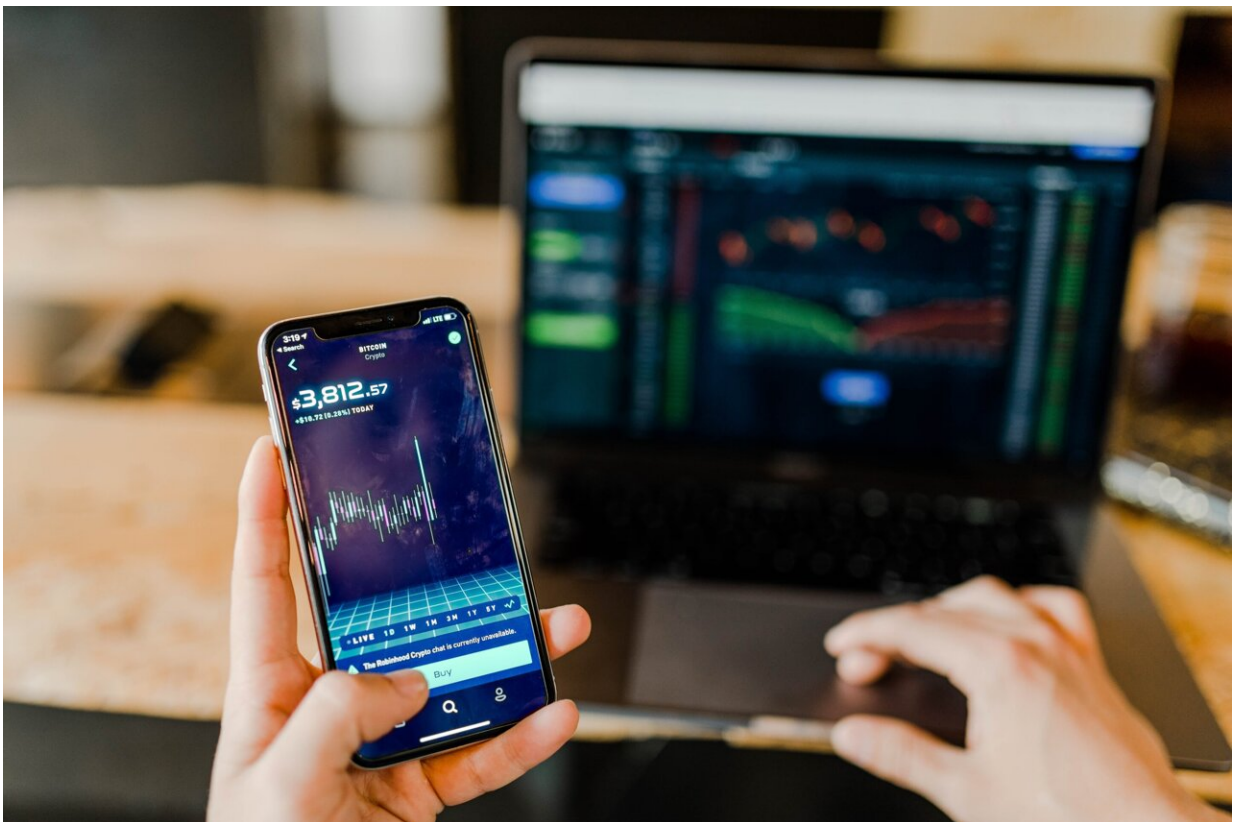


Increasing use of asset building programs could lead to increase in wealth for low income families

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New research from Boston Medical Center found that increasing the use of underutilized asset building programs could be part of the solution to

help build wealth for low income families. Published in *Pediatrics*, the study showed that a novel approach—incorporating wealth-building programs into healthcare—may make them more accessible to families in need.

Financial strain is a common problem in the United States and associated with many adult and child health problems, including [life expectancy](#), gestational age at birth, [birth weight](#), suicidality and depression, smoking, food insecurity, and child behavioral and developmental outcomes.

In response to the well-documented connection between wealth and health, income maximization and asset building programs have emerged in healthcare (Medical Financial Partnerships) as potential solutions to address adverse social determinants of health, rooted in poverty. Incorporating financial interventions into routine clinical care may help address the negative health impacts of financial strain.

There are structural barriers to the uptake of these programs for families with low incomes, such as the "cliff effect," which remains one of the largest barriers to asset building. Many benefits are income and asset limited—as income increases, benefits decrease or disappear, which can push families "over the cliff" and actually render them financially worse off after an incremental raise. Families living in subsidized housing, in which residents pay 30% of their income as rent, are at a particularly high risk for the cliff effect.

One tool to mitigate the cliff effect is Family Self-Sufficiency (FSS), an asset building program for residents in some types of federally subsidized housing. Created by the Department of Housing and Urban Development (HUD), FSS provides coordinator services, like financial coaching, and the opportunity to save the amount of their rent increase (when their [income](#) increases) in an escrow account. This money can be

used towards their financial goals during the program and can be accessed without restriction once they finish the program.

FSS enrollees are more likely to be employed, have higher incomes than their peers by the end of the program, and leave with an average of \$5,294 in savings. Though a potentially powerful tool to build wealth for families with low incomes, FSS is drastically underutilized with a national enrollment level of only 3%.

Many families have not heard about this program or find [government programs](#) like FSS to be time consuming, confusing, and untrustworthy, especially given the historical disenfranchisement of Black and Latino communities and communities with low incomes.

"Knowing helpful programs exist but are so underutilized or mistrusted by the very families they are meant to help is unacceptable and must be addressed," said senior author Lucy Marcil, MD, MPH, Associate Director for Economic Mobility in the Center for the Urban Child and Healthy Family and co-founder and Executive Director of StreetCred at Boston Medical Center and assistant professor of General Pediatrics at Boston University Chobanian & Avedisian School of Medicine.

"For better or worse, wealth is intrinsically linked to the health and well-being of individuals, so it is vital we do what we can to educate and empower those who need these programs the most."

To increase education and access to asset building opportunities, this study piloted the use of a trusted and frequented healthcare system to engage eligible families for FSS. Researchers tracked eligibility, interest, and enrollment rates and evaluated the pilots using an implementation science framework, in addition to reviewing feedback from staff who introduced the program to eligible families.

More systematic and qualitative work is needed to amplify families' voices and interrogate the root causes of low enrollment. Partnering with families to understand their lived experiences is an important next step to maximize enrollment. Some areas to consider for successful future implementation include: 1) timeline of outreach, 2) families' relationships with individuals performing outreach, and 3) current bandwidth of the families. Systematic implementation trials are needed to study these outcomes in more detail.

More information: Hannah D. Thomas et al, Promoting Housing-Based Asset Building Programs in Healthcare, *Pediatrics* (2023). [DOI: 10.1542/peds.2022-059028](https://doi.org/10.1542/peds.2022-059028)

Provided by Boston Medical Center

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