

The Expanded Child Tax Credit: Implications for Families Raising Children and Youth with Special Health Care Needs (CYSHCN) August 24, 2021

Boston University School of Social Work Center for Innovation in Social Work & Health



A Few Instructions and Messages

- This webinar is being recorded. The recording will be posted following the webinar on the Catalyst Center's website.
- Please use the Q&A button to ask a question at anytime during the webinar.
- Following the webinar, a list of Child Tax Credit resources, and Q&A will also be posted on the Catalyst Center's website
- Please use the chat to let us know if you have any technical difficulties.

Program Schedule

- Welcome and Introductions
- The Child Tax Credit: Now and Into the Future
 - Elaine Maag, Tax Policy Center
- The Importance of the Expanded Child Tax Credit for Families Raising CYSHCN
 - Stacy Collins, Association of Maternal Child Health Programs
- The Expanded Child Tax Credit: Leveraging Title V and CYSHCN Networks to Reduce Child Poverty
 - Isabel Dickson, Colorado Department of Health and Environment
- Questions and Discussion



The Catalyst Center Team



Margaret (Meg) Comeau, M.H.A.

Senior Project Director Principal Investigator



Allyson Baughman, M.P.H., Ph.D

Project Director



Rebecca Bilodeau, MSW

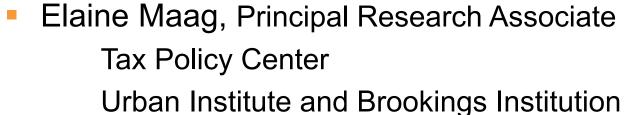
Program Manager

Contact us: cyschn@bu.edu



Presenters







Stacy Collins, Associate Director, Health Systems
Transformation

Association of Maternal Child Health Programs (AMCHP)



Isabel Dickson, Economic Mobility Specialist
Maternal Child Health Program
Colorado Department of Health and
Environment

The Child Tax Credit: Now and into the Future

The Catalyst Center

August 2021 @ElaineMaag Emaag@urban.org



Federal tax credit



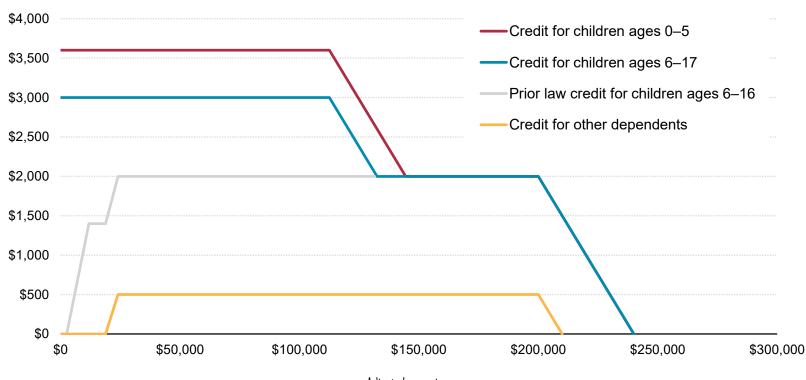
- Temporary increase from \$2,000 per child to:
 - \$3,000 per child credit for children under 18
 - +\$600 if under age 6
 - 17 year olds newly eligible
 - Maximum credit for lowest income families "fully refundable"
- All low-income citizen children are eligible
- Builds on existing credit about 92 percent of families will benefit

Child Tax Credit 2020 and 2021



FIGURE 1

Child Tax Credit, Single Parent For one child, tax year 2021



Adjusted gross income

Source: Urban-Brookings Tax Policy Center calculations.

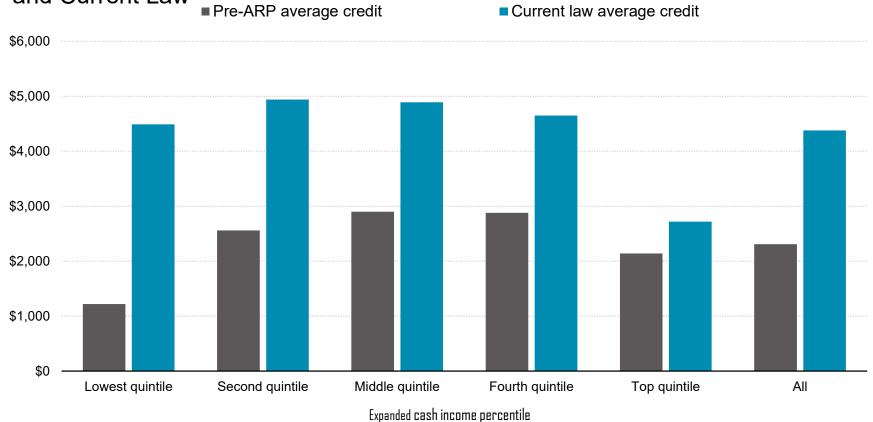
Notes: Assumes all income comes from earnings, and child meets all tests to be a CTC-qualifying dependent. \$3,000 and \$3,600 credits are fully refundable; prior law limited refunds to \$1,400 out of the maximum \$2,000 credit. Credit for married parents first phases out at \$150,000 of income until credit reaches pre-2021 level; begins second phase out at \$400,000 of income. Only citizen children qualify for the \$3,000 and \$3,600 credits for children under 18. Noncitizens under age 18 who meet the dependency tests of eligibility can qualify other dependent credit.

Average benefits CTC



FIGURE 2

Average Benefits of Child Tax Credit for Tax Units with Children: Pre-ARP and Current Law



Source: Urban-Brookings Tax Policy Center. "TPC Microsimulation Model, version 0920-2."

Administrative Change



- Typically, the CTC for low-income families is paid when tax returns are filed.
- In 2021, half of CTC can be received in advance of filing a tax return. Monthly payments started in July.
 - If people sign up for the credit now, they will still receive half of the CTC in 2021, it will be spread out over the remaining months of the year.

Understanding Advanced Payments



- Attempt to better match timing to need.
 - Nearly 40 percent of low-income, workingage adults have household income that spikes or dips in at least 6 months of the year.
- Opens up risk of overpayment
 - OR Increased administrative complexity
 - BUT...in 2021, low-income families will NOT have to repay errant CTC amounts.

Nonfilers and the CTC



- While the CTC reached 90 percent of all families with children *prior* to the American Rescue Plan those most likely to be missed people who have not filed a tax return.
 - Very low-income families with children
 - Might not be working
 - New parents
- Opportunity to apply for CTC on IRS website or at getctc.org
- Opportunity to update information at IRS website

Helping Nonfilers



- Best message that has been tested is "New cash benefit for kids. Did you get your July payment?"
- Do NOT have to be a tax preparer to help someone sign up for the credit.
- Does NOT affect eligibility for other benefits such as Medicaid, SNAP, or TANF.

What's next?



- In the budget resolution, there is room for an extension of the CTC. Unclear whether the extension would be permanent or time limited (maybe for 4 years to coincide with other changes in the tax law)
- Keeping the credit fully refundable critical for low-income families.

Conclusion



- One-quarter of new benefits delivered to very low-income families.
- Will provide benefits for lowest income families with children on par with benefits from middleincome families.
- Temporary but extensions are possible.



Implications of the Expanded Child Tax Credit for MCH:
The importance Title V and Family Leader involvement

Stacy Collins, MSW
Associate Director, Health Systems Transformation

August 24, 2021



Increasing family income = Improving MCH outcomes

Helping families use the <u>Child Tax Credit</u> (CTC) can improve health outcomes related to income disparities.

CTC is valuable for reducing infant mortality because of the proven link between higher IMRs and higher poverty levels.

Research shows that among families receiving EITC, both maternal health and birth outcomes improve.

NATIONAL ACADEMY of MEDICINE

IT - PROGRAMS - PUBLICATIONS - NEWS EVENTS - MEMBER HOME

Exploring the Potential of Tax Credits for Funding Population Health

By Stacy Becker, Ella Auchincloss, Nina Burke, Maggie Cooke, Amanda McIntosh, and Katherine Wright

September 24, 2018 | Discussion Paper



PEDIATRICS

OFFICIAL JOURNAL OF THE AMERICAN ACADEMY OF PEDIATRICS

Pediatrics Perspective

A National Prescription for Health: Tax Credits

Lucy E. Marcil and Andrew F. Beck

Pediatrics November 2020, 146 (5) e20193386; DOI: https://doi.org/10.1542/peds.2019-3386



Five most effective policies that states can implement to ensure children get off to a healthy start:

- Expand Income Eligibility for Health Insurance (Medicaid Expansion)
- Reduce Administrative Burden for SNAP
- 3. Implement Paid Family Leave
- 4. Increase State Minimum Wage
- 5. Implement a State Earned Income Tax Credit

Source: Prenatal to Three Policy Impact Center



Excerpt – 2021 California Title V block grant application

Objective:

Partner to build capacity and expand programs and practices to build family resiliency by optimizing the parent-child relationship, enhancing parenting skills, and **addressing child poverty** through increasing access to safety net programs within MCAH-funded programs.

Activity:

Assess current capacity of MCAH programs to strengthen economic supports for families, including access to safety net programs (e.g., WIC, school meals, Earned Income Tax Credit, Child Tax Credit, housing subsidies, COVID-related assistance, unemployment) for families.





CTC Promotion <u>must</u> be a priority for all state MCH programs and their family leader partners

- Trusted messengers
- Strong connections to communities
- Strong connections to MCH local grantees
- **Tap all constituencies**: Family to Family organizations, Healthy Start agencies, home visitors, adolescent health coordinators, school liaisons



The Expanded Child Tax Credit

Leveraging Title V and CYSHCN Networks to Reduce Child Poverty

Catalyst Center Child Tax Credit Webinar August 24, 2021



Addressing Root Causes

Our program's why: improved family resilience and maternal and infant health outcomes

- Fewer ACEs
- Reduced infant mortality and child maltreatment, reduced trauma
- Improved long term educational outcomes
- Increased intergenerational health
- Increased access to services for CYSHCN

What is your program's why?



Moving Upstream in Title V

Integrating SDoH into Title V

- Title V needs assessment
- 4 of 7 priorities address SDoH
- Economic Mobility as a Title V priority
- 4 economic mobility strategies
- Tax credits an evidencebased strategy to reduce child poverty

Economic Mobility and CYSHCN Families

 CYSHCN caregivers are more likely to leave their jobs or reduce their hours to become caregivers, impacting income, insurance and access to services.



Strategies to Increase Uptake of the CTC

Strategies

- Outreach and messaging (our toolkit)
- Training for existing navigators and new navigators.
- Strengthening and connecting to VITA sites
- Partnerships, state, local, national
- Reaching non-filers

Prioritizing non-filers - who does not file?

- Income below 12k/24k
- Immigrant and refugee populations
- Non-English speaking populations
- Rural



Outreach



Do you have kids?



Receive up to \$3,600 per child.

It's not too late to file your taxes to begin receiving up to \$3,600 per child under the expanded child tax credit if you qualify.

Don't file taxes?

You can still get these benefits using the non-filers' sign-up portal.





Co-enrollment

Bundling tax outreach with other referral services

- Home visitors such as NFP
- School-based Health Centers
- Leveraging COVID networks
- Pop-up enrollment events, mobile vans
- Unified Benefits Platforms
- United Way 2-1-1



Navigation and Referral

Strengthening Referral and Navigation

- Trusted voices
- Raising awareness with busy navigators and care coordinators
- Strengthening VITA sites
- Piloting in direct service settings
- Learning from navigators



Partnerships

State Partnerships

- Internal state health department programs - e.g.
 WIC, CACFP, HCP,
- Other state agencies: DOR, CDHS
- United Way
- Newsletters and emails with links to outreach toolkits
- Bright by Text, Hunger Free
- Clinical Settings
- Employers



Partnerships

Community partnerships

- Home visitors such as NFP
- School-based Health Centers
- COVID communication channels
- Enrollment events, mobile vans
- Clinical settings

National partners

- Code for America
- Center on Budget and Policy Priorities



CYSHCN-Specific Strategies

Connecting families with CYSHCN to tax credits

- CDS intake change
- Training and updates for care coordinators
- Listening to care coordinators to learn about barriers to talking about taxes - what do they need?
- Listening to care coordinators to learn about barriers to tax filing for families



What's Next

On the horizon

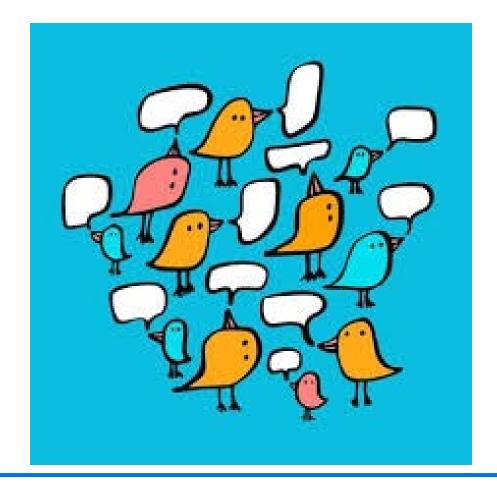
- Federal legislation
- 2022 tax season prep
- New messaging
- Expanded training opportunities for navigators
- Evaluation and improvement
- Scaling up

Opportunities for state and local agencies

- Funding
- Partnership across state agencies



Questions and Discussion





- Webinar recording posted shortly
- List of Resources related to the Expanded Child Tax
 Credit posted and emailed to attendees
- Website- Catalyst Center Resources
 https://ciswh.org/project/the-catalyst-center/

Thank you for giving us feedback! **Evaluation Link**:



Thank you!

Contact Information:

Catalyst Center Email: cyshcn@bu.edu

Catalyst Center Website: www.catalystctr.org

Allyson Baughman, Project Director: allysonb@bu.edu

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