The High Cost of Poverty: How Pediatrics Can Ameliorate its Effects on Child Health

AAP South Carolina Chapter
2016 Annual Meeting
July 30, 2016

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DISCLOSURE STATEMENT

Benard P. Dreyer, MD, FAAP
Has documented that he has nothing to disclose.

U.S. POVERTY TRENDS BY AGE GROUP 1980-2014

Portion of children in the U.S. Living below the federal poverty level by race/ethnicity: 1980-2013
43% of children are below 200% FPL

One parent working full time at NY minimum wage in 2019 ($15/hr): $30,000

Mollie Orshansky
Social Security Administration

100% FPL for Family of 2 adults, 2 children: $23,850

Based on "economy food plan"

Cheapest of 4 food plans developed by the Dept of Agriculture

"Designed for temporary or emergency use when funds are low"
**POVERTY IS EVERYWHERE**

<table>
<thead>
<tr>
<th>Category</th>
<th>% Patients</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>46</td>
</tr>
<tr>
<td>Urban-Inner City</td>
<td>64</td>
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<tr>
<td>Urban-Non Inner City</td>
<td>51</td>
</tr>
<tr>
<td>Suburban</td>
<td>28</td>
</tr>
<tr>
<td>Rural</td>
<td>52</td>
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</tbody>
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**COMPARISON OF U.S. TO OTHER OECD COUNTRIES**

Organisation for Economic Co-operation and Development


**SIZE OF PUBLIC SPENDING ON CHILDREN AND FAMILIES**

- Sweden
- Norway
- France
- Germany
- OECD
- Australia
- United Kingdom
- Italy
- Czech Republic
- Canada
- United States

**THE UK’S WAR ON CHILDHOOD POVERTY**

- In March 1999, Prime Minister Tony Blair declared war on childhood poverty:
  - “Our historic aim will be for ours to be the first generation to end child poverty.”
- Gordon Brown, then Chancellor and later Prime minister, set a further target of cutting child poverty by half in 10 years.
- Over the next decade Blair & Brown committed considerable resources to attaining this goal:
  - “One Percent for the Kids”: An additional 1% of GDP invested in children and families to decrease childhood poverty
UK’S WAR ON CHILDHOOD POVERTY: WHAT DID THEY DO?

1. Parental leave and work rules (9 months maternity leave)
2. Universal preschool for three and four year olds
3. Preschool for disadvantaged 2-year olds
4. Available high quality child care

- Expanding universal child benefits and tax credits not based on working which is much greater for low income families
- Tax credits and benefits all paid regularly throughout the year to mother
- More benefits for younger children

ABSOLOLUTE CHILD POVERTY RATES: UNITED STATES AND UNITED KINGDOM

- United Kingdom: Parental leave below the absolute poverty threshold 1999-2009 (about 10 percent of median income in 1999-2000)

TRENDS IN ABSOLUTE POVERTY IN US & UK AFTER CONSERVATIVE GOVT

- Comparison to 1994 levels

- Slash child poverty by 40%
- Rate drops from 11% to 7%
- Almost universal: 90% of people will get some money
- Not tied to work
- Families with children under 6 will receive up to $6400
- Families with children 6-17 will receive up to $5400
- Families making <$30,000 receive maximum benefit
- Phases out after $200,000
- Paid monthly
POVERTY AFFECTS CHILD HEALTH

Poverty is one of the most significant non-communicable diseases children are suffering from today.

CONSEQUENCES OF POVERTY: CHILD HEALTH

- Increased infant mortality
- Low birthweight and subsequent problems
- Chronic diseases such as asthma
- More food insecurity, poorer nutrition & growth
- Poorer access to quality health care and healthy food (transportation, food deserts)
- Increased accidental injury and mortality
- Increased obesity and its complications
- Increased exposure to toxins (i.e., lead) and pollutants


CONSEQUENCES OF POVERTY: WELL-BEING

- More toxic stress impacting EBCD
- Poorer educational outcomes:
  - poor academic achievement
  - higher rates of HS dropout
- Less positive social and emotional development
- More problem behaviors leading to “TAEs”
  - Early unprotected sex with increased teen pregnancy
  - Drug and alcohol abuse
  - Increased criminal behavior as adolescents and adults
- More likely to be poor adults
  - Low productivity and low earnings
- Especially if deep poverty (<50% FPL), long-term poverty, or poverty in early childhood


DOUBLE HIT OF PHYSICAL AND SOCIOEMOTIONAL STRESSORS

3 or more stressors:
- Poor: 54%
- Middle Income: 16%

Evans & English: Child Development 2002, Rural white sample
Among children from lower income families, small differences in income were associated with relatively larger differences in brain surface area.

These relationships were most prominent in regions supporting language, executive functions and spatial skills.

Income relates to brain structure most strongly among the most disadvantaged children.
**Disparities Begin Very Early**

**30 Million Word Gap**

![Graph showing cumulative vocabulary levels for professional, working class, and poor groups.](image)

Hart & Risley, 1995

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**Fig. 1.** Average percentile rank on Peabody Individual Achievement Test—Math score by age and income quartile. Income quartiles are computed from average family income between the ages of 4 and 10. Adapted from [12] with permission from MIT Press.

Heckman J. Skill formation and the economics of investing in disadvantaged children. Science. 2006;312:1900


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**Figure 6.1** Average reading scores of children from different SES groups and the gaps between them—change relatively little between kindergarten and eighth grade.

![Graph showing reading scores and standard deviations.](image)

Source: Authors' calculations using the ECLS-K.

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**Figure 6.4** Over time, achievement gaps emerge between low- and high-SES children who started school with the same level of reading ability. High-SES children always develop an advantage, whether they started with high, average, or low ability in kindergarten.

![Graph showing reading scores and standard deviations over time.](image)

Source: Authors' calculations using the ECLS-K.

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Too Many Children Left Behind. Bradbury, Corak, Waldfogel, Washbrook. 2013
And when we talk about children's problems, we say... it's an elephant

It's Poverty!!!!!

Health Disparities in Asthma:
Directly Related to Poverty Levels and Associated Neighborhood Factors (Pollution, Bad Housing, Lack of Pharmacies)

Economic Case for Ending Childhood Poverty
- Reduces productivity and economic output by about 1.3% of GDP
- Raises the costs of crime by 1.3% of GDP
- Raises health expenditures and reduces the value of health by 1.2% of GDP
- Total cost of childhood poverty is 3.8% of GDP or $500 billion per year
- Context: Estimated Federal Deficit 2015 is 2.6% of GDP

**Priority Areas of Poverty Work**

- Messaging and Communications
- Supporting Practices to Address Poverty
- Advocacy
- Community Partnership and Engagement

**Messaging and Communications**

- Key Messages
  - Poverty is Damaging to Children's Health
  - Poverty Happens Everywhere
  - Fortunately, we have realistic solutions that we know will work
    - Federal policies work! Without them 1 in 3 children would be poor as opposed to 1 in 5
    - There are also important Federal and state programs that ameliorate the impact of poverty

**Poverty and Child Health Leadership Workgroup**

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**SUPPLEMENTAL POVERTY MEASURE:**
**GOVERNMENT PROGRAMS WORK**
- Using these measures in 2013 reduced % at 100% FPL from 21% to 16.5%
- Major portion of effect due to:
  - EITC - 6.4%
  - SNAP (food stamps) - 2.9%
  - Housing Subsidy - 1.4%
  - School Lunch - 1.1%
  - WIC - 0.4%
  - Energy Assistance - 0.1%
  - TANF - 0.6%
  - Work/Child Care Expenses - 3.1%
  - Medical OOP Expenses - 3.5%
  - Taxes and FICA - 2.0%

**HIGH/SCOPE PERRY PRESCHOOL PROGRAM: MAJOR FINDINGS AT 40**
- 7 to 10% per year rate of return
- Higher than post-World War II stock market (5.8% -- before the 2008 meltdown)
- 7 to 12X Benefit/Cost Ratio

**HEAD START AND EARLY HEAD START**

**American Academy of Pediatrics**

Heckman et al: Rate of return for High/Scope Perry Preschool Program. 2009
**HOME VISITING: NURSE FAMILY PARTNERSHIP**

- Better language age 4
- Higher reading and math scores age 12
- $5.70 saved for each dollar of

MIECHV reaches only 2.5% of poor children under 3 years: 75,000 of 3 million

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**INTERVENTIONS IN PEDIATRIC PRIMARY CARE**

Reach Out and Read

- Advance in Language (months) in 2-5 yr-olds: 6 P < 0.05

- Receptive
- Expressive


ROR Reaches 4 million children per year:

- ¾ of all poor children!
- Interactions, vocalizations
- Improved child cognitive, language, and social-emotional development
- Reduced delay, with 50% reduction in need for EI

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**TIME**

Pediatricians Should ‘Screen’ Kids for Poverty, Says Group

Doctors should screen for poverty during childwellness visits, American Academy of Pediatrics recommends

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**SUPPORTING PEDIATRICIANS TO ADDRESS POVERTY**

- New AAP Report and Policy Statement
  - Mediators and Adverse Effects of Child Poverty in the United States
  - Child Poverty in the United States
- Screening and Referral Resources
- Advocacy Resources
**POVERTY TECHNICAL REPORT**

Details impacts on child health and development
Describes poverty demographics in the U.S.
Addresses child poverty as a source of toxic stress

**POVERTY POLICY STATEMENT**

Recommendations for pediatricians to screen for basic needs and make referrals
Recommends that pediatricians adopt integrated programs in medical home*
Supports advocacy for anti-poverty programs, income supports, and tax credits

*Healthy Steps, ROR, VIP, Health Leads, MLP, Incredible Yrs, Triple P

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**RECOMMENDATIONS FOR PEDIATRICIANS**

- Screen for risk factors within social determinants of health during patient visits
  - Questions about basic needs such as food, housing, heat, child care, making ends meet
  - Refer to community resources
  - We know SNAP, EITC, etc. improve child health and academic success
- Implement integrated medical home programs such as:
  - Reach Out and Read
  - Video Interaction Project
  - Healthy Steps
  - Incredible Years and Triple P (behavioral management)
- Collaborate with community organizations to help families address unmet needs and assist with stressors

**PRACTICE RESOURCES**

Suggests screening tools to identify basic needs
Provides template for practices to identify community resources
Recommends practice tips for implementation
RECOMMENDATIONS FOR ADVOCACY

- Invest in young children
- Support/expand essential benefits programs
- Support/expand strategies that promote employment and increase parental income
- Improve communities: affordable housing
- Support integrated models in the medical home that promote parenting and school readiness
- Fully fund home visiting

FEDERAL ADVOCACY

- **Successes in 2015**
  - CHIP funding through 2017
  - Expiring provisions of the EITC and CTC made permanent
  - Omnibus spending deal that increased austere budget caps
- **Successes 2016**
  - FDA (Federal Drug Administration) regulates e-cigarette products
  - Congresses passes bill for safety-packaging for liquid nicotine
- **Opportunities and Challenges in 2016**
  - Federal Nutrition Programs including school meals, WIC, summer feeding, and SNAP
  - Appropriations: Funding for child care, head start, home visiting, TANF
  - Speaker Paul Ryan’s Task Force on Poverty, Opportunity and Upward Mobility: Block grants (Medicaid and SNAP)

LOWEST RATE OF UNINSURED CHILDREN

Figure 1: Rate of Uninsured Children from 2008-2013

2014: 6.2%

*2013-2014 percent of uninsured significantly decreased

AMAZING PROGRESS FOR POOR CHILDREN

No Health Insurance among Children (0-17) and Adults (18-64) 1984-2013

- Under 18 c 100% FPL
- Under 18 100-199%
- Under 18 200-399%
- Under 18 400-599%
STATE ADVOCACY RESOURCES

- Child Poverty Partners
- State Child Poverty Commissions
- Information on State Income Supports and Tax Credits, Paid Leave, Minimum Wage
- Anti-poverty Programs
  aap.org/poverty

Poverty and Child Health

State Advocacy Resources

- Poverty and Child Health is a priority on the AAP Agenda for Children 2019-2021
- The AAP Executive Board has identified poverty reduction and alleviation as a priority. Members advocating on behalf of children and families is key.
- Key State Child Poverty, Measurability

- 2018 State Action: Minimum Wage
- 2017 State Action: Paid Leave
- 2016 State Action: State Child Care and Dependency Care Tax Credits
- 2015 State Action: State Child Care and Dependency Care Tax Credits

$15 MINIMUM WAGE Passes in NY AND California

New York Budget Deal With Higher Minimum Wage Is Reached

New York is first state to approve $15 minimum wage

NY Passes Paid Family Leave

- 12 weeks of job-protected leave
- Can be used for maternity/paternity leave even for foster children; also sick children, sick family members
- 2/3 of wages up to 2/3 of statewide average wage
- 8 weeks start in 2018
- Fully phased in by 2021
COMMUNITY PARTNERSHIP AND ENGAGEMENT

- Working with other sectors and developing new partnerships
- Developing local collaboration models and tools
- Community?: local, county, city

PAID FAMILY LEAVE EFFORT
ORGANIZED BY THE COMMUNITY SERVICES SOCIETY OF NY

It takes a village.
It's a Marathon, not a sprint

Organizations:
- American Academy of Pediatrics
- The American Cancer Society
- NYSMHC Coalition
- Community Services Society of NY
- NYS Breastfeeding Coalition
- New York City Roundtable Leadership Council
- Public Health Association of New York City
- Robin Wright's Voices

American Academy of Pediatrics

FACE POVERTY

#FACEPoverty
521 people with over 2 million impressions
8/10 top tweeters were SOMRFT
(May 6, 2016)

KNOW THE FACTS!
ADDITIONAL RESOURCE

- Executive Summary
- 5 commentaries
- 18 articles
  - Child Poverty: An Attack on our Nation’s Human Capital
  - Who Is Poor: The Definition and Measurement of Poverty
  - International Child Poverty Levels and Interventions
  - Child Poverty Interventions in US
**Child Poverty Reduction Act of 2015**

- The Working Group as its primary goal shall develop a national plan to reduce:
  - within 10 years the number of children living in poverty in the United States to half the number in 2013;
  - within the same 10 years the number of children living in extreme poverty in the United States to zero; and
  - within 20 years the number of children living in poverty, extreme or otherwise, in the United States to zero.

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**"It is easier to build strong children than to repair broken men."**

Frederick Douglass  
American Abolitionist  
1818-1895
THANK YOU!