The United States’ social safety net is a patchwork at best, an ordeal by design, and adversarial to many. It is imbued with stigma, dehumanization, and a legacy of racism, reflecting an ideal that help should be temporary, if you are deserving, or simply unavailable, despite an economy with a decades-long trend of rising inequality. We have designed programs in such a way that it takes a lot of effort for both people and the government, using burdensome paperwork and documentation that keeps many of those eligible for assistance from receiving it, with detrimental consequences for health and making health equity even harder to achieve. However, we embraced a more universalist approach with the Child Tax Credit expansion of 2021, which President Biden has referred to as “one of the most effective programs we’ve ever seen.” Elsewhere in JAMA Network Open, Nam and Kwon examine how the Child Tax Credit expansion affected the mental health of low-income parents in the United States, finding a more than one-fourth decrease (27%) in the odds of self-reported anxiety symptoms among parents whose household income was less than $35,000.

By early 2021, we had already lost more than half a million US residents to COVID-19, with tens of millions more at risk not (only) from the morbidity and mortality associated with an evolving pandemic, but from the collateral damage that it inflicted on our economy and our people—job loss, eviction, food insecurity, and more. The pandemic laid bare the inequities in our society—piling on more risk, disproportionate burden, and loss. We had an opportunity, need, and obligation to “think big.” The American Rescue Plan Act (ARPA), passed in March 2021, was a $1.9 trillion stimulus bill designed to help the United States stem the tide of a pandemic-fueled recession. ARPA extended unemployment benefits; provided aid to state, local, and tribal governments and small businesses; ensured access and affordability of health insurance coverage; and supported COVID-19 testing and treatment nationwide. These were important and necessary bridges into a still uncertain future, as vaccines were just becoming available, but the shadow of the economic overhang of a still roiling pandemic loomed large. But Congress and the White House also took a big social policy swing, albeit on a short-term basis, by turning the Child Tax Credit into a “child allowance” as the National Academies, in their A Roadmap to Reducing Child Poverty, and poverty scholars have recommended as part of the solution.

Child poverty has been an ongoing problem in the United States, and the existing Child Tax Credit made it difficult for the poorest families to benefit. ARPA made several key changes to the Child Tax Credit for 2021 by (1) increasing the credit amount and age limit, (2) making it fully refundable, and (3) distributing half of the credit through monthly advance payments. The advance payments, made for 6 months from July through December 2021, of as much as $300 per child under the age of 6 years and $250 per child up to age 17 years, were used by families to meet basic needs—food, shelter, paying their bills. The Child Tax Credit advance payments have been credited with a near halving of child poverty (−46%) and one-quarter reduction (−26%) in food insufficiency, progress that has eroded since the Child Tax Credit expansion was allowed to expire.

The COVID-19 pandemic only exacerbated alarming trends in mental health among US residents, making our need to understand effective policy levers both inside and outside of the health care system even more vital. Nam and Kwon aid this effort by highlighting the positive spillovers of the Child Tax Credit expansion to parental mental health. Two other studies, also using the US Census Household Pulse Survey or a national sample of Supplemental Nutrition Assistance Program recipients, have similarly found reductions in anxiety symptoms, as this study does, but also improvements in depressive symptoms. However, another study, using the Understanding America
Study, found no association of the Child Tax Credit expansion with life satisfaction, anxiety, or depressive symptoms among parents. The authors speculate that the short-term nature of the expansion was a contributing factor, given the considerable prior evidence from the United States and the rest of the world demonstrating that income supports improve mental health. Assuming that monthly income supports, such as the advance payments in the expanded Child Tax Credit, improve parental well-being in addition to the material conditions (ie, stable housing, food and nutrition security) that children grow up in, the potential for generational improvements in health and economic circumstances for children of low-income US residents is profound.

Since its expiration, President Biden and many in Congress have continued to push for a renewal and permanent expansion of the Child Tax Credit. Fourteen states currently have their own Child Tax Credit, generally a set amount per child or percentage of the federal credit amount, and this is likely to grow as several other states have introduced legislation to establish or expand one in recent years. Several states are also using or pursuing expansions of their own Earned Income Tax Credits to support lower-income workers, who often still struggle to make ends meet. This push comes amid substantial growth in the number of guaranteed income programs, also referred to as universal basic income programs, around the United States, following the success of a pilot in Stockton, California, that sent $500 per month to 125 randomly selected residents for 2 years. The proliferation of such programs will create helpful variation in the amounts, eligibility (ie, children, adults, everyone), frequency (ie, monthly, annual), and length of time that US residents in these cities receive support that we can use to expand our understanding of how guaranteed income can affect our health and well-being individually as well as income inequality and health equity generally. Economic precarity and health are intertwined; policies that reduce poverty and create greater economic resilience are vital to improving health and achieving health equity.

ARTICLE INFORMATION
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