

## Trends in Service Receipt: Children in Kinship Care Gaining Ground

Regan Main, Jennifer Ehrle Macomber, and Rob Geen

In 2002, 2.3 million children lived with relatives without a parent present in the household. These arrangements, usually referred to as kinship care, may occur for several reasons including child abuse, neglect, or the incapacity or death of a parent. Most children in kinship care (1.8 million) were privately placed with relatives without the involvement of a child welfare agency (private kinship care). A smaller, yet substantial, number (500,000) was placed in the care of a relative following the involvement of a child welfare agency (public kinship care). Although children in public kinship care have been involved with a child welfare agency, it is estimated that less than half these children are taken into state custody by the agency—the children typically thought of as being in “kinship foster care” (Ehrle, Geen, and Main 2003).

Over the past decade, public interest in kinship care has grown. The use of kin as foster care parents increased substantially in the 1990s, and states had to adapt policies to reflect the unique circumstances of these placements. As a result, awareness of the needs and characteristics of kinship families grew in the policy, research, and advocacy communities. Policy changes also heightened interest in kinship care. In 1997, under the Adoption and Safe Families Act (ASFA), the federal government required states to ensure kinship caregivers were licensed foster parents in order for states to

receive reimbursement for foster care payments through Title IV-E. As a result, states experienced an even greater urgency to ensure kin had the services they needed to help them meet licensing requirements.

During the past eight years, researchers have used the National Survey of America's Families (NSAF), a nationally representative survey of households, to gain insight into the health and well-being of children in kinship care. This body of research has sought to uncover how changes in policies and economic times have affected this population. Studies have shown that children in kinship care can face a number of risks to their healthy development, such as living in poverty, living with a caregiver without a high school degree, and living with a single caregiver (Ehrle, Geen, and Clark 2001). Further, these children often have a physical, learning, or mental condition that limits their activities (Kortenkamp and Ehrle 2002). Various federal, state, and local benefits are available to kinship families to help address the challenges they face, but according to research using the NSAF, many kinship families do not use the benefits (Ehrle and Geen 2002).

This brief culminates the work on kinship care using the NSAF. It uses the three rounds of the survey (1997, 1999, and 2002) to examine changes in the standard of living among children in kinship care between 1997

---

*Many children in kinship care have better standards of living than they did nearly a decade ago, but some still struggle.*

and 2002. Overall, the standard of living for these children improved significantly in this period. The portion of children in kinship care living in poverty steadily declined. Similarly, the portion of children in kinship care who do not have any health insurance is on a downward trend. Both trends are more pronounced for children in public kinship care than children in private kinship care, though both groups' improvements were more dramatic than the gains made by children living with their parents.

Findings in this brief are based on NSAF data from 1997, 1999, and 2002. The survey measures the economic, health, and social characteristics of more than 44,000 households with persons under the age of 65. This analysis used data on children under the age of 18. Children living with their parents are used as a comparison group to offer a base measure of the standard of living for children in the United States. Information on each child was obtained from the adult in the household who was most knowledgeable about the child's health and education—either the parent or the caregiver.

### Financial Circumstances of Children in Kinship Care Improve

The financial circumstances of children in kinship care improved significantly

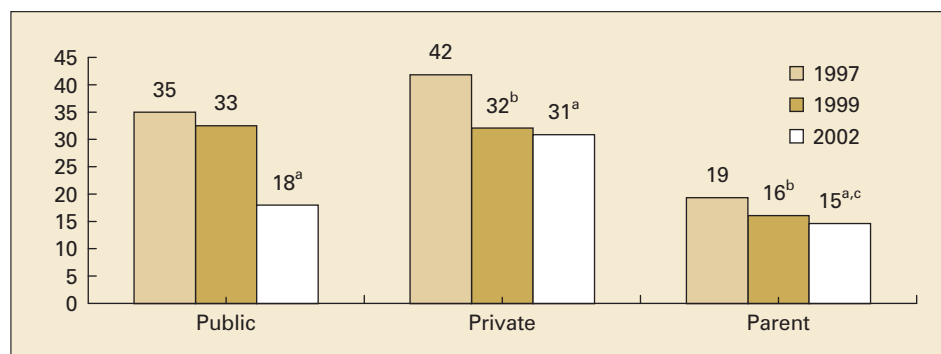
*The financial circumstances of children in kinship care improved significantly.*

between 1997 and 2002 (figure 1). Children in public kinship care saw the most dramatic changes. Over the study period, the share of these children that was living in poverty was nearly cut in half. By 2002, less than one in five children in public kinship care were living in poverty (18 percent), down from 35 percent in 1997. Following the same pattern, the portion of children in private kinship care that was living in poverty also declined. However, close to one in three children in private kinship care (31 percent) were still living in poverty in 2002. The financial improvement of children in kinship care is more dramatic than that of children who were residing with their parents. The share of children living with their parents that was living in poverty declined from 19 percent in 1997 to 15 percent in 2002.

### Portion of Uninsured Children in Kinship Care Declines

The portion of uninsured children in kinship care also declined during the six-year survey span (figure 2). The largest strides in reducing uninsurance occurred among children in public kinship care. By 2002, just 6 percent of children in public kinship care were uninsured, down from 23 percent in 1997. Again, children in private kinship care followed a similar, but more

FIGURE 1. Percent of Children Living in Poverty by Year



Sources: 1997, 1999, and 2002 National Survey of America's Families.

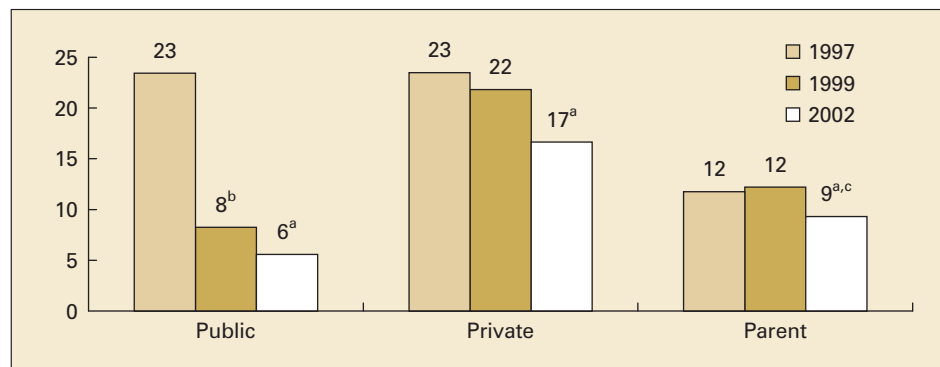
Note: Reported sample sizes are for all children age 0 through 17. The sample sizes for the groups compared are public kinship care = 250, private kinship care = 895, and parent care = 33,040.

<sup>a</sup> Difference between 1997 and 2002 is significant at the 0.05 level.

<sup>b</sup> Difference between 1997 and 1999 is significant at the 0.05 level.

<sup>c</sup> Difference between 1999 and 2002 is significant at the 0.05 level.

FIGURE 2. Percent of Children Not Currently Insured by Year



Sources: 1997, 1999, and 2002 National Survey of America's Families.

Note: Reported sample sizes are for all children age 0 through 17. The sample sizes for the groups compared are public kinship care = 250, private kinship care = 895, and parent care = 33,040.

<sup>a</sup> Difference between 1997 and 2002 is significant at the 0.05 level.

<sup>b</sup> Difference between 1997 and 1999 is significant at the 0.05 level.

<sup>c</sup> Difference between 1999 and 2002 is significant at the 0.05 level.

modest downward trend. The share of these children that was uninsured in 2002 was 17 percent, down from 23 percent in 1997. The decline in the portion of children in public kinship care who were uninsured is particularly striking because it was significantly steeper than the decline seen among children living with their parents who were uninsured over this time frame. The portion of uninsured children living with their parents was 9 percent in 2002, down from 12 percent in 1997.

Even though nearly all children in kinship care are eligible for Medicaid,<sup>1</sup> and therefore should have insurance, many of these children are not enrolled. Almost three-quarters of children in public kinship care were enrolled in Medicaid (74 percent) in 2002, while less than half (45 percent) of children in private kinship care were enrolled.

### No Change in Payment Receipt among Children in Kinship Care

Nearly all children in kinship care are eligible to receive a child-only payment through Temporary Assistance for Needy Families (TANF).<sup>2</sup> Children taken into state custody by a child welfare agency may be eligible to receive a larger foster care payment in place of the TANF payment if their

caregivers meet foster care licensing requirements. Children who have lost a parent or who have a disability may also be eligible to receive a Social Security or Supplemental Security payment. Even though the financial circumstances of children in kinship care have been improving, the number of these families who reported receiving any of the previously mentioned payments or another type of payment did not increase.<sup>3</sup>

Due to changes in the survey instrument, comparisons in payment receipt for children in kinship care are possible only between 1999 and 2002. The level of payment receipt remained steady, with only one-third of children in kinship care receiving a payment in each of these years. Yet, children in public kinship care were roughly three times as likely to receive a payment as children in private kinship care in both survey years (70 percent versus 25 percent in 1999 and 69 percent versus 22 percent in 2002).

### Discussion

Over the past decade we have identified and analyzed the well-being of children in different types of kinship care using the NSAF. This brief provides a culmination of this work. The good news is it appears that

the standard of living for many of these children improved. In fact, in a period when poverty declined and health insurance coverage increased for all children, these improvements occurred even more rapidly and to a greater degree for children in kinship care. Children in public kinship care made the most significant strides and, as of 2002, experienced poverty rates very close to those of children living with parents.

The notable improvements for children in public kinship care might be explained by changes in policy and practice since 1997. On the policy side, ASFA in 1997 required states to license kinship caregivers to receive federal reimbursement for foster care payments made to caregivers through Title IV-E. As a result, states sought to ensure kin had the supports and services they needed to help them meet licensing requirements. At the same time, states may have become less likely to place children in kinship homes that could not meet requirements. As a result, more public kin caregivers may be licensed and receiving foster payments rather than other types of lesser payments, thus increasing their incomes.

On the practice side, service providers may be more knowledgeable of the services available to kinship care caregivers. They may be more likely to connect caregivers to different or additional payment sources that increase family income. Providers also might refer families that cannot meet licensing requirements to welfare agencies to receive a TANF child-only payment. Through these payments, kin families can then access Medicaid and possibly other services such as employment assistance or child care. Child welfare agencies also may help the kin families they come in contact with make these connections, even in cases where they do not take the child into state custody or place the child with a licensed foster kin caregiver.

For private kinship caregivers, connecting with TANF agencies for child-only payments might help link them to employ-

ment or child care assistance, which could have contributed to increases in their incomes. Yet despite the gains many children in private kinship care experienced, many still struggle. While poverty has declined for children in private kinship care, they are still twice as likely to live in poverty as children living with their parents. Nearly a third (31 percent) of children in private kinship care live in poverty, and a sixth (17 percent) of these children are uninsured. Studies have shown that many kinship families may not be aware of the services for which they are eligible or, if they do apply, they may be mistakenly denied benefits (HHS 2002). Research also suggests that some families may not want to receive services. They may find involvement with public agencies invasive or stigmatizing (HHS 2002).

Living with relatives may help children separated from their parents maintain a sense of connection with their families. Kin can help children stay in touch with grandparents, aunts, uncles, cousins, and siblings, which may be of comfort to children whose connections to parents have been lost or are strained. At the same time, some relative caregivers, particularly if they are poor or older, may need services and supports to help them adequately care for a child. The good news is our look at kinship care over time suggests that many more kin may be using the supports available to assist them, particularly kin involved with child welfare systems. Future research and policy efforts, however, might focus on why some kin, especially those not involved with child welfare systems, still do not receive services they may need to care for a relative child.

## Notes

1. Nearly all children in kinship care are eligible to receive Temporary Assistance for Needy Families (TANF) child-only payments, and all children receiving TANF child-only payments are eligible to enroll in Medicaid. Although the 1996 welfare reforms de-linked Medicaid and TANF child-only payments, all states continue to offer Medicaid to

---

*Many more kin may be using the supports available to assist them.*

- children receiving TANF child-only payments. Children in kinship care may also be eligible to receive Medicaid based on their income.
2. Children with significant assets or income of their own and immigrant children born outside of the United States are not eligible for these payments. Or, if caregivers become licensed foster parents and receive foster payments, they are no longer eligible for TANF child-only payments.
  3. The NSAF asked caregivers who were granted custody of the child by a judge or court whether they received a foster payment or another type of payment on behalf of the child. Kinship families who had not had court involvement were asked whether they received public assistance or a welfare payment or whether they received another type of payment on behalf of the child. These other payments could include TANF child-only payments.

National surveys, including the NSAF, sometimes find reporting of benefit receipt different from what is reported in administrative data. Given that estimates of payment receipt reported in this brief include many payment types, and the questions asked do not permit us to distinguish the different types, it is difficult to compare them to administrative data and assess for under- or overreporting.

## References

- Ehrle, Jennifer, and Rob Geen. 2002. "Children Cared for by Relatives: What Services Do They Need?" *Assessing the New Federalism Policy Brief B-47*. Washington, DC: The Urban Institute.
- Ehrle, Jennifer, Rob Geen, and Rebecca Clark. 2001. "Children Cared for by Relatives: Who Are They and How Are They Faring?" *Assessing the New Federalism Policy Brief B-28*. Washington, DC: The Urban Institute.

Ehrle, Jennifer, Rob Geen, and Regan Main. 2003. "Kinship Foster Care: Custody, Hardships, and Services." *Snapshots of America's Families III*, No. 14. Washington, DC: The Urban Institute.

Kortenkamp, Katherine, and Jennifer Ehrle. 2002. "The Well-Being of Children Involved with the Child Welfare System: A National Overview." *Assessing the New Federalism Policy Brief B-43*. Washington, DC: The Urban Institute.

U.S. Department of Health and Human Services (HHS). 2002. *On Their Own Terms: Supporting Kinship Care Outside of TANF and Foster Care*. Washington, DC: Office of the Assistant Secretary for Planning and Evaluation.

## About the Authors

**Regan Main** is a former research assistant with the Urban Institute's Center on Labor, Human Services, and Population, where she specialized in child care and child welfare research.



**Jennifer Ehrle Macomber** is a research associate with the Urban Institute's Center on Labor, Human Services, and Population, where she specializes in research on abuse, neglect, and the child

welfare system and other policy issues related to the well-being of children and families.



**Rob Geen** is the director of the child welfare research program in the Urban Institute's Center on Labor, Human Services, and Population.



## THE URBAN INSTITUTE

2100 M Street, NW  
Washington, DC 20037

Nonprofit Org.  
U.S. Postage  
**PAID**  
Permit No. 8098  
Ridgely, MD

*Address Service Requested*

For more information,  
call Public Affairs:  
202-261-5709  
or visit our web site,  
<http://www.urban.org>.  
To order additional copies  
of this publication, call  
202-261-5687  
or visit our online bookstore,  
<http://www.uipress.org>.

This series presents findings from the 1997, 1999, and 2002 rounds of the National Survey of America's Families (NSAF). Information on more than 100,000 people was gathered in each round from more than 42,000 households with and without telephones that are representative of the nation as a whole and of 13 selected states (Alabama, California, Colorado, Florida, Massachusetts, Michigan, Minnesota, Mississippi, New Jersey, New York, Texas, Washington, and Wisconsin). As in all surveys, the data are subject to sampling variability and other sources of error. Additional information on the NSAF can be obtained at <http://newfederalism.urban.org>.

The NSAF is part of *Assessing the New Federalism*, a multiyear project to monitor and assess the devolution of social programs from the federal to the state and local levels. Olivia A. Golden is the project director. The project analyzes changes in income support, social services, and health programs. In collaboration with Child Trends, the project studies child and family well-being.

The *Assessing the New Federalism* project is currently supported by The Annie E. Casey Foundation, The Robert Wood Johnson Foundation, the W. K. Kellogg Foundation, The John D. and Catherine T. MacArthur Foundation, and The Ford Foundation.

### THE URBAN INSTITUTE

2100 M Street, NW  
Washington, DC 20037

Copyright © 2006

Phone: 202-833-7200

Fax: 202-293-1918

The views expressed are those of the authors and do not necessarily reflect those of the Urban Institute, its board, its sponsors, or other authors in the series.

Permission is granted for reproduction of this document, with attribution to the Urban Institute.