

# *Finding Common Ground in the Era of Welfare Reform*

## ***DOCTORS SPEAK OUT***

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*A collaborative project of Columbia University's Mailman School of Public Health  
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## **Doctors Speak Out About Welfare Reform** **“The Plight of Chronically Ill Children”**

Since 1997, *Finding Common Ground* (FCG), a collaborative project between Columbia University’s Mailman School of Public Health and the Department of Pediatrics at Boston Medical Center, has focused on the impact of state and federal welfare reform policies on the health and well-being of poor women and children. As a group of doctors, health care providers and public health researchers, FCG has focused on how families with chronically ill children have fared under the stringent requirements of the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). Toward this end, FCG used a multi-pronged research strategy in which it analyzed national data, surveyed state agencies, identified health indicators, and conducted in-depth case studies in San Antonio, TX, New York, NY, and Boston, MA, to analyze the effects of federal and state welfare policies on children and their families.<sup>1</sup>

### **Main Points and Recommendations**

#### **Chronic childhood illness affects mothers’ ability to sustain employment.**

*Recommendations:*

- Establish federal guidelines for caseworkers to identify and address health barriers to employment and educate recipients about rights and benefits under TANF
- Expand exemptions from work requirements and increase medical leave opportunities
- Extend benefits for families with chronically ill children
- Expand federally subsidized child care for children with special needs, which specifically addresses medical care requirements, treatment of acute episodes, etc.

#### **Work requirements affect mothers’ abilities to care for sick children.**

*Recommendations:*

- Expand exemptions from work requirements and increase medical leave opportunities
- Establish federal guidelines for caseworkers to identify and address health barriers to employment, and educate recipients about rights and benefits under TANF

#### **Families with chronically ill children who leave TANF lose critical supplemental benefits and experience avoidable hardships.**

*Recommendations:*

- Extend transitional benefits, such as Medicaid, Food Stamps and child care
- Streamline recertification procedures so that families can obtain and retain health insurance, Food Stamps and other supplemental benefits
- Support public programs that educate TANF recipients and leavers about transitional benefits, eligibility and application procedures
- Eliminate diversionary policies that deter families from applying (e.g., paternity identification, lump-sum payments, preliminary job search, etc.)
- Encourage state flexibility with innovative approaches (e.g., extending CHIP to families)

**Mothers of sick children often experience mental health and domestic violence problems.**

*Recommendations:*

- Extend transitional Medicaid benefits
- Simplify and streamline Medicaid recertification procedures
- Institute screening, monitoring and referral procedures for physical and mental health problems and experiences with domestic violence
- Discontinue diversion policies that may adversely affect women at risk of violence

**Current diversionary practices deter families with chronic illness – those most at risk of health and employment problems – from applying for benefits.**

*Recommendation:*

- Eliminate federal policies that encourage diversion/deterrence practices at state TANF offices

**Adequate data to monitor health indicators and outcomes are neither currently available nor are they required to be collected.**

*Recommendations:*

- Include information about the health of TANF recipients, leavers and their children in federal reporting requirements
- Require that screening for physical and mental health conditions be offered at application and that families with such conditions are educated about their rights and benefits under TANF
- Monitor high-need geographic areas and populations of children with special health care needs
- Include health care providers and safety net providers in the data collection process

## Research Findings and Recommendations

The following is a summary of FCG's main research findings and policy recommendations. These have been developed from analysis of our primary data collection activities, as well as from analysis of extant national data sets.

### **(1) Mothers of chronically ill children face serious barriers to self-sufficiency.**

Parents on welfare are likely to have low-wage work in industries characterized by limited parental vacation or sick leave, which may not allow these parents to adequately care for sick children.<sup>2</sup> About one-third of these families have children with chronic illnesses like asthma, diabetes, seizure disorder, sickle cell anemia, hemophilia, cerebral palsy or cystic fibrosis that demand even greater investments of time. Given the challenges in finding child care to secure and maintain employment, as well as the potential conflict between attending medical appointments and meeting job responsibilities, parents of chronically ill children are facing extraordinary barriers to self-sufficiency.

The following FCG and national data support these findings:

- Analysis of data from the National Longitudinal Survey of Youth (NLSY) suggests that having a child with special needs increases the probability of a woman's job loss by 33%.<sup>3</sup>
- Analysis of data from the National Health Interview Study (NHIS) indicates that having a young child with asthma doubles the likelihood of not being employed full-time and increases the likelihood of receiving welfare by 40%.<sup>4</sup>
- In studies of over 900 families with chronically ill children in Boston, MA, and San Antonio, TX, the majority (two-thirds) of those recently employed, reported missing work due to a child's chronic illness. One-third of the Boston respondents and over two-thirds of the San Antonio respondents said that their child's health posed an important barrier to employment.<sup>5,6</sup>
- Children with chronic illnesses have three times as many bed days and school absence days than other children.<sup>7</sup>
- Sixty percent of respondents in the San Antonio study reported making emergency department visits within the last six months and about 25% of those surveyed reported three or more emergency department visits or two or more hospitalizations.<sup>5</sup>
- In Boston, over two-thirds of children had been to the emergency department and 25% had been hospitalized in the prior six months.<sup>6</sup>
- In San Antonio, mothers of chronically ill children showed increased incidence of their own chronic health issues,<sup>8</sup> which, according to the NLSY, increases a woman's probability of job loss by 57%.<sup>3</sup>
- TANF recipients in Boston were 75% more likely and those in San Antonio were twice as likely as non-recipients to report difficulty in obtaining child care due to a child's chronic illness, and were more likely to miss a child's doctor's appointment due to employment conflicts than non-TANF recipients.<sup>6</sup>

- TANF recipients in Boston and San Antonio were significantly more likely to miss a child's doctor's appointment due to employment requirements than non-TANF recipients.<sup>5</sup>

There can be economic and health consequences of the choices that parents of chronically ill children must make when they face the dilemma of either missing work or missing their child's medical appointments. The economic consequences include lost income or a lost job. Missing medical appointments undermines the continuity and quality of care received; for example, a child with asthma who misses a flu shot or does not get a refill of an important medication is at increased risk of preventable health problems.

**(2) Families with chronically ill children are particularly vulnerable when benefits are terminated.**

Federal welfare law provides no specific protections to allow families with chronically ill children to retain needed benefits. Although some states have used limited federal flexibility to exempt families with special health needs, these states usually define the population using strict SSI criteria, which exclude many chronic illnesses.

- Only one-half of mothers of chronically ill children in Boston were aware of work requirement exemptions due to child illness and only 13% applied for them.<sup>9</sup>
- In the same study, less than half of the mothers were informed of when their benefits expired and only 10% had applied for extensions to their time limit.<sup>9</sup>

**Policy Recommendation: Use reauthorization to implement federal protections for families with chronically ill children.**

- Expand exemptions from work requirements and increased medical leave opportunities
- Extend benefits for families with chronically ill children
- Expand federally subsidized child care for children with special needs, which specifically address medical care requirements, treatment of acute episodes, etc.
- Establish federal guidelines for caseworkers to identify and address health barriers to employment and educate recipients about rights and benefits under TANF
- Institute programs that educate families about program provisions to reduce risk of avoidable benefit reductions and losses

**(3) The plight of families with chronically ill children is exacerbated by the overall decline in delivery of Medicaid and Food Stamps to eligible families in need.**

Several major national studies have demonstrated declines in Food Stamps and Medicaid enrollment across the nation since passage of the PRWORA, and they have indicated that parents leaving TANF are more likely to suffer loss of these benefits.<sup>10,11,12</sup> Overall, there has been reduced enrollment in Food Stamps and Medicaid programs, a rise in the uninsured and inadequate uptake of SCHIP

- According to researchers at the Urban Institute, 1.7 million eligible children and 925,000 adults lost Medicaid coverage as a result of welfare reform. Of those, 50% of the children and 63% of parents who lost Medicaid were uninsured.<sup>12</sup>

- There are at least 2.6 million uninsured children currently eligible for SCHIP and 4.7 million uninsured children currently eligible for Medicaid.<sup>13,14</sup>
- An analysis of poor families/children in the NHIS found that the poor *not* receiving TANF are more likely to lack health insurance than poor families receiving TANF.<sup>15</sup>
- Despite the fact that 51% of those who have left welfare in the San Antonio study reported suffering food-related hardships,<sup>8</sup> only one-third of all welfare leavers receive Food Stamps.<sup>10</sup>
- The Boston study showed that families of chronically ill children who left welfare, but were still eligible, were four times more likely to lose Food Stamps than those who remained on welfare. They were also 20% more likely to lose Medicaid. These families leaving welfare were also more than twice as likely to experience household hardships, such as utility and phone disconnections, that could interfere with managing their child's health condition.<sup>16</sup>
- In line with the national trend, research in the medically underserved communities of New York City indicates that declines in cash assistance in the wake of welfare reform have been accompanied by deceleration in Medicaid and Food Stamps enrollment.<sup>17</sup>
- In a study of poor families with chronically ill children in San Antonio, TX, less than half currently had health insurance.<sup>8</sup>

**Policy Recommendation: Use reauthorization as an opportunity to improve access to supplemental benefits for poor families with health problems.**

- Improve recertification procedures so that families can more easily obtain and retain health insurance, Food Stamps and other supplemental benefits
- Support public programs that educate TANF recipients and leavers about transitional benefits, eligibility and application procedures
- Eliminate diversionary policies that deter families from applying for supplemental benefits (e.g., paternity identification, lump-sum payments, preliminary job search, etc.)
- Encourage state flexibility with innovative approaches (e.g., extending CHIP to families)

**(4) Current reporting requirements do not require tracking of health indicators and outcomes.**

Beyond basic data on caseloads, work-related sanctions and initial employment, current welfare policies do not require states to track, evaluate or report the impact of welfare reform on the health of current and former recipients. Although national health surveys are conducted, they do not provide enough information specific to the TANF population and related policies.

**Policy Recommendation: Use reauthorization to improve data collection, synthesis and reporting requirements relating to health outcomes.**

- Include information about the health of TANF recipients and leavers in federal reporting requirements
- Require that health screening be offered at application and that families with health conditions are educated about their rights and benefits under TANF
- Monitor high-need geographic areas and populations of children with special health care needs
- Include health care providers and safety net providers in the data collection procedures

## References

- <sup>1</sup> The Texas and Massachusetts projects are longitudinal studies of the health and well-being of low-income mothers with children with specific chronic illnesses that were enrolled at clinical and welfare agency sites. The New York project is a study of the effects of welfare reform on supplemental benefits; it used data obtained from the United States Bureau of the Census, the Department of City Planning of New York, the United States Center for Medicare and Medicaid Services and the Human Resources Administration of New York City.
- <sup>2</sup> Heymann SJ, Earle A. The impact of welfare reform on parents' ability to care for their children's health. *American Journal of Public Health*. 1999;89:502-505.
- <sup>3</sup> Earle A, Heymann SJ. What causes job loss among former welfare recipients: the role of family health problems. *Journal of American Medical Women's Association*. 2002;57(1):5-10.
- <sup>4</sup> Smith LA, Hatcher J, Wertheimer R. The association of childhood asthma with parental employment and welfare receipt. *Journal of American Medical Women's Association*. 2002;57(1):11-15.
- <sup>5</sup> Smith LA, Romero DR, Wood PR, Wampler NS, Chavkin W, Wise PH. Child health employment barriers among welfare recipients and applicants with chronically ill children. *American Journal of Public Health*. 2002. In press.
- <sup>6</sup> Data presented as abstract at Pediatric Academic Society Meeting, May 2000.
- <sup>7</sup> Newacheck PW, Strickland B, Shonkoff JP, et al. An epidemiological profile of children with special health care needs. *Pediatrics*. 1998;102:117-123.
- <sup>8</sup> Romero DR, Chavkin W, Wise PH, Smith LA, Wood PA. Welfare to work? Impact of maternal health on employment. *American Journal of Public Health*. 2002. In press.
- <sup>9</sup> Smith LA, Wise PH, Wampler NS. Knowledge of welfare reform program provisions among families of children with chronic conditions. *American Journal of Public Health*. 2002;92(2):228-230.
- <sup>10</sup> Zedlewski SR. Leaving welfare often severs families' connections to the Food Stamp Program. *Journal of American Medical Women's Association*. 2002;57(1):23-26.
- <sup>11</sup> Zedlewski SR, Brauner S. Declines in food stamp and welfare participation: Is there a connection? Assessing the New Federalism, The Urban Institute, October 2001.
- <sup>12</sup> Mann C, Hudman J, Salganicoff A, Folsom A. Five years later: poor women's health care coverage after welfare reform. *Journal of American Medical Women's Association*. 2002;57(1):16-22.

<sup>13</sup> Selden TM, Banthin JS, Cohen JW. Medicaid's problem children: eligible but not enrolled. *Health Affairs*. 1998;17:192-200.

<sup>14</sup> Selden TM, Banthin JS, Cohen JW. Waiting in the wings: eligibility and enrollment in the State Children's Health Insurance Program. *Health Affairs*. 1999;18:126-133.

<sup>15</sup> Wise PH, Wampler NS, Chavkin W, Romero DR. Chronic illness among poor children enrolled in the Temporary Assistance to Needy Families (TANF) program. *American Journal of Public Health*. 2002. In press.

<sup>16</sup> Data presented as abstract at Pediatric Academic Society Meeting, May 2001.

<sup>17</sup> Pati S, Romero DR, Chavkin W. Changes in utilization of health insurance and food assistance programs in medically underserved communities in the era of welfare reform: an urban study. *American Journal of Public Health*. 2002. In press.



## Medical and Health Organization Endorsements

As physicians and public health officials we support the *Finding Common Ground* initiative entitled “Doctors Speak Out About Welfare Reform,” which provides us with a deeper understanding of the impact of welfare reform policies on poor women and children with chronic illness. Specifically:

- A significant portion of the TANF population is limited in its ability to work due to chronic illness;
- Families with chronic illness often do not receive other benefits and supports; and
- There are inadequate national- and state-level health data available on the impact of welfare reform on poor women and children.

Based on these empirical findings, we support the recommendations that health be considered when the Personal Responsibility and Work Opportunity Reconciliation Act is reauthorized this year. Exemptions and waivers should be allowed for women and children with special health needs, including chronic illness, domestic violence and depression. Furthermore, the reauthorized legislation should mandate data collection to monitor health.

Even those who consider welfare reform to have been successful concur that families with chronic illness have not fared well. We consider it critical that Congress know that the medical community cares about these important issues.

- American Academy of Child and Adolescent Psychiatry
- American Academy of Pediatrics
- American College of Obstetricians and Gynecologists
- American Medical Student Association
- American Medical Women’s Association
- American Public Health Association
- Association of Maternal and Child Health Programs
- National Hispanic Medical Association
- National Medical Association
- Physicians for Reproductive Choice and Health
- Physicians for Women’s Health
- Society for General and Internal Medicine