

For low-income families with special needs kids, where you live matters (w/ Video)

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In the United States, caring for a child with special health care needs usually means higher medical expenses for a family — particularly for low-income families, who spend a disproportionately large share of their income on their child's care. Yet the amount of financial burden for these families also depends on their state of residence, says Paul T. Shattuck, Ph.D., professor of social work at Washington University in St. Louis.

"The percentage of low-income families in a given state with out-of-pocket expenses that exceeded 3 percent of their income varied considerably according to state and ranged from 5 percent to 25. 8 percent (District of Columbia and Montana, respectively). Families living in states with more generous Medicaid and State Children's Health Insurance Program (SCHIP) benefits report less financial burden," Shattuck says.

Research has shown that families raising children with disabilities face exceptionally high rates of financial hardship, which can have a negative effect on the children's well-being.

"Policy makers should consider ways to strengthen Medicaid and the State Children's Health Insurance Program (SCHIP) to reduce the financial burdens these families shoulder," Shattuck says.

In a recent study published in the journal *Pediatrics*, Shattuck and lead author Susan Parish, Ph.D., professor of social work at the University of

North Carolina at Chapel Hill, also found that:

- Among all low-income families, 61 percent reported having some out-of-pocket health care costs for caring for their children with special needs.
- Of those reporting an out-of-pocket financial burden, 30 percent reported expenses of \$250-\$500 per year. Thirty-four percent reported expenditures that exceeded \$500 for the year.
- Overall, 27 percent of low-income families who reported any out-of-pocket costs had a [financial burden](#) that exceeded 3 percent of their total household income for the year. Twenty-five percent of these families had expenditures that exceeded 5 percent of their income.
- The percentage of low-income families who have out-of-pocket costs for caring for their special-needs children varies greatly from state to state. The range is from 33.5 percent in the District of Columbia to 84.4 percent in Utah. Data for each state is available at: <http://news-info.wustl.edu/pdf/Shattucktable.pdf>.

This data can help clinicians and policy makers understand the challenges that low-income families caring for children with special health care needs face.

"State Medicaid and SCHIP policy decisions are modifiable," Shattuck says. "States have considerable leeway in determining program funding and eligibility levels, and there is an opportunity for policy makers to adequately fund the health insurance programs.

"Projected cuts due to budget shortfalls may have a particularly

detrimental effect on the financial well-being of low-income families raising [children](#) with special needs."

More information: This study grows out of Shattuck's earlier work comparing the cost of raising a child with special needs by state (Cost of raising a child with special needs: Where does your state rank? Includes rankings table: news-info.wustl.edu/news/page/normal/11869.html).

Source: Washington University in St. Louis ([news](#) : [web](#))

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