

Louisiana Can Maximize American Rescue Dollars to Benefit Young Children



Authors & Contributors

Louisiana Policy Institute for Children



Council for a Better Louisiana



Louisiana Budget Project



Louisiana Fair Housing Action Center



Louisiana Partnership for Children and Families



Overview

The [American Rescue Plan Act \(ARPA\)](#) will provide Louisiana with over [\\$4 billion](#) to support COVID-19 recovery efforts. It is critical that policymakers use this historic funding opportunity to move the needle to improve outcomes for young children across the state, as Louisiana currently ranks 48th in the country for child well-being according to the Annie E. Casey Foundation 2020 *KIDS COUNT Data Book*.

[The Louisiana Policy Institute for Children](#), [Council for a Better Louisiana](#), [Louisiana Budget Project](#), [Louisiana Fair Housing Action Center](#), and [Louisiana Partnership for Children and Families](#), collaboratively examined how ARPA dollars can be spent to benefit young children, birth to age 8, in Louisiana. These organizations collectively put forth the following recommendations for consideration:

Maternal and Child Mental Health

It is critical to ensure that children develop healthy bodies, minds, emotions, and attitudes. Young children need to have adequate mental health care to help address any mental health issues they experience, including those resulting from adverse childhood experiences such as trauma, violence, neglect, or abuse. According to a report by the American Academy of Pediatrics, researchers estimate 40,000 children in the U.S. have lost a parent to COVID-19, a tragedy disproportionately impacting Black children.¹ These disproportionate impacts reflect longstanding systemic and structural inequities that Black communities and other communities of color experience, and which also impact children's mental health and development.² The report goes on to say that "[c]hildren who lose a parent are at elevated risk of traumatic grief, depression, poor educational outcomes, and unintentional death or suicide, and these consequences can persist into adulthood."

Child mental health care is available through schools as well as child mental health providers in local health care settings. Across school systems in Louisiana, there is a lack of standardized practices to address mental health issues which causes schools to miss out on a large portion of Medicaid reimbursements for child mental health. Additionally, many rural areas in Louisiana lack child mental health care providers in their communities. Investing ARPA dollars in child mental programs will help ensure a solid foundation for children's future growth.³

Maternal mental health also matters, with maternal mental health conditions (MMHCs) affecting 13.2% of women from pregnancy through five years post-delivery.⁴ MMHCs include such things as postpartum depression, anxiety, mood disorders, and other conditions caused by sleep deprivation. Texas estimates the societal cost of their untreated MMHCs to be \$2.2 billion.⁵ When left untreated, MMHCs can become a multigenerational issue, negatively affecting the mother and child's long-term physical, emotional, and developmental health.⁶ Comprehensive, evidence-based home visiting programs are a culturally competent way to help new mothers acclimate to the changes in their home environment when bringing home a newborn and provide support that can help recognize MMHCs. Investing ARPA dollars in maternal health will provide support to new mothers and their young children to help Louisiana families create the best possible start for their infants and reduce interaction with child welfare services by creating positive parenting experiences.⁷

The following are policy recommendations for maternal and child mental health:

Developed by the [Louisiana Partnership for Children and Families](#)

- A. **Invest \$1.7 million per year in 2022, 2023, and 2024 (\$5.1 million total) to build early childhood mental health infrastructure** to increase capacity among medical providers, particularly in rural areas, and provide consultation services to existing medical providers who see children and postpartum women. After 2024, services can be paid for by Medicaid and private insurance.
- B. **Reform the use of social workers and school counselors in K-12 education to address mental health issues** by focusing these roles on providing mental health services to students.
- C. **Invest in better systems and policies to improve student health records** which allow for increased payments in child health from Medicaid. By implementing a standard record system throughout the state to properly track and bill Medicaid for mental health services, the state can realize untapped Medicaid funding. Policies that limit school counselor work to providing mental health services will also increase the Medicaid reimbursement rate.
- D. **Increase investments in maternal mental health by making voluntary home visiting services available to all families who want them.** Home visiting services can also provide support to families that have been impacted by job loss due to COVID-19 and where intergenerational support may have been lost due to deaths from COVID-19.

Child Nutrition

During the pandemic, child hunger has been particularly acute, especially within communities of color, which have been disproportionately affected by COVID-19 and its devastating economic impacts due to historical systemic inequities.⁸ In Louisiana, many populations, including immigrant families, people with disabilities, and people with limited internet access, have faced significant barriers to assistance.⁹ Research shows an association between food insecurity and delays in cognitive development, behavioral issues, and poor health in children.¹⁰ Feeding America estimated that, before the pandemic, 1-in-4 children (249,670 total children) in Louisiana faced hunger and recently estimated that more than 1-in-3 Louisiana children faced food insecurity during the pandemic.¹¹ While recent federal, state, and local food assistance has helped blunt the edges of child hunger by adapting school meal services, standing up new food aid programs such as Pandemic-EBT, and enhancing existing sources of federal food assistance, many children still do not have enough to eat.

Even before the pandemic, the vast majority of Louisiana's students benefited from free meals at school. According to recent research, those meals are likely to be the most nutritious meals most students consume each day.¹² During the pandemic, including throughout the 2020-21 and the 2021-22 school years, waivers for federal regulations allowed every student in Louisiana to receive free meals in school. However, when school is out of session, many of the state's children eat fewer meals and meals of lesser quality because their families simply cannot afford the cost of more nutritious food.

SNAP, the nation's and Louisiana's widest-reaching anti-hunger program, provides grocery assistance funds to approximately 900,000 Louisiana residents each month.¹³ SNAP also confers eligibility for free school meals and other programs that help families with low incomes meet their needs. But SNAP's impact is limited when eligible families either don't apply for the program or lose access to SNAP due to bureaucratic hurdles, such as long, complex application processes, broken systems for submitting verification documents, and an inability to take time off work to complete required program interviews.

Using ARPA funds for child nutrition initiatives, including increased access to nutritious food and providing direct assistance to families in need, can help ensure that children can continue to learn, develop, grow, and play. ARPA funds can also help improve the systems and processes that families use to apply for benefits and maintain those benefits once enrolled.¹⁴

The following are policy recommendations for child nutrition:

Developed by the [Louisiana Budget Project](#)

- A. Invest in accessible and user-friendly application systems to ensure that eligible families can get and maintain access to SNAP.** ARPA funds offer a critical opportunity to improve access to SNAP by redesigning online application systems, forms, and notices, and by improving capacity in the program's call center. Between now and 2023, Louisiana's SNAP agency will receive \$15.5 million in dedicated ARPA funding. The Louisiana Department of Children and Family Services should invest this money in major system changes that promise dramatic improvements in access to SNAP. Such changes should be guided by principles of human-centered design, incorporating the perspectives and experiences of SNAP clients in the redesign process – a best practice increasingly common in public benefits systems development.
- B. Expand the Summer Food Service Program and afterschool meals that feed children all year long, even when school is out of session, and invest in program improvement efforts** such as offering capacity-building grants to sponsoring organizations and sites, providing information sharing convenings and repositories, and disseminating robust marketing campaigns aimed at caretakers and community organizations.¹⁵
- C. Ensure equitable access to child nutrition resources** through investments in the translation of public benefits applications and accessibility improvements for people with disabilities (e.g. SNAP, Child Tax Credit, Economic Impact Payments, etc.).¹⁶ Louisiana should also invest in communication and targeted outreach to communities that have faced the greatest rates of child food insecurity and hunger during COVID-19, including communities of color, communities with limited English proficiency, and rural communities.
- D. Streamline coordination between governmental and charitable sources of food aid.** As key resources for COVID-19 aid come to an end, coordination and alignment between different sources of assistance can somewhat mitigate the loss of other sources of help.

Quality, Affordable Housing

Research shows a direct relationship between a child's ability to thrive and the quality, location, and affordability of their housing. When families experience housing insecurity, parents are left to choose between paying rent and other critical expenses for their children's health, education, and well-being — such as child care, food, and clothing.¹⁷

Evictions, which so many more families have faced during the pandemic, are especially damaging for children. When families with children face eviction, it can result in emotional trauma and academic decline.¹⁸ A number of papers published in the last year also suggest that after pandemic-induced unemployment increased housing insecurity, the end or lack of comprehensive eviction moratoriums led to increases in COVID-19 cases and deaths.¹⁹ A national review of county-by-county data specifically found that 40% of all COVID-19 deaths might have been prevented by comprehensive eviction moratoriums.²⁰ When families with young children move frequently due to a lack of decent, affordable housing, children often struggle. Research has shown that for every \$1 invested in Right to Counsel programs, which provide free legal representation to help families avoid evictions, state and local governments save \$3 to \$12.²¹ In Maryland, a cost-benefit analysis showed that implementing a Right to Counsel in Baltimore alone would save the state of Maryland \$18.1 million per year in Medicaid, emergency room, and foster care costs.²² In addition to the cost savings, preventing evictions and homelessness leads to fewer children who struggle in school, fewer infants born with low birth weight births, and fewer children in foster care and detention.²³

During the pandemic, homelessness in Louisiana increased dramatically, including among families with children.²⁴ Without access to non-congregant shelters (like hotel rooms, where households can quarantine separately from each other), children often end up passed around between family members in overcrowded and precarious housing situations, fueling transmission of COVID-19. This leads to general instability, making succeeding in school and keeping doctor's appointments impossible, and negatively impacts children's overall health and development. When Louisiana funded hotel rooms to help families safely shelter at the beginning of the pandemic, it dramatically reduced homelessness and had one of the best records of placing families in permanent housing afterward.²⁵ The practice was also reimbursable through federal funds from the Federal Emergency Management Agency (FEMA). Providing temporary hotel rooms again would allow public health officials to offer vaccinations and provide a safe space for families to live while they gain full immunity. The hotel rooms also create time and space for those providing support to families experiencing homelessness to help stabilize and assist them in applying for more permanent housing options.

A United Way report found that the average monthly cost for housing in 2018 for a Louisiana family of four was \$841.²⁶ In Louisiana, workers must earn \$17.82 per hour to afford a two-bedroom apartment, but most renters don't even make \$15 per hour. Minimum wage workers fare even worse and would have to work 82 hours per week to afford a one-bedroom apartment.²⁷ The Census Household Pulse Survey reported that 403,000 (37%) of children in Louisiana live in households that were behind on rent or mortgage payments in 2020.²⁸ Policymakers need to ensure that families with young children are able to afford to live in a decent, quality environment no matter where they live in the state of Louisiana.

Across the state, there are only 49 affordable and available rental units for every 100 households at the lowest income levels.²⁹ Even for workers earning \$10 per hour, there's not a single parish in the state where they can afford a one-bedroom apartment.³⁰

The following are policy recommendations for quality, affordable housing:

Developed by the [Louisiana Fair Housing Action Center](#)

- A. **Invest \$10 million to help ensure families facing eviction have access to free legal representation.** This investment would ensure families have access to an attorney, which could prevent thousands of evictions and generate \$30 million or more in savings on homelessness, healthcare, foster care, and incarceration spending.
- B. **Provide emergency shelter in hotels for people experiencing homelessness as a pathway toward increased COVID-19 vaccinations and long-term affordable housing.** This investment will allow the state to provide the up-front funding needed to start a program, and ultimately the state will be reimbursed by FEMA funds.
- C. **Invest \$50 million in the Louisiana Housing Trust Fund to build new affordable homes for the lowest-income families in the state who don't earn enough to afford rent.** This investment would fund between 700 to 1,000 deeply affordable units to serve working families who have difficulty affording rent and create additional construction jobs. The funds should follow the guidelines of the National Housing Trust Fund and be restricted to rehabbing or creating new rental units for families earning 30% or less of the area median income (AMI) or \$19,400 per year for a family of four.

Family Economic Stability

Young children benefit when their caretakers are able to participate in the workforce and earn a living wage that allows them to afford necessities for young children (e.g. housing, utilities, clothing, food, healthcare). A United Way report found that 891,349 Louisiana households – over half of all households in the state – struggled to support themselves in 2018.³¹ Family economic stability is increased when parents earn a family-sustaining wage that allows them to have ready access to quality, affordable child care, and does not force them to choose between caring for a sick family member and daily wages.

In 2019, Louisiana ranked 50th in the country for children in poverty with 307,00 (28%) of children living in poverty.³² In a survey conducted in October 2020 with parents of young children, almost half of parents saw their family's monthly income decrease during the pandemic and almost 1-in-6 parents reported another adult in their household lost their job due to the COVID-19 pandemic.³³ The impact of family poverty is profound, decreasing the likelihood that children graduate from high school, increasing the likelihood of incarceration, and stunting upward economic mobility.³⁴ Louisiana should invest ARPA dollars in economic stability programs to help working families thrive.

The following are policy recommendations for family economic stability:

Developed by the [Louisiana Budget Project](#)

- A. **Increase the income threshold for working families eligible for the Child Care Assistance Program (CCAP)** to 85% of state median income to support more working parents as they return to work. Early care and education provides critical support to the workforce since parents need child care for their young children while they go to work.
- B. **Provide a child care subsidy to every participant in the new MJ Foster Promise Program** as they earn workforce credentials, including for up to one year following program completion while participants begin a new career.
- C. **Ensure that all eligible families are receiving their monthly Child Tax Credit (CTC) payment** by providing resources to parents who may not ordinarily file income tax returns. The Center on Budget and Policy Priorities estimates that roughly 4 million children in low-income families are not yet receiving their CTC payments for this very reason – using ARPA dollars to help families access these funds would provide greater financial security and stability for all Louisianans.
- D. **Pay Louisiana essential workers \$15 an hour using pandemic premium pay** through 2026. U.S. Treasury guidance allows states to use ARPA funds to provide premium pay for essential workers, either by paying \$13 an hour (in addition to whatever they currently make), or up to \$25,000 total per worker.³⁵ This means that Louisiana could bring each essential worker that does not already make \$15 an hour up to that level – reducing financial hardship and providing a much-needed boost to our lowest-income families.
- E. **Create an emergency paid leave fund that would offer 12 weeks of paid family and medical leave** to all Louisiana essential workers through 2026. Such a program would ensure parents do not have to sacrifice pay or employment when they need to take parental leave or care for a sick family member over the course of the pandemic.
- F. **Utilize Coronavirus State Fiscal Recovery Funds to increase state unemployment benefits to a minimum of \$300 a week** to ensure families experiencing unemployment can meet their needs as the pandemic continues.

Child Development and Education

The early years of childhood are critical, with 90% of brain development occurring from birth to age 5.³⁶ Investing in early care and education for young children helps to provide them with a foundation upon which they can develop the social, emotional, and problem-solving skills necessary for them to learn and grow. Children who attend high-quality early care and education programs have been shown to achieve higher test scores and have improved social and emotional skills, including better interactions with peers and teachers, and experience fewer grade repetitions. These children are also less likely to be referred for special education services and are more likely to graduate from high school.³⁷

Currently, two-thirds of Louisiana children have both parents or their single parent in the workforce, but only 15% of in-need children in Louisiana ages birth to age 3 have access to high-quality early care and education.³⁸ A United Way report found that the average monthly cost of child care in 2018 for a Louisiana family of four was \$1,136, or over 19% of their annual income.³⁹ This far exceeds the Department of Health and Human Services' definition for affordable child care, which is defined as being no more than 7% of a household's annual income.⁴⁰ It is perhaps unsurprising then that only 40% of Louisiana kindergarteners are meeting academic and literacy benchmarks. This is especially concerning when considering that children who begin school behind, or below the appropriate benchmark, generally remain behind. However, when children can read proficiently by third grade, they are more likely to achieve academic success, graduate from high school, and do well when they enter the workforce.⁴¹ Policymakers need to ensure that young children in Louisiana are prepared for school and life by investing in the early years.

The following are policy recommendations for child development and education:

Developed by the [Louisiana Policy Institute for Children](#) and the [Council for a Better Louisiana](#)

- A. Continue to support implementation of quality, aligned curriculum, assessments, and instruction through grade 3** by funding the purchase of high-quality curriculum; training teachers on curriculum, Teaching Strategies Gold, CLASS, and other quality improvement initiatives; and providing regular coaching to staff to support implementation.
- B. Develop a comprehensive early reading program for schools to improve** reading skills for students through grade 3, including literacy assessments for students in grades K-3, enhanced teacher preparation, targeted interventions, and quality textbooks and curricula.
- C. Support quality early care and education providers with increasing enrollment capacity** either at their existing facilities through grants for facility improvements and expansion or by acquiring additional facilities.
- D. Offer wage stipends to child care staff** – for all provider types, not just those eligible for CCAP – who are helping to keep the economy running in a field that experiences extremely high employee turnover.

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