Improving the Odds for Young Children

Presentation overview

1. What the research tells us about child development
2. Policy challenges and solutions

Income Matters

The official poverty measure is inadequate

- The 2008 federal poverty level (100% FPL) is
  - $17,600 for a family of 3
  - $21,200 for a family of 4
- 20% of America’s young children—5 million—live in poor families (100% FPL).
- 43% of America’s young children—10.5 million—live in low-income families (200% FPL).
- Research shows that it takes an income of 1.5 to 3 times the poverty level to meet basic family needs.
Poverty can:
- impede children’s cognitive development and ability to learn
- contribute to behavioral, social, and emotional problems
- cause and exacerbate poor health
- Effects of poverty on children depend on the timing, duration, and intensity of poverty in childhood. Risks appear to be greatest for children who:
  - experience poverty when they are young
  - experience persistent and deep poverty

Source: Wagmiller, et al., 2006

Poverty is associated with adverse outcomes
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  - contribute to behavioral, social, and emotional problems
  - cause and exacerbate poor health
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Source: Wagmiller, et al., 2006
Multiple Risks Matter

Impact of Risk on the Health and Development of Children

<table>
<thead>
<tr>
<th>Risk 1</th>
<th>Risk 2</th>
<th>Risk 3</th>
<th>Risk 4</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

Risks = race/ethnicity, social class (maternal education and family poverty status), child health insurance coverage, and maternal mental health.

For two or more risk factors, all significant differences between risk profile and zero. Source: Stevens (2006)

Multiple Risks Matter

Impact of Maternal Risk Conditions on Infant and Toddler Behavior

<table>
<thead>
<tr>
<th>Risk 1</th>
<th>Risk 2</th>
<th>Risk 3</th>
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</table>

Maternal risk conditions = mental health, substance abuse, and domestic violence. All significant differences at p < .001. Source: Whitaker et al., 2006

Multiple Risks Matter

Young children’s exposure to multiple risk factors, 2006

0 Risks 58% | 1-2 Risks 33% | 3+ Risks 10%

These risks include: lives in poverty, with a single parent, in households where both parents have less than a high school education, in families with parents who do not speak English well or at all; and/or has parents with no paid employment.

Because of rounding, figures may not add up to 100%. Source: American Community Survey, 2006.

Part 2

Policy Challenges and Solutions

NCCP’s Improving the Odds for Young Children

- Is intended to
  - Sharpen the debate on effective state policies to promote early childhood development
  - Create a national dialogue
- Is based on
  - existing 50 state data bases, and is not definitive list of what states should be or are doing
- Provides
  - State-specific and regional profiles
  - A national overview of the state of the states, including recent trends
  - 50-state data tables for comparisons across the states
  - A baseline to monitor trends

NCCP’s Integrated Policy Approach
Underlying Principles

- Families earning less than 200 percent of the poverty level may struggle to meet the basic needs of their children.
- State policy choices matter, and can help level the playing field.
- Strong policies in one area can be undermined by weak policies in another (the three-legged stool).
- Research should inform state policies (User Guide).

Ensure Access to Quality Health Care Services

**Policy challenges**

While most low-income children have access to health insurance, their parents do not.

<table>
<thead>
<tr>
<th>State</th>
<th>Children (9-5) 2006</th>
<th>Working parents 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>200%</td>
<td>26%</td>
</tr>
<tr>
<td>Florida</td>
<td>200%</td>
<td>58%</td>
</tr>
<tr>
<td>Georgia</td>
<td>235%</td>
<td>56%</td>
</tr>
<tr>
<td>Kentucky</td>
<td>250%</td>
<td>66%</td>
</tr>
<tr>
<td>Mississippi</td>
<td>200%</td>
<td>31%</td>
</tr>
<tr>
<td>North Carolina</td>
<td>200%</td>
<td>54%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>185%</td>
<td>97%</td>
</tr>
<tr>
<td>Tennessee</td>
<td>250%</td>
<td>80%</td>
</tr>
</tbody>
</table>

*Data presented as a percentage of the federal poverty level (FPL).*  

**Ensure Access to Quality Health Care Services**

**Policy solutions**

- Provide health insurance for low-income children (41 states) AND parents (4 states).
- Supplement the WIC program (9 states).
- Require newborn screening for hearing deficiencies (30 states) and metabolic disorders (18 states).
- Expand eligibility for early intervention services (IDEA, Part C) to include children at-risk of developmental delays (6 states).

Access to Quality Early Care & Learning

**Policy challenges**

- Access to early care and learning programs is still inadequate, especially for low-income children.
- 18 states provide access to child care subsidies for young children in low-income families.
- 10 of these 18 states keep a waiting list because funds are insufficient.
- 9 states set their reimbursement rate at or above 75 percent of the current market rate.

Subsidized Child Care Income Eligibility, 2007

<table>
<thead>
<tr>
<th>State</th>
<th>Income cutoff 2007</th>
<th>Income cutoff 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As percent of poverty (£17,170 a year)</td>
<td>As percent of state median income</td>
</tr>
<tr>
<td>Arkansas</td>
<td>20%</td>
<td>62%</td>
</tr>
<tr>
<td>Louisiana</td>
<td>18%</td>
<td>70%</td>
</tr>
<tr>
<td>New Mexico</td>
<td>150%</td>
<td>60%</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>169%</td>
<td>62%</td>
</tr>
<tr>
<td>Texas</td>
<td>145-235%</td>
<td>62-85%</td>
</tr>
</tbody>
</table>

State child care licensing requirements are not promoting nurturing, high quality care.

- Although 23 states have child care licensing standards that require infants and toddlers to be assigned a consistent primary care provider.
- 8 states meet recommended standards for staff/child ratios and maximum class sizes for eighteen-month-old children in child care.
- 14 states meet the recommended licensing standards for four-year-old children in child care.

Policy solutions

- Improve child care licensing and regulations
- Promote professional development
- Invest in comprehensive early care and education programs, like Early Head Start
- Leverage state pre-kindergarten funds to promote high-quality, full-day, full-year early care and education

Most low-income children have parents who work, but they work in low-wage jobs, and income is inadequate to pay for basic expenses.

- 56% of low-income children have a parent who works full time, year round.
- 25% have a parent who works part time or full time for only part of the year (some of whom want but cannot find full-time, year-round work).
- A full-time, year-round worker earning $8 an hour earns less than $17,000 a year.
- Work supports benefits (e.g., EITC, health insurance, child care subsidies) are inadequate and difficult to access.
Support Work and Parenting

Policy solutions
- Raise the minimum wage above the federal minimum (31 states).
- Use tax policy to increase net income.
  - Offer a refundable state earned income tax credit (15 states)
  - Offer a refundable state dependent care tax credit (13 states)
  - Exempt families earning below the poverty level from state income tax. (36 states for a family of 3)

Policy challenges for supporting parenting
- Few parents, especially low-income parents, can afford to stay home with their newborn and establish a strong relationship.
- Family support and home visiting programs are under-funded and replications do not follow the models that research shows are effective.

Putting It All Together
- Income eligibility for health insurance and child care subsidies is uneven across states...
  - Only 18 states provide access to both health insurance and child care subsidies for families earning at or above 200% of the poverty level in 2007.
  - ...and within states...
  - 47 states have a higher income eligibility threshold for young children’s health insurance than for child care subsidies.
  - In Missouri, the threshold is almost three times higher for health insurance (300 percent of poverty for young children) than for child care subsidies (110 percent of poverty for a family of three).

Medicaid/SCHIP Income Eligibility, Ages 1-5

Income eligibility as a percent of the federal poverty level: $19,600 for a family of 3 in 2006

- Less than 75%
- 75% to 133%
- 133% to 150%
- More than 150%

*Income eligibility set at or above 100% FPL for both SCHIP health insurance and child care subsidies.

Child Care Subsidy Income Eligibility

Income eligibility as a percent of the federal poverty level or $17,170 for a family of 3 in 2007:

- Less than 150%
- 150-199%
- 200-249%
- 250% or more

* Income eligibility set at or above 200% FPL for both health insurance and child care subsidies

Note: These percentages represent the income eligibility limits to qualify for a subsidy. Income eligibility does not guarantee a subsidy as demand may not be able to meet the demand for subsidies. In Colorado, Texas, and Virginia, income eligibility varies by county but the average rate is in this range.

Source:kinship scholar or Helen Stein, State of Child Care Assistance Policies 2007; Senior Staff of the National Women's Law Center. September 2007

For More Information

Improving the Odds for Young Children

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Information about NCCP projects and resources are available at:

www.nccp.org