

Economic Well-being of Families Raising Children with Disabilities

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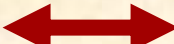
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Research Focus

- Economic outcomes for families affected by disability
- Goals – shape family support policies that address family's economic needs – existing family support policies typically address family's emotional & instrumental care needs
- Background – NY & NJ service provider; many families contemplated residential placement due to financial strain



Financial Wellbeing at Mid-life

- Over the life course, what is the financial impact of raising children with developmental disabilities?
- Children with disabilities over-represented in poverty
 - ◆ 28% of disabled children in poverty v. 16% of nondisabled children
 - ◆ unclear relationship: poverty  disability



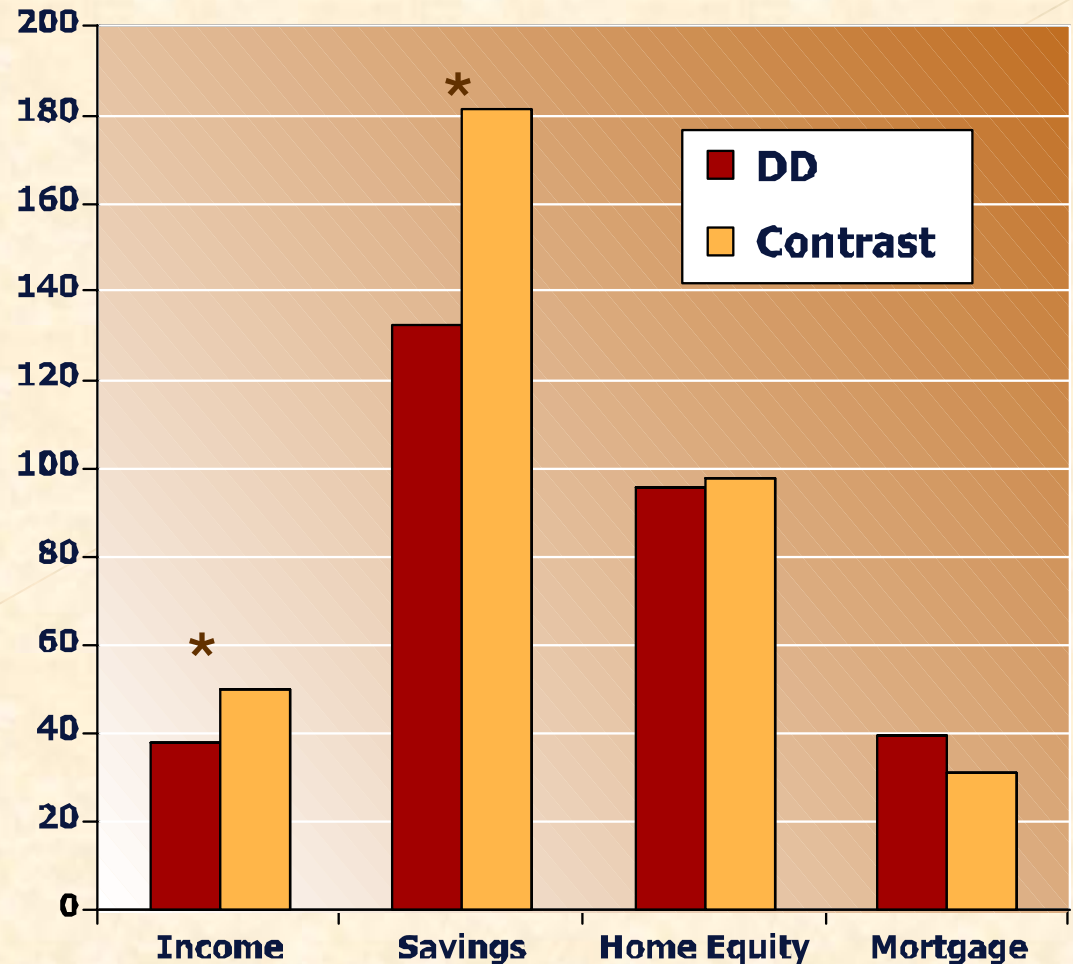
Data & Methods

- Wisconsin Longitudinal Study (WLS)
- Prospective, began with high school graduates from 1959
- Comparison of parents of children with and without developmental disabilities (165 parents of disabled children & 165 parents of nondisabled children)



Financial Well-being at Age 53

- Families of children with DD much worse off income & savings by mid-life
- No differences in home equity or mortgage amounts



*statistically significant differences



Disparate maternal work trajectories

- Over 30 years of adulthood, as compared with others, mothers of children with developmental disabilities:
 - ◆ Were less likely to work full-time
 - ◆ Had lower income early & later in career
 - ◆ Even when children were in mid-twenties
 - ◆ Were less likely to have long-term, stable employment
 - ◆ Were slower to increase employment as children reach adolescence



What does it all mean?

- Maternal employment has long-term impact on family's financial well-being
- Potential economic vulnerability in old age for the mothers

*NEW
QUESTIONS*

- ◆ Is child care available?
- ◆ What is happening with low-income mothers?



Child care

- Is child care available for low income children with disabilities?
- Welfare requires poor mothers to work, regardless of child's disabilities

Research question: what's the use & quality of child care for low-income preschoolers with disabilities?



Data & Methods

- National Survey of America's Families (NSAF)
- 1999 data, oversampled poor & minorities; nationally representative telephone survey
- 321 disabled preschoolers (under age 6) and 4,744 nondisabled children living below 200% of federal poverty level
- Federal poverty level in 2004 = \$18,850 for family of four
- Child's disability defined as physical, mental or learning disability that limits participation in age-appropriate activities



Disabled Preschoolers' Child Care

- Disabled children of single parents in care more (40 hours/week) than other children (23-33 hours/week)
- Costs of care for disabled children of single parents (\$1.24/hour) raise concerns about quality of care (\$2.20-2.60/hour for others)
- Disabled children of single parents had more care arrangements than children living with two parents



What does it all mean?

- Disabled children of single parents seem particularly at risk for adverse outcomes
- Single parents of children with disabilities likely endure increased stress associated with coordinating care across providers
- Greater number of care providers may signal fragmentation of care for children with disabilities



Policy Implications

- Families would benefit from policies with direct financial benefits
- Families would benefit from programs that enable mothers to work
- Cash subsidy & family support programs are notoriously inadequate & underfunded in *every* American state
- Families would benefit from stronger child care subsidy programs specifically for children with disabilities



Asset opportunity ladder?

- Brandeis researchers' ideas about policy opportunities to build assets over lifetime
 - ◆ Strong education for youth
 - ◆ Income & in-kind assistance for young parents
 - ◆ Health insurance across life course
- Policies: tax incentives



Policies that Support (or could support) Asset Development

- Tax incentives to save for emergencies
- Individual Development Accounts (IDAs)
- 529 college savings plans
- 401(k) plans
- Earned Income Tax Credit



And for families of children with disabilities?

- Modification of EITC, with direct deposit
- Expansion of Medicaid health insurance to cover more disability-related costs
- Full tax credit for disability-related expenses
- Expanded family support cash subsidy programs
- Targeted IDAs for families of children with disabilities
- Tax incentives to save for disability-related emergencies



Thank you!



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