

Child Poverty

September 10, 2024

KEY TAKEAWAYS

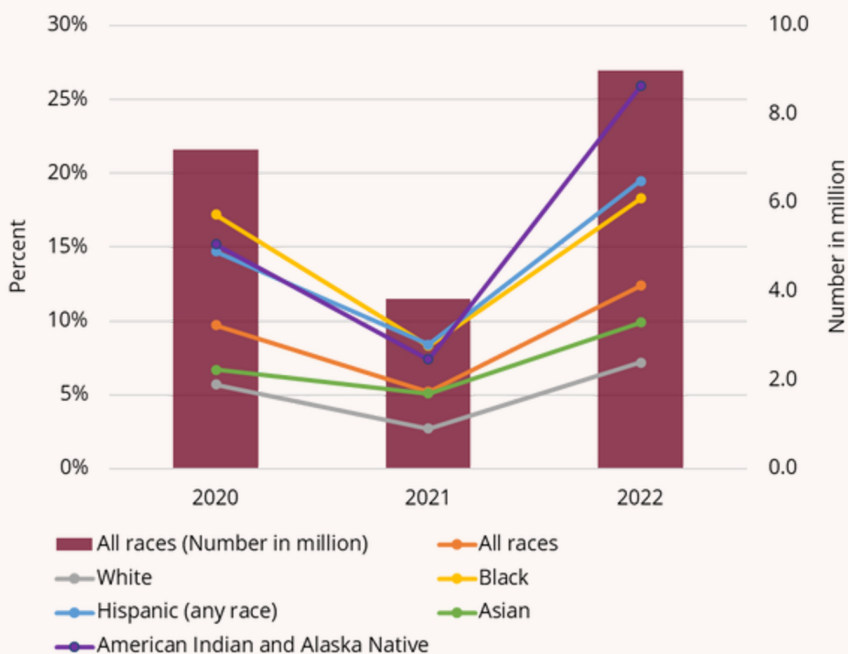
1. 1.38 million children in Texas experienced poverty in 2022.
2. Child poverty can substantially impact child health, development, and the economy.
3. Programs that aim to improve healthcare access and address non-medical drivers of health could alleviate child poverty and enhance health outcomes.

Background

The 117th U.S. Congress (2021-2022) passed the American Rescue Plan Act (ARPA) of 2021, on March 11, 2021, to provide economic relief for those who were impacted during the pandemic.¹

- This relief included direct stimulus payments, increased value of SNAP benefits, increased Child Tax Credit, Earned Income Tax Credit, and childcare assistance.¹
- As a result of the ARPA, the U.S. child (under 18 years) poverty rate, decreased from **9.7%** in 2020 to **5.2%** in 2021, the lowest level since the 1970s, according to the Supplemental Poverty Measures (SPM).²
 - However, the SPM child poverty rate increased again to **12.4%** in 2022 when these benefits expired.

The Percentage and Number of Children under 18 Years in Poverty (SPM) by Race/Ethnicity³



Source: U.S. Census Bureau, Current Population Survey, 2010 to 2023 Annual Social and Economic Supplements (CPS ASEC).

Poverty Measure: Official vs. Supplemental⁴

- *Official Poverty Measure (OPM)*: compares pretax income to a national poverty threshold adjusted by family composition.
- *Supplemental Poverty Measure (SPM)*: extends the OPM by accounting for government benefits, necessary expenses (taxes), and geographic differences in housing costs

A higher proportion of children in Texas are experiencing poverty compared to the national average.

Children Under 18 Years Old in Poverty (SPM)⁵



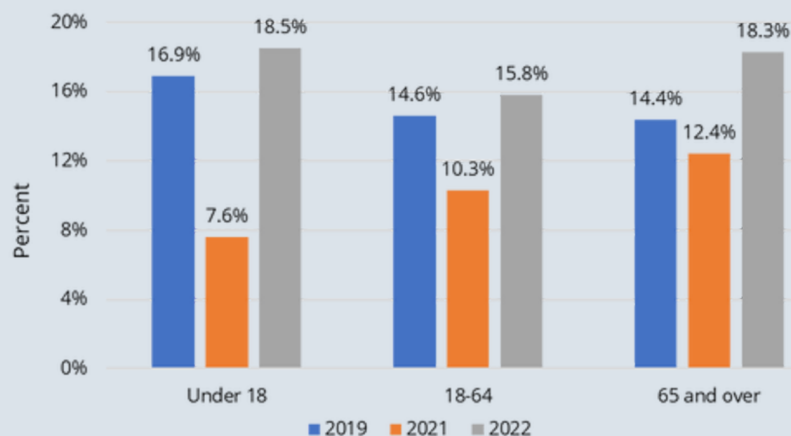
2021: 7.1%
2022: 15.8%



2021: 7.6%
2022: 18.5%

- In 2022, **1.38 million** Texas children were experiencing poverty. Compared to adults and older adults, a higher proportion of children were living in poverty.⁵

Percentage of People in Poverty (SPM) By Age Groups in Texas⁵



Source: U.S. Census Bureau, 2019, 2021 through 2022 American Community Survey, Public-Use 1-year estimates.

Implications of Child Poverty

Poverty has detrimental effects on children’s growth and development, affecting their long-term health and well-being, and substantial long-term economic consequences.

Health Impacts⁶



Cognitive, language, and socio-emotional development



Delayed school readiness



Increased risk of overweight and obesity

Economic Impacts⁶



Loss of **economic productivity**, earning less in adulthood than their economically advantaged counterparts, in part due to a lack of quality and quantity of education.



Increased **health expenditures** due to the adverse effects of poverty on children’s health.



Increased costs related to **crime** and **incarceration**.



Costs due to child **homelessness** and **maltreatment**.



Annual costs of child poverty in the U.S. are between **\$800 billion** and **\$1.1 trillion**.⁷

Mitigation Strategies

Programs and policies that address non-medical drivers of health, including economic stability, could alleviate poverty and enhance health and well-being.⁹

Food Assistance Programs

- Provide food assistance to increase food security and improve nutrition status for Texas children.
 - Expand access to and increase enrollment in existing food assistance programs. Of eligible participants in Texas:^{11, 12}
 - WIC* covered <50% in 2021
 - SNAP* covered <70% in 2020
 - Implement new food assistance programs, such as SUN Bucks (Summer EBT, Electronic Benefit Transfer) and the Universal Free School Meals Program, to provide more options and benefits for children.¹³
 - Provide technical assistance for schools to participate in the Community Eligibility Provision.

**WIC: Special Supplemental Nutrition Program for Women, Infants, and Children, *SNAP: Supplemental Nutrition Assistance Program*

Non-Medical Drivers of Health



Source: Healthy People 2030.¹⁰

Health Care Access, System and Workforce

- Improve child access to physical/mental healthcare and public health insurance, specifically Medicaid and the Children's Health Insurance Program (CHIP).^{14, 15}
- Enhance partnership and collaboration throughout and among the healthcare system, community-based social services, and financial service organizations.¹⁶
- Promote the development and implementation of pediatric-based care models to identify, document, and address risks related to non-medical drivers of health.¹⁶
- Invest and develop resources — such as patient navigators and peer support specialists — within healthcare institutions to help:¹⁶
 - Connect patients with community resources
 - Provide social services to intervene in families' unmet needs.

Direct Support

- Enact a national child allowance by permanently expanding the Child Tax Credit.¹⁷

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