



Health Policy Brief

Creating a financially prosperous Ohio Strategies to improve family financial security

When Ohioans live in communities that support their health and economic well-being, their families thrive. However, many families are struggling to pay their rent, put food on their tables, cover their healthcare expenses and save for the future. And communities without adequate support put families on the brink of financial hardship—one emergency or surprise expense away from falling into crisis.¹

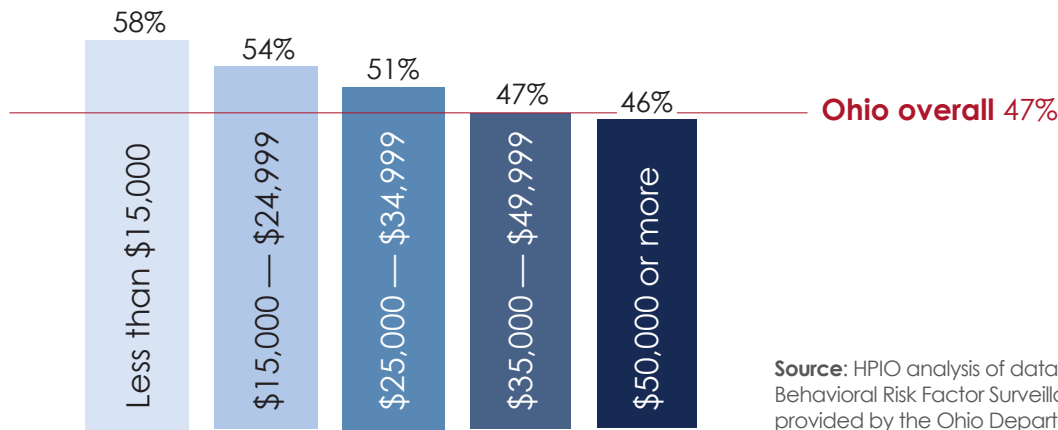
Financial insecurity can negatively impact a variety of health and well-being outcomes across generations, including exposure to adverse childhood experiences (ACEs) (potentially traumatic events that occur in childhood). Limited resources for parents to support their families and provide a secure, healthy and nurturing environment for children, among other factors, increases the risk for ACEs. These factors can negatively affect children’s long-term mental, physical and financial health.²

The Health Policy Institute of Ohio’s **Ohio ACEs Impact Project** highlights the relationship between income and ACEs. As shown in figure 1, children in families earning more income are less likely to experience two or more ACEs.

3 key findings for policymakers

- **Financial insecurity and ACEs can affect families across generations**, resulting in poor outcomes throughout the lives of parents and their children.
- **Positive community conditions support both health and financial security**, including high-quality education and employment opportunities and safe, stable, affordable housing.
- **There are several policy and program solutions for Ohio policymakers and private leaders** to promote generational financial prosperity for every Ohioan, including making the Earned Income Tax Credit refundable, reducing benefits cliffs and promoting the growth of programs like medical-financial partnerships.

Figure 1. **Prevalence of two or more ACEs, by income, 2021**



Source: HPIO analysis of data from the 2021 Behavioral Risk Factor Surveillance System provided by the Ohio Department of Health.

Still, Ohioans are resilient, and Ohio leaders can create environments and opportunities that allow every family to thrive. This brief includes:

- Data and information on how financial insecurity affects families’ health, well-being and ACEs exposure (page 2)
- Perspectives from participants in an evidence-based program that supports financial security (page 7)
- Data and information on the factors contributing to financial security (page 8)
- Strategies for how public and private partners can support financial prosperity and prevent childhood adversity (page 11)



HPIO conducted key informant interviews with two participants from Nationwide Children's Hospital's (NCH) free tax assistance clinic (a medical-financial partnership [MFP] implemented with the United Way of Central Ohio³) in June 2024. Findings from the interviews, as well as direct quotes from key informants, are provided throughout the brief.

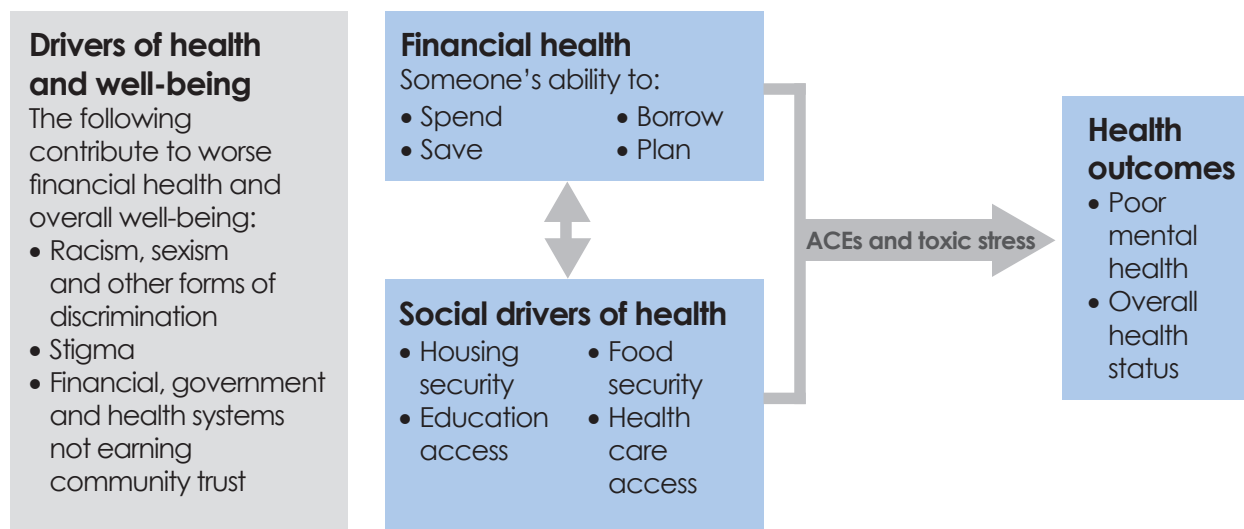
Financial security terms

The terms financial security, financial health and financial stability are used interchangeably in this brief to convey outcomes related to having enough income to meet basic needs and maintain self-sufficiency. Financial insecurity is used to discuss outcomes related to not having enough income to meet needs or save. Financial prosperity is used to convey a goal for Ohioans to thrive (i.e., meet financial goals and save for the future).

What are the connections between financial security and health?

As depicted in Figure 2, financial security can directly impact health outcomes such as mental health and overall health status. Financial security also has a bi-directional relationship with the social drivers of health, including housing, education, food security and health care.

Figure 2. The relationship between financial security, the social drivers of health and health



Notes: The social drivers are examples of those most related to financial health and are described in more detail starting on page 8. The figure was adapted from the Center for Financial Services Innovation's (CFSI) definition of financial health for consumer spending in 2016. CFSI defines spend, save, borrow and plan as follows: 1) spend means spending less than they earn and paying bills on time, 2) save means having sufficient long-term savings or assets and sufficient living expenses in liquid savings, 3) borrow means having a sustainable debt load and prime credit score, and 4) plan means planning ahead for expenses and having appropriate insurance.

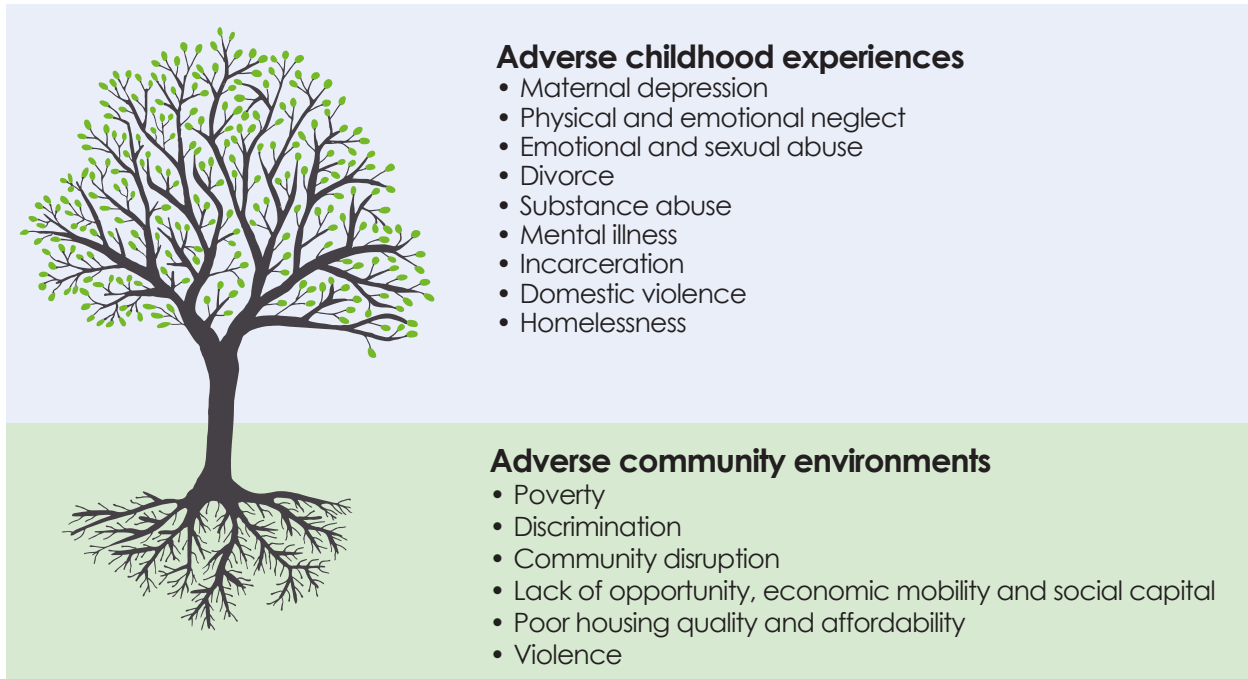
Source: Adapted by HPIO from Weida, Emily Brown et al. "Financial health as a measurable social determinant of health." *PLoS one* 15, no. 5: e0233359. doi: 10.1371/journal.pone.0233359

Why financial insecurity matters for Ohio families

Financial insecurity can indirectly harm health by limiting opportunities for safe, stable and nurturing environments and experiences for children. Limited economic opportunity (i.e., poverty and a lack of economic mobility) is one of many adverse community environments that lay a foundation for adversity in childhood, illustrated by the Pair of ACEs framework in figure 3. This means that when Ohio communities do not support the financial well-being of families, the risk for ACEs increases.

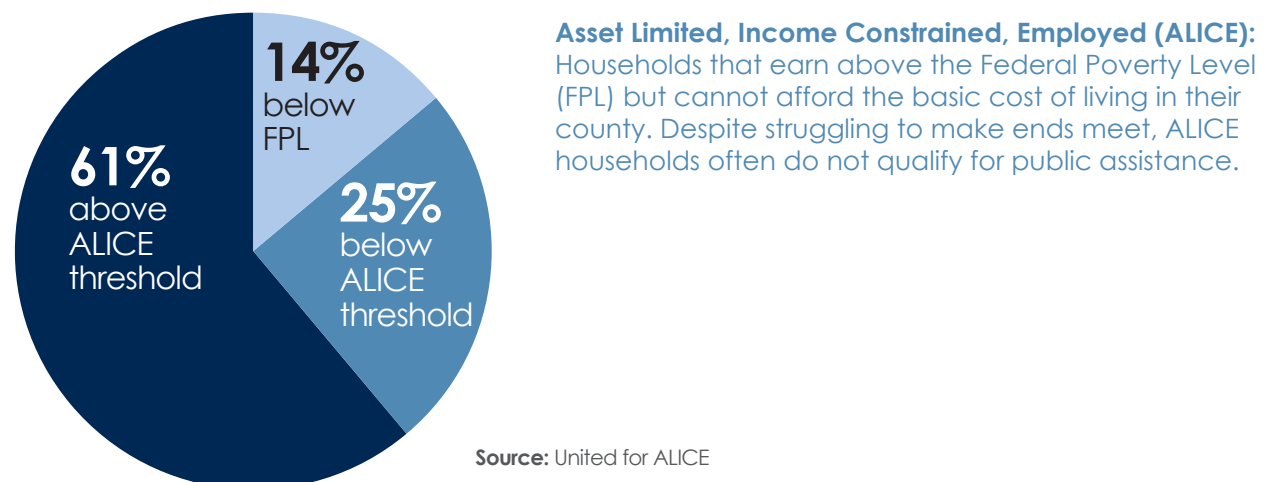
In 2022, more than four in 10 Ohio families did not earn enough to support their basic needs (displayed in figure 4).⁴

Figure 3. **Pair of ACEs framework**



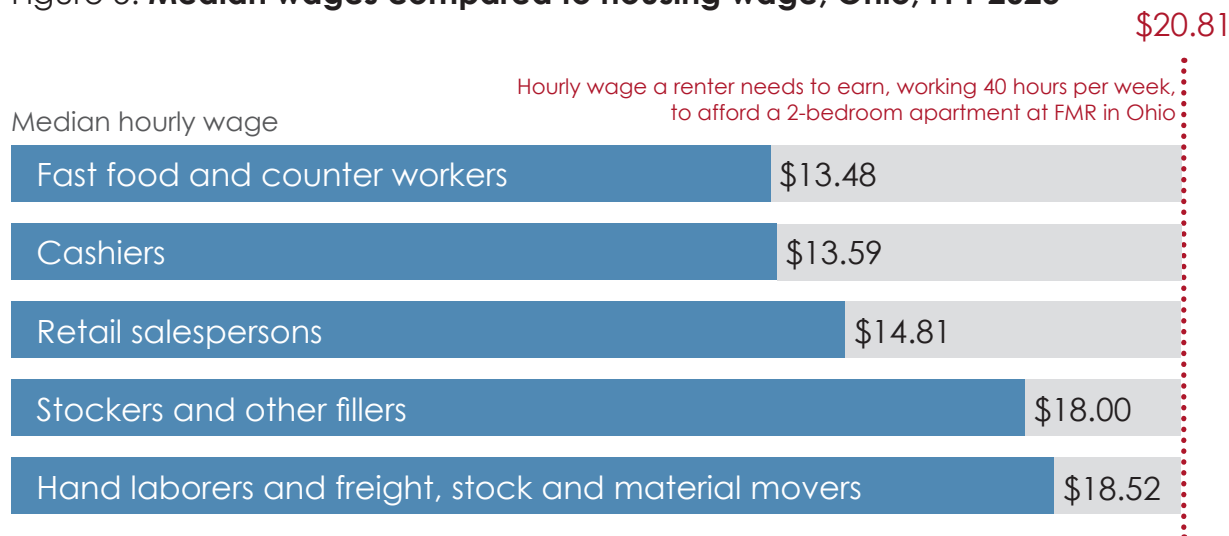
Source: Adapted from Ellis, W., Dietz, W.H., Chen, K.D. (2022). Community Resilience: A Dynamic Model for Public Health 3.0. *Journal of Public Health Management and Practice*, (28)1, S18-S26. doi: 10.1097/PHH.0000000000001413

Figure 4. **Percent of Ohio households earning below the ALICE threshold, 2022**



The disconnect between income and household cost for many Ohioans means spending more on some costs and saving elsewhere, risking unstable housing, food insecurity and other negative outcomes. For example, many workers were not paid enough in federal fiscal year (FFY) 2023 to afford a 2-bedroom apartment at fair market rent (FMR) in Ohio (displayed in figure 5).⁵

Figure 5. **Median wages compared to housing wage, Ohio, FFY 2023**



Note: The list of occupations only includes the top five largest occupations below the housing wage for a two-bedroom apartment. For a full list of wages and occupations, please consult the source.

Source: National Low Income Housing Coalition ([Out of Reach 2024](#)), accessed Aug. 1, 2024

For one key informant, the gap between income and financial need meant that her and her husband needed to cut child care costs, meaning she only works part-time to care for their children.



“I work part-time hours to be able to stay home with my kids while my husband works three different jobs to maintain all of the bills. This is so that we can avoid the cost of child care. It makes more sense for me to work part-time and not pay child care to be with my kids during the most critical time in their lives.”

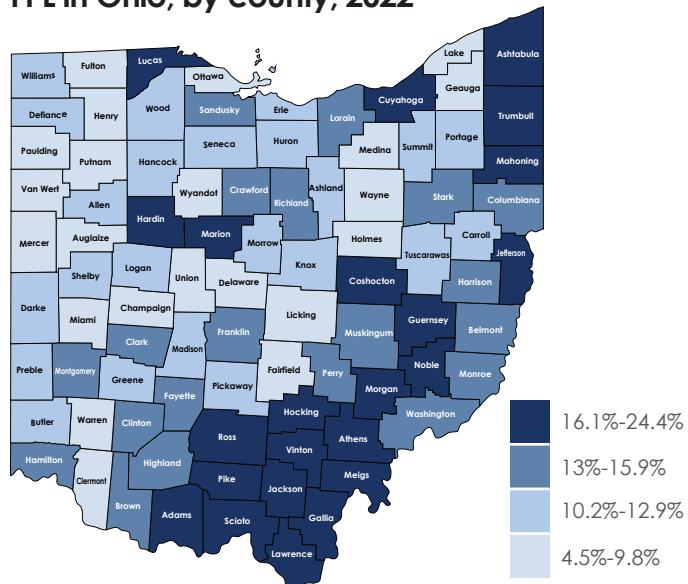
— NCH MFP program participant

Disparities in financial insecurity

While financial insecurity can affect any Ohioan, there are considerable differences in rates of financial insecurity across the state. For example, figure 6 demonstrates that Ohioans living in Appalachia are more likely to experience poverty than Ohioans in other areas of the state.⁶ **HPIO analysis** highlighted that the groups of Ohioans most at risk of financial insecurity⁷ are also more likely to experience ACEs, including Ohioans living in urban and Appalachian counties and Ohioans of color.

Additional data illustrating higher risk of financial insecurity for certain groups of Ohioans, including Ohioans of color, women and Ohioans with disabilities, is provided throughout this brief.

Figure 6. Percent of households below 100% FPL in Ohio, by county, 2022



Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates (2018-2022)

Effects across generations

Financial outcomes and ACEs are closely linked, and both can persist in families throughout generations. Parents' past exposure to ACEs can negatively impact their educational attainment, employment status and income as adults. Consequently, their children are more likely to live in poverty and have poorer educational outcomes, resulting in greater risk of future unemployment, lower incomes and poorer health outcomes.⁸

Additionally, generational financial insecurity is associated with higher levels of psychosocial and physical stressors.⁹ Parents facing financial hardship often experience stress, depression and conflict in their relationships and families. They also have fewer resources to provide their children with a healthy and nurturing environment.¹⁰ These factors can lead to ACEs exposure for their children, which can, in turn, negatively impact their children's future educational attainment, employment status and income as adults.¹¹

One reason that parents may have lower incomes is exposure to ACEs. The resulting generational impacts are thus not the outcome of moral or ethical failings, but rather a consequence of the physical, social and economic conditions that low-income households are more likely to encounter.

Even with these challenges, parents with lower incomes can provide their children with a safe, stable and healthy home environment. One key informant expressed that while there is anxiety associated with high, sometimes unexpected, expenses and debt, her children's needs are still a priority.



"Having two toddlers, a new mortgage, car payments, insurance premiums, medical bills and the dreaded credit card debt with high interest rates that we just couldn't dig ourselves out of on our own, caused us significant financial anxiety, but my husband and I are very hard workers and do our very best to maintain a safe and healthy household for our children."

— NCH MFP program participant

Supportive policies and programs, such as those provided in this brief, can make the difference between financial security and crisis. One key informant reported the impact that assistance filing her taxes and receiving her tax refund had on her family's financial security and health, including setting her children up for long-term success.



"Receiving just my regular income tax [refund], it helped me kind of get [my kids] on track, like as far as getting them in tutors and [in] schools, helping with my daycare. So now, since this year came and then I got the extra funds, it kind of put us all in a great spot, and now everybody's happy. Everybody's satisfied. I got everybody doing sports, you know, stuff that they like to do that I couldn't do at the beginning... So now everybody's happy."

— NCH MFP program participant

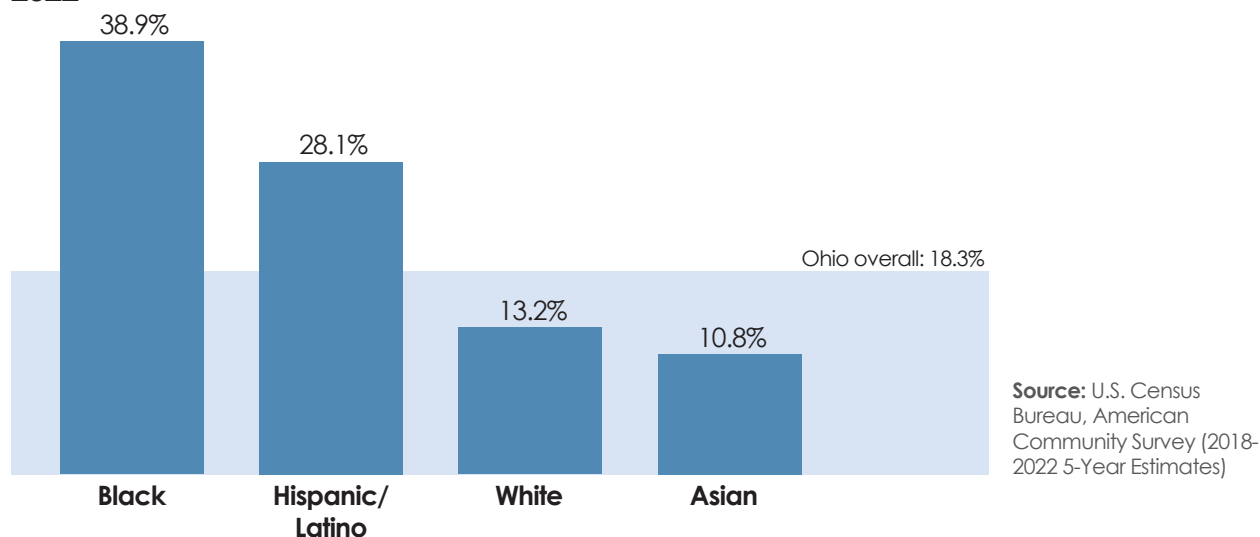
Direct effects on children's health

Financial insecurity can have profound impacts on children, both during the period when insecurity occurs and throughout their lives. Negative health outcomes for children experiencing poverty and income volatility include:

- Higher rates of anxiety and depression¹²
- Developmental delays¹³
- Chronic illness¹⁴
- Nutritional deficits¹⁵
- Worse physical health and quality of life¹⁶
- Increased risk of hypertension in young adulthood¹⁷

Many Ohio children are at risk of experiencing negative health outcomes as a result of financial insecurity, although some Ohio children are more at risk than others. For example, Black children are three times more likely to experience poverty than white children (displayed in figure 7).

Figure 7. **Percent of Ohio children, ages 0-17, living below 100% FPL, by race/ethnicity, 2022**



Direct effects on adults' health

Financial insecurity can also have a detrimental effect on adult health and well-being, with health impacts including¹⁸:

- Psychological stress
- Lower self-rated health
- Cardiovascular issues (such as an increased risk of heart attack)

Black and Hispanic Ohioans and Ohio women are more likely to live in poverty compared to other groups in the state, and thus more likely to experience the effects of financial insecurity.¹⁹

Implementation example

Nationwide Children's Hospital Economic Development Programs

Nationwide Children's Hospital (NCH) in central Ohio collaborates with partners through a medical-financial partnership (MFP) model to offer a set of economic development programs, including a free tax assistance clinic, employment and work development programs and an adult financial security mentoring program.²⁰ These programs aim to lower poverty and unemployment rates by providing paths to employment at NCH and other local employers.²¹

Emerging evidence shows MFPs, like NCH's, are promising tools to improve financial and health outcomes such as increased financial literacy, reduced household expenses and improved mental health.²² Key informants also noted reduced stress and anxiety associated with the free tax assistance clinic.



"Yes, [Nationwide Children's tax clinic] definitely helped me get caught up on everything. As far as my rent, bills that I was kind of a little behind on. So, it helped out a lot."

"Basically they ... file it for you, but they also explain ... how to do it. So they do everything step by step with me."

— NCH MFP program participants

NCH's free tax assistance clinic is operated in partnership with the United Way of Central Ohio.²³ More than 460 families in under-resourced neighborhoods in Columbus have received support from this clinic, claiming over a million dollars in tax refunds including over \$500,000 in tax credits.²⁴

Both key informants said the program helped them navigate complicated tax situations and had a significant positive financial impact on their families.



"Because of this financial relief, we have been able to pay off about 90% of our credit card debt that we would not have been able to pay off without the help of [Nationwide Children's] tax service. This opportunity of paying off debt leaves us with money left over each paycheck that we can use toward building a better future for our children, and some financial security for when another large financial stressor comes."

— NCH MFP program participant

What factors contribute to financial security?

Social and systemic drivers of health, including experiences of racism and discrimination, housing, employment and education and criminal justice involvement, all impact familial financial security and prosperity. Children and families need to live in communities that support health and well-being, meaning they are free from violence and discrimination and have plentiful high-quality housing, employment and educational opportunities.

The following community conditions can serve as barriers to financial security for Ohioans.

Experiences of racism and discrimination

Findings from HPIO's **2024 Health Value Dashboard** demonstrate that Black, Hispanic and Asian Ohioans are more likely to experience barriers to financial prosperity mediated through the social, economic and physical environments. For example, Black and Hispanic children in Ohio are over two times more likely to experience poverty (highlighted in figure 7 on page 6). Parents of Black, Hispanic and Asian children were also over eight times more likely to report that their children were treated unfairly due to their race compared to white children.²⁵

Inequities and barriers to financial prosperity for communities of color are driven by a history of marginalization throughout systems and policies.²⁶ The intersection of discrimination, including racism, and other factors that drive financial insecurity is described throughout this section.

The following HPIO briefs and reports also contain more detailed information on the impacts of racism and discrimination on health and economic well-being:



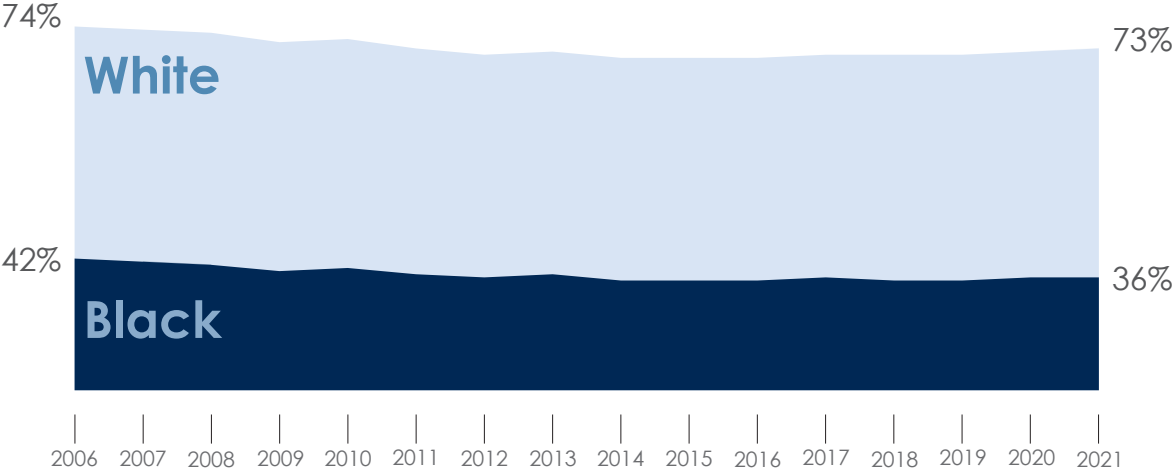
Housing

A family's ability to reach financial security depends on the availability of affordable, stable housing.²⁷ When housing costs are high, families have less income to pay for other necessities like nutritious food, health care and child care. Black and Hispanic/Latino renters are both more likely to experience housing cost burden compared to Ohioans overall.²⁸

Homeownership is a primary means of building wealth and can be protective against financial insecurity, especially in older adulthood.²⁹ Decades of racist policies, such as redlining, and housing discrimination have limited opportunities for homeownership for Ohioans of color. Redlining limited opportunities for Black families and other families of color to access bank-insured mortgages, having been deemed too big of a risk to insure. This led to disinvestment in predominantly Black neighborhoods, limiting access to resources like high-quality jobs and grocery stores.

While Ohio's homeownership rate decreased slightly, regardless of race, from 2006 to 2021, Black Ohioans were still almost half as likely to own a home as white Ohioans (displayed in figure 8).³⁰

Figure 8. Homeownership rate, by race, Ohio, 2006-2021



Source: Ohio Housing Finance Agency, 2024 Housing Needs Assessment

Employment and education

Stable employment with sufficient pay and benefits can protect families from financial stress. Access to a job with adequate pay and benefits, such as health insurance and paid leave, can determine whether a family can afford the resources they need to be healthy, including reduced likelihood of ACEs.

When jobs do not offer the level of support people need, workers may have a difficult time meeting their needs and those of their families. One key informant described how her family was experiencing financial difficulty, despite her and her husband having college degrees.



“Though me and my husband both have bachelor’s degrees, we still were living paycheck to paycheck with no financial relief in sight. We were just taking one day at a time paying bills that we never imagined would go away.”

— NCH MFP program participant

A key contributor to stable employment is educational access and opportunity, starting in early childhood and continuing through K-12 and into postsecondary education. Still, financial insecurity is a barrier to postsecondary education, as described by a key informant.



“...trying to get financial aid and getting [postsecondary education] covered. A couple of schools I had looked at were kind of pricey... I’m not trying to put myself in a tight spot because I also have the children.”

— NCH MFP program participant

Not all Ohioans have equal access to educational, employment and wage growth opportunities. For example, while the gender wage gap has narrowed since the 1980s, the gap persists today with women earning 82 cents for every dollar earned by men in 2022.³¹ This gap increases for women of color, with Black women earn 70% and Hispanic women earn 65% as much as white men. While there is no single reason for the wage gap, expectations of parenthood, segregation across occupations, stereotypes and sex and race discrimination all play a role.³²

Additionally, HPIO's [2024 Health Value Dashboard](#) highlights several groups of Ohioans, including those with less than a high school education and those with a disability, that experience worse health and socioeconomic outcomes, including higher rates of unemployment and being uninsured, and lower rates of labor force participation. For example, Ohioans with a disability are 3.3 times less likely to be able to participate in the labor force and 1.8 times more likely to experience child poverty.³³

Criminal justice involvement

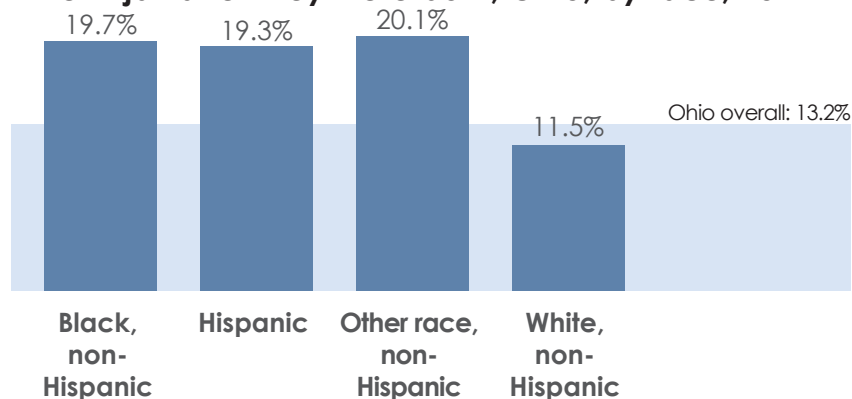
Experiences with the criminal justice system, particularly having been incarcerated, can negatively affect a family's financial security. A parent may have been their family's primary earner prior to criminal justice involvement and are unable to economically support their families while incarcerated, resulting in decreased family income. Incarceration can also increase household costs because of legal fees, visits to correctional facilities, costs of phone calls and other incarceration-related costs. [HPIO analysis](#) also found that incarceration of a household member is an ACE with significant health and financial impacts.

Collateral sanctions, legal barriers upon re-entry from incarceration, can prevent people who were incarcerated from being able to provide for themselves and their families. Ohio has a high number of collateral sanctions compared to other states, most relating to employment, limiting the chances for Ohioans to support their families and break generational cycles of poverty and incarceration.³⁴

In 2021, 13.2% of Ohio adults reported having a parent or guardian serve time in jail during their childhood, with Black and Hispanic Ohioans twice as likely to report this experience, as displayed in figure 9.³⁵ Black Ohioans were almost six times as likely to have been incarcerated than white Ohioans. Historical and ongoing racism in the criminal justice system contribute to this racial disparity.³⁶

HPIO's [Criminal Justice and Health series](#) contains more information on the connections between financial security, health and criminal justice involvement.

Figure 9. **Percent of adults who report having a parent or guardian serve time in jail after they were born, Ohio, by race, 2021**



Source: Ohio Medicaid Assessment Survey

The role of stigma

Stigma associated with the social safety net can prevent adults and families in need from applying for assistance³⁷, and stigma related to seeking public assistance is linked to poor health outcomes.³⁸ Additionally, those experiencing financial insecurity may experience stigma from interactions with healthcare providers and the healthcare system, which may lead them to forgo future care.³⁹

How can Ohio policymakers support financial prosperity across generations?

Public and private leaders in Ohio can act to strengthen economic supports for communities and prevent negative health outcomes. Leaders can also reduce long-term spending on health care and public benefits and boost tax revenue.⁴⁰ While there are many possible policy options to build financial prosperity, those listed below focus on supporting families across generations and are organized as follows:

- Workforce development
- Work supports
- Tax credits and income supports
- Financial services

Policy recommendations are included for both public policymakers and private sector leaders, as noted by these icons:



Public policymakers



Private leaders

Workforce development



Create or strengthen benefits and work incentive counseling (BWIC) services. There is emerging evidence that counseling workers on how public benefits are effected by employment can improve outcomes, particularly as a part of robust vocational rehabilitation programs. BWIC services promote self-sufficiency and independence by supporting work readiness and advancement and are particularly effective for people with a disability who are receiving social security disability insurance or supplemental security insurance (SSDI/SSI). The goal of these services is to enhance understanding of government benefits, like SSDI/SSI, to increase financial well-being and employment.



Monitor implementation of Ohio's 2024-2027 Workforce Innovation and Opportunity Act (WIOA) combined state plan. WIOA is a federal law, signed in 2014, that aims to increase employment opportunities, particularly for people facing barriers to employment, and to promote skill development for workers, among other outcomes.⁴¹ All states are required to submit a report to the federal government on the state's action plan for its workforce.⁴² Ohio submits a combined plan for all federal workforce development programs and includes a summary of the strategies the state is using to develop its workforce.



Support career-technical education (CTE). CTE refers to education programs that prepare students for careers in current and emerging professions. These types of programs can start as early as middle school. There are several ways to support CTE, including⁴³:



- Exploring new funding models for CTE. For example, the **Delaware Pathways program** leveraged state, American Rescue Plan Act, Elementary and Secondary School Emergency Relief, Governor's Emergency Education Relief and philanthropic funds.
- Funding expansion of successful CTE programs to additional districts and postsecondary institutions, and businesses and community organizations with whom to partner for internships and apprenticeships.
- Offer year-round enrollment and scheduling outside of traditional school hours.
- Provide flexibility and incentives for districts to implement innovative approaches, such as participating in business-funded programs like the **Creating Entrepreneurial Opportunities Program** that pairs students with CTE industry experts, to increase the number of high-quality CTE educators.

Work supports

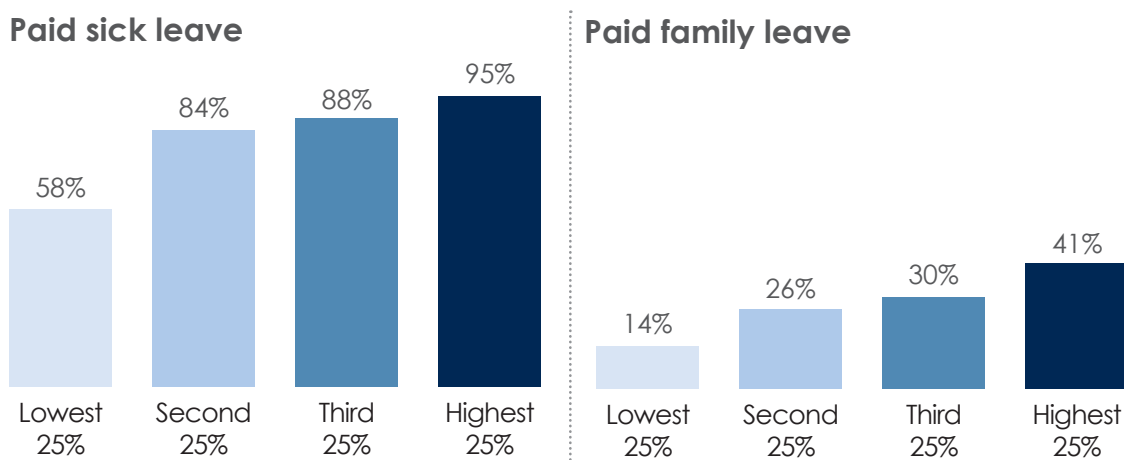


Adopt robust paid family and sick leave policies. Paid leave, including family and sick leave, contributes to several positive outcomes, such as increased healthcare access, improved health outcomes, increased labor force participation and improved infant health.⁴⁴ These types of policies allow employees to take time off when sick, after birth or adoption or to care for a sick relative without losing wages.



Access to these types of leave is rarer for employees who earn lower incomes. In 2023, high-income workers were over one and a half times more likely to have access to paid sick leave and almost three times more likely to have access to paid family leave than workers with the lowest incomes (highlighted in figure 10).

Figure 10. **Percent of workers with paid sick leave and paid family leave, by average wage-earning group, U.S., March 2023**



Source: U.S. Department of Labor, Bureau of Labor Statistics

State policymakers recently expanded paid parental leave for state employees to 12 weeks and eliminated the 14-day unpaid waiting period.⁴⁵ They can build on this momentum by overturning Ohio's law that prevents local governments from passing paid-leave laws.⁴⁶ Private leaders can also follow the example set by the state regarding number of weeks and waiting periods.



Implement basic income guarantees. Basic income guarantees, also called guaranteed basic income (GBI) and guaranteed income (GI) are policies that provide a monthly, no-strings attached, payment to recipients. Research on basic income guarantees has found increases in participant self-efficacy and agency and positive impacts on mental health.⁴⁷

These policies are often implemented at the local level on a time-limited basis. Several basic income guarantee pilot programs are being explored and initiated in cities across the U.S. and Ohio, including Cincinnati⁴⁸ and Cleveland.⁴⁹ The amount of income provided varies from city to city, and research recommends tailoring the amount based on the local cost of living.⁵⁰



Increase access to child care supports. Publicly funded child care (PFCC) provides access to early childhood education (ECE) programs for families with low incomes. High-quality ECE programs have strong evidence of preventing and mitigating ACEs, among other positive health and well-being impacts.⁵¹ Access to early learning opportunities and quality child care also better ensures that parents can maintain employment.⁵²



The income eligibility threshold for PFCC in Ohio was recently increased from 142% FPL to 145% FPL, and Gov. Mike DeWine introduced a new Child Care Choice Voucher Program in early 2024, which is available for families earning between 146% FPL and 200% FPL.

State and local policymakers, along with philanthropic organizations and child care providers, can continue to explore ways to expand access to high-quality ECE programs, especially for communities most at risk of financial insecurity and childhood adversity. For example, Preschool Promise in Montgomery County leverages a local levy and private philanthropic dollars for funding.⁵³

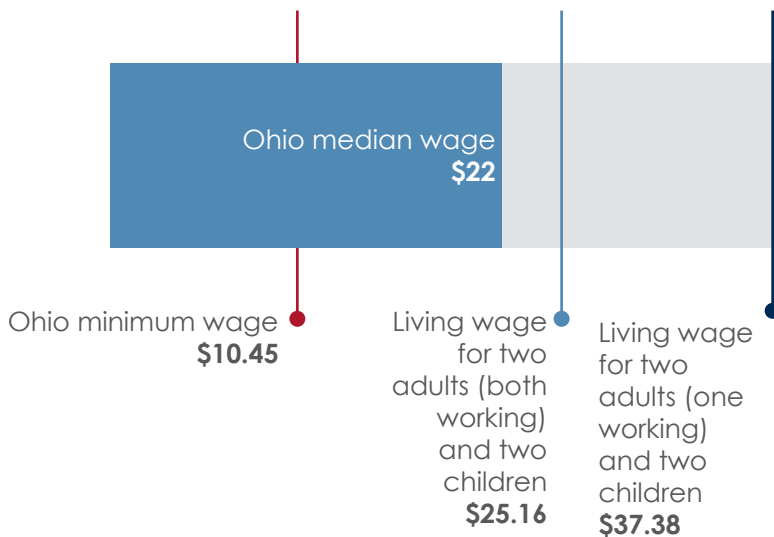
State policymakers can also incentivize employers to provide child care subsidies to their employees to remove barriers to employment for parents, particularly those with part-time and/or low-wage jobs. For example, **Georgia** provides tax credits to employers who provide or sponsor child care for their employees.



Provide a living wage. Living wages are an estimated hourly wage someone needs to earn to cover their basic needs where they live, including food, health care, housing and other necessities.⁵⁴ Living wages allow people below the ALICE threshold (shown in figure 4 on page 3) to move above the threshold into financial security. Figure 11, however, shows that Ohio's median and minimum wages are far less than the living wage for a family of four with two working parents. As Ohio considers increases to the state minimum wage, policymakers and advocates can base increases on calculations of what families need to thrive.



Figure 11. **Ohio median hourly wage in 2020 among people 25-64 years old compared to Ohio's 2024 minimum wage and 2024 estimated living wage**



Source: National Equity Atlas and Living Wage Institute, Massachusetts Institute of Technology

Tax credits and income supports



Create an Ohio Child Tax Credit (CTC). The CTC is a federal tax benefit available to income-eligible parents with a dependent child under age 17. The American Rescue Plan Act expanded the federal CTC for tax year 2021.⁵⁵ Cost-benefit analyses of CTCs have demonstrated positive outcomes for making CTCs refundable and more generous, including benefits for overall child and adult health and longevity, future economic outcomes for children and healthcare cost savings, among other benefits.⁵⁶ Likewise, a cost-benefit analysis of an Ohio CTC shows a high probability of positive net benefits.⁵⁷

The Census Bureau reported the 2021 CTC expansion reduced child poverty to its lowest level on record.⁵⁸ And while all states saw reductions in child poverty, states with low costs of living but high pre-tax poverty, like Ohio, saw the biggest reductions.⁵⁹ Following the end of the expansion, child poverty rebounded. Since 2021, 14 states have implemented a state-level CTC or expanded an existing one following the success of the expanded federal CTC.⁶⁰ Ohio can likewise establish a state CTC and make it more effective by making it refundable.



Create universal child savings accounts. Child savings accounts, also called child development accounts, are bank accounts or investment accounts that incentivize savings for children to build assets over time. State and local policymakers and philanthropy can set up child saving accounts.⁶¹ Several states, including [Pennsylvania](#) and [Nebraska](#), have universal child savings programs that provide seed funding to all resident newborns for higher education expenses.



Child saving accounts can set children up for long-term economic prosperity, correlating with increased college enrollment and completion.⁶²

Ohio can expand its existing College Advantage 529 program by:

1. Making the program universal, so all Ohio newborns are automatically enrolled
2. Providing savings incentives, such as an initial deposit and/or matching contributions
3. Providing additional contributions for families with low incomes



Make the Ohio Earned Income Tax Credit (EITC) refundable. The EITC is an income tax credit available for income-eligible tax filers to apply to any taxes owed. An EITC is available from the federal government, 28 states (including Ohio), and two cities (New York City and D.C.). The federal credit amount changes each year and depends on income, marital status and number of dependent children. Most state EITCs, including Ohio's, are a percentage of the federal credit and can have additional eligibility requirements.

EITCs can be refundable or non-refundable. When the credit is refundable, workers receive the full credit amount, regardless of taxes owed. When a credit is non-refundable, any amount left over after being applied to taxes is not issued as a refund. While the federal EITC and most state EITCs are refundable, Ohio is one of five states without a refundable EITC.

In 2019, the Ohio General Assembly expanded the Ohio EITC from 10% to 30% of the federal credit. While increasing the amount of credit available for eligible Ohioans can increase the EITC's impact, increasing the match rate is not as effective at achieving the poverty-alleviation and work incentive goals of the EITC as making it refundable.⁶³ Refundability would also make the credit available for more Ohioans with the lowest incomes.⁶⁴ [Analysis from HPIO](#) highlights that the EITC is a cost-effective strategy for preventing the ACEs with the most significant health impacts.

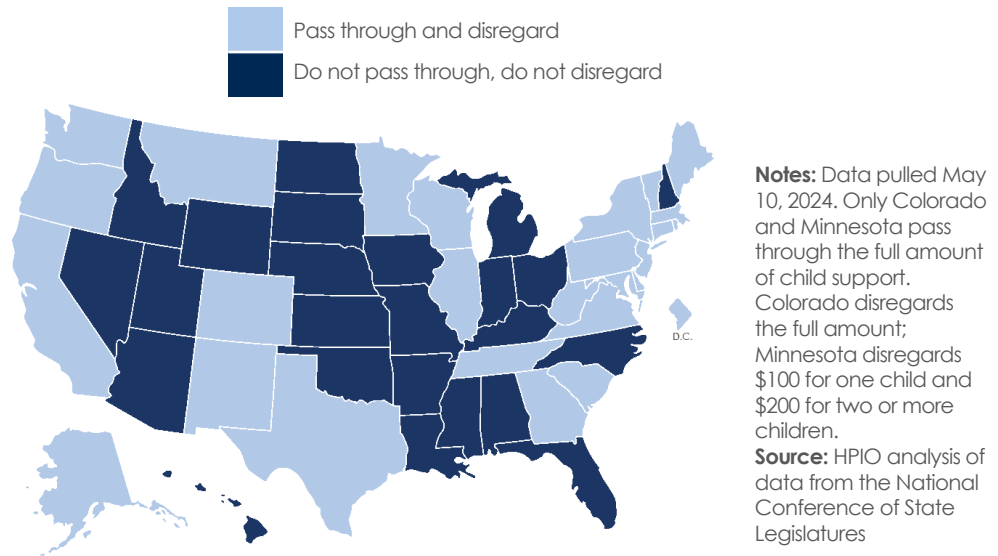


Implement child support pass-through and disregard. Families receiving TANF (temporary assistance for needy families), called [Ohio Works First \(OWF\)](#) in Ohio, are required to assign their rights to child support to their state to receive TANF benefits. States then have the option

to pass all or some of the child support through to the family or retain it to reimburse the federal government. They also have the option to disregard passed through child support when determining eligibility for TANF.⁶⁵

Research has found that full child support pass-through and disregard, in which states pass the full amount of child support to the family and disregard it for TANF eligibility, can increase income and reduce child maltreatment (i.e., abuse and neglect). Child support pass-through and disregard may also reduce disparities in outcomes for working families and Black families.⁶⁶ Figure 12 shows that Ohio is one of 24 states to not have a pass-through and disregard policy.

Figure 12. **States with child support pass-through and disregard policies, U.S., 2023**



Reduce benefits cliffs. Benefits cliffs, also called benefits phaseouts, are a sudden decrease or total loss of public assistance that occurs with even a small increase in income. These cliffs can be a barrier to career and economic growth for people receiving government assistance because the potential increase in wages does not make up for what is lost from decreased benefits.⁶⁷

Ohio recently created a program to mitigate benefits cliffs. The **Workforce Bridge pilot program** provides grants to employers to incentivize employees receiving OWF (i.e., TANF), SNAP (Supplemental Nutrition Assistance Program), Medicaid or other public assistance to complete job training and bridge benefits cliffs with sufficient income to replace lost benefits.⁶⁸ Ohio can continue to mitigate the cliffs by adjusting benefit income eligibility thresholds to minimize the impact of decreased or lost benefits.

Financial services



Implement programs that offer community financial services. Services like financial coaching and free tax preparation support participants' financial health and prosperity.⁶⁹ For example, financial coaching is an ongoing, client-driven collaboration with a trained coach to set and achieve financial goals (e.g., debt reduction, savings).⁷⁰



Financial Empowerment Centers (FECs) are a model of financial counseling being implemented across the country through public-private partnerships with local governments. Services through this model are offered one-on-one at no cost to participants and are financially supported by philanthropy via the Cities for Financial Empowerment Fund.⁷¹ Franklin, Summit, Medina and Cuyahoga counties have all enrolled in a Financial Empowerment cohort and are implementing the model.⁷²

As other entities assess whether to implement programs that offer financial services, like MFPs and FECs, there are several considerations and opportunities for improvement based on conversations with key informants:

- Make the programs free
- Work in partnership with participants
- Provide supports, like child care and transportation assistance, to overcome barriers to participation



“For someone like me, I would love to have had a safe play area for my kids to play independently within sight while I file taxes, but that could be a big accommodation for a small population of people.”

— NCH MFP program participant

Conclusion

In addition to the policy options above, HPIO has produced several briefs that include policies, practices and programs that support financial well-being, including:

- **Social drivers of infant mortality: Employment action guide**, 2023
- **Strategies to prevent Adverse Childhood Experiences (ACEs) in Ohio: Ensuring a strong start for children and strengthening economic supports for families**, 2022
- **What works to increase self-sufficient employment**, 2018
- **Connections between income and health**, 2017

While many Ohioans are at risk of experiencing financial insecurity and its negative impacts on health and well-being, these outcomes are not set in stone. There are many ways for policymakers and other leaders to make sure every Ohioan has the opportunity to experience financial prosperity. Implementing evidence-informed strategies, such as those highlighted in this brief, can contribute to Ohio becoming a model of health, well-being and economic vitality.

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