



# Executive Summary:

## Data Sharing to Build Effective and Efficient Benefits Systems

Research has consistently documented many positive impacts of participating in social safety net programs like the Supplemental Nutrition Assistance Program (SNAP) and Medicaid, from improved health outcomes<sup>1,2</sup> to strengthening local economies.<sup>3</sup> Despite these positive outcomes, many programs are chronically under-enrolled. More than \$80 billion in benefits to pay for food, healthcare, broadband, and more go untapped each year. **When conducted with appropriate and responsible safeguards, data sharing can help address these gaps in participation and build efficient, equitable benefits systems.**

Data sharing for analysis and outreach can illuminate who is not accessing benefits, better connect under-enrolled populations to vital assistance, and make the system more efficient for administering agencies and participants alike. [Data Sharing to Build Effective and Efficient Benefits Systems: A Playbook for State and Local Agencies](#) is focused on how government and other key sectors can use data sharing to identify individuals who are eligible but unenrolled in benefits, understand gaps and disparities in access, and use outreach to help eligible individuals connect to and maintain their benefits.

Agencies do not need to have perfect data or the most modern data infrastructure to develop secure data sharing initiatives that benefit residents and frontline workers. This kind of data sharing is happening all over the country — innovative pilots and long-sustained efforts exist in agencies and institutions across red, purple, and blue states. Yet these proven approaches are underutilized due to legal, privacy, or security concerns about data sharing as well as operational hurdles related to using administrative data from siloed programs and aging infrastructure.

This Playbook is designed to help the government and others address these issues in order to run secure and effective data sharing initiatives. It provides legal analysis regarding the laws governing data sharing as well as step-by-step guidance to make the process sustainable and scalable. The Playbook contains additional data sharing resources, including case studies and data sharing agreement (DSA) examples. It was informed by BDT's nearly 20 years of experience with data sharing, as well as interviews with 35 federal, state, and local officials and other experts from the fields of benefits access and data sharing.

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<sup>1</sup> Center on Budget & Policy Priorities and Benefits Data Trust, "Toolkit: Increasing WIC Coverage Through Cross-Program Data Matching and Targeted Outreach," March 2022, [Weblink](#).

<sup>2</sup> Khaliyl Lane, "Maximizing Linkages: A Policymaker's Guide to Data-Sharing," One Degree (formerly Alluma), April 10, 2019, [Weblink](#).

<sup>3</sup> Signe-Mary McKernan, Caroline Ratcliffe, Breno Braga, "The effect of the US safety net on material hardship over two decades," *Journal of Public Economics* (Vol. 197), May 2021, [Weblink](#).



The entryway to any data sharing project is the fundamental question: does the law permit data sharing for this specific circumstance? This Playbook provides key context on how to answer this question and navigate the legal process surrounding data sharing.

- » A successful data sharing endeavor can improve the benefits system while following the legal, privacy, and security rules that are necessary for the lawful and ethical use of confidential data. Most benefit program laws specify whom applicant/participant data may be shared with and for what purposes. Understanding those laws and considerations can unlock the potential of data sharing.
- » A combination of state and federal privacy laws, benefits laws, and outreach medium laws must be consulted to assess whether data sharing is permitted for a specific use case. This Playbook includes relevant federal privacy laws, federal benefits laws, and federal law pertaining to SMS text-based outreach. The analysis focuses on SNAP, Medicaid, WIC, Low Income Home Energy Assistance Program (LIHEAP), and Unemployment Compensation (UC) because many of these programs have overlapping eligibility requirements and have shown great promise for data sharing activities.
- » A strong data sharing agreement (DSA) – the legal document that governs data sharing practices – justifies the reason for sharing the data, explains what is being done with the data, and describes the approaches to safeguarding and protecting the data. It serves as the common understanding between the relevant parties and can be written in a way that allows for ongoing operational adjustments.

While data sharing projects start with a focus on legal authorities, data security, and privacy, there are steps agencies can take to implement a smooth and efficient data sharing process. Key recommendations include:

- » Engage executive sponsors and key stakeholders – especially legal, programmatic, and data teams – early in the process. Impactful initiatives can start with just an Excel spreadsheet, as long as there is a commitment to building understanding and trust across teams.
- » Plan which fields are needed to conduct analysis, outreach, and evaluation to ensure that the DSA includes the data needed to run the intervention and measure success. Defining a clear purpose for each data field will also help expedite the legal review.
- » Include demographic and geographic data in the DSA in order to understand disparities in access, build person-centered interventions, assess whether interventions are working for different populations, and adjust outreach to build a more equitable system.
- » Develop a shared understanding around the definitions and formats of the data being shared; this is a worthwhile investment that makes the sharing, matching, and analysis process significantly easier.
- » Involve non-governmental sectors and partners in data sharing efforts to build a stronger benefits system. Healthcare entities, higher education institutions, and community outreach partners are particularly well-positioned to reach individuals who are likely eligible for benefits. Research partners can build evidence regarding connections between benefits participation and health, education, and economic outcomes.

Through guidance like this and more, BDT hopes this publication can support and inspire data sharing initiatives across the country. For questions and assistance, we encourage government agencies and other institutions interested in data sharing for analysis and outreach to contact us at [partnerships@bdtrust.org](mailto:partnerships@bdtrust.org). We are eager to support readers' efforts to build more efficient and equitable benefits systems.

