Early childhood sets the foundation for lifelong health and development.

When families of young children struggle to afford basic needs like food, housing, utilities, health care, and child care - even for brief periods — the health of children and their parents is at risk.\textsuperscript{2,3,4,5} Children live in the context of their families. Thus, policies that improve financial stability and promote health across generations are key to promoting health and well-being for infants and toddlers.

Food insecurity — the inability of families to afford enough food for all members to lead a healthy and active life — is a key indicator of economic hardship among families and is closely linked to poor health across the lifespan.\textsuperscript{2,3,6} Nationally, families with young children, Black and Latinx families, and families with immigrant members have higher rates of food insecurity and other hardships than other populations — inequities that were exacerbated during the COVID-19 pandemic.\textsuperscript{7}

Summary of Findings

New preliminary data from Children’s HealthWatch highlight linkages between Child Tax Credit (CTC) receipt and food security as well as excellent or good parental health status among families with young children. Despite these positive signs, there were notable disparities in which families received the CTC — likely as result of structural racism and exclusions that should be rectified in future policymaking and implementation.
The advance Child Tax Credit (CTC) was a near-universal child allowance distributed monthly to families with children in the US following a temporary expansion of the existing credit in the American Rescue Plan Act. Families received up to $300 per child on the 15th of each month between July - December 2021. Over 90 percent of children were eligible for the payments. Even so, an estimated 1 million immigrant children without social security numbers were excluded from eligibility and an estimated at least 4 million children in families with very low incomes may have initially missed monthly payments due to not having filed a tax return in recent years.

National data showed families used the payments to purchase food, clothing, school supplies, and pay bills. Previous research has also demonstrated significant reductions in reports of food insufficiency — a condition related to food insecurity when families lack enough food to eat — among families with children following disbursement of CTC monthly payments in 2021. While families overall saw a 26% reduction in food insufficiency nationwide, racial inequities in reports of food insufficiency remained.

New findings from the Children’s HealthWatch COVID-19 Follow-Up Study

The ongoing Children’s HealthWatch COVID-19 Follow-up Study seeks to understand how families with young children have been affected by the economic crisis created by the COVID-19 pandemic as well as the impact of relief policies on family economic hardships and health. For this study, we recruited families who were previously interviewed pre-pandemic through face-to-face interviews in emergency rooms and primary care clinics in four US cities (Boston, Philadelphia, Minneapolis, and Little Rock). During the pandemic, we conducted follow-up phone surveys with parents. Previous data from this cohort of families with young children showed significant increases food insecurity — nearly double pre-pandemic rates — during the first year of the pandemic.

To further understand receipt and impact of the advance CTC payments, we re-interviewed parents in the study between September 2021 and February 2022 and asked about their food security using the Six-Item Short Form U.S. Household Food Security Survey Module, physical health status, and receipt and access to the monthly payments.
Our preliminary findings show families who received the CTC payments reported higher rates of food security and parents being in good or excellent physical health than those not receiving the advance CTC payments (Figures 1-2).

**FIGURE 1** Families who received advance CTC payments had higher rates of food security than those who did not receive payments

![Bar chart showing food security rates](image1)

Data source: Children’s HealthWatch COVID Follow-up Study, September 2021-February 2022. p=0.03

**FIGURE 2** Parents who received advance CTC payments had higher rates of being in good/excellent physical health than those who did not receive payments

![Bar chart showing parental health rates](image2)

Data source: Children’s HealthWatch COVID Follow-up Study, September 2021-February 2022. p=0.03
While these outcomes point to the importance of the advance CTC payments for families, we also found disparities in receipt of CTC monthly payments by nativity, race/ethnicity, and banking status (Figures 3-5).

In addition to these disparities, we also found lower rates of advance CTC payment receipt among families with a parent without a high school diploma, families with no employed household member, and families who did not file tax returns.
Evidence-based, equitable policy solutions are urgently needed to improve family health

These findings underscore the importance of the advance CTC payments for families with young children. Families receiving the advance CTC monthly payments had higher rates of food security and positive parental health outcomes than those not receiving payments. When families are food secure, children are more likely to be healthy and do better academically.\textsuperscript{2,3,14} Moreover, there is strong evidence demonstrating that when parents are in good health, children are also more likely to be in good health.\textsuperscript{15,16} Other research highlights additional benefits of monthly cash payments to families, such as improved cognitive development for young children, reduced reports of child maltreatment, and greater economic mobility.\textsuperscript{17,18}

Nevertheless, inequities in receipt of CTC payments persisted. We found significant differences by maternal nativity, caregiver race/ethnicity, and banking status. Fear and confusion among immigrant families and families of color likely attributable to the lengthy history of discriminatory policymaking which has contributed to skepticism of direct cash transfer policies in the US may have may have exacerbated ongoing inequities in receipt of CTC.\textsuperscript{9,19} Additionally, for immigrant families, CTC eligibility rules directly resulted in the exclusion of 1 million immigrant children without Social Security Numbers from eligibility.\textsuperscript{8} This explicit exclusion combined with ongoing concerns among immigrant families about the impact of receiving public benefits may have on future immigration status as well as confusion around eligibility based on immigration status may have contributed to significant disparities in receipt of advance CTC payments among immigrant families.

Disparities by race/ethnicity are also likely partially explained by a number of structural barriers into the CTC implementation system. For example, while the advance CTC's tax filing requirement meant that families did not need to submit a separate application in the midst of a pandemic, families who had not previously been required to file taxes likely found the tax filing requirement a confusing and challenging hurdle. This was especially true for those arguably most in need — families with the lowest incomes and those without employed household members.

In contrast, for those who already had a bank account on file from previous tax filings, receipt of the CTC was seamless, and payments were simply deposited to their accounts. For those who did not have a bank account and had not filed taxes in the prior two years — two groups with strong overlap — these additional requirements again meant that those most likely to benefit from the payments had a harder time accessing them. Thus, these preliminary findings demonstrate the stark differences in CTC receipt between those who did and did not have a bank account on file.
Policy recommendations to improve the Child Tax Credit

There is an urgent need to pass an extension of the advance CTC monthly payments, which expired at the end of 2021, and enact solutions that increase access to payments among marginalized families. The recommendations below will help promote food security and improve parent health.

Specifically, Children’s HealthWatch and the Kairos Center for Religions, Rights, and Social Justice urge Congressional leaders and the administration to swiftly enact the following changes:

1. **Pass a permanent and inclusive expanded advance Child Tax Credit** that ensures all children — regardless of immigration status and without requirements for earned income — are eligible for monthly payments that improve family health and well-being.

2. **Invest in effective, culturally appropriate outreach and enrollment efforts** that focus on community-driven solutions for increasing awareness of and access to the CTC.

3. **Reduce structural barriers to the CTC** by creating a permanent, accessible simplified tax-filing platform available in multiple languages, that is consistently evaluated and improved to promote equitable access to the CTC — particularly for marginalized families.

Policies that promote multigenerational health, support food security, and reduce racial and national origin inequities among families with young children are urgently needed. The advance CTC payments are an evidence-based solution for achieving these goals. As families continue to struggle to afford basic needs and health inequities continue to widen, extending the CTC is critically important for the current and future health and well-being of infants and toddlers and their parents across the US.
About Children’s HealthWatch: 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.

About the Kairos Center for Religions, Rights, and Social Justice: The Kairos Center, housed at Union Theological Seminary (UTS), is a national organization committed to building a movement to end poverty, led by the poor. Drawing on the power of religions and human rights, and nearly three decades of organizing among the poor, we are a center for movement strategy, coordination, and education among the poor, across all lines of division. Among other projects, we co-anchor the Poor People’s Campaign: A National Call for Moral Revival.

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