



Health Policy Brief

Creating a financially prosperous Ohio Strategies to improve family financial security

Executive summary

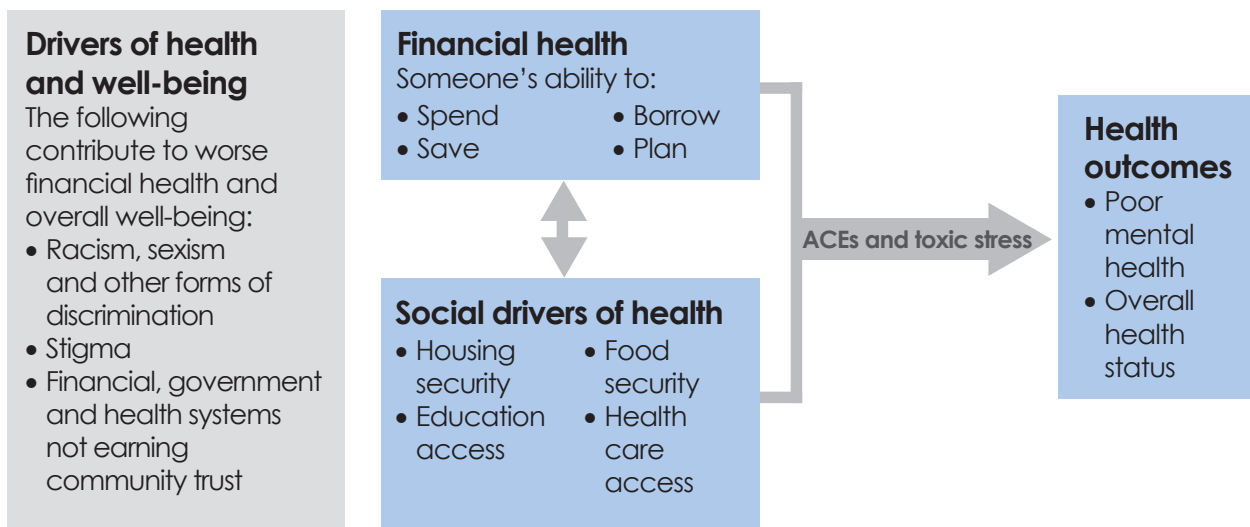
When Ohioans live in communities that support their health and economic well-being, their families thrive. However, many families are struggling to pay their rent, put food on their tables, cover their healthcare expenses and save for the future. And communities without adequate support put families 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 worse mental health and exposure to adverse childhood experiences (ACEs). It also has a two-way relationship with the social drivers of health.

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.

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



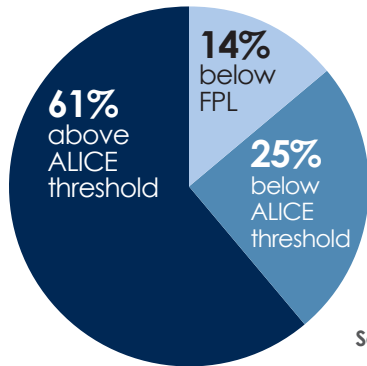
Notes: The social drivers are examples of those most related to financial health. The figure was adapted from the Center for Financial Services Innovation's (CFSI) definition of financial health for consumer spending in 2016.

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

What does the data say about financial insecurity and ACEs in Ohio?

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

Percent of Ohio households earning below the ALICE threshold, 2022

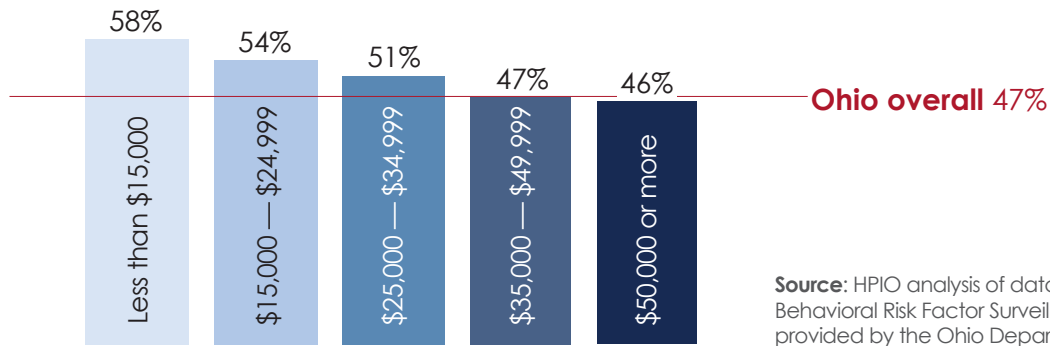


Asset Limited, Income Constrained, Employed (ALICE): Households that earn above the Federal Poverty Level (FPL) but cannot afford the basic cost of living in their county. Despite struggling to make ends meet, ALICE households often do not qualify for public assistance.

Source: United for ALICE

Ohioans from families with lower incomes are also more likely to have been exposed to ACEs.

Prevalence of two or more ACEs, by income, 2021

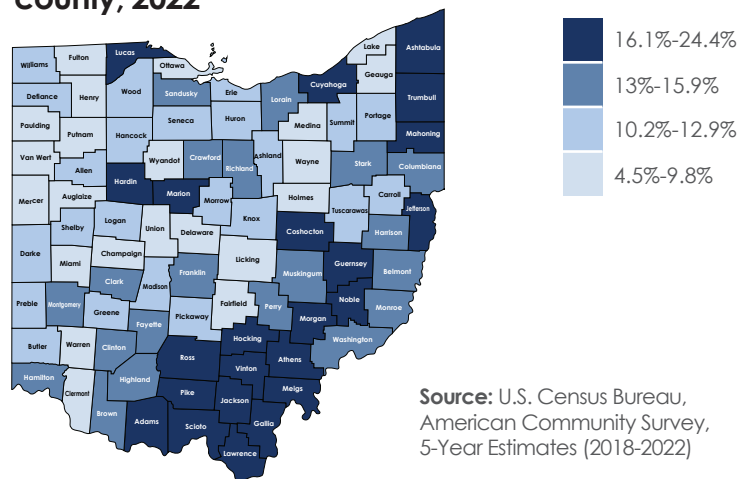


Source: HPIO analysis of data from the 2021 Behavioral Risk Factor Surveillance System provided by the Ohio Department of Health.

Who is most affected by financial insecurity and ACEs?

There are stark differences in financial insecurity across Ohio. For example, Ohioans living in Appalachia were more likely to live below the federal poverty level than Ohioans in other parts of the state. The groups most at risk of financial insecurity are also more likely to experience ACEs.²

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



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

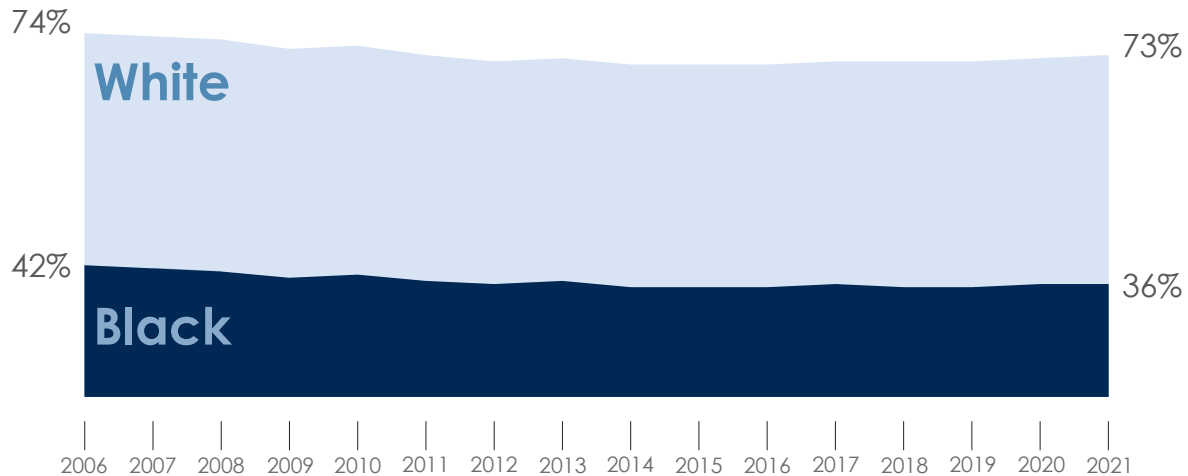
What factors contribute to financial insecurity?

Social and systemic drivers of health, including experiences of racism and discrimination, housing, employment and education and criminal justice involvement, impact families' financial security and their ability to prosper.

Housing

Homeownership is a primary means of building wealth and can be protective against financial insecurity.³ Black Ohioans are half as likely to own a home compared to white Ohioans, due to decades of discriminatory policies and practices.

Homeownership rate, by race, Ohio, 2006-2021



Source: Ohio Housing Finance Agency, 2024 Housing Needs Assessment

Employment

Stable employment with sufficient pay and benefits can protect families from financial stress. 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.



"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 tax assistance clinic participant

What can be done to promote financial prosperity in Ohio?

By strengthening economic supports for families, public and private leaders in Ohio can support communities and prevent negative health outcomes. The brief elevates policy options in the following areas:

Policy area	Example policy option
Workforce development	<ul style="list-style-type: none"> • Create or strengthen benefits and work incentive counseling (BWIC) services • Monitor implementation of Ohio's 2024-2027 Workforce Innovation and Opportunity Act (WIOA) combined state plan • Support career-technical education (CTE)
Work supports	<ul style="list-style-type: none"> • Adopt robust paid family and sick leave policies • Implement basic income guarantees • Increase access to child care supports • Provide a living wage
Tax credits and income supports	<ul style="list-style-type: none"> • Create and Ohio Child Tax Credit (CTC) • Create universal child savings accounts • Make the Ohio Earned Income Tax Credit (EITC) refundable • Implement child support pass-through and disregard • Reduce benefits cliffs
Financial services	<ul style="list-style-type: none"> • Implement programs that offer community financial services

Notes

1. Gillespie, Lane and Tori Rubloff. "Bankrate's 2024 Annual Emergency Savings Report." Bankrate, June 20, 2024. <https://www.bankrate.com/banking/savings/emergency-savings-report/>
2. Health Policy Institute of Ohio. "Adverse Childhood Experiences (ACEs): Health Impact of ACEs in Ohio," August 2020
3. Herbert, Christopher and Jennifer H. Molinsky. "Homeownership Among Older Adults: A Source of Stability—or Stress?" Generations Journal 44, no. 2 (2020). <https://generations.asaging.org/homeownership-older-adults-stability-stress>

Read the full brief "Creating a Financially Prosperous Ohio: Strategies to Improve Family Financial Security" at:

<https://bit.ly/3XcuzoF>

