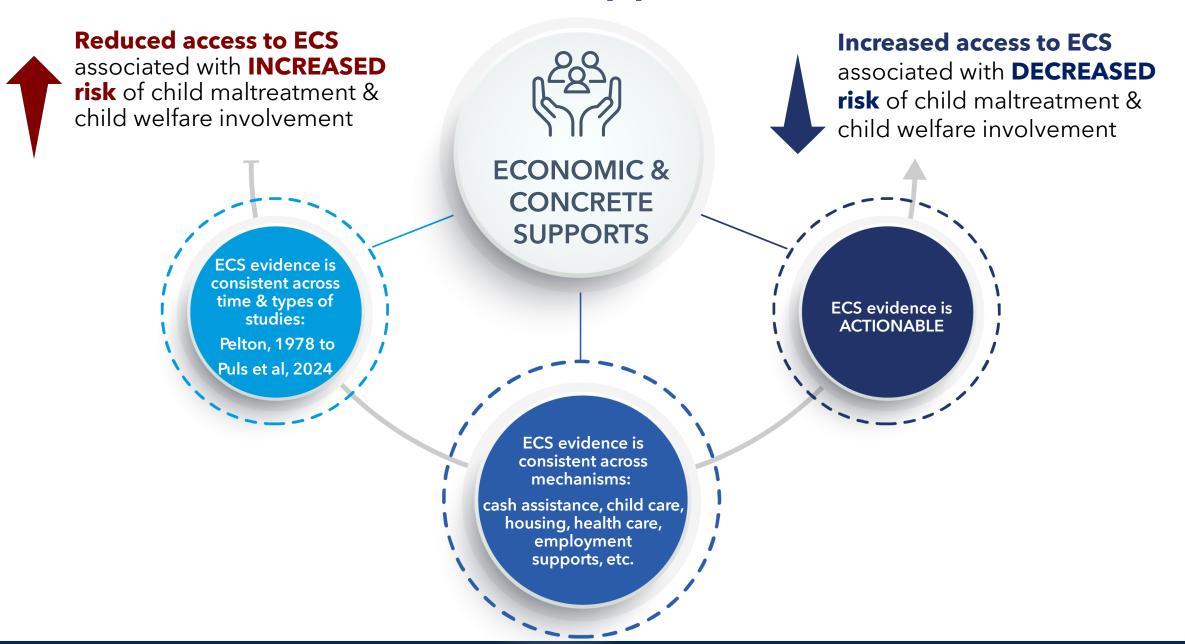
Child and Family Well-being System: Economic & Concrete Supports as a Core Component

Clare Anderson, Senior Policy Fellow Yasmin Grewal-Kök, Policy Fellow



January 8, 2025 Minnesota Legislative Taskforce on Child Protection

Economic and Concrete Supports (ECS): An Overview



Evidence of Effects Across Child Welfare Outcomes & Maltreatment Types

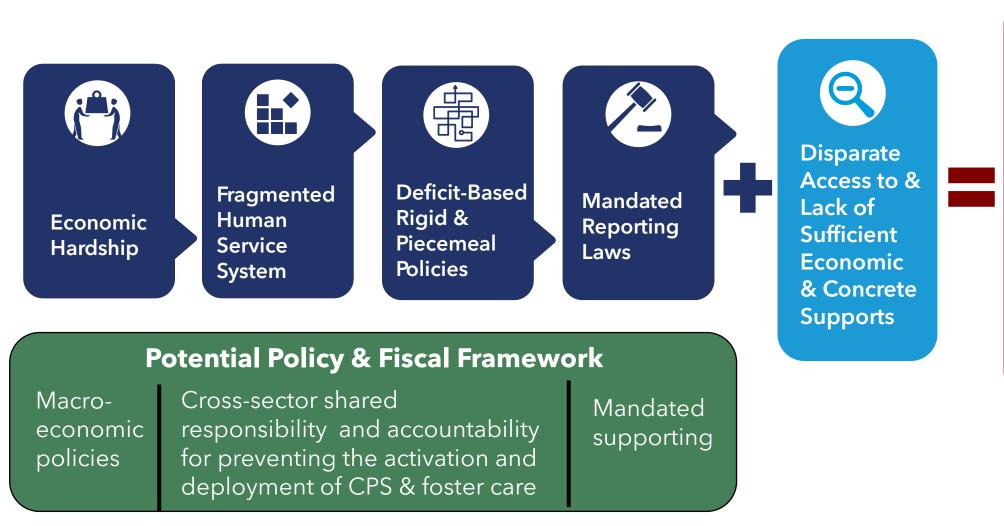
Child Welfare Outcomes

- Referrals
- Investigations
- Substantiations
- Entry into Foster Care
- Time to Reunification

Maltreatment Types

- Neglect
- Abuse
- Abusive Head Trauma
- Fatalities

Context Matters: Impact of Historical & Contemporary Policy Choices



 Overloaded & Destabilized Families

- Unmet Service & Support Needs
- High Rates of Reported Neglect
- Activation/Deployment of Authority to Investigate & Remove Children
- Child Welfare Involvement

Meeting Family Needs:

A Multi-System Policy Framework for Child & Family Well-Being

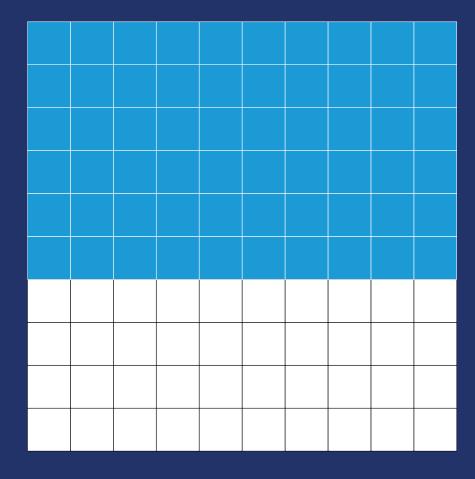




Download the



Intersection of Family Economic Insecurity, Income & Child Welfare Involvement



60%+

of substantiated CPS responses nationally involve **neglect only**

...and provision of economic & concrete supports is associated with decreased risk for <u>both</u> neglect and physical abuse 83%

of families investigated by child protective services have incomes below 200% of the federal poverty line

(\$51,640 for a family of 3 in 2024)

(estimate based on household poverty level for children investigated by CPS and currently living at home with parents)

(Casanueva, 2024 - <u>National Survey of Child & Adolescent Well-Being III Baseline Report</u>) (<u>HHS Poverty Guidelines</u>, 2024)

Material Hardship Is a Consistent Predictor of CPS Contact

- Income poverty & material hardship are associated with higher odds of self-reported CPS contact
- Material hardship is a consistent predictor of self-reported CPS contact (even when accounting for income poverty & other family characteristics)
- "Unmet basic needs pose a remarkably consistent risk for CPS contact, <u>over & above income poverty</u>"

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 <u>neglect</u> investigation
- ~4x higher likelihood physical abuse investigation

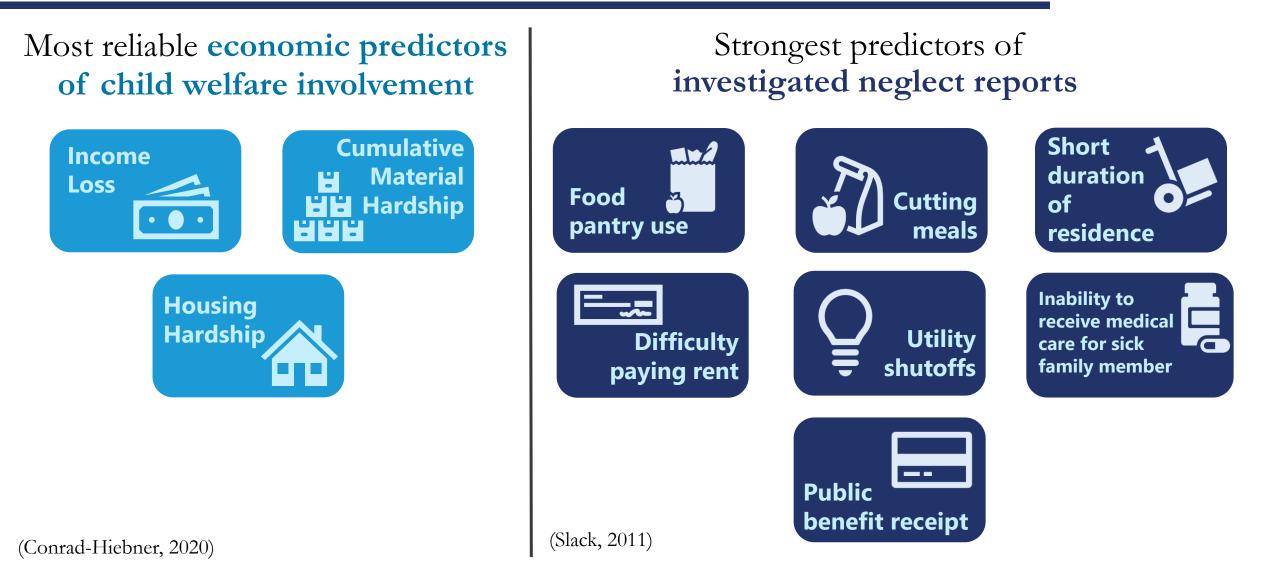
If low-income families experience multiple types of material hardship (after experiencing no hardships)

- ~4x higher likelihood of <u>CPS investigation</u>
- ~7x higher likelihood physical abuse investigation

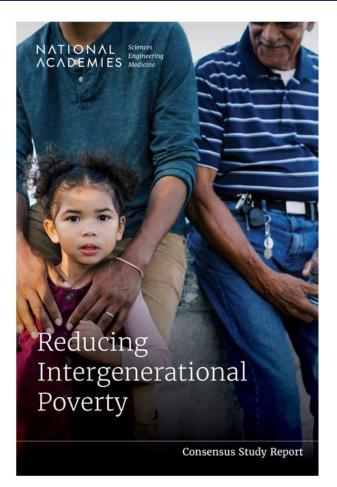
*Dimensions of material hardship in this study included: food, housing, utilities & medical hardship

(Yang, 2015)

The Intersection of Family Economic Insecurity & Child Welfare Involvement



Reducing Intergenerational Poverty (NASEM) Policies & Programs that Reduce Child Welfare Involvement Are Needed to Address Intergenerational Poverty



(Reducing Intergenerational Poverty, 2023)

Conclusion: Most evidence points to household economic hardship as <u>elevating</u> the risk of child welfare involvement & to income support policies <u>reducing</u> risk for child welfare involvement

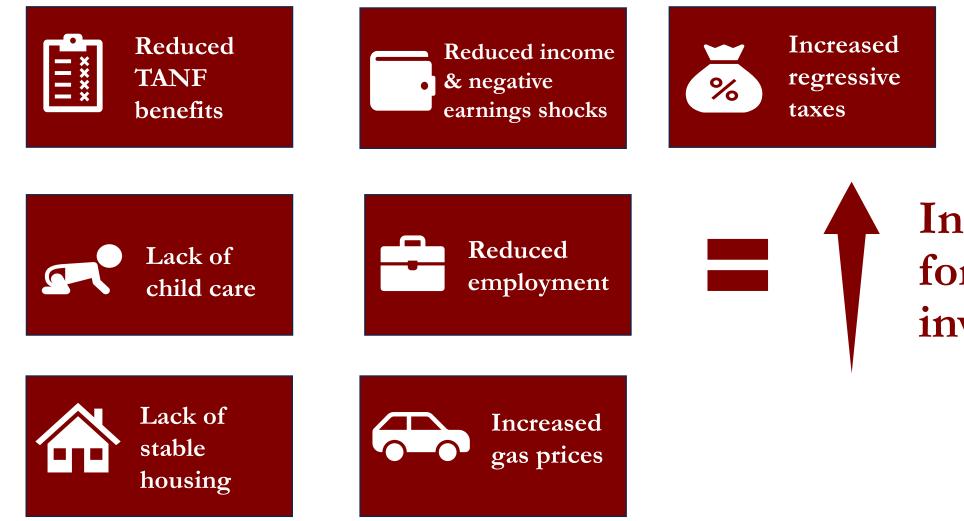
Promising child maltreatment prevention approaches as indirect strategies to reduce intergenerational poverty:

- Most consistent evidence of causal effects is for direct income transfers to families who are low income
- Strong studies of the impacts of *recent Medicaid expansions* through Affordable Care Act
- Expansions of eligibility & benefit levels in food/nutrition programs such as *SNAP and WIC*
- ✓ Community-level interventions such as the Positive Parenting Program (Triple P)

Evidence:

Relationship between Economic & Concrete Supports and Child Welfare Involvement

Decreased Access to Economic & Concrete Supports Is Associated with Increased Child Welfare Involvement



Increased risk for child welfare involvement

Lack of Access to Temporary Assistance to Needy Families (TANF)

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

23.3% 13.4%

substantiated neglect reports Increase in foster care entries due to neglect

Increase in total foster care entries

12.7%

Reminder: The first statutory goal of TANF is to provide <u>assistance</u> to needy families so that children can be cared for in their own homes or with relatives

> In FY 2023, **\$7.75 billion** in federal TANF funds were being held in reserve by states (*ranging from \$0 to \$1.7 billion per state*)

Minnesota is holding \$51M in reserve

(Ginther, 2017)

(Increases observed from 2004 to 2015)

Increased Access to Economic & Concrete Supports (ECS) Is Associated with Decreased Risk for Child Welfare Involvement

Macroeconomic Supports



- Unconditional cash transfers
- Tax credits (EITC & CTC)
- Employment
 - Minimum wage
 - Paid family leave
 - Unemployment benefits



Concrete Supports

Healthcare (Medicaid)
Home visiting with ECS
Child care & pre-K
Housing

Decreased Risk for Child Welfare Involvement

Public Benefits



Overall state spending on benefits
 TANF
 SNAP & WIC



Interventions with ECS
➢ Differential response
➢ Family preservation

Child Welfare

Economic & Concrete Supports As a Population-Level Strategy for Prevention of Child Maltreatment

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

- ▶ 4.3% reduction in child maltreatment reports
- ➢ 4% reduction in substantiated child maltreatment
- \geq 2.1% reduction in foster care placements
- > 7.7% reduction in child fatalities due to maltreatment

(independent of federal spending)

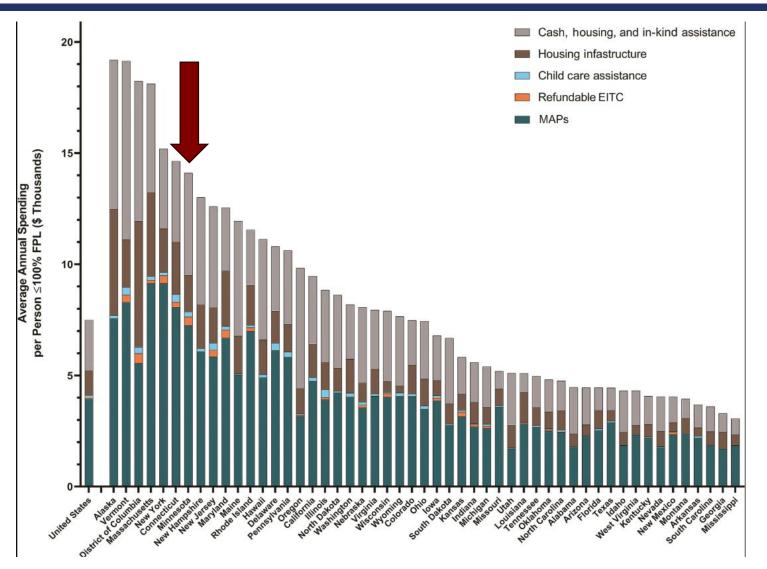
Public benefit programs included in this analysis:

- ✓ Cash, housing, & in-kind assistance
- Low-income housing infrastructure development
- ✓ Child care assistance
- ✓ Refundable EITC
- Medical assistance programs (including Medicaid + CHIP)

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** in the long term 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

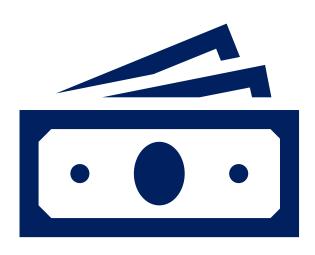


States' total annualized spending on public benefit programs per person living in poverty

(FFY 2010 - 2017)

(Puls, 2021 - graphic)

Unconditional Cash Payments



(Bullinger, 2023 working paper analysis based on Alaska Permanent Fund Dividend) An additional **\$1,000 unconditional cash payment** to families in the early months of a child's life is estimated to:

- Reduce the likelihood of a CPS referral for <u>neglect</u> by 10% (by age 3)
- Reduce the likelihood of a CPS referral for <u>physical abuse</u> by **30%** (by age 3)
- Reduce the likelihood of a <u>substantiated</u> CPS referral by **15%** *(by age 3)*
- Reduce the likelihood of <u>child mortality</u> by 30% (3 fewer child deaths) (by age 5)

State Policy Option: Use TANF Funds for a Universal Child Allowance





Michigan - RxKids

- Launched in 2024 and is funded through TANF & private funding
- Every pregnant person in Flint, Michigan eligible to receive one-time \$1,500 unconditional cash payment + \$500 per month for the first year of child's life (total of \$6,000)
- Initial findings from qualitative surveys of participants:
 ✓ Improved housing stability
 - Improved housing stability
 - ✓ Improved household financial security
 - \checkmark Improved maternal mental health & well-being
 - ✓ Improved maternal & infant health

Medicaid Expansion



Medicaid expansion is associated with improved economic stability & mental health for parents who are low income States that newly **expanded Medicaid** in 2014 were associated with **reductions in the average rate of child neglect reports** per state-year:

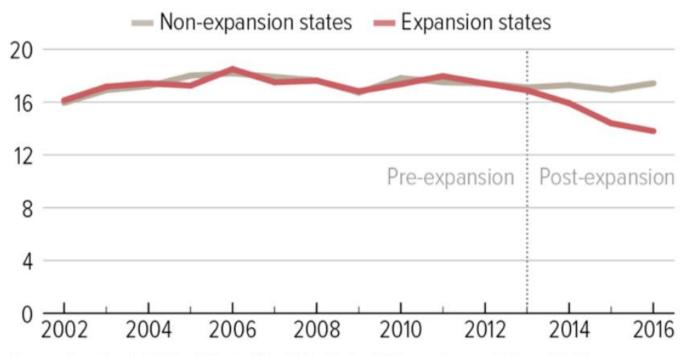
- ➤ 13% reduction for children ages 0-5
- > 15% reduction for children ages 6-12
- ➤ 16% reduction for children ages 13–17

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

Medicaid Expansion & Housing Stability

Evictions Fell Sharply in Medicaid Expansion States

Evictions per 1,000 renter-occupied households



Source: Zewde et al, "The Effect of the ACA Medicaid Expansion on Nationwide Home Evictions and Eviction-Court Initiations," 2019

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

- 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

(Zewde, 2019) (<u>CBPP</u>, 2022 - graphic)

Child Care Subsidies

 $\left(\cdot \cdot \right)$

States with more **generous income eligibility** policies for child care subsidies have **lower physical abuse & neglect investigation rates** among children < age 5

(compared to states with less generous income eligibility policies)

- ➢ If Michigan increased its maximum monthly enrollment income by \$700 (for a family of 3):
 - 1,220 fewer children < age 5 investigated for neglect
 - 528 fewer children < age 5 investigated for physical abuse
 (over a one-year period)

Supportive Housing



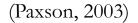
Children of child welfare-involved families who face housing instability and receive a supportive housing program (housing voucher + case management) experience:

- Fewer removals (9% vs. 40% in businessas-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)

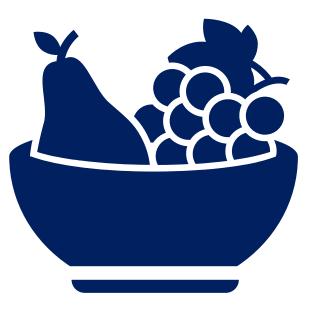
Temporary Assistance to Needy Families (TANF)



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



Supplemental Nutrition Assistance Program (SNAP)



From 2004 to 2016, states with more generous SNAP policies experienced:

- Large reductions in CPS reports
- Fewer substantiated reports, particularly for neglect
- Fewer foster care placements

(compared to states with less generous SNAP policies)

State Policy Option: Provide Flexible Funds to Meet Concrete Needs of Child Welfare-Involved Families



(Kentucky Interim Joint Committee on Health, Welfare & Family Services, July 21, 2021)

Kentucky

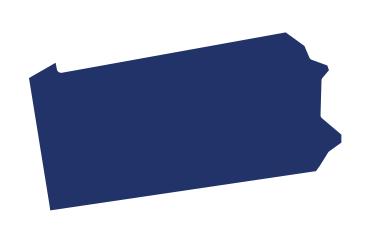
- **\$1,500 in flexible funds** available (per family) to meet the concrete needs of families participating in Kentucky's family preservation program to prevent entry into foster care
- **\$4,000 in flexible funds** available (per family) through <u>community action agencies</u> to meet the concrete needs of families with active CPS cases (including investigations, alternative response & ongoing cases)
- Leveraging **TANF & title IV-E prevention funding** for flexible funds

State Policy Option: Leverage Federal Funding to Expand Family Resource Centers Statewide

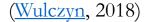
West Virginia

- Expanded <u>family resource centers</u> (FRCs) statewide by leveraging federal funding, including:
 - \checkmark TANF
 - ✓ CBCAP
 - ✓ Title IV-B
 - ✓ Children's Trust Fund
- DHS leadership supports funding <u>at least one</u> FRC in each of West Virginia's 55 counties *(currently 57 FRCs across 54 counties)*

State Policy Option: Increase Investment in Family Resource Centers to Prevent Child Welfare Involvement



Allegheny County, Pennsylvania neighborhoods with a family support center (FSC) had a 26% lower rate of first-time child maltreatment investigations than similar neighborhoods without an FSC (from 2009 to 2013)



The Negative Social Return of Foster Care

Every \$1 spent on foster care for a child = *negative social return* of -\$3.64 to -\$9.55



(<u>Nielsen</u>, 2019) (Wildeman, 2014) (Doyle, 2007) (Sariaslan, 2022) (Hobbs, 2021)

- 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**

Minnesota African American Family Preservation and Child Welfare Disproportionality Act (2024)

- <u>First-in-nation legislation</u> requires Minnesota child welfare agencies to undertake more stringent **"active efforts"** (instead of "reasonable efforts") to prevent out-of-home placements & reunify families
- Establishes requirements for how child welfare agencies and courts are to serve African American & other children overrepresented in child protection system
 - Child welfare agency must assess family's cultural & economic needs
 - If neglect is alleged, the family's safety plan must incorporate economic services & supports to address the family's specific needs and prevent neglect
 - At each hearing, child welfare agency must provide evidence that it is providing **culturally-informed, strengths-based, and community-based services** to the family
 - Unless court finds **clear & convincing evidence** that child is at risk of serious emotional or physical damage, a court <u>shall not</u> order a foster care placement
- Child welfare agencies will need to strengthen coordination with other social service agencies to provide holistic supports to families

Minnesota Selected for TANF Work & Family Well-Being Pilot: Key Opportunity to Focus TANF on Strengthening

Family Well-Being & Child Welfare Prevention



ADMINISTRATION FOR EAGLIES

The Administration for Children and Families (ACF) is pleased to announce five states selected to be a part of the TANF Work and Family Well-Being pilot program authorized by the bipartisan and bicameral Fiscal Responsibility Act of 2023 (FRA). These states – California, Kentucky, Maine, Minnesota, and Ohio – will have the opportunity to pilot new program performance and accountability measures in the Temporary Assistance for Needy Families (TANF) program. The pilot received overwhelmingly positive responses, which included applications from 22 states and one United States territory.

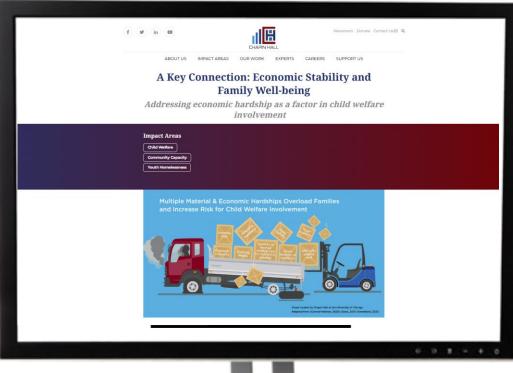
- Selected states will pilot alternative performance measures in lieu of current work participation rate (WPR)
- Alternative performance measures must include indicators of family stability & well-being
 - This can include <u>child</u> <u>welfare involvement</u>
- Unique opportunity to build evidence and shape future TANF policy & practice

Chapin Hall Resource: TANF & Child Welfare Innovations

State	TANF Prevention Innovation	Details
Wisconsin	Use of TANF for Targeted Safety Support Funds, which provide concrete supports to families with children at risk of removal into foster care	Wisconsin Department of Children and Families (DCF) invested in flexible funding resources to support families in-home with the launch of Targeted Safety Support Funds (TSSF) in 2020 (<u>DCF</u> , n.d.). TSSF aim to reduce trauma to children by keeping families who come to the attention of child welfare safely together with the provision of family-strengthening supports and resources (<u>TSSF Program & Fiscal Guide</u> , 2024).
		Targeted Safety Support funding is allocated directly to county child welfare agencies and 11 federally recognized Tribes in Wisconsin, allowing them to decide at the local level what supports are needed to serve children and families in their unique communities. Local child welfare agencies consider TSSF an integral tool to flexibly and immediately address the greatest needs of families involved in the CPS system. Through TSSF, families may access an array of concrete supports and services needed to maintain child safety.
		More than 3,500 children and their families received concrete supports through TSSF from 2020 to 2022. The TSSF budget has steadily increased since these funds were launched, from \$4.9 million in 2020 to \$11.2 million for 2024. TSSF is funded primarily through TANF (Flexible Funds for Concrete Supports Policy Brief, 2024).

- Shares evidence on relationship between access to TANF & risk for child welfare involvement
- Highlights efforts to align TANF programs & spending with TANF's first statutory goal
- Provides examples of innovative uses of TANF to improve family stability & prevent child welfare involvement in California, Kentucky, Michigan, Mississippi, New York, Oregon, West Virginia and Wisconsin

Chapin Hall Resources







Chapinhall.org/ecsproject

Includes Reference List for research cited

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

Contact

Yasmin Grewal-Kök, Policy Fellow ygrewalkok@chapinhall.org

Suggested citation:

Anderson, C., Grewal-Kök, Y., Cusick, G., Weiner, D., & Thomas, K. (2022). Family and child well-being system: Economic and concrete supports as a core component. [Power Point slides]. Chapin Hall at the University of Chicago.

Main slide deck with references available at:

Chapinhall.org/ecsproject

