An Emergency Policy Response to the Coronavirus (COVID-19)

STATE OPPORTUNITIES TO ADDRESS THE NEEDS OF FAMILIES WITH YOUNG CHILDREN AMID PUBLIC HEALTH AND ECONOMIC CRISSES

Key Takeaways

The COVID-19 pandemic and economic crises have placed millions of people at risk for financial instability and poor health outcomes. State and local policymakers should seek out policy responses that fill existing gaps and address underlying race/ethnicity equity shortfalls in the federal response.

- Leverage administrative flexibility and federal waivers to implement existing public assistance programs with the unique emergency needs of families with young children at the center.
- Establish and implement paid sick leave for all workers, in line with paid sick leave laws already implemented in states such as California and Massachusetts.
- Create, strengthen, and expand state-level Earned Income Tax Credits to offer additional financial stability to working families.
- Ensure all Medicaid-eligible residents have access to health coverage during this crisis.
- Enact temporary rent and eviction moratoriums in order to stabilize residents and decrease the risk of housing instability and homelessness.
- Address the gaps in federal COVID-19 legislation that exclude immigrant households from recovery assistance benefits (Recovery Rebates, Unemployment Insurance, etc.).

In the wake of the global pandemic caused by the novel coronavirus, economies and health systems around the world have begun to experience unprecedented levels of strain. The virus and resulting economic hardship not only shed light on our interconnectedness as societies but also the ways in which existing policies and economic structures create and perpetuate inequities that are then further exacerbated in times of crises. Policy responses at federal, state, and local levels are urgently needed to meet the immediate and future needs of families with children.
A Public Health and Economic Crisis

In December 2019, a novel (new) coronavirus caused outbreaks of the coronavirus disease, named COVID-19. The first case of COVID-19 in the United States was confirmed in January 2020 in Washington State. On March 11, the COVID-19 outbreak was characterized as a pandemic by the World Health Organization, and on March 13, four weeks after the first known case in the US, a national emergency was declared.

The federal government’s initial inaction to slow the spread of the virus during January and February of 2020 in comparison to other countries’ responses to this global crisis contributed to the considerably advanced spread of COVID-19 within all 50 states. The nation’s first legislative response to the outbreak, the Coronavirus Preparedness and Response Supplemental Appropriations Act, was signed into law on March 6. This bill provides emergency funding for federal agencies to respond to the disease domestically and abroad primarily through measures to support health systems and build capacity to identify and treat the disease. Following this initial funding measure, Congress passed the Families First Coronavirus Response Act and the CARES Act, which became law on March 18 and March 27, respectively. These bills address some of the immediate health and financial impacts of the pandemic and include important provisions to jump-start the economy and mitigate the sharp economic decline already appearing. However, the lack of a transparent and comprehensive national response to COVID-19 in the US has left state and local governments with the enormously challenging task of addressing a simultaneous public health and economic crisis without strong federal guidance or direction.

Families with young children are particularly vulnerable to the effects of the current economic crisis as parents face layoffs and furloughs, child care centers close forcing parents to stay home, and families struggle to afford basic needs. Research from Children’s HealthWatch and others shows that when families cannot pay for food, rent, utilities, health care, and/or medicines the health and well-being of young children and their families suffers.
How states can address the local and particular needs of families with young children

As nearly every state finds itself grappling with the budgetary and economic consequences of COVID-19, additional large-scale federal support will be necessary to enable states to fully address the public health and economic crises. Yet there are a number of policy options that state and local policymakers can leverage to immediately help families with young children meet their basic needs.

**NUTRITION ASSISTANCE**

**Supplemental Nutrition Assistance Program (SNAP)**

The Families First Coronavirus Response Act provided flexibility for states to modify procedures that would ease SNAP administration and maintain participation through waivers approved by the USDA. Specifically, states can request waivers to:

- Issue emergency allotment of supplemental benefits up to the maximum benefit a household can receive for up to two months
- Provide meal replacement benefits for children through Pandemic EBT (P-EBT) who can no longer access free or reduced price school meals due to school closures, and may be geographically distant from meal distribution sites
- Waive meal pattern requirements to allow local meal providers or operations to create meals with food they have available
- Allow parent/guardian to pick up meal for child without the student needing to be present
- Delay administrative deadlines associated with the Community Eligibility Provision to ease burdens on schools that are closed
- Extend certification periods and adjust reporting requirements to maintain participants' benefits and reduce administrative strain
- Adapt telephonic signature requirements to allow states to accept applications remotely by phone
- Change in-person case reviews to remote reviews
- Waive other requirements, such as the applicant interview, to prepare for the anticipated influx of applications

**Example of policy in action:** Massachusetts received federal approval to issue emergency SNAP allotments to households not already receiving the maximum monthly amount, as authorized in the Families First Coronavirus Response Act. Massachusetts also received approval from USDA to extend SNAP certification periods for a minimum of six additional months for anyone with an Interim Report or Recertification due in March, April or May 2020. This ensures stability in benefits for existing clients and will allow the Department of Transitional Assistance (state department with SNAP authority) to focus on new applications for newly eligible clients.
NUTRITION ASSISTANCE (CONTINUED)

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

The Families First Coronavirus Response Act provided flexibility for states to modify procedures that would ease WIC administration and maintain participation through waivers approved by the USDA. States may request approval from USDA to:

- Waive the physical presence requirement for all individuals seeking certification or recertification in the WIC Program.
- States may also request approval to permit appropriate substitutes for the types and amounts of certain WIC-prescribed foods if their availability is limited.

Example of policy in action: Maryland received federal approval from USDA, as authorized in the Families First Coronavirus Response Act, to temporarily waive the physical presence requirement, issue benefits remotely, and allow food package substitutions. This administrative flexibility enables Maryland WIC to avoid any disruptions and provide families with essential WIC services.

PAID SICK LEAVE

Prior to the COVID-19 pandemic, twelve states and Washington D.C. had enacted laws to require paid sick leave. While there are no federal laws that require employers to provide paid sick leave for their employees, the US Department of Labor has been authorized to implement the Emergency Paid Sick Leave Act and Emergency Family and Medical Leave Expansion Act, both part of the Families First Coronavirus Response Act and the CARES Act, from April 1, 2020 through December 31, 2020.

> The Emergency Paid Sick Leave Act requires that certain employers provide up to 80 hours of paid sick leave to employees who need to take leave from work for certain specified reasons related to COVID-19, whereas the Emergency Family and Medical Leave Expansion Act requires that certain employers provide up to 10 weeks of paid, and 2 weeks unpaid, emergency family and medical leave to eligible employees if the employee is caring for their child whose school or place of care is closed or whose child care provider is unavailable for reasons related to COVID-19.

Example of policy in action: Only 20 percent of private sector workers are covered by the COVID-19 sick leave related supports offered. Millions of employees — those earning low wages, predominantly women, people of color, and immigrants — are excluded on the basis of working for companies with more than 500 employees. For this reason states should establish and implement paid sick leave for all workers, in line with paid sick leave laws already implemented in states such as California and Massachusetts.
UNEMPLOYMENT INSURANCE

Another provision of the Families First Coronavirus Response Act, the Emergency Unemployment Insurance Stabilization and Access Act of 2020, offers emergency grants for states to provide and process unemployment insurance benefits.17

> These funds to states may be used to streamline access to unemployment compensation, including ensuring adequate resources in periods of high demand.

Example of policy in action: California has waived the 7-day waiting period for the state’s unemployment, state disability, and paid family leave programs. Massachusetts and Pennsylvania have also passed legislation that waive the one week waiting period for unemployment benefits.18,19

EARNED INCOME TAX CREDIT

The Earned Income Tax Credit (EITC) is a federal tax credit for low- and moderate-income working households. Currently, 30 states, the District of Columbia, Guam, Puerto Rico and some municipalities have established their own EITCs to supplement the federal credit. EITC is a critically important tax policy for reducing the financial burden faced by families with low incomes and can serve as an important financial lifeline. Aside from establishing a state EITC or expanding an existing state-level EITC, there are a number of policy options states with existing state-level EITCs can take to offer additional financial stability to families:

• Emergency EITC – states can create a one-time emergency EITC to provide a dollar-for-dollar match to the existing state EITC
• Expanding state EITC eligibility to taxpayers who file with an ITIN (Individual Tax Identification Number) would allow certain immigrants, with a range of legal statuses, to claim the state EITC, which would help families make ends meet
• Eliminate the state EITC phase-in, allowing families with the lowest incomes to receive the maximum credit
• Expand eligibility up and down the age range, starting at age 18 with no upper age limit (currently limited to ages 25-64 for filers with no dependents)

Example of policy in action: Currently, 30 states, the District of Columbia, Guam, Puerto Rico and some municipalities have enacted their own version of the federal EITC. In Massachusetts, lawmakers have filed legislation to expand state EITC eligibility to taxpayers who file with an ITIN. Maryland, California, and Maine have all enacted legislation to expand EITC eligibility to workers aged 18 and older without dependents.
MEDICAID

Ensuring all Medicaid-eligible residents have access to health coverage during this crisis is absolutely necessary. States that operate their own health insurance marketplaces should establish a special enrollment period for those who missed the annual enrollment period for 2020. States should also engage in a public awareness campaign to notify residents of Medicaid eligibility in the event of being laid off or having a child. In addition to these options, there are other policy options states can enact:

- Conduct outreach to uninsured populations, simplify enrollment and renewal processes, and expand 12-month continuous eligibility.
- Suspend Medicaid work requirements and documentation and other barriers that disrupt coverage.

Example of policy in action: On April 2, 2020, Utah voluntarily suspended its program tying Medicaid eligibility to work hours, thus lowering barriers for low-income residents to access public health insurance.24

HOUSING

A component of the CARES Act restricts certain evictions for 120 days, and applies only to public housing units as well as units funded by housing choice “Section 8” vouchers or owned by landlords with federally backed loans. This measure only covers a portion of the overall number of renters and homeowners in the US. States should enact temporary rent and eviction moratoriums in order to stabilize residents and decrease the risk of housing instability and homelessness.

- The CARES Act also included $4 billion in new Emergency Solutions Grants funding to bolster states’ homelessness services. However, it is estimated that this amount covers only a fraction of the total cost of homelessness assistance needed.25

Example of policy in action: Lawmakers in New York have filed legislation (SB 8125) that would suspend for ninety days all rent payments for certain residential tenants and small business commercial tenants if the tenant has lost employment or was forced to close their place of business, and certain mortgage payments for landlords of tenants.26
**IMMIGRATION**

Unfortunately, both the Families First Act and CARES Act excluded tens of millions of immigrants from the emergency provisions designed to mitigate the public health and economic crises, such as COVID-19 testing and care, cash rebates, and unemployment insurance. While any future federal relief bill should address these gaps, there are a number of actions states can take now:

- The CARES Act increased and extended Affordable Care Act funding for Community Health Centers, which helps states provide healthcare to all patients regardless of immigration status.\(^\text{28}\)
- States should offer guidance to hospitals and other health care facilities on how to best operate as “sensitive locations” safe from and off-limits to immigration enforcement activity.\(^\text{29}\)
- States should pass legislation removing the Social Security number requirement for the Recovery Rebate as well as the EITC, thus enabling ITIN holders to qualify for a state-funded Recovery Rebate and state EITC.

**Example of policy in action:** Lawmakers in Vermont have adopted a resolution (HR 15) that stipulates during the duration of the pandemic emergency, the federal government refrain from arresting or detaining individuals based on their immigration status in any healthcare setting and suspend implementation of the Inadmissibility on Public Charge Grounds Rule.\(^\text{30}\)

**Conclusion**

The recent outbreak of COVID-19 and subsequent economic downturn have placed millions of people at risk for financial instability and poor health outcomes. These crises disproportionately harm families with low incomes, as existing lack of access to resources and financial support is exacerbated. Young children from families with low incomes, immigrants, and communities of color are particularly vulnerable to the lasting effects of an economic crisis, highlighting the need for solutions focused on this particular population. Evidence-based food, housing, child care, health care, and financial stability policy solutions exist to address family needs.

Strong national leadership and immediate action at all levels of government are essential to implement these evidence-based legislative and administrative strategies that will alleviate short-term impacts and mitigate their long-term health and economic ripple effect. In particular, state and local policymakers should seek out policy responses that fill existing gaps in the federal response.
Children’s HealthWatch is a nonpartisan network of pediatricians, public health researchers, and children’s health and policy experts. Our network is committed to improving children’s health in America. We do that by first collecting data in urban hospitals across the country on infants and toddlers from families facing economic hardship. We then analyze and share our findings with academics, legislators, and the public. These efforts help inform public policies and practices that can give all children equal opportunities for healthy, successful lives.

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