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Looking Forward to 2014: Creating Opportunity for All of New York's Children and Families

The Schuyler Center for Analysis and Advocacy's priorities focus on strengthening families and communities by ensuring a strong and healthy start for all, regardless of income, and promoting robust and sustainable public systems that generate positive results for vulnerable New Yorkers.

Childhood poverty can set a child up for a lifetime of challenges that include cognitive, behavioral, social and emotional difficulties, with long-term effects of compromised educational and employment attainment. The implications are significant, lifelong and societal.

Almost one in four New York children live in poverty, and every week another 433 children fall below the poverty line.¹ Most (65%) poor children have parents who are working, but are not making enough to bring their family out of poverty.² These children are in families that are struggling to put food on the table, avoid homelessness, heat their homes in winter, access health services, and find and pay for safe, high-quality learning environments that prepare kids for success in school.

Research has established that high levels of stress can have lifelong health consequences. Children, especially those under the age of five whose brains are just developing, need strong, stable attachments; good nutrition; stability; and high-quality early learning experiences to grow and develop, but the odds are against them if they don't have the resources for a fair and even start.

Poverty disproportionately affects children.³ And poverty rates are much higher among children who live in our cities and for children of color. This disparity underscores the value of the social safety net because, according to the Bureau of the Census, the senior poverty rate would have been five times as high in 2011 without Social Security.⁴

As New York State looks forward to a new year, state budget negotiations, and the legislative session, the Schuyler Center looks forward to working with our partners on policies that improve well-being across the state.

Family Economic Security: *Promoting policies that secure or supplement a livable wage.*

Ideally, good jobs with family-supporting wages and health insurance benefits would be available to all. Yet we live in a state where one in five households have income below \$20,000 per year and the gap between those at the top and those at the bottom has increased dramatically in recent decades. Household income among that bottom fifth has not changed since the 1970s.⁵

Public policy can have a real and positive impact on poverty and income security. Tax credits and nutrition assistance, for example, have been remarkably successful in reducing poverty and/or mitigating its effects. There is significant support for putting policies in place to ensure that those at the lower ends of the income scale have the opportunity to work their way up. Policies that can do that—increase opportunities for success—include:

- Expanding the State Earned Income Tax Credit and exploring other tax policies that increase opportunity for low-income households. New York's credit is currently 30% of the federal credit; a bill introduced last year would have increased it to 35%. The EITC is widely regarded as one of the most effective tools to help lift working families out of poverty and reduce poverty among children. Surveys and data show that the refunds are typically spent on "Main Street" where they contribute to the local economy.
- Strengthening the safety net. Government programs helped significantly to prevent and alleviate poverty during the recession. Unemployment insurance, Temporary Assistance to Needy Families (TANF), food assistance (SNAP and WIC), and heating assistance help to keep New York residents healthy, provide resources to avert homelessness and hunger, and balance the income of low-wage workers. Public health insurance, such as Medicaid and Child Health Plus, provide additional support.

Traditionally there has been broad bipartisan support for SNAP which helps families provide nutritional meals to their families. SNAP is facing extreme cuts which will limit the number of families that it can serve. The Senate Agricultural Committee slotted over \$4 billion in cuts to the SNAP program and the House is seeking over \$20 billion in cuts to the program.⁶ These cuts are not just dangerous for the well-being of the families the program services, but this is particularly dangerous at a time when the country is trying to rebound from the ‘great recession.’ Families will need SNAP and other safety net programs to help make ends meet so they can continue to be part of the country’s economic recovery.

- Making work pay. New York’s 2013–14 enacted budget raises the minimum wage in three steps without indexing for future inflation. At the \$8.75 rate, which will be effective in 2015, the minimum wage still leaves a full-time (52 weeks, 40 hours per week) working parent with two children short of the 2012 federal poverty threshold (\$18,498 for a family of three with one adult and two children).

Public Health and Health Care: *Improving public health and health coverage, access and care for New York’s most vulnerable residents.*

New York State is undertaking a comprehensive redesign of its health care delivery system. This redesign encompasses reforms to pay based on quality, right-sizing of health systems and moving away from institutional systems of care to community services. This is directionally appropriate, provided that individual and public health goals do not get lost. The State’s health transformation efforts will not be sustainable without meaningful investment in communities’ public health and health systems.

Strategic investments that focus on prevention rather than treatment of those that are already sick or in crisis will provide the State with the foundation for which to build a sustainable, high-quality, efficient health care system.

Reliable, affordable, comprehensive insurance coverage is essential to ensure continuity in primary and preventive care as well as coverage for chronic conditions and unexpected needs. People who are both poor and uninsured are more likely to delay needed medical care for chronic diseases and more likely to be hospitalized for a condition that could have been avoided with timely health care. Uninsured and underinsured persons receive

less preventive care, are diagnosed at a more advanced stage of illness and, once diagnosed, tend to receive less therapeutic care and have a higher mortality rate.

Health and health coverage are extremely important for kids and families as:

- Having health insurance increases timely initiation of prenatal care.
- Insured babies have a lower risk of mortality than uninsured babies.
- Poor health affects educational attainment.
- A relationship exists between slowed growth from low birth weight and cognitive development, which affects educational attainment.
- Prematurity and low birth weight lead to higher medical and education costs during childhood.

Poor health and social-emotional well-being early in life set the stage for long-term costs in adulthood that will be borne by society, while children who are both physically and emotionally healthy have a greater chance of becoming self-sufficient, productive adults. Policies should aim to build a health care delivery system that protects the most vulnerable and effectively and efficiently meets the needs of New Yorkers in the future.

The Schuyler Center will continue to advocate for:

- Building on the success of New York’s public health programs, including Medicaid and Child Health Plus (CHP) to ensure robust and affordable coverage and access to benefits and providers that meet the full array of physical, behavioral, and oral health care needs.
- Improving access to high-quality health, mental health and dental health care for children and families in the child welfare system.
- Investment in public health infrastructure that prevents future disease and costs.
- Fundamental changes in the living conditions, care and treatment for people with psychiatric disabilities who live in adult homes.

Maternal, Infant and Early Childhood Home Visiting: *Improving child and family outcomes by building and strengthening statewide prenatal and postpartum supports and services for expectant parents and families with young children.*

A quarter of a million babies are born in New York each year. Nearly half are born to low-income families and over 100,000 are born to first-time mothers. Women

and infants living in poverty and other high-risk situations experience higher rates of infant mortality, low birth weights, unsafe home environments and other poor outcomes. Research shows us that the first three years of life are critical to brain development and that negative experiences during these early years have long-term consequences.⁷

There is a growing understanding at the national and state levels about the importance and efficacy of intervening early with at-risk children and families. Parents play a central role in the early years in supporting healthy child development and strong social-emotional development. There is a growing consensus that evidence-based maternal, infant and early childhood home visiting can have a significant and positive impact on a range of child and family outcomes.

Home visiting programs have documented outcomes—improving safety, health, and learning, as well as promoting families’ economic stability—and significant cost savings. A study by the RAND Corporation suggests that, for every \$1 spent on home visiting for at-risk families, there is a \$5.70 return on investment.⁸

New York State’s home visiting supports and services remain very limited; only a small percentage of those who would benefit are served. And flat funding has resulted in the severely constrained ability to meet families’ needs. The Schuyler Center leads an initiative to ensure expanded access, high-quality programming with strong results, and enhanced financial substantiality for maternal, infant and early childhood home visiting in New York State.

Early Care and Learning: *Investing in access to high-quality child care and early education for better and less disparate educational outcomes and lower costs.*

One out of three children in New York State start Kindergarten already behind in basic skills.⁹ This gap can persist throughout a child’s school career.

A significant body of research suggests that, “From birth to age 5, children rapidly develop foundational capabilities on which subsequent development builds.”¹⁰ Researchers at the National Academy of Sciences find that, “Striking disparities in what children know and can do are evident well before they enter Kindergarten. These differences are strongly associated with social and economic circumstances, and they are predictive of subsequent academic performance. Redressing these

“Investing in early childhood development yields a much higher return than most government-funded economic development initiatives.”

—Federal Reserve Economists Rolnick & Grunewald in *The Economics of Early Childhood Development as Seen by Two Fed Economists*, Federal Reserve Bank of Minneapolis (Fall 2007).



“Recent research has documented the high returns that early childhood programs can pay in terms of subsequent educational attainment and in lower rates of social problems, such as teenage pregnancy and welfare dependency.”

—Federal Reserve Chairman Ben S. Bernanke, Remarks at the 2011 Annual Awards Dinner of the Citizens Budget Commission, New York (March 2, 2011).

disparities is critical, both for the children whose life opportunities are at stake and for a society whose goals demand that children be prepared to begin school, achieve academic success, and ultimately sustain economic independence and engage constructively with others as adult citizens.”¹¹

The achievement gap is evident as early as 9 months of age. At-risk children are:

- 25% more likely to drop out of school
- 40% more likely to become a teen parent
- 50% more likely to be placed in special education
- 60% more likely to never attend college
- 70% more likely to be arrested for a violent crime¹²

There is strong and significant research that shows that investing early saves money and improves outcomes. Seventy-five percent of brain growth and 85% of intellect, personality and social skills develop before age five, so it is imperative that we invest in our youngest children long before they enter school.^{13, 14}

Early education programs for children from low-income families are estimated to generate \$4 to \$11 of economic benefits over a child’s lifetime for every dollar spent on the program, according to a cost-benefit analysis funded by the National Institutes of Health.¹⁵

New York has the power to reach at-risk young children with programs and policies that begin early and can have a lasting impact. It is essential that we expand access to early childhood programs, including Pre-K, for all children across the state and especially in low-income communities. At present, only about half of eligible four-year-olds are served by Pre-K. At the same time, we can't ignore the fact that quality matters and the time is long overdue for New York to make a commitment to quality to improve child outcomes and accountability for public expenditures.

Child Welfare: *Developing and maintaining effective systems that serve at-risk families, prevent entry into the child welfare system and produce measurable results.*

One of the best ways to prevent the negative outcomes and costs associated with involvement in the child welfare system is to invest in programs that strengthen families before a report is needed to the State Central Register. State investments should provide localities with the resources, flexibility and responsibility to address local needs and target those most at-risk as early as possible, while at the same time ensure that funds are spent on high-quality programs that work. It is essential that the State agencies charged with caring for our most vulnerable children assess and measure the effectiveness of public investments designed to protect and support at-risk children and families.

In order to protect and strengthen effective programs that serve at-risk families and prevent entry and re-entry into the child welfare system, New York should:

- Ensure accountability of public systems by measuring outcomes and assessing effectiveness. This should include improved data collection and analysis regarding child outcomes and expenditures of funds.
- Fully fund preventive, protective, independent living, adoption, and aftercare services at the 65% state share in statute. Funds for these services are used to keep children with their families and out of costly foster care; reduce the effects of trauma children have endured; address any mental health or substance abuse treatment needs of family members; and pave the way for successful transitions into independent living or adoption—all of which achieve better outcomes. Although a 65% state share is written into New York State statute, funds are reimbursed to localities at a 62% state share.

- Fund the Kinship Guardianship Assistance Program (KinGAP), which helps relatives care for children, as an uncapped permanency option with no reduction to the Foster Care Block Grant. In 2010, New York State enacted legislation offering a Kinship Guardianship Assistance Program (KinGAP) to families in approved foster care settings who wish to continue caring for their relatives when the child cannot return home or be adopted. The financial assistance offered allows kin, mostly grandparents on limited incomes, to continue providing a home for their loved ones. These placements lead to better outcomes for foster youth. Funding for KinGAP was provided by taking funds from the Foster Care Block Grant, funds that are fully utilized to meet the complex needs of those youth who remain in foster care. KinGAP is a permanency option and should be funded as adoption subsidies are funded without diminishing the Foster Care Block Grant.
- Improve access to health, mental health and other care for children and youth in out-of-home placements and measure results.
- Increase access to higher education for former foster youth.
- Help children return to their own families or move to permanent ones as quickly and as safely possible.

New York can and should be an opportunity state. As our economy begins to recover, the State—the government and its people—should set a goal of reducing poverty and income inequality, and improving well-being that includes measurable benchmarks toward attaining that goal. Rather than developing new programs, there are significant opportunities to expand access to comprehensive services that show results and better coordinate existing services. The work needs to focus on investing early and sufficiently, and documenting results across the spectrum of departments, issues and policy areas that affect the lives of children and families.

Endnotes

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150 State Street, 4th Floor
Albany, New York 12207
Tele. 518-463-1896 ♦ Fax 518-463-3364

www.scaany.org