the service itself, a subsidy to help pay for services, an information and referral service); the right to work a shorter day (part-time work), if preferred by the employee, while children are young; flexible working hours; flexible work places; flexible benefit packages; a supportive culture at the workplace that encourages the use of special family benefits and services.

Family Leaves. Job- and benefit-protected leaves for working parents including maternity (birth or adoption), paternity, parental, child-rearing, care for an ill child, time to accompany a child to school for the first time, or to visit a child's school, personal leaves. May be paid or unpaid. When paid, benefit is usually included in taxable income.

Family Support Act of 1988. Major welfare reform legislation now superseded by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Federalism. Constitutional division of power between the national and state governments.

FEMA (Federal Emergency Management Agency). Independent arm of U.S. government that responds to disasters, urban riots and civil defense preparedness.

FICA (Federal Insurance Contribution Act). The payroll tax paid partially by employees and partially by employers that funds OASDHI.

Fiscal Policy. Public policies having to do with taxes. This policy also may have redistributive consequences, may be intended to impact on investment, inflation, etc.

Food Stamps. 1964 federal program mandated nationally in 1974 providing vouchers for the purchase of food only. Means-tested program available to almost all poor individuals and families regardless of marital status or presence or absence of children who meet income and asset, employment and other eligibility criteria. The only U.S. broad "guaranteed income" program, broader in coverage than SSI, TANF, GA. Since the enactment of PRWORA (P.L. 104-193) not available to immigrants who entered the U.S. after 8/22/96.

Formula Grant (federal) - Grant in aid which provides funds to states, localities, based on a particular formula (e.g., poverty rate, number of elderly in population).

FY (Fiscal Year.) Funding and budgeting cycle; e.g., the fiscal year of the U.S. federal government is October 1 to September 30.

General Assistance (GA) - Means-tested public assistance program provided by local governments for those who are not eligible for any federal or federal-state categorical assistance program. Eligibility and amount of assistance vary from state to state and even within states.

GDP (Gross domestic product) . The total monetary value of final output of goods and services produced by an economy within the country.

GNP (Gross national product). The total monetary value of output of goods and services produced by an economy - that is by residents and non-residents.

Head Start. Federally funded compensatory education program for disadvantaged pre-schoolers. Designed to compensate for developmental and educational lags caused by social deprivation. Largely part-day and largely for 3 and 4 year olds. Early Head Start is a similar program targeted at the under 3s.

IMR (Infant Mortality Rate). Annual deaths of infants under one year of age per 1,000 live births. More specifically, this is the probability of dying between birth and one year of age.

In-Kind Benefit. Non-cash benefit in the form of a voucher, commodity or service (e.g., Food Stamps, Section 8 housing vouchers, Medicaid, school meals, child care services, public education).

Income Strategies. A policy instrument that provides recipient with cash benefits in order to purchase what she/he needs in the marketplace. The objective is to provide income as a substitute, supplement, or replacement of earnings.

Income Test. Determination of client eligibility for service based on income but not assets; less constricted than means-test, which includes both income and asset testing.

Income-tested Benefits. Those benefits (or services) provided on the basis of an income test.

Income Transfers. Cash or cash equivalent benefits provided by government. See, for example, TANF, OASI, EITC Indirect Income Transfer. Policy instrument designed to increase income of families and individuals through tax benefits (e.g., personal exemption, Earned Income Tax Credit, Dependent Care Tax Credit).

Low Birth Weight. The percentage of births below 2,500 g., a sensitive measure of mother's health and nutrition during pregnancy and before. The lower an infant's birth weight below 2,500 g., the greater the infant's vulnerability to infections and other problems and the greater the risk of sickness and death.

Maternity leaves: Job-protected leaves from employment for employed women at the time they are due to give birth and following childbirth (or adoption in some countries). In some countries the pre-birth leave is compulsory as is a 6-10 week leave following birth. In some other countries beneficiaries may combine pre- with post-birth leave.

Means Test. Determination of client eligibility for a benefit or service based upon evaluation of income and assets.

Means-tested Benefits. Benefits granted to people if their assets and income do not exceed a given threshold (which is normally very low). Funding for such benefits falls exclusively on public (general) revenues. (e.g. TANF; Food Stamps; SSI, Medicaid).

Medicaid (Title XIX of the Social Security Act). Means-tested program that pays for medical costs of specified groups among the poor. Funded by federal and state (and sometimes local) government. Enacted in 1965. Eligibility criteria and federal matching funds vary from state to state.

Medicare (Title XVIII of the Social Security Act). National Health Insurance program for those aged 65 and above and the disabled (receiving D.I.). Enacted in 1965. Administered by DHHS (federal Department of Health and Human Services). Focus is on acute, in-patient care, not long term or chronic care.

Negative Income Tax. A refundable tax credit, providing individuals with incomes below the tax threshold, with a cash benefit. See EITC, for an example.

Non-Sectarian. Secular or not-religious auspices for the delivery of social services. (Can be non-profit or for profit.)

O.E.C.D (Organization for Economic Co-Operation and Development). An international organization made up of 29 countries, largely the advanced industrialized countries, with headquarters in Paris, France. The mission of the OECD is to achieve the highest sustainable economic growth, employment, and a rising standard of living in member countries while maintaining financial stability; contributing to sound economic expansion; and to the expansion of world trade on a multilateral basis.

OAA (Old Age Assistance). Cash assistance for the poor elderly enacted in original Social Security Act (1935) and replaced by SSI which was in 1972 and implemented in 1974.

OASI (Old Age and Survivor's Insurance). OASI (Old Age and Survivor's Insurance) - Federal social insurance programs, under the Social Security Act of 1935. Provides cash benefit to aged and retired persons as well as their surviving dependents, regardless

of income. Contributory benefit (paid for by employee and employer contributions - payroll taxes), work and earnings related, available beginning at age 62. (See also, Disability Insurance).

Parental leaves: Gender-neutral, job-protected leaves from employment which usually follow maternity leaves and permit either men or women to take advantage of the policy and share the leave or choose which of them will use it. If there is no specified maternity leave, a portion of these leaves is usually reserved for women, to ensure a period of physical convalescence and recovery after childbirth. Recently, in some countries, some portion of the parental leave is reserved for fathers, on a "use it or lose it" basis, to create an incentive for fathers to play a more active parenting role. In some countries, these supplementary leaves are unpaid.

Paternity leaves: Job-protected leaves from employment for fathers, for many of the same purposes as maternity and parental leaves, but especially for reasons of gender equity. They are usually much briefer than maternity leaves, function as supplements to such leaves, and are especially important when a second child is born and the first child requires care while mother and newborn may need help. Take-up is usually quite high for these leaves, in contrast to fathers' use of parental leaves .

Pay As You Go or Pay As You Earn (PAYE). Funding Old Age Insurance (pension) benefits by means of current contributions (FICA taxes) rather than full funding in advance.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA; P.L. 104-193). The new "welfare" law: replaces AFDC with TANF, sets time limits for receipt, mandates work, ends entitlement to assistance and provides block grant funding giving states great flexibility in designing TANF program. It also protects the entitlement status of Food Stamps and Medicaid, but makes some changes. Includes 9 "Titles" or provisions: TANF is Title I (See below). Other provisions include the expansion of child support enforcement, redefining disability for children under SSI, eliminating federally funded benefit receipt by immigrants who entered the country after 8/22/96, expanding child care funding, restricting Food Stamp eligibility, and curtailing child nutrition programs, but sustaining child welfare.

Personal Social Services . Services such as counseling, foster care, senior centers, job placement, or training services designed to provide individualized help (both practical and therapeutic) as well as linking clients to entitlement programs. May be either publicly or privately delivered.

PL - Public Law (followed by a number, e.g., PL 99-457) indicates the Congressional session that a law was passed and the number of the law in that session. It is often how legislation is referred to.

Poverty. Inadequate income. (a) absolute poverty - deprivation, funds inadequate for basic food, clothing, shelter, health needs; (b) relative poverty -income below some portion of median income. (c) subjective poverty - feeling of deprivation based on societal norms; e.g., being without a phone today would be deprivation, 50 years ago it was not so; (d) poverty line - income level set by federal government based on the cost of a market basket of items, indexed annually to consumer price index; (e) official poverty is defined in U.S. as pre-tax and post transfer - money income before taxes, after receipt of transfers. (Recent debate has suggested inclusions of in-kind "income" to include benefits such as Food Stamps (and for some, cost of health insurance that would cover the equivalent of Medicare/Medicaid.) See also, Absolute Poverty Line and Relative Poverty Line. In the least developed countries, income poverty is defined as per capita income below \$1 US and under \$2 US in the less developed countries. (World Bank)



Pre-school. Child-care services to children below the age of formal public education, that includes educational and developmental content.

Privatization. Increased use of private sector in providing social benefits and services, such as greater reliance on occupational welfare or proprietary child care services or nursing homes. May involve reduced role of government and increased role of market in funding, delivery, and/or regulation.

Public Assistance. Cash benefit provided to the poor on the basis of a means test. Financed out of general tax revenues. Public Assistance programs in the U.S. include TANF and SSI. Eligibility requirements and dollar amounts vary among states, and within some states.

Purchasing Power Parities (PPPs). A conversion rate that uses the prices of a selection of comparable products (a basket of goods and services) in different countries and thus takes account of the real purchasing power of a currency across countries.

Redistribution. Transfer of monies, benefits and services from one group in the society to another so its members receive a balance different from that created through the marketplace.

Relative Poverty Line. Defining poverty as some portions of a normative standard in a country, usually a proportion of median income. Relative poverty lines are usually expressed as being between 40 or 50 percent of median income. In the United States the absolute poverty line was about 44% of median income when first established in 1963, but is now just about 40%. (In the EU a "low income" threshold is defined as below 60 percent of median income.)

Safety Net. Income security programs that provide aid when primary and secondary sources of support (earnings and social insurance benefits) are absent or inadequate.

Sectarian . Auspices of and funding from a specific religious group. May or may not serve primarily members of that religious group. (Usually non-profit.)

Selectivity . Eligibility criteria for recipient of social benefits or services that target a particular group and usually include means-testing.

Service Strategy. A policy instrument that provides the client with goods and services rather than with the cash needed to obtain them. (Examples are surplus food, child care services, counseling, public housing and public education.)

Social Assistance. An alternative term used internationally to describe public assistance.

Social Exclusion. A multi-dimensional concept, involving economic, social, political, cultural, and special aspects of disadvantage and deprivation, often described as the process by which individuals and groups are wholly or partly excluded from participation in their society, as a consequence of low income and constricted access to employment, social benefits and services, and to various aspects of cultural and community life. A key component is the framing of the issue as social and community exclusion, rather than individual and personal responsibility. While some policy scholars use the term interchangeably with income poverty - or income poverty and unemployment - - it is

increasingly distinguished from financial poverty and focused rather on constricted access to civil, political, and social rights and opportunities.

Social Expenditure (referred to, also, as "social welfare expenditure" and "social protection expenditures") - Expenditure of the government (public social expenditure) and the private sector on health, income transfers, education, housing, employment, personal social services. The size, composition, share borne by government, number of beneficiaries, provide a picture of a country's social policy.

Social Indicators. Quantitative measures that have been shown to be valid and reliable and provide a picture of social conditions over time.

Social Insurance. Government cash benefit programs that protect against loss of income due to certain "social risks" such as old age, death of a breadwinner, unemployment, disability, (and in other countries sickness, maternity, divorce). (OASI is the major U.S. social insurance program.) The main component (in most countries) of "social security" are old age and retirement pensions, health insurance, unemployment insurance, disability insurance, sickness benefits. Benefits depend on previous employment history and are independent of a claimant's personal or family income. Benefits are financed from contributions which may be levied on any combination of workers, employers and the state.

Social Minimum. Level of personal or household income which is regarded necessary for a person or family to exist in a given society without major deprivation.

Social Policy. Laws, actions, regulations, and other interventions of government designed to ensure that all citizens have at least a minimum standard of living regardless of their ability to participate in the market. There are 5 or 6 generally accepted

social policy fields (e.g., income transfers, education, health care, employment, housing, personal social services).

Social Protection (See also, Social Policy; Social Welfare). Social Protection is a term used in Europe, especially in the EU, and is defined as: "all interventions from public or private bodies intended to relieve households and individuals of the burden of a defined set of risks or needs, provided that there is neither a simultaneous reciprocal nor an individual arrangement involved. The list of risks or needs that may give rise to social protection is fixed by convention as follows:

1. Sickness/Health care
2. Disability
3. Old Age
4. Survivors
5. Family/children
6. Unemployment
7. Housing
8. Social exclusion not elsewhere classified."

Social Sector - That part of government activities that address the needs of its clients through social policy or social protection (e.g., income transfers, health care, education, are components of the social sector).

Social Security (Internationally) - The institutions and measures of social insurance and social assistance aimed at providing income and social security to the population. There are five 'pillars' of social security, i.e. (1) pensions and survivor benefits; (2) health care, sickness and disability transfers; (3) family and child benefits; (4) unemployment benefits; and (5) social assistance. The term is also used as a parallel to "Social Protection"

Social Security (U.S.). Old Age and Survivor's Insurance (OASI). (Pensions, life insurance, and disability cash benefits.)

SSI (Supplemental Security Income). Federal public assistance program providing means-tested cash benefits for the aged and disabled on the basis of nationally uniform eligibility criteria. Enacted in 1972 and first implemented in 1974. Administered by the Social Security Administration. May be supplemented by states.

State Child Health Insurance Program (SCHIP). Title XXI of the Social Security Act, enacted in 1997, expanding health insurance coverage for children in low-income families and expanding the federal share of the costs of this federal and state program.

Subsistence Minimum. Minimum income needed to provide a bare subsistence in a given society. It is usually associated with the absolute poverty line and involves major deprivations.

Supply Subsidy. Direct funding to provider so that services are available to the client in the community (e.g., public health, housing, and child care).

Targeting. Directing an intervention or policy instrument at a group that appears particularly vulnerable to a specific social problem, or to a particular problem. Often equated with selectivity and a focus on the poor.

Tax Benefits. Policy instruments that may act as income transfers for individuals or families. Two major categories: (a) tax allowances - pre-tax deductions (e.g., dependent or personal exemption); (b) tax credits - deductions taken against tax liability (e.g., child care tax credit). These tax credits may be refundable (with a cash benefit provided to those with incomes below the tax threshold, such as the EITC) or non-refundable (of value only to those with incomes above the tax threshold, such as the Child Tax Credit).

Tax Policy. Using tax system to effect policy outcomes (use of tax benefits/credits as a social policy instrument).

Temporary Assistance to Needy Families (TANF). The means-tested cash assistance program, that replaced AFDC as of 7/1/97. Benefit levels vary by state, beneficiaries are required to go to work within two years of claiming the benefit, receipt of cash assistance is limited to a lifetime maximum of 5 years overall. The benefits are funded through block grants to states giving states great flexibility in program design.

Third Party Payment. Direct financial compensation to service provider or agency to reimburse for services rendered to the client/ consumer (e.g., Medicare, Medicaid or private insurance coverage of medical/ mental health services).

Title XX (of the Social Security Act) - Also known as Social Services Block Grant. First enacted in 1975 and subsequently amended. The only non-categorical federal funds for

personal social services. (Covers programs such as day care for low income mothers, child abuse prevention and treatment services and some services to homebound elderly.)

Title XXI (of the Social Security Act) . State Child Health Insurance Program (SCHIP) enacted in 1997, expanding health insurance coverage for children in low-income families and expanding the federal share of the costs of this federal/state program.

Trust Funds. Percentage of payroll taxes held in "trust" accounts to meet projected actuarial analysis of what OASI (Old Age and Survivor's Insurance), DI (Disability Insurance), and HI (Medicare) needs will be. Usually equal to what is needed to pay out OASI benefits for one year.

Unemployment Insurance (UI) Social insurance benefit that protects workers against loss of income due to involuntary and temporary job loss, financed through a payroll tax paid by employers. Established as part of the Social Security Act of 1935. Administered at the state level. Benefits vary across states.

Universal Benefits or Services. Eligibility based on criteria other than income. (Medicare and OASI are prime examples of Universal programs.) Although available regardless of income, they may be contingent on employment record. They may be in cash, such as family allowances, or in kind, as with the provision of education.

Vouchers. A form of demand subsidy (e.g., food stamp, Medicaid) which functions as a cash equivalent for the purchase of specified goods/services. They provide more freedom of choice than a specific service but less than a cash benefit.

WIC (Supplemental Food Program for Women, Infants and Children.) Vouchers issued by U.S. Department of Agriculture to provide for the nutritional needs of low income women, infants and young children. (Seen as a way to protect against birth defects caused by low birth weight, etc.)

Youth. A non-consistently defined age group internationally and in the U.S. Sometimes describing adolescents aged 13-19 and sometimes older young people from age 15-24.