PRENATAL-TO-3 POLICY-RESEARCH EXCHANGE

STATE POLICY SPOTLIGHT



SPS.001.1120 | November 2020

How States Receive Credit for Policy Adoption on the Prenatal-to-3 Policy Roadmap

The 2020 <u>Prenatal-to-3 State Policy Roadmap</u> identifies five effective state-level policies that improve the health and wellbeing of infants and toddlers, and their parents. The goal is for all states to adopt and fully implement each of the effective policies as part of a robust and equitable prenatal-to-3 system of care, and the Roadmap will track states' progress toward this aim.

Different from many other policy reports, our Roadmap only gives states full credit for a policy if those eligible can currently receive the benefit AND the benefit level is sufficient to impact prenatal-to-3 outcomes. We ranked states' progress toward policy adoption and implementation on the scale below. This State Policy Spotlight provides information on states that have adopted a Roadmap policy, but do not receive full credit as of the launch of the State Policy Roadmap on September 15, 2020.

State progress toward policy adoption and implementation:

YES, the state has adopted and fully implemented the policy, AND the state has made efforts to make it more generous; YES, the state has adopted and fully implemented the policy, BUT the state has: · made no effort to make the policy more generous, · made the policy less generous over time (but not below the generosity level indicated by the research), · included provisions that may make it difficult for families to access services. NO, the state has not adopted and fully implemented the policy, BUT the state has: · adopted the policy and just has not fully implemented it, or Some Progress · adopted and implemented a version of the policy that does not meet the generosity criteria indicated by the evidence. NO, the state has not adopted and fully implemented the policy, BUT the state has had considerable, recent legislative initiative toward policy adoption. No NO, the state has not adopted and fully implemented the policy, AND the state has had little to no recent legislative initiative toward policy adoption; NO, the state has not adopted and fully implemented the policy, AND the state has enacted provisions to Regressive prevent or limit the future adoption of the policy at the generosity level indicated by the research.

¹We determined the level of benefit necessary to impact prenatal-to-3 outcomes based on comprehensive reviews of rigorous causal studies. See the <u>Prenatal-to-3 Policy Clearinghouse</u> for more information.

Medicaid Expansion

39 states have expanded Medicaid, but only 37 states currently receive credit on the Roadmap.

State progress toward adopting and implementing Medicaid expansion:



Medicaid expansion under the Affordable Care Act (ACA) provides health insurance coverage for most adults with incomes up to 138% of the federal poverty level. Expanding Medicaid provides women with access to needed health services during the perinatal period, reduces racial disparities in adverse birth outcomes, and bolsters economic security through reduced medical spending and debt. For a comprehensive review of the evidence on Medicaid expansion and more information on how this policy impacts prenatal-to-3 policy goals, see the Evidence Review from the Prenatal-to-3 Policy Clearinghouse.

To date, 37 states have adopted and fully implemented the Medicaid expansion under the ACA.

Oklahoma and Missouri have recently adopted the policy, but adults are not yet able to access the benefits.

Oklahoma: A ballot initiative to expand Medicaid was approved on June 30, 2020 and is required to be fully implemented no later than July 1, 2021. The state was seeking approval of a Section 1115 waiver submitted in May 2020, which would impose a work requirement, but the ballot measure approved in June prohibits lawmakers from adding restrictions on eligibility for the expansion population. On August 11, 2020 the state withdrew the waiver. When fully implemented, the state will move from a "6" to an "10" on the Roadmap.

PRENATAL-TO-3 POLICY EXCHANGE

▶ **Missouri**: A ballot initiative to expand Medicaid was approved on August 4, 2020 and is required to be fully implemented no later than July 1, 2021. The constitutional mandate prohibits lawmakers from adding restrictive provisions for the expansion population to qualify for Medicaid coverage (e.g., work requirements). When fully implemented, the state will move from a "6" to a "9" on the Roadmap.

Paid Family Leave

Nine states have adopted a paid family leave program, but only five get credit on the Roadmap.

State progress toward adopting and implementing paid family leave programs:



State paid family leave programs require employers to allow eligible parents time off from work to bond with a new child while receiving a portion of their wages. States allow parents to take between 4 and 12 weeks of work, with pay varying based on a proportion of the employee's wages prior to taking leave.

A paid family leave program providing a minimum of 6 weeks of paid leave to new parents increases the length and likelihood of leave-taking, reduces disparities in leave-taking, boosts mothers' labor force participation, improves mothers' mental health, and fosters better child-parent relationships and child health. For a comprehensive review of the evidence on paid family leave programs and more information on how this policy impacts prenatal-to-3 policy goals, see the Evidence Review from the Prenatal-to-3 Policy Clearinghouse.

Nine states² have adopted paid family leave programs, but only five states currently provide benefits of at least six weeks of paid leave to new parents.

Three states - Connecticut, Massachusetts, and Oregon - have adopted paid family leave programs that have yet to be fully implemented.

- Connecticut: Governor Ned Lamont signed legislation enacting a paid family leave program on June 25, 2019. Although the bill is enacted and premiums will be effective in January 2021, it will not be fully implemented until benefits are available to eligible employees beginning on January 1, 2022. When fully implemented, the program will provide up to 12 weeks of paid leave benefits, and Connecticut will move from a "6" to a "10" on the Roadmap.
- Massachusetts: Governor Charlie Baker signed legislation enacting a paid family leave program on June 20, 2018. Although the bill is enacted and premiums became effective in 2019, it will not be fully implemented until benefits are available to eligible employees beginning on January 1, 2021. When fully implemented, the program will provide up to 12 weeks of paid leave benefits, and Massachusetts will move from a "6" to a "10" on the Roadmap.
- **Oregon**: Governor Kate Brown signed legislation enacting a paid family leave program on August 9, 2019. While the bill is enacted and premiums will be effective in January 2022, it will not be fully implemented until benefits are available to eligible employees beginning on January 1, 2023. When fully implemented, the program will provide up to 12 weeks of paid leave benefits, and Oregon will move from a "6" to a "10" on the Roadmap.

Rhode Island's paid family leave program provides a maximum of only four weeks of leave.

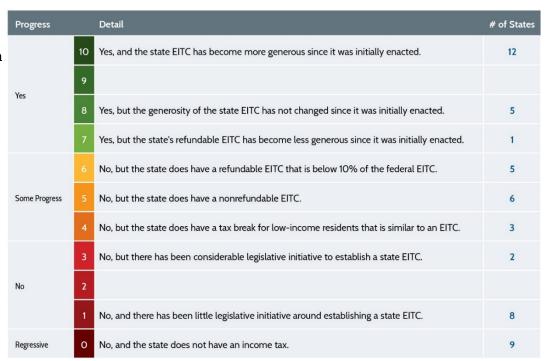
• **Rhode Island:** The state fully implemented and adopted a paid family leave program called "Temporary Caregiver Insurance," signed into law by Governor Lincoln Chafee on July 11, 2013. However, benefits dedicated for a new child are available for only four weeks, rather than the six weeks that research deems effective, currently earning the state a "5" on the Roadmap.

² On November 3, 2020, Colorado enacted a paid family leave program through a statewide ballot measure. Because this policy was enacted after the release of the 2020 Prenatal-to-3 State Policy Roadmap, the Roadmap only mentions nine states that have adopted paid family leave programs. Please see <u>our recent work</u> that describes this ballot initiative and Colorado's new paid family leave program.

State Earned Income Tax Credit

29 states have adopted a state earned income tax credit, but only 18 receive credit on the Roadmap.

State progress toward adopting and implementing a state EITC:



The state EITC is a tax credit for low-income workers, typically calculated as a percentage of the federal EITC. A refundable state EITC of at least 10% of the federal EITC leads to healthier and more equitable birth outcomes and has mostly positive impacts on parent' ability to work and sufficient household resources. For a comprehensive review of the evidence on state earned income tax credits and more information on how this policy impacts prenatal-to-3 policy goals, see the Evidence Review from the Prenatal-to-3 Policy Clearinghouse.

To date, 29 states have adopted a state EITC, but only 18 states provide a refundable credit that is at least 10% of the federal EITC; the level that rigorous research deems effective.

Five states have state EITCs that are refundable, but below 10% of the federal EITC.

Indiana, Louisiana, Michigan, Montana, and Wisconsin all have refundable EITCs that are below 10% of the federal EITC. These five states receive a "6" on the Roadmap.

Six states have state EITCs that are nonrefundable, and therefore not available to many low income working families.

Delaware, Hawaii, Ohio, Oklahoma, South Carolina, and Virginia all have state EITCs that are nonrefundable. These states are categorized as a "5" on the Roadmap.

SPS.001.1120

Three states have tax breaks for low-income residents that are similar, but not the same as a state EITC.

Arkansas, Georgia, and Kentucky have tax breaks for low-income residents that are similar to EITCs, however they are not the EITC and are not refundable. These states are listed as a "4" on the Roadmap.

State Minimum Wage

30 states have adopted policies to set the state minimum wage higher than the federal minimum wage, but only 19 states receive credit on the Roadmap

State progress toward adopting and implementing a state minimum wage:



The minimum wage establishes a floor for workers' hourly wages. The federal minimum wage requires that most hourly workers be paid at least \$7.25, but states can establish higher thresholds.

Increasing the state minimum wage to \$10 or greater increases household resources and reduces child poverty, particularly in families of color. A minimum wage of \$10 or greater also improves birth outcomes and parent mental and physical health. For a comprehensive review of the evidence on state minimum wage and more information on how this policy impacts prenatal-to-3 policy goals, see the Evidence Review from the Prenatal-to-3 Policy Clearinghouse.

PRENATAL-TO-3 POLICY EXCHANGE

Thirty states have adopted a state minimum wage that is higher than the federal minimum wage of \$7.25, but only 19 states currently have minimum wages set at \$10 or greater; a level that the research deems effective.

Four states³ have state minimum wages that are higher than the federal minimum wage, and have scheduled increases to raise the minimum wage to \$10 or greater.

Michigan, Missouri, Nevada, and New Mexico have minimum wages that are higher than \$7.25, the federal minimum wage, and have scheduled increases in place to raise the minimum wage to \$10 or greater. These increases are scheduled to take place between January of 2021 and July of 2023. In the case of Michigan, scheduled minimum wage increases are subject to changes in the unemployment rate, which must be lower than 8.5% in order for a scheduled minimum wage increase to go into effect. These four states currently receive a "6" on the Roadmap, but after they increase their minimum wage to at least \$10 they will receive an "8" if they don't have any future scheduled increases above \$10, or a "10" if they have scheduled or indexed increases that will raise the minimum wage above \$10.

Four states have state minimum wages that are higher than the federal minimum wage, and currently allow for scheduled or indexed increases.

▶ Florida³, Montana, Ohio, and South Dakota have minimum wages that are higher than \$7.25, the federal minimum wage, and currently allow for scheduled or indexed increases. These increases will raise these four states' minimum wages over time, but do not currently outline a specific date at which these states will have a minimum wage of \$10 or greater. These four states receive a "5" on the Roadmap.

Three states have state minimum wages that are higher than the federal minimum wage, but do not have any additional scheduled or indexed increases.

▶ Delaware, Nebraska, and West Virginia have minimum wages that are higher than the federal minimum wage. However, they do not currently have additional scheduled or indexed increases in the minimum wage. These three states receive a "4" on the Roadmap.

³ On November 3, 2020, Florida approved an increase in minimum wage through a statewide ballot measure. With the approval of this Amendment, on September of 2021, the state's minimum wage will increase to \$10. Because this policy was enacted after the release of the 2020 Prenatal-to-3 State Policy Roadmap, the Roadmap only mentions four states that have scheduled increases to raise the minimum wage to \$10 or greater. Please see <u>our recent work</u> that describes this ballot initiative.

Virginia has a minimum wage lower than the federal minimum wage, but has a scheduled minimum wage increase that will reach \$11 in 2022.

• On March 18, 2020, Virginia lawmakers passed legislation to begin scheduled increases in the minimum wage. These increases were slated to begin on January 1, 2021 and continue until 2026 when the minimum wage was scheduled to reach \$15.00, with adjustments made based on the consumer price index thereafter. On April 22, 2020, this legislation was amended in light of COVID-19 to push the scheduled increases to begin May 1, 2021. Virginia's minimum wage will not be \$10 or greater until it reaches \$11 on January 1, 2022. When fully implemented, the state will move from a "3" to a "10" on the Roadmap.

Recent Changes and the Prenatal-to-3 Policy Impact Center's Efforts to Continuously Learn

Our team is keeping track of states' progress and efforts to adopt and implement policies. Since releasing our 2020 <u>Prenatal-to-3 State Policy Roadmap</u> on September 15, 2020, two changes in states' policies have occurred that fall within the four policies enumerated here. These changes will not be reflected in our materials until the 2021 Roadmap is released in October 2021. Information on the ballot measures passed by voters in Colorado and Florida is provided below; for additional information see <u>our recent post</u> on these policy changes.

Colorado and paid family leave: In November 2020, Colorado voters approved Proposition 118, creating a state paid family and medical leave program and becoming the first state to do so through a ballot measure rather than legislation. When fully adopted and implemented the program will provide 12 weeks of family and medical leave, along with an additional 4 weeks for pregnancy and childbirth complications. Premiums will be effective in January 2023 and Coloradoans will be able to use the program and take paid family and medical leave once the *program* is *fully implemented in January* 2024. Currently, Colorado appears as a "3" on the Roadmap. However, next year the state will receive a "6" because the state will have adopted, but have not fully implemented a paid family leave policy. Once fully implemented the state will move to a "10" on the Roadmap.

Florida and state minimum wage: In November 2020, Florida voters approved a ballot measure called "Amendment 2." The measure will raise the state's minimum wage from \$8.56 to \$10 on September 30, 2021 and subsequently increase it by a \$1 a year, until reaching \$15 in 2026. As previously mentioned, Florida currently appears as a "5" on the Roadmap because the state has allowed for scheduled or index changes. When revised, the Roadmap will award Florida a "10" for having a minimum wage of \$10 or greater, unless implementation is delayed.

The Prenatal-to-3 Policy Impact Center would like to hear about any developments in your state's efforts to implement new policies or increase the generosity of policies that support infants, toddlers, and their families. To connect with the Policy Impact Center about work happening in your state to create more equitable and healthier starts for young children, please contact us at pn3exchange@austin.utexas.edu.