DREXEL UNIVERSITY Center for Hunger-Free Communities

The Building Wealth & Health Network
My Power. My Money.

POLICY BRIEF | JULY 2018

ALIGNING SYSTEMS TO BUILD A CULTURE OF HEALTH

Integrating TANF and Medicaid to Achieve Wealth and Health

OVERVIEW

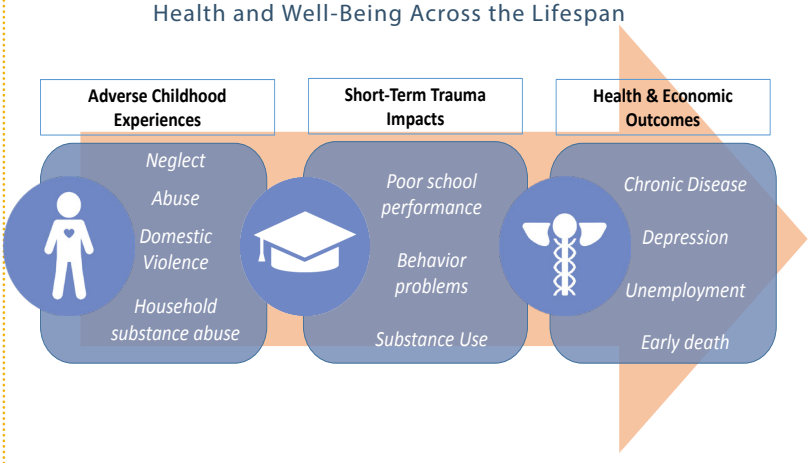
Economic security is strongly associated with physical and mental health and well-being. Programs such as Medicaid which focus on health and Temporary Assistance for Needy Families (TANF) which aims to improve employment and financial well-being should be better coordinated to provide more effective services. Programs which integrate physical and mental health services reduce costs.[1] Findings from the Building Wealth and Health Network demonstrate the effectiveness of integrating behavioral health components into financial programming on improving physical, mental, emotional and financial outcomes.

TRAUMA IMPACTS FAMILIES AND CONTRIBUTES TO THE TRANSFER OF POVERTY ACROSS GENERATIONS

Toxic stress during childhood, defined as prolonged activation of stress response systems resulting from adversity such as homelessness, hunger, and neglect, has lifelong effects on a person's health and well-being.[2]

When toxic stress and a related set of exposures called Adverse Childhood Experiences (ACEs) - including abuse, neglect, and household instability - are unaddressed, children are more likely to have physical, mental, and behavioral health problems that negatively affect their ability to learn in school, gain employment, and be financially secure later in life.[3-5] ACEs are also associated with higher health care use, indicating that health care costs later in life may be reduced through interventions that prevent and address exposure to trauma.[6]

How Adverse Childhood Experiences Influence Health and Well-Being Across the Lifespan



TANF and Medicaid: Shortcomings and Opportunities

Historically, TANF has focused on steering families toward work without adequate behavioral and mental health supports. Medicaid, on the other hand, has been successful in improving access to health care and health outcomes, but has not traditionally addressed upstream causes of poor health and well-being. Aligning the two programs may offer opportunities to promote both health and economic well-being.

TANF: FOCUS ON WORK WITHOUT ADDRESSING TRAUMA

Temporary Assistance for Needy Families (TANF) is a federal cash assistance program designed to help low-income families achieve self-sufficiency. Serving approximately 1.5 million households, TANF reaches less than one in four families in poverty.[7] Despite high prevalence of trauma exposure among TANF participants,[8] most state TANF programs do not integrate approaches that address trauma. Families unable to meet mandated work requirements are more likely to be sanctioned — having their benefits reduced or cut off — than offered support. This policy aims to increase compliance with work requirements, but it only increases families' barriers to achieving financial stability. This is highly problematic as sanctioned families are more likely to have significant health impediments to employment, including domestic violence, food insecurity, utility shut offs, homelessness, child hospitalizations, and child development risk.[9] After losing the modest TANF benefit, families have more difficulty looking for employment, especially without transportation and childcare supports. The severe penalty of sanctions often hinders families' ability to reach self-sufficiency and increases exposure to traumatic events.[10]

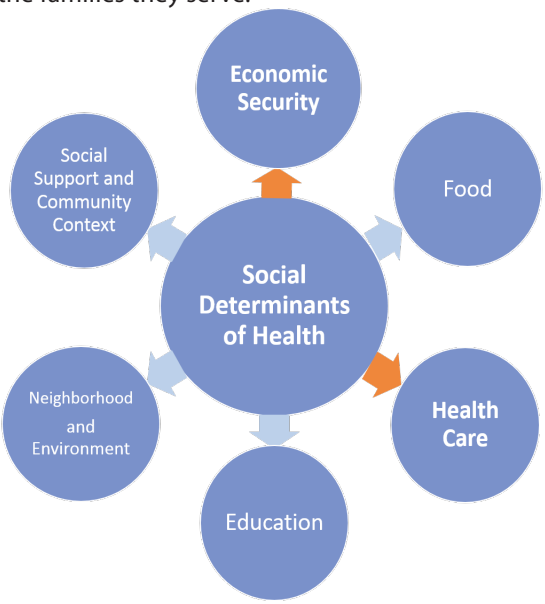
This policy brief is the second in a series for RWJF-funded project "The Impact of Integrating Behavioral Health with Temporary Assistance for Needy Families to Build a Culture of Health across Two-Generations."

MEDICAID: OPPORTUNITIES TO ADDRESS SOCIAL DETERMINANTS OF HEALTH

Medicaid, a public insurance program providing health coverage to low-income families and individuals, ensures access to health care for 97 million children, parents, pregnant women, seniors, and people with disabilities.[2] Medicaid has improved access to preventive and primary care for millions of Americans, protecting against and providing care for serious diseases.[11] Recent regulations focused on managed care have created opportunities for Medicaid to address social determinants of health, nonmedical concerns that are deeply entwined with health status, such as access to stable housing and social support networks, or exposure to environmental toxins or community violence.[12]

Social determinants of health—the conditions in which people are born, grow, work, and age — are responsible for unfair and avoidable differences in health status between groups.

Managed care, in which patients are limited to a set of health care providers in order to reduce costs while improving quality of care, is the predominant form of Medicaid coverage, accounting for 77% of all Medicaid plans.[13] Updates to the Medicaid managed care rule in 2016 financially incentivizes health plans to address social determinants of health through several mechanisms, including allowing nonclinical supports to be included as covered services and encouraging states to improve care coordination for their patients.[13] Without access to medical assistance such as Medicaid, families not only face significant health consequences, but also an often unbearable economic burden.[14] Recognizing the important links between health, well-being and economic security, increasing coordination between systems that address these components can lead to better outcomes for the families they serve.



Access to health care and economic security are important and interconnected social determinants of health, shown above by orange arrows

INTEGRATING TANF & MEDICAID TO IMPROVE HEALTH AND ECONOMIC WELL-BEING

Nearly 98 percent of TANF participants receive health coverage through Medicaid, yet the two programs rarely develop coordinated approaches to address the income and health needs of families.[15] Due to the interconnected nature between a family's health and financial well-being, better coordination between programs such as Medicaid and TANF can provide families with substantial benefits.

Medicaid has been used to fund other supportive services that promote health, including housing-first programs. For example, a statute in Pennsylvania's Medicaid program grants counties the ability to manage behavioral health services, allowing Philadelphia County's Department of Behavioral Health and Intellectual DisAbility Services (DBHIDS) to take on the role of behavioral health care provider for all Philadelphia Medicaid enrollees. DBHIDS has been able to reinvest savings from early intervention and evidence-based practices in system improvements including a supportive housing program for individuals facing chronic homelessness and mental illness or substance use disorders. Through this program, participants have seen substantial improvements in housing stability as well as lower medical costs.[16]

Nearly 98% of TANF participants are also receiving Medicaid, yet the two programs rarely develop coordinated approaches to address the income and health needs of families.

Although few TANF programs currently incorporate health-promoting activities, new trauma-informed TANF approaches hold promise for improving both economic security and mental health. Creating more explicit and effective partnerships between TANF and Medicaid offers opportunities to more effectively serve low-income families, improve health and well-being of adults and children, and lower health costs.

The Building Wealth and Health Network

The Building Wealth and Health Network (The Network) is a financial self-empowerment program for parents of young children intended to break the intergenerational cycle of poverty by improving health outcomes and economic security. The Network utilizes the Sanctuary Model® to deliver a trauma-informed approach on a financial curriculum for caregivers participating in TANF and other benefit programs.[11, 13] The Network includes three components: Financial SELF Empowerment classes, matched savings, and one-on-one support.

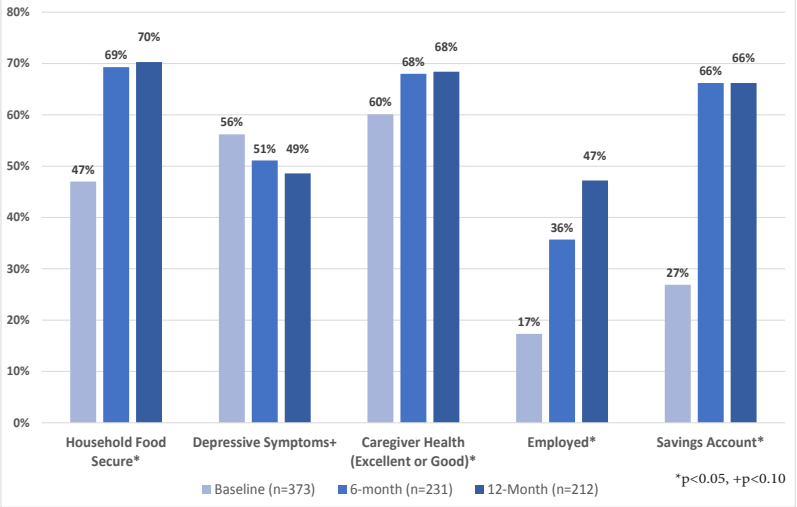
Preliminary outcomes suggest that participating in The Building Wealth and Health Network has a positive impact on physical and mental health, employment, and economic security. To assess economic hardship, The Network measures food, housing, and energy security, as well as self-reported employment and earnings, over the course of participating in The Network programming. To assess health, The Network measures depressive symptoms, self-efficacy and self-reported physical health. At baseline, participants are also asked about exposure to trauma and violence including ACEs, experiences of discrimination, and community and intimate partner violence.

Compared to participants in standard TANF programming, participants in The Network's Financial SELF empowerment classes showed improved behavioral health outcomes, including lower depressive symptoms and higher self-efficacy, as well as improved economic outcomes such as reduced economic hardship and increased earnings.[17]

These findings emphasize the benefit of alignment and coordination between TANF and Medicaid systems. Because a high proportion of TANF recipients receive Medicaid health coverage, health-promotion programming in TANF could lead to reciprocal benefits.

Incorporating behavioral health components into TANF programming could lead to physical, emotional, and financial health improvements for individual recipients as well as lowered usage and costs for Medicaid and TANF systems. Incorporating trauma-informed approaches into TANF and aligning it with Medicaid could effectively streamline the improvement of health and wealth of low-income families.

Selected Results from The Network October 2015 - May 2018



REFERENCES

1. Cigna (2016). *Integrating behavioral and medical health: A more holistic approach to health.* [White Paper]. Retrieved July 15, 2018 from Cigna: https://www.cigna.com/assets/docs/about-cigna/thn-white-papers/behavioral-medical-integration-white-paper.pdf.

2. Shonkoff JP, Garner AS, Siegel BS, Dobbins MI, Earls MF, McGuinn L, Pascoe J, Wood DL, Committee on Psychosocial Aspects of Child and Family Health, Committee on Early Childhood, Adoption, and Dependent Care. The lifelong effects of early childhood adversity and toxic stress. Pediatrics. 2012 Jan 1;129(1):e232-46.

3. Felitti VJ, Anda RF, Nordenberg D, Williamson DF, Spitz AM, Edwards V, Koss MP, Marks JS. (1998.) Relationship of child abuse and household dysfunction to many of the leading causes of death in adults: The Adverse Childhood Experiences (ACE) Study. Am J Prev Med 14(4):245-258.

4. Evans, G. W., Brooks-Gunn, J., & Klebanov, P. K. (2011). Stressing out the poor: Chronic physiological stress and the income-achievement gap. Community Investments (Fall), 22-27.

5. Anda RF, Fleisher VI, Felitti VJ, Edwards VJ, Whitfield CL, Dube SR, Williamson DF. (2004). Childhood abuse, household dysfunction, and indicators of impaired adult worker performance. The Permanente Journal. 8(1):30.

6. Bellis M, Hughes K, Hardcastle K, Ashton K, Ford K, Quigg Z, Davies A. The impact of adverse childhood experiences on health service use across the life course using a retrospective cohort study. Journal of health services research & policy. 2017 Jul;22(3):168-77.

7. Center on Budget and Policy Priorities. June 15, 2015. Policy Basics: An Introduction to TANF. https://www.cbpp.org/sites/default/files/atoms/files/7-22-10tanf2.pdf.

8. Cambron C, Gringeri C, Beth Vogel-Ferguson M. Physical and mental health correlates of adverse childhood experiences among low-income women. Health & social work. 2014 Aug 24;39(4):221-9.

9. Welles SL, Patel F, Chilton M. Does employment-related resilience affect the relationship between childhood adversity, community violence, and depression? Journal of Urban Health. 2017;94(2), 233-243.

10. Fording RC, Schram SF, Soss J. Do welfare sanctions help or hurt the poor? Estimating the causal effect of sanctioning on client earnings. Soc Serv Rev. 2013;87(4):641-676.

11. Center on Budget and Policy Priorities. August 16, 2016. Policy Basics: An Introduction to Medicaid. https://www.cbpp.org/sites/default/files/atoms/files/policybasics-medicaid_0.pdf.

12. Machledt D. (2017). Addressing the Social Determinants of Health Through Medicaid Managed Care. The Commonwealth Fund. http://www.commonwealthfund.org/publications/issue-briefs/2017/nov/social-determinants-health-medicaid-managed-care.

13. Kaiser Family Foundation Medicaid Managed Care Trend Data https://www.kff.org/state-category/medicaid-chip/medicaid-managed-care-trend-data/

14. Zedlewski S. (2012). TANF and the Broader Safety Net. The Urban Institute, OPRE Report #2012-01. https://www.urban.org/research/publication/tanf-and-broader-safety-net.

15. Davis, K. (2003). The costs and consequences of being uninsured. *Medical Care Research and Review, 60*, (2), 89S-99S.

16. Paradise J & Cohen Ross D. (2017). Linking Medicaid and Supportive Housing: Opportunities and On-the-Ground Examples. Kaiser Family Foundation. https://www.kff.org/report-section/linking-medicaid-and-supportive-housing-issue-brief/

17. Booshehri LG, Dugan J, Patel F, Bloom S, Chilton M. Trauma-informed Temporary Assistance for Needy Families (TANF): A Randomized Controlled Trial with a Two-Generation Impact. (2017). Journal of Child and Family Studies, 1-11.

Policy Improvements

States should be able to utilize Medicaid behavioral health funding to provide trauma-informed behavioral health support within TANF-funded education and training programs. This trauma-informed support aims to improve both health and economic security. Medicaid funding for behavioral health can promote economic security if braided into income maintenance programs.

- States should be incentivized to integrate behavioral health services into employment programs.
- Health and Human Services should provide trauma-informed care training and technical assistance to states' employment training programs made available to TANF participants.

State should design programs that better align the multiple systems that families interact with on a regular basis.

- States should be encouraged to apply for the Section 1115 Medicaid demonstration waiver to implement programs that integrate behavioral health support with employment and training education
- States should be incentivized to implement trauma-informed programs such as the Building Wealth and Health Network in order to support behavioral health and economic security initiatives through one program.

Family income support should be viewed as a mechanism that supports health outcomes along with economic security.

- Health insurance and health care programs should be incentivized to include financial health as an indicator of individual well-being.
- States should evaluate programs such as TANF's success by measuring health outcomes as well as economic outcomes

All policies and programs that aim to improve family economic security and well-being should use trauma-informed language and practice.

- States should aim to better understand the connection between social determinants of health (such as adverse childhood experiences and toxic stress), economic security and health and wellbeing in order to tailor programs that produce the most effective outcomes.
- Programs aimed at improving economic security and well-being should be encouraged to track the prevalence of trauma and adversity in order to best address challenges that families face.

SUMMARY

Health and wealth are inextricably linked. Programs that aim to address economic security (such as TANF) and those that aim to address health outcomes (such as Medicaid) can and should work together to promote the health and well-being of the people they serve. Trauma-informed programs such as The Building Wealth and Health Network provide an example for integrating behavioral health and economic security initiatives.

Support for this brief was provided by the Robert Wood Johnson Foundation through the Systems for Action National Coordinating Center, ID 73695.

FOR MORE INFORMATION, PLEASE CONTACT:

Mariana Chilton, PhD, MPH, Director at mariana.chilton@drexel.edu

Falguni Patel, MPH, Project Director at falguni.patel@drexel.edu

www.centerforhungerfreecommunities.org
3600 Market Street, 7th Floor, Philadelphia, PA 19104 | Tel: 267.359.6237 | Fax: 267.359.6239
Drexel University Dornsife School of Public Health