Child and Family Well-being System: Economic & Concrete Supports as a Core Component
Chapin Hall Resources

(A Weiner, Anderson & Thomas, 2021)
(A Anderson, Grewal-Kök, Cusick, Weiner & Thomas, 2021)

Chapinhall.org/ecsproject
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Historical & Contemporary Context
Child Welfare’s Historic Structure

• Child welfare has been reactive—responding to allegations of maltreatment with investigations & foster care

• From the onset of child and family services, policymakers repeatedly separated programs designed to address poverty from programs designed to protect children

• Prevention services receive less consistent funding

• Economic & concrete support policies and programs are administered as if unrelated to child welfare

• Root causes of maltreatment have not been consistently addressed, perpetuating family separation, structural racism & intergenerational trauma
Policy Milestones: Bifurcation of Concrete and Social Supports

**Mother’s Pensions**
for poor single mothers recognized the importance of financial supports to address economic hardship & promote family stability. However, these supports were largely limited to white, widowed mothers.

**Flemming Rule (FR)**
implemented in response to states denying ADC benefits to families, mostly Black, because their homes were deemed “unsuitable.” It required states to either 1) provide supports to these families OR 2) remove the children and place them in foster care.

**CAPTA**
requires state mandated reporting laws but does not include standard guidelines, training, or opportunities for reporters to explore alternative family support options. This has resulted in high reporting rates by teachers, the majority of which are unsubstantiated.

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**Social Security Act**
bifurcates supports to families by nesting Aid to Dependent Children (ADC, later AFDC) under the Social Security Administration but social services under the Children’s Bureau.

**Social Security Act Amendments**
establish AFDC-FC (later title IV-E) as an open-ended entitlement for foster care services (part 2 of FR) without analogous funding for family support services (part 1 of FR).

**Family First Prevention Services Act**
does not explicitly include economic & concrete supports and focuses on treating the parent or child rather than addressing the context.

Impact of Historical Policy Choices

- Economic Hardship
- Fragmented Human Service System
- Deficit-Based Rigid & Piecemeal Policies
- Mandated Reporting Laws

+ Disparate Access to & Lack of Sufficient Economic & Concrete Supports

- Overloaded & Destabilized Families
- Unmet Service & Support Needs
- High Rates of Reported Neglect
- Deployment of Authority to Investigate & Remove Children
- Child Welfare Involvement
Overview of Family Economic Insecurity, Income & Child Welfare Involvement
## Appendix 1: ACYF Well-Being Framework

### April 2012 (ACYF-CB-IM-12-04)

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<th>Intermediate Outcome Domains</th>
<th>Well-Being Outcome Domains</th>
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<td><strong>Physical Health and Development</strong></td>
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<td>Temperament, cognitive ability</td>
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<td><em>Family income, family social capital, community factors (e.g., institutional resources, collective socialization, community organization, neighborhood SES)</em></td>
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| **Early Childhood (0-4)** | **Language development, pre-academic skills (e.g., numeracy), approaches to learning, problem-solving skills** | **Normative standards for growth and development, gross motor and fine motor skills, overall health, BMI** | Social competencies, emotional management and expression, internalizing and externalizing behaviors, trauma symptoms |
| Temperament, cognitive ability | | | Social competencies, attachment and caregiver relationships, adaptive behavior |
| *Family income, family social capital, community factors (e.g., institutional resources, collective socialization, community organization, neighborhood SES)* | | | | |

| **Middle Childhood (6-12)** | **Academic achievement, school engagement, school attachment, problem-solving skills, decision-making** | **Normative standards for growth and development, overall health, BMI, risk-avoidance behavior related to health** | Emotional intelligence, self-efficacy, motivation, self-control, prosocial behavior, positive outlook, coping, internalizing and externalizing behaviors, trauma symptoms |
| Identity development, self-concept, self-esteem, self-efficacy, cognitive ability | | | Social competencies, social connections and relationships, social skills, adaptive behavior |
| *Family income, family social capital, social support, community factors (e.g., institutional resources, collective socialization, community organization, neighborhood SES)* | | | | |

| **Adolescence (13-18)** | **Academic achievement, school engagement, school attachment, problem solving skills, decision-making** | **Overall health, BMI, risk-avoidance behavior related to health** | Emotional intelligence, self-efficacy, motivation, self-control, prosocial behavior, positive outlook, coping, internalizing and externalizing behaviors, trauma symptoms |
| Identity development, self-concept, self-esteem, self-efficacy, cognitive ability | | | Social competence, social connections and relationships, social skills, adaptive behavior |
| *Family income, family social capital, social support, community factors (e.g., institutional resources, collective socialization, community organization, neighborhood SES)* | | | | |

**Social and Emotional Well-Being Domains**
Family Protective Factors

- Parental resilience
- Social connections
- Knowledge of parenting and child development
- Concrete support in times of need
- Social and emotional competence of children
60%+ of substantiated CPS responses nationally involve \textit{neglect only}

...and provision of economic & concrete supports is associated with decreased risk for \textit{both} neglect and physical abuse

\textit{(Child Maltreatment 2019)}
Nearly Half of All States Do Not Exempt Families’ Financial Inability to Provide From Their Definition of Neglect

- Inclusion of income-related factors in definitions of neglect without any exemptions may be funneling families into the child welfare system.

- However, poverty exemptions in neglect statutes do not guarantee sharp reductions in neglect cases without strategic practices, preponderance of evidence standard for substantiation & assessing neglect through a harm specification lens.

(Child Trends, 2022 – graphic)
(DeGuerre, 2021)
**State Policy Option:**
Tighten Legal Standards for Removal

**Washington State** – *Keeping Families Together* (2021)
- Prevents removal solely due to community or family poverty, inadequate housing, mental illness or substance use

**Kentucky** – *Senate Bill 8* (2022)
- Narrows definition of neglect to situations where child’s welfare is harmed or threatened with harm by parent due to inadequate care, supervision, food, clothing, shelter, education or medical care necessary for the child’s well-being when financially able to do so or offered financial or other means to do so

**Montana** – *House Bill 37* (proposed 2022)
- Prohibits removal solely due to parental substance use, disorderly living conditions or economic status and expands “reasonable efforts required to prevent removal” to include identifying community resources (housing, financial, transportation, mental health & substance abuse services) and actively assisting families to access these resources
State Policy Option: Economic Diversion System to Address Poverty-Related Neglect

Vermont

- Vermont has highest rate of child maltreatment referrals in the nation, but lowest rate of screened-in neglect cases (1.5%)

Vermont has created an “economic firewall” through:

- Interagency collaboration & service coordination: Co-location of CPS with economic services & early child development divisions
- Providing all CPS district directors with direct access to family preservation flexible funds to prevent removal
- Multidimensional diversion system that refers families to:
  - Economic support services (TANF)
  - Family resource centers
  - Differential response systems

(DeGuerre, 2021) (Feely, 2020) (Child Maltreatment 2019)
nearly 85% of families investigated by child protective services have incomes below 200% of the federal poverty line ($49,720 for a family of 3 in 2023)

(HHS Poverty Guidelines, 2023)
almost 70% of families with incomes below 200% of the federal poverty line report experiencing a material hardship in the past year (difficulty paying for housing, utilities, food or medical care)

Of these families: 61% experienced a financial shock in the past year

(Urban Institute, 2018)
Material Hardship Increases Risk for Child Welfare Involvement: Both Neglect & Abuse

If low-income families experience at least one material hardship

- ~3x higher likelihood of neglect investigation
- ~4x higher likelihood physical abuse investigation

If low-income families experience multiple types of material hardship (after experiencing no hardships)

- ~4x higher likelihood of CPS investigation
- ~7x higher likelihood physical abuse investigation

*Dimensions of material hardship in this study included: food, housing, utilities & medical hardship
The Intersection of Family Economic Insecurity & Child Welfare Involvement

Most reliable economic predictors of child welfare involvement

- Income Loss
- Cumulative Material Hardship
- Housing Hardship

Strongest predictors of investigated neglect reports

- Food pantry use
- Cutting meals
- Difficulty paying rent
- Utility shutoffs
- Short duration of residence
- Inability to receive medical care for sick family member
- Public benefit receipt

(Conrad-Hiebner, 2020 systematic review)

(Slack, 2011 cross-study comparison)
Negative Earnings Shocks Are Associated with Increased Risk for Subsequent Child Welfare Involvement (slide 1 of 2)

For low-income families with recently closed CPS investigations:

• Experiencing a negative earnings shock (quarterly reduction in earnings of 30% or more):
  ▪ Increases risk of subsequent CPS investigation by 18%
  ▪ Increases risk of physical abuse investigation by 26%

• Each additional negative earnings shock is associated with a 15% greater likelihood of CPS involvement

• But each consecutive quarter with stable income is associated with a 5% lower risk of CPS investigation

About 10% of low-income adults with children have experienced a financial shock resulting in a 50% income drop over one year

(Cai, 2021)
For low-income families with recently closed CPS investigations:

- **Accessing sufficient public benefits** when negative earnings shocks occur **effectively buffers against the risk of child welfare involvement**
  - Buffer is particularly strong for families with young children (ages 0–4), who are associated with a:
    - 12% decrease in risk for CPS involvement
    - 50% decrease in risk for physical abuse investigation

(Cai, 2021)
Evidence of Causal Effect of Income on Risk for Child Welfare Involvement

Mothers who participate in TANF and are eligible to receive full child support for their children (and child support is disregarded in determining welfare benefits) are 10% less likely to have a child subject to a screened-in maltreatment report (compared to mothers who are eligible to receive only partial child support payments)

➢ Even a modest increase in child support payments—averaging $100 per year—results in a decrease in screened-in maltreatment reports

(Cancian, 2013) (randomized controlled trial - RCT)
State Policy Option: Allow Full Pass-Through of Child Support for TANF Participants

Michigan – FY 2022-23 budget
Includes a full pass-through of monthly child support payments for current TANF participants, which will allow participants to keep 100% of their child support payments
Lower Family Income Is Associated with Longer Time to Reunify

Children in foster care take longer to reunify with their families when:

- Their families have lower average monthly incomes post placement
  
  Every $100 increase in a mother’s post-placement income increases her child’s speed of reunification by 6%.

- Their families lose a significant amount of cash assistance post placement
  
  Percentage of children remaining in foster care after a year whose mothers lost a significant amount of income from cash assistance post placement is more than double that of children whose mothers did not lose income from cash assistance post placement (87% vs. 41%).

- Their families must pay the state for the costs of foster care
  
  $100 increase in monthly child support order amount predicted to delay reunification by 6.6 months.

State Policy Option: Continue Cash Assistance for Families Working to Reunify

**Oklahoma** – OKDHS policy on reunification services for TANF recipients

Parents receiving TANF benefits when their children are placed into foster care continue to be eligible for monthly cash assistance for up to 4 months if they are actively working to reunify

(Wells, 2006) (Kang, 2016)
New Federal Guidance: Recommends Limiting Billing Parents for the Cost of Foster Care

In June 2022, ACF issued revised policy guidance allowing child welfare agencies to stop billing parents for the cost of foster care

• Recommends collecting child support only in very rare instances where there is no adverse effect on the child & it will not impede reunification
• Acknowledges that collecting child support is not cost effective

(Found in Federal Child Welfare Policy Manual, 8.4C Question 5)
State Policy Option: Limit the Practice of Billing Parents for the Cost of Foster Care

Washington State – DCYF policy change (2022)
DCYF will no longer refer parents to child support collection after a child is placed into foster care

California – AB 1686 (effective 2023)
Requires child welfare agencies to presume that child support collection is likely to pose a barrier to family reunification

A 2021 NPR investigation reported:
• 57% of parents billed for foster care in California are people of color & the extra debt often follows families for years (OC CSS, 2020)
• When parents get billed, their children are likely to spend additional time in foster care (Cancian, 2017)
• Government raises little money, or even loses money, when it tries to collect
Exploring Context and Drivers of Family Economic Insecurity & Child Welfare Involvement
Economic Insecurity Is Widespread, But Families Move In and Out of Poverty

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<th>Families move in and out of poverty over time</th>
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<td>Almost 50% of American families with young children are at risk of poverty before their child enters kindergarten</td>
<td>Almost 50% of those who become poor are out of poverty a year later</td>
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<td>More than 50% of all Americans will spend a year in poverty (by age 65)</td>
<td>But more than 50% of those who previously left poverty will return to poverty within 5 years</td>
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<td>84% of all Black Americans will spend a year in poverty (by age 65)</td>
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THE VOLATILITY AND TURBULENCE CREATED BY ENTERING & LEAVING POVERTY MAY CREATE SERIOUS STRESS FOR PARENTS AND IMPACT PARENTING

(Drake, 2014) (Cellini, 2008) (Mistry, 2002) (Han, 2021)
of U.S. adults don’t have $400 in the bank to cover an unexpected expense

(Federal Reserve, 2020)
Low-income families at risk for child welfare involvement who have experienced **income instability** in the past year *(including changes in both earnings and public benefits)* are at **increased risk for CPS investigations**, even after controlling for household income level.

➢ These findings suggest a **unique relationship** between **income instability** & child welfare involvement.

(Monahan, 2020)
How Might Economic & Material Hardship Impact Parenting and Child Well-Being?

**Family Stress Model**

- Economic & material hardship
- Psychological distress
- High cognitive loads
- Drained mental resources
- Increased conflict & hostility
- Less nurturing, responsive, & supportive parenting
- Higher risk for child welfare involvement

Multiple Material & Economic Hardships Overload Families and Increase Risk for Child Welfare Involvement

Adapted from: (Conrad-Hiebner, 2020) (Slack, 2011) (Sweetland, 2021)

Visual created by Chapin Hall at the University of Chicago

Watch the Overloaded Parents Video by NSPCC
But Families Must be Considered within the Context of Their Communities, Cultures, Policies & Systems

The single most significant lesson of [this] conceptual framework is that interventions & policies to reduce health inequities must not limit themselves to intermediary determinants, but must include policies specifically crafted to tackle underlying structural determinants.

(WHO, 2010)
Economic & Concrete Support Packages (NAS) to Improve Context and Prevent Child Welfare Involvement

Analysis simulating the effects of increased household income under 3 anti-poverty policy packages found they could reduce CPS investigations by 11 to 20% annually (386,000 to 669,000 fewer children investigated per year)

• Reductions were particularly large for Black and Latinx children & those living with single parents

• Analysis suggests implementation would substantially reduce racial disproportionality in CPS involvement:
  ➢ 19 to 29% reduction in investigations for Black children
  ➢ 13 to 24% reduction in investigations for Latinx children
  ➢ 7 to 13% reduction in investigations for white children

A Roadmap to Reducing Child Poverty

- Anti-poverty package 2: expansion of EITC & Child and Dependent Care Tax Credit (CDCTC) + universal monthly child allowance
- Anti-poverty package 3: expansion of EITC, CDCTC, Housing Choice Voucher Program & SNAP
- Anti-poverty package 4: expansion of EITC & CDCTC, increase in federal minimum wage (to $10.25/hr) + monthly child allowance

(Pac, 2023)
(A Roadmap to Reducing Child Poverty, 2019)
Economic & Concrete Supports: A Race Equity Strategy to Address Disparity & Disproportionality in Child Welfare
Economic & Concrete Supports: A Race Equity Strategy to Address Disparity & Disproportionality in Child Welfare

Poverty & economic hardship puts families at increased risk of child welfare involvement.

Due to systemic inequities, families of color are more likely to experience economic hardship & this may contribute to their disproportionate child welfare involvement.

Economic & concrete supports to stabilize families and prevent child welfare involvement may be a mechanism to reduce racial disparities.

Disproportionality and disparities are due to racism both internal and external to the child welfare system (Dettlaff, 2020)
What Current & Historic Systemic Inequities Put Families of Color at Disproportionate Risk of Economic Hardship?

Some examples include:

- Exclusion from homeownership via red-lining
- Denial of access to mortgages, banking & financial services
- Lending discrimination
- Exclusionary zoning policies
- Discriminatory federal housing policy
- Residential segregation
- Racially restrictive covenants & laws

- Denial of access to quality housing
- Discrimination in labor markets & commerce
- Inequitable hiring practices
- Denial of access to quality education
- Lack of access to health care
- Discriminatory law enforcement & criminal legal system policies
- Political disenfranchisement

(AB 3121 Task Force Report, 2022)
Children in Families of Color Are More Likely to Experience Poverty

US Children in Poverty by Racial Category

The 2019 share of children under age 18 who live in families with incomes below the federal poverty threshold (e.g., $25,926 per year for a family of 4).


(Kids Count, 2020)
(US Census Bureau, 2020)
(Center on the Developing Child at Harvard University, 2021 - graphic)
Policies that Focus Exclusively on Income Poverty Overlook Families Experiencing Net Worth Poverty, Who Are Disproportionately Families of Color

Net worth poverty = wealth (total assets minus total debts) is less than $6,500 for a family of four in 2019 (i.e., wealth < $6,500 for a family of four in 2019)

Net worth of households with children has **declined** in recent years

- **One-third** are net worth poor, **3x** as many as are income poor

**Racial gaps** in net worth poverty exceed those for income poverty

- **57%** of Black & **50%** of Latinx households with children are net worth poor, compared to **22%** of white households with children (as of 2019)

Gibson-Davis, 2021
Macroeconomic Policy Context: Racial Wealth Gap Exacerbates Economic Insecurity for Families of Color

• Black Americans represent 13% of the U.S. population, but possess only 4% of the nation’s household wealth

• The median wealth of young Black families is $600

• Nearly 1 in 5 Black households has zero or negative net worth

• Native American households own $0.09 for every dollar of wealth held by white households (as of 2000)
CPS Interventions Are Pervasive: Over Half of All Black Children Experience an Investigation

- **37% of all children** and 41% of children in the 20 most populous U.S. counties experience at least one CPS investigation by age 18
- **3 million children** experience a CPS investigation or alternative response each year (FFY 2021)
- From 2006-2019, there were almost 30 million CPS-investigated reports in the US
- An estimated **1 in every 100 children** experience a termination of parental rights

Executive Order on Advancing Racial Equity & Support for Underserved Communities

Each federal agency is ordered to conduct an equity assessment to:

• Assess whether, and to what extent, its programs & policies perpetuate systemic barriers to opportunities and benefits

• Identify potential barriers that underserved communities and individuals may face to enrollment in and access to benefits & services in Federal programs

• Determine whether new policies may be necessary to advance equity in agency actions & programs

(Executive Orders, January 2021 & February 2023)
State Policy Option: Right to Counsel May Address Racial Disparities & Reduce Family Separation

**Minnesota**  –  **HF 312** (effective 2022)

Provides right to court-appointed counsel for all parents in child welfare cases beginning “prior to the first hearing on the petition and at all stages of the proceedings”

- This law goes beyond other state right to counsel laws because court may appoint counsel when a family is being investigated by CPS

**New Mexico**  –  **House Bill 46** (effective 2022)

Leverages title IV-E federal funding to establish Office of Family Representation & Advocacy to provide high-quality legal representation to parents whose children are at risk of being placed into, or are in, foster care

(Child Welfare Policy Manual, 8.1B Q30 (ACYF-CB-IM 21-06, January 2021))
Evidence:
Relationship between Economic & Concrete Supports and Child Welfare Involvement
Sources of Evidence

How do the following studies show the impact of programs, policies, and strategies for reducing child welfare system involvement through economic & concrete supports?

- Research designed to detect the impact of a specific strategy through randomized controlled trials (RCT)
- Analysis of decades of administrative data aligned with policy or other shifts
- Natural experiments to assess public benefit programs
- Theoretical models and studies that illustrate the processes by which material hardship leads to child maltreatment

This vast body of science and growing preponderance of evidence informs our understanding of what has been effective and why and hypotheses about potential policy shifts & new pathways.

*Unless otherwise noted, all findings presented are statistically significant*
Overview of Economic & Concrete Supports

Some examples include:

- Cash assistance
- Emergency funds
- Direct cash transfers
- Earned Income Tax Credit
- Child Tax Credit
- TANF benefits
- Employment
- Income
- Flexible funds
- In-kind benefits
- Child care
- Housing supports
- SNAP
- WIC
- Medicaid
- Unemployment benefits
- Legal support
- Rental assistance
- Utility assistance
- Furniture & equipment
- Transportation
- Food
- Clothing
What does the evidence suggest happens when economic & concrete supports are reduced?
Decreased Access to Economic & Concrete Supports Is Associated with Increased Child Welfare Involvement

- Reduced TANF benefits
- Reduced income & negative earnings shocks
- Lack of child care
- Reduced employment
- Lack of stable housing
- Increased gas prices

Increased risk for child welfare involvement

States that imposed total benefit loss as the most severe sanction for not meeting TANF work requirements:

- 23.3% Increase in substantiated neglect reports
- 13.4% Increase in foster care entries due to neglect
- 12.7% Increase in total foster care entries

Reminder: The first statutory goal of TANF is to support needy families so that children can remain safely at home or with relatives.

In FY 2021, up to $6.2 billion in federal TANF funds were being held in reserve by states (ranging from $0 to $1.2 billion per state)

(Increases observed from 2004 to 2015)
State Policy Option: No Full-Family Sanctions for Non-Compliance with TANF Work Requirements

- **Nearly half of states** take away TANF benefits from the entire family ("full-family sanctions") as the initial punishment if a parent does not meet work requirements.
- States with higher concentrations of Black residents have a **higher likelihood** of imposing full-family sanctions (as of 2021).

(Center on Budget and Policy Priorities (CBPP), 2021)
State Policy Option: Eliminate Full-Family Sanctions for Non-Compliance with TANF Work Requirements

Oregon – ODHS policy (effective 2023)

Eliminates full-family sanctions for non-compliance with TANF work requirements

- Assigns 75% of monthly cash grant to dependent children & prevents sanctions from being applied to that amount

Stated reasons for policy change:

- “Full-family disqualifications risk financial instability for families. . .[ODHS] is committed to helping children thrive & keeping them with their families and in their own home whenever possible. Moving away from full-family disqualifications can help with these commitments.”
Lack of Access to Temporary Assistance to Needy Families (TANF)

States that implemented TANF time limits of less than 5 years:

- Increase in substantiated maltreatment reports: 34.4%
- Increase in substantiated neglect reports: 37.3%

(Increases observed from 2004 to 2015)

(Ginther, 2017)
State Policy Option: Extend TANF Time Limits to 60 Months

Rhode Island – FY 2023 budget bill

Extends the total amount of time that TANF participants can receive cash assistance from 48 to 60 months (federal maximum lifetime time limit)
Each additional state policy that restricts access to TANF is associated with:

- **50** Additional children with substantiated neglect reports
- **22** Additional children entering foster care due to abuse
- **21** Additional children entering foster care due to neglect

(TANF policy choices reviewed in this study included:
- Time limits of less than 60 months
- Severe sanctions for not meeting work requirements
- Work requirements for mothers with children < 12 months
- Suspicion-based drug testing of applicants

(Ginther, 2022; update of 2017 study)

(Increases observed from 2004 to 2016)

(all columns are per 100,000 children)
Lack of Access to Temporary Assistance to Needy Families (TANF)

State policies that limit access to TANF benefits:

- Reducing the maximum allowable cash benefit amount
- Implementing stricter time limits on receipt of benefits
- Lower TANF-to-Poverty Ratio (TPR)* (indicating less access to TANF benefits)

are associated with increases in mothers’ self-reports of physical child maltreatment
(from 2001 to 2010)

*TPR = number of families with children who receive TANF for every 100 families with children who are living in poverty

(Spencer, 2021)
Reduced TANF Cash Benefits

From 1985 to 2000:

• Reductions in AFDC/TANF cash benefit levels were a main predictor of the dramatic growth in state-level foster care caseloads during this period.

• 10% reduction in the average monthly AFDC/TANF cash benefit amount for a family of 3 was associated with a 2.3% increase in the foster care caseload rate.

(Swann, 2006)
Reduced State Public Benefits

- Reductions in state public benefit levels *(AFDC/TANF plus the value of food stamps)* are associated with higher numbers of children in foster care

- Lifetime limits on receipt of TANF benefits & sanctions for noncompliance are associated with higher levels of substantiated maltreatment

(Paxson, 2002)
(Paxson, 2003)
Lack of Access to Child Care

• For every additional child care concern reported by families receiving TANF, the risk of supervisory child neglect increases by 20%.

• Mothers entering substance use treatment who have difficulty securing child care are 82% more likely to self-report child neglect (compared to mothers entering treatment who don’t have this difficulty).

  Difficulty finding child care was a stronger predictor of maternal neglect than almost any other factor measured in this study, including mental health & severity of drug use.

(Yang, 2016)
(Cash, 2003)
Lack of Access to Child Care

For working mothers who are low income:

- **Instability in child care** arrangements is associated with increased risk for self-reported physical & psychological aggression toward their children

- Not having access to **emergency child care** is associated with increased risk for self-reported neglectful behavior *(especially for single mothers)*

(Ha, 2019)
Lack of Access to Child Care Subsidies

Waitlists to access subsidized child care are associated with an increase in child maltreatment investigations

- Only 14% of children eligible for child care assistance receive it due to funding shortfalls
- Low-income families who pay for child care spend an average of 30% of their household income on child care

Reduced Employment

- A 1% increase in the monthly unemployment rate in an urban midwestern county is associated with an increase of 61 screened-in child maltreatment reports (excluding “neglect only” reports)

- A 1% increase in the county unemployment rate is associated with a 20% increase in substantiated neglect reports

(Weiner, 2020)
(Brown, 2020, national data set 2004–2012)
Reduced Employment

During the Great Recession (2007–2009), the rate of abusive head trauma (AHT) for children < 5 years old was considerably higher than during the period immediately before. AHT rate increased from 8.9 in 100,000 children before the recession to 14.7 in 100,000 children during the recession.

(Berger, 2011)
Reduced Disposable Income Due to Increased Gas Prices

A $1.00 increase in the price of gas for a state with 100,000 children is associated with an additional 642 child maltreatment referrals (controlling for demographic and other economic variables)

(McLaughlin, 2017)
Housing Stress

Housing stress:

- Homelessness
- Eviction
- Foreclosure filing
- Housing instability/Multiple moves
- Inadequate housing

is associated with increased likelihood of child welfare involvement:

- Caregiver self-reported child maltreatment
- CPS investigations
- Substantiated CPS reports
- Foster care placement

Families with children make up almost one-third of the total homeless population in the U.S.

1 in 3 children who are homeless have experienced a major mental disorder by age 8

(HUD, 2022) (NCTSN, 2005)
Housing Insecurity

- Inadequate housing contributes to the risk of entering foster care for 1 out of every 6 children involved in CPS investigations.
- Self-reported housing instability in urban areas is associated with increased risk for neglect (above and beyond poverty).

(Fowler, 2013)
(Warren, 2015)

"The Children’s Bureau affirms that working with families and young adults to secure housing and prevent eviction and homelessness is paramount to prevention."
Housing Insecurity - Evictions

Each additional eviction filing (per 100 occupied units in a block group) is associated with a 2% increase in child maltreatment reports (primarily neglect)

1 in 4 children born in large U.S. cities who are living in deep poverty will experience at least 1 eviction for nonpayment of rent by age 16

(Bullinger, 2021)
(Lundberg, 2019)
Housing Insecurity - Foreclosures

- Households that will experience a foreclosure filing in next 6–12 months are at 70% greater risk of a CPS investigation (compared to households that will not)
- Increases in current and prior-year mortgage foreclosure rates are associated with increases in investigated & substantiated child maltreatment
  - 1% increase in the prior-year foreclosure rate is associated with a 7.3% increase in substantiations

(Berger, 2015 - Wisconsin data 2008–2011)
Increases in mortgage delinquency & foreclosure rates are associated with increases in hospital admissions for:

- **Physical abuse** of children < 6 years old
- **Traumatic brain injury** for infants <1 year old (non-birth & non-motor vehicle crash related)

What does the evidence suggest happens when economic & concrete supports are increased?
How Might Economic & Concrete Supports Positively Impact Child and Family Well-being?

Family Investment Model

- Families receive sufficient economic & concrete supports
- Families have resources to meet their basic needs
- Families can invest in services & opportunities for their children
- Families have access to housing, child care & educational opportunities
- Families can provide increased nurturing, responsive & supportive parenting
- Families experience improved child & family well-being

Lower risk for child welfare involvement

(Conrad, 2020) (Maguire-Jack, 2021)
Increased Access to these Economic & Concrete Supports Is Associated with Decreased Risk for Child Welfare Involvement

**Macroeconomic Supports**
- Tax credits (EITC & CTC)
- Employment
  - Minimum wage
  - Paid family leave
  - Unemployment benefits

**Concrete Supports**
- Healthcare (Medicaid)
- Child care
- Housing

**Child Welfare Interventions with ECS**
- Differential response
- Family preservation

**Public Benefits**
- Overall state spending on benefits
- TANF
- SNAP & WIC
Earned Income Tax Credit (EITC) & Child Tax Credit (CTC)

• EITC and CTC payments are associated with **immediate reductions** in state-level child maltreatment reports

• Each additional $1,000 in per-child EITC and CTC refunds is associated with a decline in state-level child maltreatment reports of:
  ▪ 2.3% in the week of payment
  ▪ 7.7% in the 4 weeks after payment

(Kovski, 2022)
Earned Income Tax Credit (EITC)

- $1,000 increase in income via EITC is associated with 8–10% reduction in self-reported CPS involvement for single-mother families that are low income.
- Federal expansion of EITC (in 2009) is associated with a 7.3% decrease in foster care entry rates per year in states with a state-level EITC (compared to those without).

According to the IRS, 1 in 5 families eligible for EITC does not receive it (as of 2019).
States with a state-level refundable EITC, compared to those without, are associated with an 11% decrease in foster care entries (even after controlling for poverty, race, education & unemployment)

➢ If states without any EITC implemented a refundable EITC, an average of 668 fewer children would enter foster care annually in each state

(Rostad, 2020)
Earned Income Tax Credit (EITC)

- 10% increase in the generosity of **refundable** state-level EITC benefits is associated with:
  - 5% decline in reported maltreatment rates
  - 9% decline in reported neglect rates

- **Refundable** state-level EITC (averaging $400 per year) is associated with a **13% decrease in hospital admissions for abusive head trauma** for children < 2 years old* (even after controlling for poverty, race, education & unemployment)

*K approaches statistical significance

(Kovski, 2021)
(Klevens, 2017)
State Policy Option:
Establish a State Earned Income Tax Credit

26 states, D.C., Guam & Puerto Rico have a refundable EITC
(as of August 2022)
State Policy Option:
Establish a State Child Tax Credit

9 states have enacted a state-level refundable CTC (as of November 2022)
From 2004 to 2013:

- States that increased the minimum wage beyond $7.25 per hour experienced a decline in child maltreatment reports.
- Every $1 increase in minimum wage was associated with a 9.6% decline in neglect reports (primarily for children < 12 years).

(Raissian, 2017)
Increasing a city’s minimum wage is associated with reductions in self-reported physical & psychological aggression by parents towards their children (compared to cities that do not change minimum wage) (Schnieder, 2021)
State Policy Option: Establish or Increase Minimum Wage

- 18 states + D.C. have adopted minimum wages of $12 or higher.
- The current federal minimum wage of $7.25 per hour is now **worth less than at any point since 1956**.
- A worker paid the current federal minimum wage earns **40% less** than a minimum wage worker in 1968 (as of January 2023).

(EPI, 2022 - graphic)
(EPI, 2022)
Paid Family Leave (PFL)

Compared to states with no PFL policy, the implementation of California’s 2004 PFL policy (up to 12 weeks of partially paid leave) was associated with a decrease in hospital admissions for abusive head trauma:

- among children <1 year old and
- among children < 2 years old

(Klevens, 2016)
State Policy Option: Establish Paid Family Leave Policies

- Less than 1 in 4 workers have access to paid family leave
- 11 states + D.C. have adopted a statewide paid family leave program (but not all are fully implemented)

(as of 2022)

(Prenatal-to-3 Policy Impact Center (PN3), 2022 - graphic) (KFF, 2021)
States that extended the duration of unemployment benefits at the onset of the Great Recession saw smaller increases in substantiated neglect reports (compared to states that didn’t extend unemployment benefits) (Brown, 2020)
State Policy Option: Expand Unemployment Benefits

Weeks of Unemployment Insurance Available and Unemployment Rates

Maximum number of weeks of benefits available:
- fewer than 26 weeks
- 26 weeks
- more than 26 weeks

Only two states provide more than 26 weeks of unemployment benefits (as of November 2022)

Source: Congressional Research Service, Department of Labor

(CBPP, 2022- graphic)
Medicaid Expansion

The rate of screened-in neglect reports for children < age 6 decreased in states that expanded Medicaid, but increased in states that did not expand Medicaid (from 2013 to 2016)

➢ If non-expansion states had expanded Medicaid, there would have been almost 125,000 fewer screened-in neglect referrals for children < age 6 in the U.S. (from 2014 through 2016)

Medicaid expansion is associated with improved economic stability & mental health for parents who are low income

(Brown, 2019)
Medicaid Expansion

States that newly expanded Medicaid in 2014 were associated with reductions in the average rate of child neglect reports per state-year:

- **13% reduction** for children ages 0-5
- **15% reduction** for children ages 6-12
- **16% reduction** for children ages 13–17

(compared to states that did not expand Medicaid from 2008 to 2018)

(McGinty, 2022) (Urban Institute, 2021)

- Almost **60% of uninsured children** are eligible for Medicaid/Children’s Health Insurance Program (CHIP)
- **7.6% of children** in non-expansion states, compared to 3.8% of children in expansion states, are uninsured
  (as of 2019)
Medicaid expansion is a key strategy for addressing housing instability for people with low incomes.

- **Evictions fell by 20%** in Medicaid expansion states compared to non-expansion states.

- By providing enrollees with **financial protection from high medical bills**, Medicaid can free up income to pay rent or to avoid eviction.

(Source: Zewde et al., “The Effect of the ACA Medicaid Expansion on Nationwide Home Evictions and Eviction-Court Initiations,” 2019)
About 4.3 million uninsured adults would become newly eligible for Medicaid if all non-expansion states expanded income eligibility for Medicaid to 138% of the federal poverty line (as of 2019)

*South Dakota newly voted to expand Medicaid
State Policy Option: Leverage Opportunities to Use Medicaid Funding to Address Social Determinants of Health

North Carolina – Healthy Opportunities (2022)
California – CalAIM (2022)
Oregon – Oregon Health Plan (2022)

Medicaid waivers shifting to a population health approach prioritize prevention & social determinants of health

• Provide non-medical supports related to housing, food & transportation for those with complex needs
• Improve individual & community health

(KFF, 2022)
States with policies that facilitate continuity of eligibility for Medicaid/Children’s Health Insurance Program (CHIP) are associated with lower child maltreatment investigation rates (compared to states without continuous eligibility)

- About 11% of children enrolled in Medicaid/CHIP experience a gap in coverage of less than a year (as of 2018)
- Consolidated Appropriations Act of 2023 requires states to provide children with 12 months of continuous coverage when they enroll in Medicaid/CHIP regardless of changes in circumstances (effective early 2024)

(Kleven, 2015) (KFF, 2021)
State Policy Option: Leverage Opportunities to Use Medicaid Funding For Continuity of Care

Oregon – Medicaid Waiver (approved 2022)

- First state in the nation to receive federal approval for continuous Medicaid coverage for children until age 6
- Individuals ages 6+ will have two years of continuous Medicaid enrollment, even if their household income fluctuates
State Policy Option: Expand Continuous Coverage for Children in Medicaid & CHIP

Washington, New Mexico & California are seeking to join Oregon in offering children multi-year continuous Medicaid and CHIP coverage through Medicaid waivers.
Child Care Subsidies

States with Child Care & Development Fund (CCDF) program polices that make child care subsidies more accessible to child welfare-supervised families are associated with lower child removal rates (compared to other states)

(Meloy, 2015)
Child Care Subsidies

Each additional month that mothers who are low income receive a child care subsidy is associated with:

- **16% decrease** in the odds of a neglect report
- **14% decrease** in the odds of a physical abuse report

*(in the following 12 months)*

(Yang, 2019)
Child Care

Child care investments* included in Build Back Better (proposed 2020-2021) would be associated with a:

➢ 6.4% reduction in CPS investigations
➢ 6% reduction in substantiated child maltreatment
➢ 3.1% reduction in foster care placements
➢ 11.6% reduction in child fatalities due to maltreatment

(Puls, 2022)

*$273 billion for child care for children up to age 5
$109 billion for free and universal preschool
State Policy Option: Increasing Access to Child Care for Families

New Mexico

- From 2022 to 2023, child care will be free for most families (family of four earning up to about $111,000)
- Goal is to develop a free, universal child care system
  - In November 2022, New Mexico overwhelmingly approved a ballot measure guaranteeing a constitutional right to early childhood education
  - It will create a dedicated funding stream (from the state’s Land Grant Permanent Fund) for universal preschool and child care & bolster home-visiting programs for new parents
High-Quality Child Care

Helps prevent child maltreatment
✓ Children who participated in Chicago Child-Parent Center preschool:
  • 52% less likely to be victims of confirmed maltreatment by age 17
  • Lower rates of reported neglect (compared to non-participating peers)

Reduces likelihood of child welfare involvement
✓ Children who attended Early Head Start had fewer child welfare encounters between ages 5 and 9 (compared to those who didn’t attend)

Reduces likelihood of foster care entry
✓ Children (ages 0–5) who participated in Head Start & were referred to child welfare for suspected maltreatment were 93% less likely to enter foster care (compared to children who did not receive any early childhood education service)

Less than one-third of young children under child welfare supervision who live at home receive any early childhood education services

(Reynolds, 2003) (Green, 2014) (Klein, 2017)
**State Policy Option:** Level of Investment in High-Quality Child Care

Every $1 invested in high-quality child care = $9 in benefits to society due to:

- Reduced participation in special education
- Reduced K-12 grade retention
- Increased high school graduation rates
- Increased labor income
- Reduced crime & criminal legal costs
- Improved health & healthy behaviors

U.S. annual public spending on child care per child (age 2 and under) = $500

O.E.C.D. average = $14,436 (2019 data)

(García, 2021) (Hendren, 2020) (Davis, 2021)
Supportive Housing

Children of child welfare-involved families who face housing instability and receive a supportive housing program (housing voucher + case management) experience:

- **Fewer removals** (9% vs. 40% in business-as-usual control group after 2 years)
- **Lower prevalence of substantiated maltreatment** (8% vs. 26% in control group after 18 months)
- **Increased reunification** (30% vs. 9% in control group after 2 years)

(Farrell, 2018) (RCT)
HUD’s Family Options Study found that homeless families referred for permanent housing subsidies self-reported:

- **50% fewer foster care placements**
  (1.9% vs. 5% in the control group experienced at least 1 placement in the last 6 months)
- Lower rates of psychological distress
- Less intimate partner violence
- Fewer child behavior problems
- Greater housing stability & food security

(compared to a business-as-usual control group of homeless families at the 20-month follow-up)

(Gubits, 2015) (RCT)
State Policy Option: Connect Head Start Families to Housing Supports

Connecticut

Head Start on Housing Program (2022)

Cross-agency collaboration that provides federal housing vouchers to families with young children participating in Head Start programs
State Policy Option: Provide Short-Term Housing Support to Families Involved with Child Welfare

Wisconsin – Family Keys Pilot Program (2022)

Provides short-term housing funds to families with children at risk of removal due to housing insecurity & to families unable to reunify due to inadequate housing

- Short-term housing funds will be used for hotel costs, short-term rentals & expenses related to finding and maintaining housing (security deposits, housing application fees, utility costs)
Temporary Assistance to Needy Families (TANF)

A 10% increase in state public benefit levels \((AFDC/TANF + \text{the value of food stamps})\) for a family of four is predicted to reduce foster care placements by 8%.

(Paxson, 2003)
State Policy Option: Increase TANF Spending on Cash Assistance

15 states spend <10% of TANF funds on basic assistance

41% of Black children live in states that spend <10% of TANF funds on basic assistance

Find out how your state spends its TANF funds:
https://www.cbpp.org/research/family-income-support/state-fact-sheets-how-states-spend-funds-under-the-tanf-block-grant
Temporary Assistance to Needy Families (TANF)

Easing TANF restrictions is associated with:
- Fewer children with substantiated neglect
- Fewer children placed into foster care

➢ An estimated **29,112 fewer children would have entered foster care nationally** from 2004 to 2016 if states had eased TANF restrictions to increase access for families

**TANF policy choices reviewed in this study included:**
- Time limits of less than 60 months
- Severe sanctions for not meeting work requirements
- Work requirements for mothers with children < 12 months
- Suspicion-based drug testing of applicants

(Ginther, 2022)
State policies that increase access to TANF are associated with reductions in maternal self-reported physical child maltreatment.

➢ A $100 increase in TANF cash benefits is associated with reductions in maternal self-reported physical child maltreatment.

(Spencer, 2021)
State Policy Option: Increase TANF Cash Assistance Benefit Amounts

TANF cash benefit amounts are determined solely by states

- For a family of 2, maximum benefit amount varies from $146 to $862 per month (as of July 2020)
- Only **two states** have a maximum benefit amount > 50% of the federal poverty line (FPL)
- Although several states increased cash benefit amounts in 2021, benefits in most states remain at their **lowest value** since the program was created in 1996
- **48% of Black children** live in states with benefit amounts below 20% of the FPL, compared to 35% of white children

Source: Congressional Research Service (CRS), based on data from the Welfare Rules Database, funded by the Department of Health and Human Services (HHS) and maintained by the Urban Institute. The Welfare Rules

Figure 3. TANF Cash Assistance Maximum Monthly Benefit Amounts for a Single-Parent Family with One Child, 50 States and the District of Columbia, July 2020

(CRS, 2022) (CBPP, 2023)
State Policy Option: Provide Concrete Supports through TANF Home Visiting Program

California – SB 187 (effective 2022)

Increases the amount from $500 to $1,000 for a one-time payment for the purchase of material goods to families participating in the TANF home visiting program.
Supplemental Nutrition Assistance Program (SNAP)

From 2006 to 2019, states that adopted both policies to **expand SNAP eligibility** under broad-based categorical eligibility (BBCE)

✓ **Increasing income limit for eligibility**
✓ **Eliminating the asset test**

were associated with **decreases in the number of CPS-investigated reports**

(on average, 9.3 fewer investigated reports per 1,000 children each year, than if these states had not adopted both policies)

“A...state adoption of these SNAP policies has the potential to contribute to reductions in CPS involvement at the population level.”

(Austin, 2023)
States with more generous SNAP policies experienced:

- Large reductions in CPS reports
  \(\text{reduction of 352 reports per 100,000 children}^*\)
- Fewer substantiated reports, particularly for neglect
- Fewer foster care placements

\(\text{from 2004 to 2016, compared to states with less generous SNAP policies}\)

\(\text{(Johnson-Motoyama, 2022)}\)

\(\text{*(95% CI, -557.1 to -148.2)}\)
• Every 5% increase in the number of families receiving SNAP benefits was associated with an 8% to 14% reduction in CPS & foster care caseloads

• **Cumulative effect:** implementation of *multiple* more generous SNAP policies was associated with *larger reductions* in child welfare involvement

• Estimated reductions in CPS reports & substantiations were **particularly large** among states offering *transitional SNAP benefits to families leaving TANF*

*From 2004 to 2016:*

*Johnson-Motoyama, 2022*
State Policy Option: Implement More Generous SNAP Policies

Adoption of More Generous SNAP Policies Over Time

SNAP policy choices reviewed in this study:
- Increasing income limits under broad-based categorical eligibility (BBCE)
- Excluding legally obligated child support payments from total income
- Providing transitional SNAP benefits to families leaving TANF
- Using simplified reporting option for changes in household circumstances

(Johnson-Motoyama, 2022 - graphic)
Presence of each additional store accepting SNAP benefits in the least densely populated areas of a northeastern state is associated with:

- 11.3% decrease in substantiated child maltreatment cases
- 4.4% reduction in child maltreatment reports
- 6% reduction in neglect reports

(Bullinger, 2021)
Children from low-income families who participate in SNAP or WIC (jointly or alone) have a lower risk of substantiated maltreatment reports (compared to children from low-income families who don’t participate in either program) 

(Lee, 2007)
State Policy Option: Reduce the Administrative Burden for SNAP

Administrative burdens are barriers that increase the costs - time, money & psychological distress - of applying for and maintaining enrollment in public benefit programs.

For SNAP, longer recertification intervals, online application materials & simplified income reporting can reduce administrative burden and increase participation.

2021: 31 states

State has newly adopted and implemented the policy since October 1, 2021

(PN3, 2022)
Low-income families who receive Differential Response (DR) with concrete supports, as compared to low-income families who receive DR without any concrete supports, are less likely to experience a subsequent maltreatment report* (43.2% v. 52.7%) (concrete supports included housing, rent, utilities, food or clothing, appliances, furniture or home repair & other financial help)
Families with screened-in reports who are assigned to a Differential Response (DR) track & tend to receive **more concrete supports**, as compared to families assigned to the traditional track who receive fewer concrete supports, have a **lower risk** of subsequent:

- Accepted maltreatment reports
- Child removals & placements
Families with open child welfare cases (mostly neglect) who receive a home-based services program with concrete supports are 17% less likely to experience a subsequent child maltreatment report (during the first year).

(compared to families who receive the program without any concrete supports)

(Rostad, 2017)
Family Preservation with Concrete Supports

For families who report difficulty paying bills prior to receiving a home-based services program with concrete supports:

- Provision of clothing/furniture/supplies or housing assistance is associated with a reduced likelihood of subsequent substantiated maltreatment
- Provision of cash assistance or clothing/furniture/supplies is associated with a reduced likelihood of a subsequent foster care placement

(Ryan, 2004)
**State Policy Option:** Provide Economic & Concrete Supports through Family Preservation Program

**Illinois – Norman Services for Family Preservation**

Families whose children are at risk of removal due to lack of food, clothing, housing or other basic human needs are referred by child welfare to this family preservation program which provides:

- **Emergency cash assistance** for:
  - Security deposit and/or first month’s rent
  - Housing repairs
  - Utilities
  - Food
  - Clothing
  - Furniture and/or equipment
  - Transportation

- Assistance finding **housing**

- **Waiver to allow families to apply for TANF** if working towards reunification
**State Policy Option:** Provide Concrete Supports through Family Preservation Program

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**Kentucky** – SFY 2022 budget

State budget included **$1,000 in flexible funds** for families participating in Kentucky’s family preservation program to meet concrete needs & prevent removal.

**From SFY 2019 to SFY 2021**

- Prevention expenditures increased by **$9.6 million**
- Out-of-home care expenditures decreased by **$58.1 million**

(decline in out-of-home expenditures includes decrease in number of children in foster care [900+ less] & reductions in congregate care placements)

(Revised by Kentucky Interim Joint Committee on Health, Welfare & Family Services, July 21, 2021)
Economic Supports Provide Stability and Are Associated with Improved Mental Health & Well-Being
almost 70%
of families with incomes below 200% of the federal poverty line report experiencing a **material hardship** in the past year
(*difficulty paying for housing, utilities, food or medical care*)

Of these families:

61% experienced a **financial shock** in the past year

(Urban Institute, 2018)
Relationship Between Material Hardship & Mental Health

Living with low income is associated with increased risk for poor mental health

Low-income mothers with young children are at particularly increased risk of depression

Studies estimate between 16% and 48% of low-income mothers with young children suffer from clinically significant depression

Longitudinal studies indicate that material hardship, in particular, is associated with & precedes poor mental health

Among low-income mothers with young children, experiencing a material hardship in the last 12 months is associated with an increased risk for depression

For these mothers, the risk of depression increases with a greater number of material hardships reported

Economic Supports Are Associated With Improved Maternal Mental Health

- After the 1993 Earned Income Tax Credit (EITC) expansion substantially increased the benefit level for families with 2 or more children:
  - Mothers (with a high school degree or lower) who were eligible for the EITC and had 2 or more children self-reported larger improvements in mental health & reductions in stress-related biomarkers (compared to similar mothers with only 1 child)

- Canadian child tax benefit expansion was associated with reduced depression for mothers who were low-income

(Evans, 2014)  
(Milligan, 2011)
Stockton Guaranteed Income Program (2019–2021)

125 low-income residents of Stockton, CA were randomly selected to receive $500 per month for 2 years. After 1 year, compared to the control group who didn’t receive the payment, recipients experienced:

✓ Improved financial stability
✓ Improved adult mental health

Recipients also experienced:

✓ Improved employment
  • 28% of recipients had full-time jobs at start → one year later, 40% had full-time jobs

With their monthly cash payment, recipients spent:
• 37% on food
• <1% on tobacco & alcohol

(West, 2021) (RCT)
Eastern Band of Cherokee Indians
Family Cash Transfer Program (1996 – present)

Every Tribal member receives an **annual income supplement** from casino profits of approximately $5,000 (child supplements are paid into trust fund until high school graduation)

Longitudinal studies find children in Tribal families have:

✓ **Improved mental health & well-being as adults**
  * At age 21, they were **less likely to have substance use issues & psychiatric disorders**
  * At age 30, they reported **less anxiety & depression** and **better physical health**

✓ **Improved financial well-being as adults**

✓ **Improved educational attainment**
  * For Tribal children in the poorest households before the program was established, an extra $4,000 in annual household income **increased their educational attainment by 1 year**

(Copeland, 2022)
(Akee, 2010)
(Costello, 2003)
(Costello, 2010)

**Cumulative effect:** At age 30, children whose families had received the supplement for the longest duration & for the largest amounts (due to having multiple Tribal member parents) reported:

✓ Lowest levels of psychiatric symptoms
✓ Highest levels of physical health & financial well-being

(compared to nontribal adults in same community)
First large-scale U.S. randomized controlled trial designed to identify causal impact of poverty reduction on children’s early development

- 1,000 low-income mothers of newborns were randomly assigned to receive either $333 monthly unconditional cash payment or nominal monthly payment (control group) for the first 4 years of their child’s life

Initial Findings: 1-year-olds whose mothers received $333 monthly cash payment had brain activity associated with higher cognitive functioning (compared to infants in the control group)

- Monthly unconditional cash payments given to families experiencing poverty may have a causal impact on early childhood brain activity

(Troller-Renfree, 2022) (Noble, 2021) (RCT)
How Do People Spend Unconditional Cash Payments?

Meeting Basic Needs
- Food
- Rent
- Utilities
- Auto care/transportation

Education
- School supplies
- Tuition
- Child care

Paying Down Debt

- Alcohol & Tobacco
  - Families who received monthly Canadian child benefit payments significantly decreased their alcohol & tobacco spending
    - Supports theory that substance use is sometimes a response to financial stress
    - Consider economic & concrete supports as a substance use prevention intervention
  - Stockton & Baby’s First Years unconditional cash transfer recipients spent less than 1% of payments on tobacco & alcohol

State Policy Option: Provide Economic Supports for Families At Risk For Child Welfare Involvement

Washington State

Cash Grants: Family COVID Relief (2022)

- Allocated $5.5 million of Coronavirus State and Local Fiscal Recovery Funds to support families at risk for child maltreatment who were negatively impacted by COVID

- One-time $250 cash grant per child to be provided directly to families in a manner that increases accessibility
Economic and Concrete Supports as the Evidence-based Service:

Is attending to economic & concrete supports in evidence-based programs more of the active ingredient than currently understood?
Services on Prevention Clearinghouse that Include Economic & Concrete Supports or Navigation to Resources

✓ **Homebuilders** *(rated well-supported)*: Parenting intervention provides flex funds for family

✓ **Multisystemic Therapy** *(rated well-supported)*: Mental health & substance use intervention provides flex funds for family

✓ **Intercept** *(rated well-supported)*: Parenting intervention provides flex funds for family

✓ **Community Reinforcement Approach + Vouchers** *(rated promising)*: Substance use intervention provides vouchers as incentives for sustaining abstinence, redeemable for material goods & experiences

✓ **Healthy Families America** *(rated well-supported)*: Parenting intervention provides referral and coordination of services for families, including financial, food, housing assistance & child care

✓ **Child First** *(rated supported)*: Parenting & mental health intervention requires care coordinator to assist families in accessing services such as SNAP, WIC, housing
Impact of Concrete Supports in Homebuilders

Evaluation of Homebuilders found that for families who reported *difficulty paying bills* prior to receiving this home-based program, which provides *emergency cash assistance & concrete supports* (based on family need):

- Increases in the provision of *housing assistance* or *clothing/furniture/supplies* was associated with *reduced likelihood of subsequent maltreatment*.
- Increases in the provision of *cash assistance* or *clothing/furniture/supplies* was associated with *reduced likelihood of foster care entry*.

(Ryan, 2004)
(see also Fraser, 1991)
Relationship Between Macroeconomic Factors & Child Welfare Involvement Suggests the Need for a Population-Level Public Health Approach to Prevention
Context & Economic Factors Matter

- Economic factors are associated with neglect outcomes above individual-level parenting behaviors & capacities
- Material hardship is associated with CPS involvement beyond caregiver psychological distress & parenting factors
- The association of individual factors (such as caregiver substance abuse or mental health) with child maltreatment is reduced after accounting for poverty experienced by families

➢ “Contextual factors like poverty are essential to understanding a family’s needs when addressing child maltreatment.”

(Slack, 2011)
(Yang, 2015)
(Escaravage, 2014)
Higher Income Inequality Is Associated with Higher Child Maltreatment Rates

At the county level, higher income inequality—*independent of child poverty rates*—is associated with higher rates of substantiated child maltreatment

- Impact of income inequality on child maltreatment rates is greatest in counties with the highest levels of child poverty

(Eckenrode, 2014)  
(Zhang, 2021)
Higher Intergenerational Income Mobility Is Associated with Lower Child Maltreatment Reports

Counties where children have a greater chance of moving up the income ladder have lower child maltreatment report rates (even after accounting for income inequality and poverty rates)

• 1% increase in the likelihood of moving from bottom of income ladder in childhood to top in adulthood is associated with 2.3% fewer maltreatment reports

(Chetty, 2019)

Black & Native Americans have substantially lower rates of upward mobility than whites, leading to persistent disparities across generations

(Bullinger, 2021)
Mothers receiving WIC benefits in counties with greater amounts of per child spending on prevention services have lower odds of individual child maltreatment investigations (compared to those who live in counties that spend less)

- The effect of county prevention spending on individual maltreatment investigations is irrespective of actual receipt of prevention services

Prevention services included in study:
- Domestic violence, parenting, substance abuse & mental health services
- Home visiting programs
- In-home counseling programs
- Flexible funding
- Resource & referral to community resources
- Family team meetings, wraparound programs & coordinated service teams
- Support groups
- Respite care
- Youth services

(Maguire-Jack, 2014)
Family Connects (FC) is a short-term, community-wide nurse home visiting program for families with newborns

- **Focuses on addressing material needs**: 1–3 home visits to assess family needs, connect families to community resources, and provide education & intervention as needed

- **Randomized clinical trials** of all families with births in selected hospitals in Durham, NC over a 6-month period found that families randomly assigned to FC experienced:
  - More positive maternal mental health (at age 6 months)*
  - **44% lower rate of CPS investigations** (through age 2)
  - **39% fewer CPS investigations** (through age 5) (compared to families who didn’t receive FC)

* Approaches statistical significance

“The findings... suggest that, when implemented with high quality & broad reach, a brief postpartum nurse home visiting program can reduce population rates of child maltreatment.”

(Goodman, 2021)(RCT)
(Dodge, 2019)(RCT)
Economic & Concrete Supports As a Population-Level Strategy for Prevention of Child Maltreatment

Each additional $1,000 that states spend annually on public benefit programs per person living in poverty is associated with:

➢ 4% reduction in child maltreatment reports
➢ 4% reduction in substantiated child maltreatment
➢ 2% reduction in foster care placements
➢ 8% reduction in child fatalities due to maltreatment

(independent of federal spending)

In 2017, if all states had increased investment in public benefit programs by 13.3%, there would have been an estimated:

- 181,850 fewer child maltreatment reports
- 28,575 fewer substantiations
- 4,168 fewer foster care placements
- 130 fewer child fatalities due to maltreatment

Long-term cost savings:
Each additional 13.3% that states invest annually in public benefit programs (which would total $46.5 billion nationally) would save up to $153 billion due to reduced maltreatment-related costs

(Puls, 2021, state-level data FFY 2010-2017)
**State Policy Option:** Level & Mix of State Spending on Public Benefits Per Person Living in Poverty

States’ total annualized spending on public benefit programs per person living in poverty

(FFY 2010 - 2017)

(Puls, 2021 - graphic)
Elevating Federal Policies that Improved Child & Family Well-being During the COVID Pandemic
The Buffer Increased in 2021 to the Highest Level Recorded…but

Financial well-being of U.S. households reached an all-time high in 2021, which “aligns with improved economic conditions & the additional COVID-19 relief measures enacted in 2021.”

32%

of U.S. adults don’t have $400 in the bank to cover an unexpected expense

(Federal Reserve, 2022)
Enhanced Government Assistance Led to Sharp Declines in Poverty & Food Insecurity

Enhanced federal government assistance during pandemic (2020-2021) included:

✓ Federal stimulus payments
✓ Expanded unemployment assistance
✓ TANF emergency assistance
✓ Emergency rental assistance
✓ Expanded child care assistance
✓ Increased SNAP benefits
✓ Expanded EITC & CTC

2021: Poverty rates declined
✓ Overall poverty rate fell to record low 7.8%
✓ Child poverty rate fell to record low 5.2%
  (compared to 9.7% in 2020)
✓ Black child poverty rate declined to 8%
  (compared to 17% in 2020)

(measured by the Supplemental Poverty Measure, which accounts for impact of government programs & tax credits)

2021: Food insecurity among households with children fell to a record low of 12.5%

(U.S. Census Bureau, 2022)
(USDA, 2022)
Child Maltreatment Appeared to Decline in 2020

Child maltreatment appeared to decline during the first year of the pandemic

- **Emergency room visits** for suspected child maltreatment substantially declined
- **Hospitalizations** for abusive head trauma (AHT) decreased
- **Child fatalities** due to maltreatment decreased 4.4%
  (Black child fatalities *increased* 17% but returned to pre-pandemic levels in 2021)

**Government assistance to families in financial distress may be protective**

- Although surveys show household finances worsened for 40% of American families during the pandemic, increased government assistance *buffered financial distress*
Federal Stimulus Checks Associated with Improved Mental Health, Food Security & Financial Stability

Material hardship **fell sharply** following federal stimulus cash payments, which most Americans received in January & April 2021 *(totaling up to $2,000 per person)*

From December 2020 to April 2021, share of Americans reporting:
- **Adverse mental health symptoms fell by 20%** *(among all households)*
- **Food insufficiency fell by 41%** *(among households with children)*
- **Financial instability fell by 43%** *(among households with children)*

While the economic recovery, tax credits & other forms of aid may have also contributed to these improvements, **largest declines in measures of hardship coincided with arrival of stimulus checks**

(Who experienced the greatest declines in material hardship?
✓ Poorest households
✓ Families with children)

“We believe the success of the federal government’s relief measures may be due to the speed, breadth & flexibility of its broad-based approach, primarily relying on cash transfers.” 

(Cooney, 2021)
Enhanced Unemployment Benefits Associated with Improved Mental Health

Applicants who received enhanced unemployment benefits reported fewer adverse mental health symptoms than those who applied for, but did not receive, these benefits (from August to December 2020).
2021 Expanded Monthly Child Tax Credit (CTC) Significantly Reduced Child Poverty

- Reduced monthly child poverty by almost 30%
- Reduced month-to-month volatility in poverty
- Increased families’ abilities to meet their basic needs
- Strongly reduced food insufficiency
- Had no discernable negative effects on parental employment

$1,000 increase in average CTC benefit is associated with a 1.1% increase in single mother labor force participation (as of 2013)

(Parolin, 2022 - graphic) (Shafer, 2022) (Zheng, 2020)
2021 Expanded Monthly Child Tax Credit (CTC) Associated with Improved Mental Health for Parents

National survey data from samples of low-income parents during a period before and after the CTC expansion suggests the expanded CTC was associated with improved mental health:

- 9.2% decrease in depressive symptoms
- 13.3% decrease in anxiety-related symptoms

➢ Black and Latinx low-income parents experienced the greatest mental health benefits

(American Rescue Plan Act provided 6 monthly CTC payments of up to $300 for each child under age 6 & up to $250 for each child aged 6-17 to eligible families from July to December 2021)

(from April 2021 to January 2022, despite no changes in mental health care use)

(Batra, 2023)
How Did Families Spend Their Expanded Monthly Child Tax Credit (CTC) Cash Payments?

Families with incomes below $25,000 were more likely than other families to spend their CTC payments on basic needs:

- Food
- Utilities
- Clothing
- Housing

(Data collected from July 21 – August 2, 2021)

(CBPP, 2021 - analysis of U.S. Census Bureau’s Household Pulse Survey data)
Expanded CTC: Potential for Significant Long-Term Cost Savings & Benefits to Society

Social benefits of a more generous and widespread CTC* are estimated to be worth nearly nine times the annual program costs due to:

✓ Increased children’s future earnings in adulthood
✓ Increased parent and child health & longevity
✓ Decreased infant mortality
✓ Reduced health care costs
✓ Reduced expenditures on child protection
  ➢ $4 billion in avoided CPS expenditures
✓ Reduced criminal justice costs

“The biggest single benefit to children and society as a whole comes from the substantial increases in children’s health & longevity.”

*Making it fully refundable, distributing it monthly, and increasing its annual value to $3,600 per child ages 0–5 and $3,000 per child ages 6–17

(Garfinkel, 2022)

Federal strategy proposal includes:
- Permanently extending expanded, refundable Child Tax Credit
- Extending expanded Earned Income Tax Credit
- Raising minimum wage to $15 an hour
- Closing the Medicaid coverage gap for those in non-expansion states
- Investing in affordable, high-quality child care
- Expanding Housing Choice Voucher program

(White House, 2022)

Reduced child welfare involvement evidence:
(Pac, 2023) (Puls, 2021)
(Kovski, 2022) (Berger, 2017)
(Biehl, 2018) (Raissian, 2017)
(Brown, 2019) (McGinty, 2022)
(Meloy, 2015) (Yang, 2019)
(Klevens, 2015) (Cash, 2003)
(Farrell, 2018) (Gubits, 2015)
Resource Considerations for Building a Child & Family Well-being System
Annual Costs of Child Maltreatment in the U.S.

- **$80 billion** = direct & indirect costs of child maltreatment (2012)
- **$428 billion** = economic burden due to *substantiated* child maltreatment (lifetime costs incurred annually) (2015)
- **$2 trillion** = economic burden due to *investigated* child maltreatment (lifetime costs incurred annually) (2015)

(Gelles, 2012)  
(Peterson, 2018)
Total Annual Public Expenditures on Child Welfare Systems in the U.S.

$33 billion = total direct public expenditures by state & local child welfare agencies (SFY 2018)

- Find your state’s prevention percentage in the Child Trends Financing Study
- What would it take to flip this percentage?
State Policy Option: Expand Family Resource Centers to Provide Economic & Concrete Supports to Families

Colorado

Family Resource Center (FRC) in Teller County connects families who have been screened out of child welfare to community resources, family support services & financial assistance.

• After a formal partnership between child welfare & FRC was established, Teller County saw a 63% reduction in its child maltreatment rate & saved an estimated $2.5 million (in 2018).

For every $1 invested, the savings to child welfare in terms of fewer cases of maltreatment was $2.92 in Teller County, CO.

(OMNI, 2021)
The Negative Social Return of Foster Care

- An estimated 6% of all children, 15% of Native American children and 11% of Black children spend some time in foster care by age 18
- While foster care remains a necessity for some children, there is no consistent evidence that as an intervention it is beneficial broadly to children & there is substantial evidence that it is associated with poor outcomes

Every $1 spent on foster care for a child = negative social return of -$3.64 to -$9.55
**Human Longevity Costs of Family Instability & Poverty**

**Compared to children who do not experience early life adversity:**

- **Children who experience family instability** (changes in parents’ marital status; parental divorce/separation, frequent changes in residence; parent or sibling death; foster care) are associated with a **28% higher risk for premature death**.

- **Children who experience poverty + crowded housing** are associated with a **41% higher risk for premature death**.

*Yu, 2022 - five-decade prospective study*

Once adversities occur, findings such as ours highlight the importance of integrating anti-poverty programs with family-based interventions in mitigating the long-term consequences of early adversity.
Strengthening economic supports for families is a multi-generation strategy.

Policies that strengthen household financial security (e.g., tax credits, child care subsidies, temporary assistance & livable wages) and family-friendly work policies (e.g., paid leave & flexible and consistent work schedules) can prevent ACEs by:

- Increasing economic stability & family income
- Increasing maternal employment
- Improving parents’ ability to meet children’s basic needs & obtain high-quality childcare
- Reducing parental stress & depression
- Protecting families from losing income to care for a sick child or family member

Centers for Disease Control & Prevention (2019). Preventing Adverse Childhood Experiences (ACEs): Leveraging the Best Available Evidence
Evidence-based Policy-Making to Build a Well-Being System: Making it ACTIONABLE

States take a holistic well-being approach to policy making focused on preventing child welfare involvement & high human and fiscal costs.

Equitable policy, program & service design centering the experiences and leadership of families, youth & communities.

Child Welfare elevates evidence & coordinates with system partners to redesign policy framework towards well-being and upstream supports.

Human Service Agency Partners changes policies by understanding impact their choices have on child welfare involvement.
Additional Resources
Cross-Systems Recommendations to Strengthen Economic & Concrete Supports to Families

American Academy of Pediatrics
Reimagining Child Welfare: Recommendations for Public Policy Change (2021)

Build upon the goals of Family First by expanding the scope of services eligible for federal reimbursement to include:

- **Time-limited cash assistance** to help low-income families meet concrete needs & minimize poverty-related neglect cases
- Services that address behavioral health, housing instability & domestic violence

Centers for Disease Control and Prevention (CDC)
Preventing Child Abuse and Neglect: A Technical Package for Policy, Norm, and Programmatic Activities (2016)

- Evidence-based strategies to help prevent child abuse and neglect must include **strengthening economic supports to families**
- Policies that improve the socioeconomic conditions of families have the largest impacts on health
To reduce persistent racial health disparities at a population level, there must be:

• An intentional, upstream focus on a broad range of socioeconomic conditions
  ➢ These include more equitable access to assets and opportunities in education, employment, housing, health-promoting environments & wealth creation

• Strengthened policies that provide economic support to families

"The scientific evidence is clear and growing. Structural, cultural, and interpersonal racism impose unique and substantial stressors on the daily lives of families raising young children of color."
Address economic & social barriers that contribute to poor mental health for young people, families and caregivers. Priorities should include:

- Reducing child poverty
- Access to quality child care, early childhood services & education
- Healthy food
- Affordable health care
- Stable housing
- Safe neighborhoods

Additional investments & improved coordination are needed across all levels of government to address youth mental health needs & ensure households eligible for social services and supports are receiving them.
Social Currents, Prevent Child Abuse America & FrameWorks Institute

Communications toolkit that reframes childhood adversity as a public issue & emphasizes:

- **Collective responsibility** for child and family well-being
- **Social conditions** that contribute to maltreatment

Website and Toolkit Now Live

https://buildingbetterchildhoods.org/
Contact

Clare Anderson, Senior Policy Fellow
canderson@chapinhall.org

Suggested citation:
Full reference list is available here.

Main slide deck available at: Chapinhall.org/ecsproject