Child Welfare Fellows Youth Homelessness Fellows July 20, 2023 Joint Webinar





### Today's Plan

- Presentation
- Q&A
- Breakout Conversations
- Closing Thoughts







# Concrete and Economic Supports at the Intersection of Child Welfare and Youth Homelessness

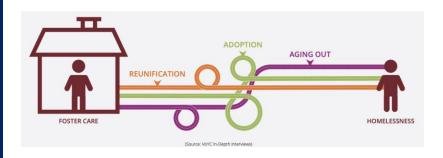
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National Conference of State Legislatures
Youth Homelessness & Child Welfare Fellows
Joint Webinar

**July 2023** 



# Pathways from child welfare to homelessness



Transition-age youth (TAY): unique developmental period; statutes/programs define TAY as 16-24.

20,000 young people age out of care every year; less than 5% finish college.

Recognize challenges and disparities experienced by youth and young adults (YYAs) who spent time in foster care, even if they achieved permanency.

Federal and state legislation and regulatory shifts have enabled greater flexibility and more support to youth who spent time in foster care.

Extended foster care: 33 states enable youth to remain in or re-enter foster care at or after 18<sup>th</sup> birthday.

# Intersectionality

#### Youth and young adults with experiences in foster care are more likely to experience homelessness:

- Trend begins in early adulthood and continues at least through mid-20s
- Many cite foster care as the beginning of their story of homelessness

#### Increased risk among young people who:

- Identify as LGBTQ+
- Are Black or Latinx
- Have low household income, lack HS diploma/GED
- Lack a sense of connectedness and social/family support
- Experienced homelessness as a child (intergenerational)

#### Highest likelihood:

- Ran away from foster care
- Group/congregate care placement
- Unstable placement(s)
- Physical abuse

# Economic Supports for Youth and Young Adults

### Legislative/Policy Origins

- <u>The Foster Care Independence Act</u> (1999): amended Title IV-E of the Social Security Act: John H. Chafee Foster Care Program for Successful Transition to Adulthood.
- Education and training vouchers; pandemic era support increases and extensions
- Fostering Connections Act (2008): Title IV-E eligibility from 18-21 for foster youth.
- The Families First Prevention Services Act (2018): Incentives for alternatives to foster care.
- <u>Family Unification Program</u> housing vouchers: Public Housing Agencies & Child Welfare systems collaborate; 36-month vouchers.
- Foster Youth to Independence vouchers: 18-25, leaving foster care in 90 days
- Direct Cash Transfers: (1) Federal aid to states (2) numerous demonstrations
- Extended Foster Care

Resource on State Policy & Extended Foster Care

State programs include higher ed tuition and fee waivers, dorm/housing regulations, and more.

# Economic Supports: Direct Cash Transfers & Guaranteed Income

### What are they?

- Direct Cash Transfers: periodic funds transfers, time limited and targeted
- Cash Plus: Conditional or unconditional; with services as "plus"
- Guaranteed Income: income sufficient for minimum support, no conditions

### Why and why now (cash transfers for youth)?

- Vast evidence on effectiveness
- General shifts in political landscape; pandemic
- Chafee updates and flexibilities
- Not a basic income program: designed to help launch young people



## Theory of Change: Cash Plus Model

Inputs — Interim — Outcomes

Interim Longer term
Outcomes
Outcomes

Cash

Financial Supports

Monthly cash transfers for 2 yrs \$1,100/month
One-time cash transfer (\$3,000)

Plus:

Youth Driven
Supportive
Programming

Non-Financial Supports

Housing Navigation
Financial Coaching
Social-emotional support
Referrals for tailored supports

Housing security
Financial stability
Food security
Savings
Personal agency
Health, well-being
Experience of
Affirming support

Safe, stable Housing

Agency and well-being

Educational and vocational engagement & attainment



### **Cash Plus Model**



Co-Designed with Young People

### Cash

- •Unconditional payments (24 months)
- Monthly amount supporting a housing outcome (NYC: \$1,200)
- One-time lump-sum (NYC: \$3,000)
- Multiple payout options
- Venmo, PayPal, Ca\$h app
- Direct deposit
- Prepaid card



### Plus

- •Support team: Coach (social worker), peer support, program manager
- •Services: Coaching, housing navigation, financial coaching, referrals, education & career support, general social support
- Evidence-based/informed
- •Flexible: Virtual & in-person

### **Economic and Concrete Supports: An Overview**



Reduced access to economic & concrete supports

associated with INCREASED risk of child maltreatment & child welfare involvement

ECS evidence is consistent across time & types of studies:

Pelton, 1978 to Pac et al, 2023

ECONOMIC & CONCRETE SUPPORTS



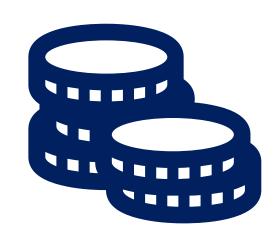
Increased access to economic & concrete supports associated with DECREASED risk of child maltreatment & child welfare involvement

ECS evidence is ACTIONABLE

ECS evidence is consistent across mechanisms:

cash assistance, child care, housing, health care, employment supports, etc.

# Family Income Instability Increases Risk for Child Welfare Involvement



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 <u>unique relationship</u> between income instability & child welfare involvement

# 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

(Yang, 2015)



# The Intersection of Family Economic Insecurity & Child Welfare Involvement

Most reliable economic predictors of child welfare involvement







Strongest predictors of investigated neglect reports















(Slack, 2011 cross-study comparison)

# Housing Stress



- 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

### Housing stress:

- Homelessness
- Eviction
- Foreclosure filing

- Housing instability/
   Multiple moves
- Inadequate housing

# is associated with <u>increased likelihood</u> of child welfare involvement:

- Caregiver self-reported child maltreatment
- CPS investigations

- Substantiated CPS reports
- Foster care placement

### Housing Insecurity -Mortgage Delinquencies & Foreclosures



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 (not related to birth or motor vehicle crashes)

# Increased Access to 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)
- ➤ Home visiting with economic & concrete supports
- > Child care & pre-K
- > Housing



#### **Public Benefits**

- Overall state spending on benefits
- > TANF
- > SNAP & WIC



### Child Welfare Interventions with Economic and Concrete Supports

- Differential response
- > Family preservation

# Economic & Concrete Support Packages to Improve Context and Prevent Child Welfare Involvement

Analysis simulating the effects of increased household income under 3 anti-poverty policy packages found these 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

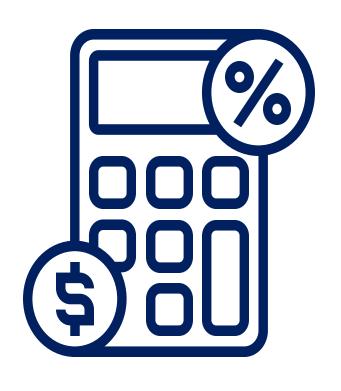
### National Academy of Sciences Consensus Report (2019)

#### 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

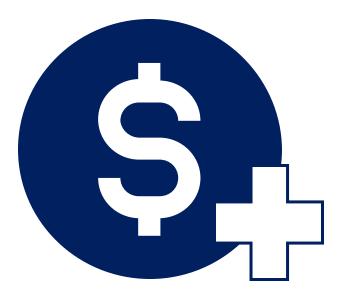
(Pac, 2023)
(A Roadmap to Reducing
Child Poverty, 2019)

## Earned Income Tax Credits (EITCs)



- 10% increase in the generosity of <u>refundable</u> 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)

## Minimum Wage



### From 2004 to 2013:

- States that <u>increased</u> 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)

# 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)

# Permanent Housing Subsidies

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)



**List** 

## Chapin Hall Resources (hyperlinks)

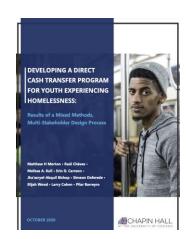




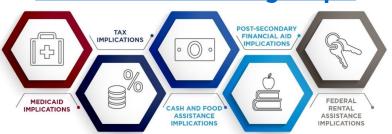
Chapinhall.org/ecsproject

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





### Maximizing the Impact of Direct Cash Transfers to Young People







# Q&A

Please add your questions to the chat.



# Breakout Conversations

