

Families of Children with Special Health Care Needs Experience Greater Family Burden in States with State-level Income Inequality



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Overview

There is growing evidence that suggests that income inequality within the United States impacts the health of the nation's population. This study sought to examine the impact of state-level income inequality on families of children with special health care needs. Using data from the 2005-2006 National Survey of Children with Special Health Care Needs, we found that after controlling for a number of child, family, and state factors, including family income and severity of the child's impairment, increased state income inequality is consistently and positively associated with increased family and financial burden.

This study is the first to examine the impact of state-level income inequality on the burden experienced by families of children with special health care needs. These families are likely to experience elevated needs for health care and therapies compared to children without special health care needs (Boulet, Boyle, & Schieve, 2009; Chan, Zhan, & Homer, 2002; Gallaher, Christakis, & Connell, 2002; Liptak, Stuart, & Auinger, 2006; Newacheck & Halfon, 1998), which are expensive for both families and the public health care system (Newacheck & Kim, 2005). Previous research has suggested that financial burden varies by a family's state of residence (Shattuck & Parish, 2008) with families living in wealthier states experiencing lower financial burden (Kuhlthau, Hill, Yucel, & Perrin, 2005). These state variations have been shown to be at least partially impacted by state policy including eligibility criteria, provision of care, and state spending (Parish, Rose, Andrews, & Shattuck, 2009; Parish, Shattuck, & Rose, 2009). This study sought to expand current research to examine state-level income equality as related to family burden.

This *Lurie Institute for Disability Policy Brief* reports findings from an analysis of data from the 2005-06 National Survey of Children with Special Health Care Needs. Using the Gini coefficient, we looked at the impact of state-level income inequality on family caregiving burden and family financial burden (both absolute and relative). State level data were drawn from the Annie E. Casey Foundation, U.S. Census Bureau, Bureau of Economic Analysis, and Centers for Medicare and Medicaid Services. The sample included families of children with special health care needs with a total family income of less than 200% of the federal poverty level.

After controlling for a number of child, family, and state-level characteristics, we found that state-level income inequality is consistently and positively associated with both increased financial burden and lower employment. Low-income families of children with special health care needs living in states with state-level income inequality were:

- More likely to report no help arranging or coordinating their child's care
- More likely to stop working due to their child's health
- More likely to report out-of-pocket expenses between \$250-\$500
- More likely to report out-of-pocket expenses greater than 3% of their household income

Table 1

State income inequality ranking and proportion of low-income families of children with special health care needs reporting burden, by state.

State	Rank: Income inequality	No help arranging or coordinating care	Stopped working due to child's health	Any out of pocket costs	Absolute burden over \$500	Relative burden > 3% income
Alaska	1	31	19	56	24	19
Alabama	45	32	20	56	14	15
Arkansas	35	51	15	67	15	13
Arizona	28	40	17	66	24	18
California	45	40	23	63	17	12
Colorado	22	46	19	70	25	20
Connecticut	47	25	18	57	18	17
District of Columbia	51	34	20	31	6	6
Delaware	12	42	19	60	20	16
Florida	43	36	28	65	23	19
Georgia	38	26	20	51	18	14
Hawaii	14	53	19	53	13	8
Iowa	5	26	13	63	18	15
Idaho	10	47	16	65	25	19
Illinois	33	43	19	60	19	16
Indiana	7	27	19	55	19	15
Kansas	18	54	14	60	24	17
Kentucky	41	48	18	55	16	16
Louisiana	49	32	22	45	11	10
Massachusetts	39	24	19	53	22	13
Maryland	14	39	24	56	19	17
Maine	14	37	22	56	18	15
Michigan	24	42	24	63	25	20
Minnesota	9	26	15	62	30	21
Missouri	26	45	17	51	18	13
Mississippi	48	39	17	58	15	15
Montana	19	38	16	72	28	25
North Carolina	29	36	16	67	18	16
North Dakota	12	35	18	69	32	23
Nebraska	7	34	14	59	25	19
New Hampshire	4	40	18	69	19	16
New Jersey	36	40	25	66	24	21
New Mexico	36	22	23	55	19	15
Nevada	19	43	22	65	28	18
New York	50	43	20	44	11	10
Ohio	25	36	18	52	12	9
Oklahoma	32	28	18	56	19	16
Oregon	22	39	26	61	27	22

State	Rank: Income inequality	No help arranging or coordinating care	Stopped working due to child's health	Any out of pocket costs	Absolute burden over \$500	Relative burden > 3% income
Pennsylvania	29	39	22	53	19	15
Rhode Island	34	22	17	43	9	7
South Carolina	31	42	14	56	18	12
South Dakota	14	31	15	56	27	17
Tennessee	40	44	19	63	22	21
Texas	43	45	23	65	20	13
Utah	2	47	17	84	34	23
Virginia	26	43	18	59	21	17
Vermont	6	26	16	51	15	13
Washington	19	24	13	52	14	9
Wisconsin	3	31	18	56	19	18
West Virginia	41	44	18	57	16	14
Wyoming	11	34	17	60	26	21

Summary & Recommendations

Our study builds on previous research examining the outcomes associated with state-level income inequality in the United States. Our findings show that income inequality is associated with increased burden and decreased employment for low-income families raising children with special health care needs. This is troubling because increased financial burden and decreased employment are associated with poor outcomes for both families and children. Our findings provide tentative evidence that policies that redistribute income more equitably may offer pay-offs to low-income families of children with special health care needs. Policymakers concerned about health should therefore be concerned with the inequitable distribution of income.

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