

Pandemic unemployment and the social safety net

Successes from pandemic unemployment programs

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Pandemic assistance made a huge, positive difference for a short time for some people.

The CARES Act extended and expanded unemployment benefits in welcome ways. Millions of people who were previously not eligible for regular unemployment, such as contractors and gig workers, qualified for benefits that effectively replace 100% of wages for the bottom half of the workforce.¹ Many of our participants fell into this category.

The combination of one-time stimulus checks and additional \$600 per week of unemployment assistance fed people and kept them in their homes

It wasn't unusual for participants to mention that they'd got a stimulus check (or that they were waiting for theirs), even though our interviews were ostensibly about unemployment assistance. Several told us that the stimulus check filled a gap while they waited for UI or PUA to come through. Most participants who mentioned it also noted that it came soon after the COVID-19 shutdowns began. (A couple of participants said they hadn't seen their stimulus payout, yet, when we talked with them in June.)

¹ According to the Economic Policy Institute [analysis of the CARES Act](#), published March 25, 2020

Some people who were furloughed or had their hours reduced rather than being completely laid off said the stimulus check was helpful in filling the gap in income, at least for a short time. They could buy groceries for a few weeks, and pay other bills.

“Thanks to God for the stimulus check.”
-- Mohammad, New Haven, CT

One note is that participants often didn’t understand the differences in the programs, especially what they had to apply for versus what they might get automatically. When they talked about “stimulus” money, participants might mean anything from the CARES Act to the check they got through the IRS, to the \$600 per week from the Pandemic Additional Compensation program.

The additional \$600 per week from the Pandemic Additional Compensation program made a huge difference for some folks, especially those who had front-line, public-facing jobs. Having the additional cash gave them the option to stay safe at home and avoid getting COVID-19 through their jobs.

Pandemic Unemployment Assistance (PUA) was especially helpful, not only for independent contractors but also for people who otherwise would have fallen through the cracks

Several of our participants were independent contractors, freelancers, or had multiple sources of income. Work ranged from freelance sound engineering to pet sitting to lawn mowing. They heard from friends, family, or social media that they should apply for this new class of unemployment benefits called Pandemic Unemployment Assistance (or PUA). In the cases where it came through quickly -- a few days or up to a couple of weeks -- participants found it incredibly helpful to make ends meet.

In a couple of cases, the timing of the pandemic stay-at-home orders made PUA especially helpful. (Though turning around the claim faster would have been even better.) Mohammad is one example. A few days after his gallbladder surgery in April, Mohammad was exposed to COVID-19. He became symptomatic, and then his wife got it, too. They needed help to get by. Mohammad applied for unemployment but was denied because he couldn’t work for health reasons. He tried to get another job, but that, too, required him to be able to lift heavy things, which his health didn’t allow him to do yet. Mohammad’s case worker at Integrated Refugee and Immigrant

Services was tracking his application, though, and had called the day before our interview to tell Mohammad that he probably qualified for Pandemic Unemployment Assistance.

Back-dating PUA payments to the beginning of stay-at-home orders was a relief for some participants

Most of the PUA programs didn't come online for states until mid- to late-April, 6 to 8 weeks after some folks had been ordered to stay at home. While it was tough to wait for PUA to be implemented, as Anna (Massachusetts) told us, she was grateful that she didn't have to do anything special to get payments for the period before the program was implemented. Massachusetts automatically paid back benefits in the first week without her having to do anything special.

Some independent consultants considered themselves small businesses, so they took PPP and EIDL loans

Mike and Brian, as well as others of our participants were independent consultants, but considered themselves to be small business owners, as well. Brian, a freelance sound engineer, found a neighborhood bank that was helpful to his getting money through the Paycheck Protection Plan (PPP), and his timing worked to get funding quickly in the first tranche of funding available. Having this cash has helped him keep things together, financially, for his family.

Long before the pandemic, Mike set up his business so he was paying into state unemployment and disability as an employer, so he applied for regular unemployment assistance. But Mike's UI and PUA claims still had not come through by the time of our interview on June 22. But he applied for PPP and EIDL at the same time he made his first UI claim, and those came through quickly.

Participants enrolled in programs such as SNAP, energy assistance, and Medicaid -- many for the first time

While these programs were not expanded or extended in the CARES Act, they are additional buffer from hunger, homelessness, and illness.

A few of our participants told us they'd had cash assistance and / or food stamps before. But to some of our participants, these options were new, including Donna, who was a social worker at a homeless shelter. She knew the assistance programs from helping other people get benefits. But aside from regular unemployment, she'd never needed other assistance before, herself. This time, because she has Lupus which puts her in the high risk category if she gets COVID-19, her doctor filed the

paperwork for her to go on Family and Medical Leave. Then she applied for FoodShare (Wisconsin's SNAP), and energy assistance to get help paying her electricity and gas bills.

“At the age of 60, who would have thought I'd be in a position to need FoodShare?”
-- Donna, Greenfield, WI

Most of our participants said they were renters. But a couple of them had mortgages to pay. Georgia told us about how she'd used the home loan protection program that was part of the CARES Act to defer her mortgage payments for her 2-bedroom condominium in northern Virginia.

For Sara, Tatiana, Amadh, and V, being on Medicaid means that they'll be able to continue getting prescriptions for chronic conditions and other basic care while they are out of work and without an employer-sponsored health plan.

Pandemic assistance has helped prevent some human suffering

To a great extent, the pandemic programs -- often in combination with existing safety net programs -- are doing what they were designed to do: provide emergency relief. Never have so many people become unemployed in such a short time in the U.S., and the CARES Act passed quickly in response to the crisis. Covering wages from the beginning of March 2020 was helpful and appreciated by participants, assuming their state could actually process their claims in a timely way.

However, in a situation where we don't know how long the crisis will last, having time-based benefits will likely put people in danger. As unemployment programs run out and people run out of options for buying groceries and paying rent, they will feel the need to go back to work at the risk of contracting COVID-19.

About the project

This project was an experiment in human-centered policy design, in a partnership between Project Redesign at NCoC and New America's New Practice Lab. Our methods and approaches echo the framing of Equity Community Centered Design, originated by [Creative Reaction Labs](#).

