

A Working Paper



A Project of the
Annie E. Casey
Foundation

**Factors Affecting State Differences
in Child Well-Being**

By

**William O'Hare
The Annie E. Casey Foundation
And
Marlene Lee
Population Reference Bureau**

August 2007

The Annie E. Casey Foundation

The Annie E. Casey Foundation is a private charitable organization dedicated to helping build better futures for disadvantaged children in the United States. It was established in 1948 by Jim Casey, one of the founders of UPS, and his siblings, who named the Foundation in honor of their mother. The primary mission of the Foundation is to foster public policies, human-service reforms, and community supports that more effectively meet the needs of today's vulnerable children and families. In pursuit of this goal, the Foundation makes grants that help states, cities, and communities fashion more innovative, cost-effective responses to these needs.

KIDS COUNT, a project of the Annie E. Casey Foundation, is a national and state-by-state effort to track the status of children in the United States. By providing policymakers and citizens with benchmarks of child well-being, KIDS COUNT seeks to enrich local, state, and national discussions concerning ways to secure better futures for all children. At the national level, the principal activity of the initiative is the publication of the annual *KIDS COUNT Data Book*, which uses the best available data to measure the educational, social, economic, and physical well-being of children. The Foundation also funds a nationwide network of state-level KIDS COUNT projects that provide a more detailed community-by-community picture of the condition of children.

Additional copies of this report are available from:

The Annie E. Casey Foundation
701 St. Paul Street
Baltimore, MD 21202
410.547.6600
www.aecf.org

Factors Affecting State Differences in Child Well-Being

By William O'Hare
And
Marlene Lee

Executive Summary

Despite that fact that there is enormous variation in child well-being across the states, little systematic research has been done to explain why states differ on this measure. The current study extends existing research in this area by testing whether there is a relationship between child well-being and state characteristics, including population composition and policy differences across states. The study uses the state-level index, on which the rankings from the KIDS COUNT Data Book are based, as the measure of child well-being.

In addition to examining characteristics of the best states and the worst states, the study also employs multiple regression analysis to estimate the independent effect of measures thought to be related to child well-being.

Key findings include:

- In the models tested, most (90 percent) of the differences in child well-being across states may be explained by the collective impact of a handful of measures.
- Demographics, economics, and policy variables all contribute to differences in child well-being across states.
- Among policy measures related to child well-being in the models tested are:
 - TANF dollar cutoff for countable assets
 - Food stamp participation rate
 - State spending per child
 - State charges for child health care coverage
- Among the demographic and economic measures examined, the most significant measures are:
 - Percent black
 - Percent Hispanic
 - Percent immigrant children
 - Median family income
 - Household net worth
 - Adults without health insurance.

Factors Affecting State Differences in Child Well-Being

Introduction

Every year since 1990, the Annie E. Casey Foundation has published an annual *KIDS COUNT Data Book* featuring a set of 10 child well-being measures for all 50 states.¹ States are ranked on each of the 10 indicators individually, and then the indicators are combined to produce a composite state-level index of child well-being.

Despite the wide variation in child well-being across states and the easy access to the KIDS COUNT data, very few analysts have tried to determine what causes this variation across states.² Limited past research suggests that factors from several different arenas—racial/ethnic composition, state spending on children, and employment opportunities and income—are likely to be important predictors of state-level child well-being.³ Because many of these factors are inter-related it is not easy to distinguish their separate effects without systematic analysis.

This study examines a wider range of factors than past studies, including state demographic characteristics, educational attainment, income, employment, household wealth, health insurance, and policy differences across states. The study also adds to the range of methodological approaches used to assess what factors influence state-level rankings on child well-being.

First, we use descriptive statistics to compare the social, economic, and policy environments of the top-10 states (best child well-being) and the bottom-10 states (worst child well-being) relative to the rest of the states. Then, we use multiple regression analyses to estimate independent effects of key indicators. The multiple regression results suggest that together, racial and ethnic composition of the population, socioeconomic characteristics, and policy measures explain up to 90 percent of the variation in child well-being across the states. The effects of these factors are presented in more detail in the findings section.

Importance of States

There are two important trends we want to highlight as background for this study. First, over the past 15 years the devolution of federal power, through block grants and other mechanisms, has made states more powerful actors in social policy decisions.⁴ The passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in 1996 added to the growing importance of states. As states make more policy decisions that affect children and families, they will need more timely and accurate information about child well-being at the state and local level.

Second, there is enormous variation across the states in child well-being, suggesting that national indices mask important geographic differences. The maximum and minimum state values for each of the ten indicators used in the 2007 KIDS COUNT Data Book show that in every case the worst state has a value that is at least two times the best state.⁵ Given these differences, national measures tell us very little about what is happening in any particular state or region. For each of the 10 key measures of child well-being in the *KIDS COUNT Data Book*, Table 1 shows how many states are statistically different from the national measure. Most states are different on most measures; of the 500 possible comparisons of a state value with the corresponding national value (50 states times 10 measures), 369 differ from the national measure. For every measure at least half the states are statistically different than the national rate. In other words, knowing the national rate tells you very little about what is going on at the state level.

Table 1. Number of States That Differ from the National Rate on Measures of Child Well-Being, 2004-2005

KIDS COUNT measure	Number of state estimates statistically significantly different than the U.S. estimate* (90% confidence)
1. Percent Low-Birthweight Births 2004	42
2. Infant Mortality Rate (Deaths per 1,000 births) 2004	36
3. Child Death Rate (Deaths per 100,000 children ages 1-14) 2004	35
4. Teen Death Rate (Deaths per 100,000 children ages 15-19) 2004	32
5. Teen Birth Rate (births per 1,000 females ages 15-19) 2004	48
6. High School Dropout Rate (Percent age 16-19 not in school/not graduates) 2005	30
7. Idle Teens (Percent age 16-19 not in school no working) 2005	27
8. Percent of children with no parent who works full-time year-round 2005	41
9. Child Poverty Rate 2005	41
10. Percent of Kids in Single-Parent Families 2005	39
TOTAL	371

* District of Columbia not included.

KIDS COUNT on Line at www.kidscount.org/sld/auxiliary07.jsp

It is worth noting that since the first KIDS COUNT report was published in 1990, the landscape regarding child well-being indicators has changed enormously. There is a growing interest in child well-being indices, in compiling data on children from different data sources, and in sharing results with policymakers and the public. Most of these efforts have been at the national level, but there are also ongoing efforts to produce indices of child well-being at the state level.⁶

In addition, several recent developments are likely to have a positive impact on our ability to produce state-level estimates and indices of child well-being. The development and now full-scale implementation of the American Community Survey (ACS) will provide reliable census-type measures at the state and local level every year.⁷ The emergence of the State and Local Area Integrated Telephone Survey (SLAITS) and particularly the National Survey of Children's

Health derived from the SLAITS system add many new measures of child well-being for states every four years.⁸ The Small Area Income and Poverty Estimates (SAIPE) have provided regular income and poverty estimates for states, counties, and school districts since the mid-1990s.⁹ The recent emergence of the National Survey on Drug Use and Health has provided state estimates since 1999.¹⁰ Increasing availability of data from Income Tax Returns (Statistics on Income) allow calculation of EITC receipt for states and localities.¹¹ The Local employment Dynamics (LED) system provides data on workers—but not yet on children of workers.¹² The No Child Left Behind Act now requires all states to participate in the National Assessment of Educational Progress (NAEP), providing consistent educational achievement data for all states.¹³ Recent activity in Congress suggests that a more comprehensive set of state-level measures of child well-being may soon be available.¹⁴

Recent developments are encouraging and suggest the time is ripe for significant advancement in state-level measures and indices of child well-being. The results of this study will help analysts better understand the inter-relationships among such measures.

Data and Methods

The data for this analysis were compiled from the KIDS COUNT State Level Data Online website, the Census Bureau's American Community Survey, and variables collected through the *Policy Matters* initiative at the Center for the Study of Social Policy.¹⁵ Most of the data are from 2002-2003. There is a more detailed description of the data sources and variables in Appendix 1.

Variation in child well-being across states may potentially be explained by several factors. In this study we sort these factors into three groups—demographic characteristics of the child population, state policies, and other factors. First, some states have a higher concentration of vulnerable population groups such as racial and ethnic minorities, new immigrants, and very young children. Second, state policies may directly or indirectly affect children's health and economic status. Third, parental investment of time or money in their children and other environmental factors may affect child outcomes.

In the analyses that follow, we use descriptive statistics to assess the extent to which the racial and ethnic composition of the child population, the state economy, and socioeconomic characteristics of parents (or adults) are associated with state rankings on overall level of child well-being. For example, do states with a lower concentration of immigrant children score better on overall child well-being? We also investigate the association of specific policies with state rankings based on the KIDS COUNT index of child well-being.

Policy Matters identifies five key factors essential to the financial stability of families and children within these families: employment, income and asset growth, health, education, and healthy family relationships. State policies that promote employment and ensure adequate wages for workers help families and children maintain financial stability. Tax relief policies such as earned income tax credits allow workers to recoup a greater proportion of their earnings and to use this in caring for their families. Health promotion activities and programs that provide access to adequate medical care not only improve the physical and mental health of families and children, but also add to the financial stability of families. Other programs such as Temporary

Assistance for Needy Families (TANF) and the food stamps program provide income supports to needy families or ensure adequate access to food.

Following examination of descriptive statistics which compare best states and worst states to the other states, we use multivariate regression analyses to test for significant relationships between state policies and child well-being, after controlling for the composition of the state population, the characteristics of the state economy, and the characteristics of parents (adults). Such a finding would suggest that some policies are important for advancing the well-being of children in all states. For ease of interpretation, in the multivariate analyses, we use the negative of the KIDS COUNT index as the dependent variable. The index is the sum of z-scores for all ten indicators for each state. Although we do not use the KIDS COUNT ranking as the dependent variable, the rankings are based on this index. Thus, as the dependent variable increases in value, child well-being improves.

We include measures of geographic region, the percent of the state population residing in urban areas, the unemployment ratio, median earnings, and the equality of income distribution (the Gini coefficient) as indicators of economic opportunity in the state. Studies of rural low wage employment, for example, have shown that the concentration of low wage work in the South is not just attributable to the industrial structure of the region but also to regional wage differentials found across most industries.¹⁶

Our regression analysis has several limitations. First, with only 50 cases, the number of variables which can be examined simultaneously is limited. Second, our analysis is cross-sectional. For any cross-sectional analysis, omitting a variable may introduce bias. Unmeasured characteristics of states, such as a cultural predisposition to social welfare programs, may lead to the adoption of more generous public programs and improved child well-being. Unmeasured characteristics that predispose states to adopt less generous social welfare programs would lead to an underestimation of the effects of policies.

We address concerns about omitted variables in the analyses by including important state characteristics hypothesized to be associated with child well-being. These characteristics represent alternative influences that may affect child well-being. In addition, we test the sensitivity of our results to changes in model specification.

The following sections review results from our analyses. First, we identify factors that are associated with a state's ranking in the top 10 (best levels of child well-being) or bottom 10 (worst levels of child well-being) based on the KIDS COUNT index of child well-being. Second, we use multiple regression analysis to assess the independent effect of state policies on differences in child well-being across states.

Findings

Comparison of States by Ranking Group

Users of the KIDS COUNT state rankings of child well-being have observed a pattern in the geographic distribution of the states ranked at the top and bottom. New England states are over-represented among the top 10 while southern states dominate the bottom 10 (See Table 2). In addition, researchers have made a related observation—that KIDS COUNT rankings are closely linked to states' racial composition.¹⁷ Engels, Field and Finkelhor (2005) found that 63 percent of the KIDS COUNT rankings for 1996 may be explained by the size of the African American population.

Table 2. KIDS COUNT Top-10 and Bottom-10 States, 2002-2003

Top 10		Bottom 10	
New Hampshire	1	Arizona	41
Vermont	2	Kentucky	42
Minnesota	3	Tennessee	43
New Jersey	4	Arkansas	44
North Dakota	5	South Carolina	45
Massachusetts	6	New Mexico	46
Maine	7	West Virginia	47
Iowa	8	Alabama	48
Utah	9	Louisiana	49
Wisconsin	10	Mississippi	50

Note: See 2002-2003 rankings for all 50 states in the Appendix.

Methodologists have suggested that state indices would be more informative if they were adjusted for demographic differences across states. After making this adjustment, some racially diverse states would move up in the rankings while states that are mostly non-Hispanic white would move down. For example, researchers found that the state of Maryland, which ranked 24th among states in the 1999 KIDS COUNT Data Book, would move to 1st in the rankings after controlling for the percent African American.¹⁸

Our approach to this issue is to examine other factors that may help explain the relationship between racial composition and state rankings of child well-being. Such factors may not only distinguish disadvantaged populations from other groups, but may also provide clues as to what factors should be targeted in order to improve state child well-being regardless of population composition.

As a first step, we examine the association of state rankings with socioeconomic factors related to the ability of families to support children. These factors include measures of family income

and household wealth. Also, we look at characteristics that may affect the average level of income across states, such as education levels, the availability of employment as measured by the employment ratio,¹⁹ and adult health.²⁰ Second, we examine the association between state rankings and state policies that could directly affect the health and welfare of children and families.

In Table 3, we compare the demographic and socioeconomic characteristics of states ranked among the top-10 states in overall well-being of children to those states ranked in the middle 30. Similarly, we compare the characteristics of states ranked in the bottom 10 with those ranked in the middle 30. Both the top-10 and bottom-10 states are significantly different from the states ranked among the middle 30.

States ranked in the top 10 in 2002-2003 have a lower concentration of African Americans and Hispanics than the middle 30. They also are less urban and more likely to be in the Northeast. Families with children in these states have, on average, a higher median family income. There is less income inequality (a lower Gini coefficient) and more employment opportunity (higher employment ratio). Average household net worth in these states is higher than in the middle 30-states. A larger proportion of adults age 25 or older have a high school education, and fewer non-elderly adults are without health insurance.

States ranked in the bottom 10 in 2002-2003 also differ significantly from the middle 30. While the top-10 states tend to have less vulnerable populations and more economic opportunity, the bottom-10 states have a higher concentration of African American children and less economic opportunity (greater income inequality and a lower employment ratio). These bottom-10 states also have, on average, a lower percentage of immigrant children than the middle states do. This may be because these bottom-10 states do not include traditional immigrant destination states nor do they have economic opportunities that attract immigrants.

Table 3. State Demographic and Socioeconomic Characteristics by Ranking Group

	Percent or Mean				
	All	Top 10	Bottom 10	Middle 30	
<i>Child Population</i>					
Percent black, 2002	11.9	4.6	21	11.3	*†
Percent Hispanic, 2002	11	6.1	10.9	12.6	*
Percent age 0 to 4, 2002	26.6	25.7	26.8	26.8	
Percent age 5 to 9, 2002	27.2	27.1	27.3	27.2	
Percent age 10 to 17, 2002	46.2	47.2	45.9	46.0	
Percent with a foreign-born parent, 2002	12.7	10.9	7.4	15.0	†
<i>Total Population</i>					
Average percent urban, 2000	71.6	66.6	61.9	76.6	*†
<i>Region</i>					
States in the South region (%)	32	0	80	27	*†
States in the Midwest region (%)	24	40	0	27	†
States in the Northeast region (%)	12	50	0	13	*†
States in the West region (%)	26	10	20	33	*
<i>Income, Wealth, and Education</i>					
Median family income for families with children, 2002	49824	56266	40429	50808	*†
Gini Coefficient, 1999	0.413	0.392	0.434	0.414	*†
Household net worth, 2002	65646	87768	41387	66359	*†
Employment ratio, 2002	60.8	63.9	56.3	61.3	*†
Percent of adults 25+ with high school, 2002	84.1	90.0	78.8	84.7	*†
Percent adults age 18 to 64 without health insurance, 2002	17.5	13.7	20.39	17.9	*
Percent adults with disability, 2002	10.1	9.0	13	9.4	†

Note: These estimates are for the 50 states. A table of standard deviations may be found in the appendix.

*Top 10 significantly different from middle 30; †Bottom 10 significantly different from middle 30. All significance tests are one-tailed tests at the 0.05 level.

Table 4. State Policies by Ranking Group

Policy Variables	Percent or Mean			
	All	Top 10	Bottom 10	Middle 30
<i>Income Tax</i>				
Income tax threshold for a two parent family of four, 2002 /a	19488	23033	15300	19739
States with personal income tax, 2002 (%)	82	90	90	77
States where minimum wage exceeds federal requirements, 2002 (%) /b	22	30	0	27 †
States with refundable EITC (among states with income tax), 2002 (%) /d	22	70	0	27 †
<i>Unemployment</i>				
States where part-time workers are eligible for UI, 2000 (%) /d	30	40	20	30
<i>Public Assistance Programs</i>				
TANF dollar cutoff for countable asset limits, 2002 /c,d	2367	2700	2300	2276
Food stamp participation rate, 2002	55	51	60	55
Medicaid child eligibility cutoff as a percent of FPL, 2003 /d	151	171	144	147
Medicaid working parent eligibility cutoff as a percent of FPL, 2003 /d	91	137	67	84 *
States charging a premium for child health coverage programs, 2003 (%)	64	90	30	67 *†
<i>Spending on Children</i>				
Education spending per 4 year old in pre-K, 2002	368	374	346	373
Spending per pupil in public elementary and secondary schools, 2003	5135	5597	4201	5293 †
Total state expenditures per child, 2003	5641	6157	4590	5820 †
Ratio of per child total state expenditure to real per capita gross domestic product (X 1000), 2003	168	176	167	165

Notes: These estimates are for the 50 states. A table of standard deviations may be found in the appendix.

*Top 10 significantly different from middle 30; †Bottom 10 significantly different from middle 30. All significance tests are one-tailed tests at the 0.05 level.

(a) States without a personal income tax are Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Wyoming, and Washington.

(b) States with no minimum wage are Alabama, Arizona, Louisiana, Mississippi, South Carolina, and Tennessee.

(c) Ohio has no asset limits for TANF.

(d) EITC=Earned Income Tax Credit; UI=Unemployment Insurance; TANF=Temporary Assistance for Needy Families; FPL = Federal Poverty Level.

In addition to comparing the demographic and socioeconomic characteristics of states by ranking group, we also compared state policies by ranking group (Table 4). The policies examined were identified with the assistance of the Center for the Study of Social Policy. The policy measures included describe the presence/absence of a particular policy or characteristics of the policy, such as income eligibility cutoffs, that affect the scope of the program. Measures of policy effectiveness, such as participation rates, are more difficult to obtain by state.

We see very little difference in the policy measures for the top-10 states and the middle-30 states. States ranked among the bottom 10, however, show some significant differences on policy measures. None of the states in the bottom 10 have a minimum wage that exceeds federal requirements. Nor do these states offer a refundable EITC. A smaller proportion of states in the bottom 10 charge a premium for child health coverage. This is partly because premiums are often charged for families with higher incomes relative to the federal poverty level.

States in the bottom 10 spend less, per child, on children's programs than other states. At the state level, education expenditures account for most of a state's total spending on children. By looking at per child expenditures, we examine comparable measures across each state. However, a state's purchasing power also influences how much states are able to spend per child. States with higher revenues and a wealthier population (tax base) may have more money to spend. Per capita gross domestic product is one measure of a state's purchasing power. The ratio of per child expenditures to per capita gross domestic product provides a measure of state spending on children that is relative to purchasing power. The relationship between child well-being and state spending does not hold once relative purchasing power is taken into account.

Multiple Regression Results

Multiple regression is a statistical technique used to estimate the effect of individual factors and assess the collective explanatory power of several factors simultaneously. It is used here to determine which state-level factors are most statistically significant in predicting child well-being.

Table 5 shows estimates from three different models (combinations of factors) in which we try to determine whether state differences in child well-being are related to differences in factors such as state policy indicators. Because they control for other differences across states, these models allow us to claim that the relationship between child well-being and policy indicators holds regardless of other characteristics such as parental capacity to invest in children.

Similar to results in previous research, we find that differences in the racial and ethnic composition of the population account for a substantial amount of the variation (56 percent) in the state scores on the KIDS COUNT index of child well-being. This is shown in Model 1 of Table 5 which indicates an adjusted R-squared of 0.56. States with relatively higher concentrations of black and/or Hispanic populations tend to have worse scores on the child well-being index, while states with a relatively high percentage of immigrants tend to have better scores on child well-being. As stated previously the association between the relative size of the immigrant population and child well-being is probably due to the fact that states with relatively poor child well-being measures do not attract many immigrants.

In a similar analysis (not shown here), when economic opportunity variables alone are included as explanatory variables, these factors can account for about 50 percent of the difference in child well-being across states. Following the same procedure, when only indicators of family capacity are used as explanatory variables, these can also account for about 50 percent of the difference in child well-being across states. However, looking at the effect of one set of factors without controlling for other factors that may also be related to state-level child well-being is often misleading.

As evidenced by the Adjusted R-squared of 0.84, Model 2 in Table 5 shows that together population composition and economic opportunity explain about 84 percent of the differences among states in child well-being. We find similar results for the family capacity variables—median family income, household net worth, education level of adults, health insurance status, and disability (Model 3 in Table 5). Population Composition and Family Capacity together account for about 83 percent of the differences across states in child well-being. Family income and net worth are important in predictable ways; that is states that are better off economically have better child outcomes. Model 3 shows that that states with higher levels of health insurance coverage for adults tend, overall, to have better child outcomes.

As earlier results from the comparison of state rankings show, states with a higher proportion of blacks and Hispanics have a lower level of child well-being. States with a higher proportion of immigrant children (with at least one foreign-born parent) have better child well-being scores. The relationship between child well-being and the percent black and also the percent of immigrant children in the child population holds even after taking account of socioeconomic characteristics of states and of state policies (Table 6). More employment opportunities, higher median family income, and higher average household net worth are also consistently associated with better overall child well-being in states (Tables 5 and 6).

Table 5. Effect of Demographic and Socioeconomic Factors on Child Well-being across 50 States

	Model 1		Model 2		Model 3	
	Coef.	t-value	Coef.	t-value	Coef.	t-value
<i>Population Composition</i>						
Percent black	-0.43	-6.01 **	-0.27	-3.55 **	-0.23	-3.48 **
Percent Hispanic	-0.50	-4.58 **	-0.16	-1.88 *	-0.11	-1.12
Percent ages 0 to 4	-0.72	-1.17	-0.15	-0.3	-0.62	-1.46
Percent ages 5 to 9	0.81	1.02	0.01	0.02	0.25	0.45
Percent children with foreign-born parent	0.57	4.41 **	0.41	3.56 **	0.27	2.38 **
<i>Economic Opportunity</i>						
West			-2.79	-1.32		
Midwest			1.63	0.89		
Northeast			3.95	1.85 *		
(Reference = South)						
Percent urban			0.00	-0.06		
Log median earnings			5.64	0.86		
Employment ratio			0.71	3.45 **		
Gini coefficient			-79.84	-1.8 *		
<i>Family Capacity</i>						
Log median family income					10.88	1.67 *
Log household net worth					40.41	2.46 **
Percent adults with high school education					0.25	0.96
Percent adults age 16 to 64 w/o health insurance					-0.29	-1.7 *
Percent of adults with disability					0.18	0.3
<hr/>						
Intercept	0.53	0.02	-65.03	-0.92	-291.22	-3.22 **
<hr/>						
Adjusted R-squared	0.56		0.84		0.83	

**p<0.05; *p<.10; N=50

Table 6. Effects of State Policy on Child Well-being across 50 States

	Model 1		Model 2		Model 3	
	Coef.	t-value	Coef.	t-value	Coef.	t-value
State Policy						
No personal income tax, 2002	3.209	1.28				
Personal income tax and refundable EITC, 2002 (Reference=personal income tax and no refundable EITC)	3.487	1.39				
State minimum wage exceeds federal requirements, 2002	3.591	1.53				
Part-time workers eligible for UI, 2002	-0.228	-0.11				
TANF dollar cutoff for countable asset limits, 2002 /a	0.002	3.17 **	0.001	3.65 **	0.001	3.53 **
Food stamp participation rate, 2002	-0.326	-2.78 **	-0.109	-2.17 **	-0.134	-2.74 **
Medicaid child eligibility cutoff as a percent of FPL, 2003	0.029	1.56				
Medicaid working parent eligibility cutoff as a percent of FPL, 2003	0.025	1.36				
State charges a premium for child health coverage programs	5.210	2.24 **	3.743	3.38 **	3.721	3.22 **
Ratio of per child total state expenditure to real per capita gross domestic product (X 1000), 2003	0.062	2.01 **	0.042	2.7 **	0.050	3.52 **
Controls						
Percent black			-0.294	-5.16 **	-0.305	-7.82 **
Percent Hispanic			-0.206	-3.12 **	-0.188	-2.64 **
Percent children with foreign-born parent			0.317	4.23 **	0.191	2.47 **
Census Region						
West			-1.695	-1.05		
Midwest			0.298	0.21		
Northeast			2.141	1.36		
(Reference = South)						
Employment ratio			0.882	5.06 **		
Gini coefficient			-35.644	-0.99		
Log median family income					8.43	1.95 *
Log household net worth					46.78	4.48 **
Percent adults age 16 to 64 w/o health insurance					-0.08	-0.52
Intercept			-8.311	-0.99	-42.665	-1.85 *
					-284	-6.52 **
Adjusted R-squared			0.42	0.89	0.90	

Note: a/ Ohio has no asset limit. For this analysis limit was set to the limit of the state with the highest limit. Results are similar if we drop Ohio as a missing value, but theoretically this would introduce bias. N=50; **p<0.05; *p<.10

Table 6 shows the relationship between several policy measures and child well-being while controlling for selected demographic and economic conditions. In a model that does not control for the effect of other factors known to be related to child well-being, policies measured in this analysis accounted for 42 percent of the variation in state child well-being (Table 6) as evidenced by the Adjusted R-squared of 0.42 in Model 1. The effects of policy measures that were significant—the countable limit for TANF asset limits, the food stamp participation rate, states’ charging a premium for child health coverage, and the ratio of per child total state expenditures to per capita gross domestic product—persisted even after controlling for demographic and socioeconomic characteristics of states (see Model 2). Collectively, policy measures, along with selected demographic and economic measures account for about 90 percent of the differences in child well-being outcomes for states (see Model 2 and Model 3 in Table 6).

Based on the t-values reported in Table 6, Models 2 and 3, the most influential factors related to state child well-being are the racial and ethnic composition of the child population (percent black and/or Hispanic) and income potential (employment ratio, median family income, net worth). However, several state policy measures remain statistically significant even after demographic and economic differences across states are taken into account.

It is counterintuitive to find that states with a higher concentration of immigrant children have higher levels of child well-being, particularly given the characteristics of this population—lower family income and lower parental education, on average. However, given the ethnic diversity in the immigrant population and that we control for Hispanic origin, unmeasured factors that determine whether a state is a likely immigrant destination may influence these results. The relationship between the number of immigrant children and state-level child well-being may well be best assessed among states that have a substantial immigrant population.

In the above models, the policy measures included are not as influential as race, employment, and median family income. One reason for this is that cross-sectional analysis does not capture the effects of policies over time. For example, in a cross-sectional analysis, the food stamp participation rate may be a better indicator of need than an indicator of the extent to which the program reduces need. In the regression models, the food stamp participation rate is negatively associated with better overall child well-being at the state level. However, in a longitudinal analysis, a high food stamp participation rate in one year could potentially be associated with better child well-being in future years.

Another reason we may not capture the full effect of policies is that unmeasured characteristics may determine which states adopt which policies. The legislative history of income support programs in the U.S. suggests that historically, employers in some states view these programs as a threat to a low wage labor supply. The agricultural industry and other employers reliant on low-wage labor may influence state and local policy when eligibility standards for social welfare programs are set.

Conclusions

Our analysis finds that states ranked among the 10 best or 10 worst with respect to overall child well-being have different demographic, socioeconomic, and policy environments than those states ranking in the middle 30. Most clearly, states ranked in the bottom 10 have a greater concentration of African Americans, lower employment ratios, lower median family income, and

fewer policies in place to enhance family income. In addition, multiple regression analysis indicates that up to 90 percent of the variation in child well-being across the 50 states may be explained by a combination of states' demographic and socioeconomic characteristics and policies. These results also underscore the influence of the racial and ethnic composition of the population, employment and income, and state spending on children. Future analyses could be improved by incorporating longitudinal data and methods to more accurately measure the effect of state policies on low-income families and children.

APPENDIX 1

Data Sources and Variables

The data used in this study comes from three main sources: the Annie E. Casey Foundation's 2005 *KIDS COUNT Data Book*, the Center for the Study of Social Policy's *Policy Matters* January 2006 report with data supplement, and the Annie E. Casey Foundation State-level Data Online (SLDO) website. The state is the unit of analysis. The District of Columbia is excluded from the analysis. Data on state characteristics is also drawn from the 2000 Decennial Census, the Bureau of Economic Analysis, and reports published by Center for Enterprise Development (CFED), Center for Budget and Public Policy, and the Kaiser Foundation.²¹

State Index of Child Well-being

The Annie E. Casey Foundation uses 10 indicators to construct the 2002-2003 KIDS COUNT index of child well-being. These variables are:

1. Percent Low-Birthweight Births 2003
2. Infant Mortality Rate (deaths per 1,000 births) 2003
3. Child Death Rate (deaths per 100,000 children ages 1-14), 2003
4. Teen Death Rate (deaths per 100,000 children ages 15-19) 2003
5. Teen Birth Rate (births per 1,000 females ages 15-19) 2003
6. High School Dropout Rate (percent ages 16-19 not in school/not graduates) 2004
7. Idle Teens (percent ages 16-19 not in school no working) 2004
8. Percent of children with no parent who works full-time year-round 2004
9. Child Poverty Rate 2004
10. Percent of Kids in Single-Parent Families 2004

The composite index that determines the KIDS COUNT state rankings is based on the sum of the standardized score for each of these 10 variables. States with higher rankings have a greater deficit in child well-being. For ease of interpretation, the multivariate analyses uses the negative of this index as the dependent variable. In these analyses, a higher value of the dependent variable is associated with better child outcomes.

Demographic and Socioeconomic Characteristics of States

Where possible, measures of state demographic characteristics in 2002 were drawn from the KIDS COUNT SLDO website. These include demographic characteristics of the child population—the percent black, the percent Hispanic, the distribution across age groups (0 to 4, 5 to 9, and 10 to 17), and the percent immigrant children (with at least one foreign-born parent). SLDO estimates are from the American Community Survey (ACS). The percent of high school graduates among adults ages 25 and older was also drawn from the 2002 ACS. The estimated percent of the state population residing in urban areas comes from the 2000 Census. Regional classification of states uses the census designation for the five census regions.

Estimates of socioeconomic characteristics of states were derived from a variety of sources. Median family income among families with children under 18, median earnings among those with earnings, the ratio of the employed to the total population, and the percent of adults with

disabilities were estimated from ACS data available from American Factfinder at www.census.gov. Measures of state income inequality such as the Gini Coefficient and the ratio of the average income in the top 5 percent of families/household to average income among the bottom 20 percent came from an analysis of income trends published by the Center for Budget and Policy Priorities and the Economic Policy Institute.

Data on household wealth by state as measured by average net worth of households and the percent of households with net worth zero or below are taken from the 2002 State Asset Development Report Card published by the Center for Enterprise Development. Assets here include financial assets and other assets that may be easily converted into financial assets, thus approximating the concept of “fungible wealth”.

Data on health insurance of adults age 18 to 64 came from published reports by the Kaiser Foundation. Estimates of the percent of adults age 25 and older with disabilities were obtained from the 2002 American Community Survey.

Policies

Although the *Policy Matters* Report commissioned by the Annie E. Casey foundation contained information on many of the economic policies of interest, the report included the most recent data for these indicators. In many cases, these data were for time periods after 2002 and 2003, the time period to which the KIDS COUNT index in this analysis applies. As a result, this analysis uses data supplements and data from the original sources through which the Center for the Study of Social Policy compiled the *Policy Matters* Report.

The *Policy Matters* Report provided information on state minimum wage requirements and the state Earned Income Tax Credit.

The Center on Budget and Policy Priorities publishes estimates of state income tax thresholds used in this report. Forty-one states have a personal income tax. Nine are among the states ranking in the top 10 on the KIDS COUNT child well-being index, 23 in the middle 30, and nine in the bottom 10. In addition, the Center’s annual report on Medicaid and SCHIP eligibility rules and practices provides information on 2003 state Medicaid child eligibility cutoffs for children and parents and on whether states charge a premium for child health coverage programs.

Food stamp participation rates used in this study are estimates published by the USDA Food and Nutrition Service. The state dollar cutoff for countable asset limits for TANF recipients is published by CFED in the 2002 scorecard. Ohio, ranked among the KIDS COUNT middle 30, has no asset limit.

Data on eligibility of part-time workers for unemployment came from the Department of Labor comparison of state unemployment laws. Most state laws do not specify whether workers must be available for full-time or part-time work. DOL bases this information on updates of a survey originally performed by the Advisory Council for Unemployment Compensation in 1994.

The *Policy Matters* Report was also the source of spending on early childhood education. In addition total state expenditures on children and for children’s education in grades K through 12

came from data provided by the Rockefeller Institute. Data on state gross domestic product was obtained from the Bureau for Economic Analysis.

Table A1 2002-2003 KIDS Count State Rankings

Alabama	48	Montana	34
Alaska	36	Nebraska	12
Arizona	41	Nevada	32
Arkansas	44	New Hampshire	1
California	17	New Jersey	4
Colorado	26	New Mexico	46
Connecticut	11	New York	20
Delaware	31	North Carolina	40
District of Columbia	N.R.	North Dakota	5
Florida	35	Ohio	29
Georgia	39	Oklahoma	38
Hawaii	24	Oregon	18
Idaho	16	Pennsylvania	27
Illinois	28	Rhode Island	22
Indiana	30	South Carolina	45
Iowa	8	South Dakota	21
Kansas	15	Tennessee	43
Kentucky	42	Texas	37
Louisiana	49	Utah	9
Maine	7	Vermont	2
Maryland	19	Virginia	13
Massachusetts	6	Washington	14
Michigan	25	West Virginia	47
Minnesota	3	Wisconsin	10
Mississippi	50	Wyoming	23
Missouri	33		

Table A2 Standard Deviations of State Demographic and Socioeconomic Characteristics, by Ranking Group

	<u>All</u>	<u>Top 10</u>	<u>Middle 30</u>	<u>Bottom 10</u>
	<u>Std</u>	<u>Std</u>	<u>Std</u>	<u>Std</u>
Demographic Variables				
<i>Child Population</i>				
Percent black, 2002 (N=50)	11.7	4.9	9.4	16.8
Percent Hispanic, 2002 (N=50)	11.8	5.5	10.7	18
Percent age 0 to 4, 2002 (N=50)	1.4	2.2	1.1	1.1
Percent age 5 to 9, 2002 (N=50)	1.09	1.5	1.0	1.1
Percent age 10 to 17, 2002 (N=50)	2	3.1	1.8	1.3
Percent with foreign-born parent, 2002 (N=50)	9.8	8	10.3	7.7
<i>Total Population</i>				
Percent urban, 2000 (N=50)	14.9	19.9	11.4	13.2
<i>Region</i>				
States in the South region (%) (N=50)	n/a	n/a	n/a	n/a
States in the Midwest region (%) (N=50)	n/a	n/a	n/a	n/a
States in the Northeast region (%) (N=50)	n/a	n/a	n/a	n/a
States in the West region (%) (N=50)	n/a	n/a	n/a	n/a
Socioeconomic Variables				
Median family income for families with children under 18, 2002 (N=50)	8075	7913.4	6484	3083.9
Gini Coefficient, 1999 (N=50)	0.02	0.02	0.002	0.01
Household net worth, 2002 (N=50)	24832	28938	20629.6	9405.9
Employment ratio, 2002 (N=50)	3.6	2.23	2.8	2.5
Percent High School Graduates Among Adults 25+, 2002 (N=50)	4	94.2	3.3	2.04
Percent of adults age 18 to 64 without health insurance, 2002 (N=50)	4.5	2.54	4.3	4.4
Percent of adults with disability, 2002 (N=50)	2.0	0.94	0.9	2.3

Table A3 State Policies by Ranking Group

Policy Variables	All Std	Top 10 Std	Bottom 10 Std	Middle 30 Std
<i>Income Tax</i>				
Income Tax Threshold, 2002 /a	7164	4090	7337	7434
States with personal income tax, 2002 (%)	n/a	n/a	n/a	n/a
States where minimum wage exceeds federal requirements, 2002 (%) /b	n/a	n/a	n/a	n/a
States with refundable EITC (among states with income tax), 2002 (%) /d	n/a	n/a	n/a	n/a
<i>Unemployment</i>				
States where part-time workers are eligible for UI, 2002 (%)	n/a	n/a	n/a	n/a
<i>Public Assistance Programs</i>				
TANF dollar cutoff for countable asset limits, 2002/c,d	1682.6	2201	537.5	1775.8
Food stamp participation rate, 2002	8.9	8.1	6.9	9.1
Medicaid child eligibility cutoff as a percent of FPL, 2003/d	55.9	68.1	52	53.1
Medicaid working parent eligibility cutoff as a percent of FPL, 2003/d	58.6	70.3	55.8	48.2
States charging a premium for child health coverage programs, 2003 (%)	n/a	n/a	n/a	n/a
<i>Spending on Children</i>				
Education spending per 4 year old in pre-K, 2002	482.9	615	352.4	487.8
Spending per pupil in public elementary and secondary schools, 2003	1137.1	1364.1	624.8	1037.5
Total state expenditures per child, 2003	1287.2	1492.9	725.4	1199.5
Ratio total state expenditure per child to \$1000 per capita gdp, 2003	30.0	10.8	12.1	4.7

Notes:

- (a) States without a personal income tax are Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Wyoming, and Washington
- (b) States with no minimum wage are Alabama, Arizona, Louisiana, Mississippi, South Carolina, and Tennessee.
- (c) Ohio has no asset limits for TANF.
- (d) EITC=Earned Income Tax Credit; UI=Unemployment Insurance; TANF=Temporary Assistance for Needy Families; FPL = Federal Poverty Level.

Table A4 Variable Names

Negindex	KIDS COUNT Index multiplied by negative one
mnblack_02	Percent of children in the state that are black
mhispanic_02	Percent of children in the state that are Hispanic
mp04_02	Percent of children in the state that are ages 0 to 4
mp059_02	Percent of children in the state that are ages 5 to 9
mp1017_02	Percent of children in the state that are ages 10 to 17
mimmig_02	Percent of children in the state with at least one foreign-born parent
allurb_00	Percent of the total state population residing in urban areas
south	State is in the South census region
Midwest	State is in the Midwest census region
Northeast	State is in the Northeast census region
West	State is in the West census region
medfam_02	State median family income for families with children
medearn_02	State median earnings
memprat_02	Ratio of employed persons to total population
f1999	1990 Gini coefficient
ratio_5thp	Ratio of average income of the households in the top 5% to households in the bottom 20%
medhi_02	Percent of adults age 25+ with a high school education
hhnet_02	Average household net worth
hhzero_02	Percent of households with zero net worth
nins1864	Percent of adults age 18 to 64 without health insurance
maddis_02	Percent of adults with a disability
pol23_00	State personal income tax threshold for a family of four with two parents
pol23a_00	State has personal income tax
pol31_02	State has a minimum wage which exceeds federal requirements
eitc_00	State has a refundable EITC
pol71_02	Part-time workers are eligible for unemployment insurance
tanf_02	TANF dollar cutoff for countable asset limits
mfood_02	Food stamp participation rate
pol91_03	Medicaid child eligibility cutoff as a percent of federal poverty level
pol93_03	Medicaid eligibility cutoff for working parent as percent of federal poverty level
pol92b_03	Percent of states charging a premium for children's health coverage programs
pol131a_02	Education spending per 4 year old in pre-K, 2002
k12edusp	Spending per pupil in public elementary and secondary schools, 2003
totalspk	Total state expenditure per child, 2003
totsp_gdp	Ratio of total state expenditure per child to every \$1000 per capita gross domestic product

Table A5 Correlation/Covariance Matrix (N=50)

	negin-02	mnbla-02	mhhisp_02	mp04_02	mp059_02	mp101-02	mimmi-02	allur-00	south	midwest
negindex_02	1.00									
mnblack_02	-0.61	1.00								
mhhisp_02	-0.04	-0.22	1.00							
mp04_02	0	0.32	0.29	1.00						
mp059_02	0.03	0	0.46	0.32	1.00					
mp1017_02	0.27	-0.24	0	-0.86	-0.69	1.00				
mimmig_02	0.20	-0.14	0.80	0	0.45	-0.44	1.00			
allurb_00	0.18	-0.01	0.61	0.48	0	-0.56	0.80	1.00		
midwest	-0.66	0.72	-0.19	0.27	0.02	0	-0.22	-0.24	1.00	
northeast	0.29	-0.15	-0.24	-0.06	-0.16	0.10	0	-0.10	-0.39	1.00
west	0.45	-0.16	-0.06	-0.44	0.10	0.37	0.16	0	-0.32	-0.26
medfam_02	0.02	-0.48	0.49	0.15	0.05	-0.17	0.37	0.29	0	-0.33
medearn_02	0.72	-0.18	-0.01	-0.16	0.21	0.06	0.33	0.48	-0.42	0
memprat_02	0.47	0.01	0.03	-0.07	0.26	-0.04	0.36	0.53	-0.24	-0.08
f1999	0.71	-0.31	-0.20	-0.11	-0.07	0.17	-0.09	0.00	-0.42	0.39
ratio_5thp	-0.55	0.52	0.43	0.30	0.28	-0.37	0.43	0.29	0.46	-0.46
medhi_02	-0.32	0.32	0.42	0.32	0.36	-0.40	0.47	0.37	0.33	-0.37
hhnet_02	0.77	-0.58	-0.20	-0.24	-0.18	0.28	-0.06	0.08	-0.68	0.34
hhzero_02	0.64	-0.21	-0.12	-0.19	0.14	0.11	0.23	0.36	-0.39	0.08
nins1864	-0.40	0.18	0.29	0.43	0.03	-0.33	0.29	0.17	0.21	-0.24
maddis_02	-0.58	0.18	0.56	0.27	0.16	-0.32	0.28	0.09	0.32	-0.44
pol23a_00	-0.69	0.39	-0.27	0.01	-0.05	-0.04	-0.40	-0.50	0.62	-0.21
pol31_02	-0.02	0.16	-0.12	0.11	-0.05	0.00	-0.11	-0.03	-0.01	0.14
pol71_02	0.30	-0.27	0.07	-0.28	-0.15	0.23	0.30	0.17	-0.26	-0.30
mfood_02	0.11	0.03	0.27	0.20	0.19	-0.24	0.46	0.46	-0.17	0.14
pol91_03	-0.28	0.00	-0.31	-0.25	-0.24	0.17	-0.32	-0.29	0.06	0.13
pol93_03	0.20	-0.13	-0.15	-0.43	-0.13	0.33	-0.12	-0.09	-0.23	0.20
pol92b_03	0.43	-0.34	0.06	-0.23	-0.11	0.26	0.18	0.17	-0.44	0.05
pol131a_02	0.38	0.08	0.19	0.15	0.23	-0.14	0.37	0.39	-0.11	0.03
k12edusp	-0.11	0.29	0.09	0.22	0.14	-0.20	0.19	0.19	0.29	-0.12
totalspk	0.51	-0.13	0.03	-0.32	0.11	0.23	0.33	0.35	-0.32	-0.05
	0.51	-0.14	0.01	-0.34	0.10	0.24	0.31	0.33	-0.31	-0.06

	northe-t	west	medfa-02	medea-02	mempr-02	f1999	ratio_-p	medhi_02	hhnet_02	hhzer-02
northeast	1.00									
west	-0.28	1.00								
medfam_02	0.50	-0.09	1.00							
medearn_02	0.51	-0.11	0.89	1.00						
memprat_02	0.14	-0.06	0.59	0.31	1.00					
f1999	0.09	-0.13	-0.24	0.01	-0.65	1.00				
ratio_5thp	0.15	-0.13	-0.03	0.16	-0.56	0.74	1.00			
medhi_02	0.14	0.27	0.56	0.30	0.74	-0.75	-0.57	1.00		
hhnet_02	0.45	-0.05	0.87	0.81	0.41	-0.28	-0.04	0.53	1.00	
hhzero_02	-0.37	0.34	-0.38	-0.28	-0.27	0.39	0.15	-0.27	-0.49	1.00
nins1864	-0.30	0.36	-0.51	-0.30	-0.50	0.54	0.33	-0.51	-0.54	0.52
maddis_02	-0.20	-0.28	-0.65	-0.47	-0.73	0.38	0.29	-0.69	-0.45	0.06
pol23a_00	0.08	-0.20	0.00	-0.05	-0.13	0.09	0.04	-0.14	0.03	-0.18
pol31_02	0.38	0.24	0.38	0.35	0.10	-0.06	-0.08	0.24	0.46	-0.30
pol71_02	0.03	0.01	0.29	0.20	0.05	0.19	0.19	0.10	0.31	0.06
mfood_02	-0.15	-0.06	-0.25	-0.16	-0.30	-0.01	-0.07	-0.17	-0.16	-0.15
pol91_03	0.22	-0.14	0.25	0.21	0.26	-0.22	-0.22	0.18	0.23	-0.39
pol93_03	0.37	0.09	0.32	0.23	0.19	-0.20	-0.02	0.35	0.31	-0.36
pol92b_03	0.35	-0.22	0.50	0.48	0.24	0.07	0.32	0.10	0.37	-0.25
pol131a_02	0.11	-0.29	0.09	0.30	-0.19	0.42	0.28	-0.28	0.04	0.10
k12edusp	0.61	-0.15	0.73	0.74	0.20	0.04	0.09	0.32	0.63	-0.22
totalspk	0.60	-0.14	0.73	0.73	0.21	0.02	0.07	0.32	0.63	-0.23
nins1864		maddi-02	pol23a-0	pol31_02	pol71_02	mfood_02	pol91_03	pol93_03	pol92b-3	po-1a_02
	1.00									
maddis_02	0.22	1.00								
pol23a_00	-0.21	0.23	1.00							
pol31_02	-0.24	-0.22	0.00	1.00						
pol71_02	-0.08	-0.24	0.19	0.07	1.00					
mfood_02	-0.15	0.40	0.17	0.24	-0.12	1.00				
pol91_03	-0.22	-0.13	0.12	0.24	0.06	0.30	1.00			
pol93_03	-0.44	-0.37	0.06	0.40	0.15	0.04	0.31	1.00		
pol92b_03	-0.27	-0.34	-0.03	0.10	0.22	-0.35	-0.06	0.35	1.00	
pol131a_02	0.21	0.10	0.18	-0.11	0.12	0.02	-0.12	-0.18	0.09	1.00
k12edusp	-0.33	-0.36	0.09	0.36	0.22	-0.08	0.18	0.26	0.31	0.29
k12edusp		totalspk								
	1.00									
totalspk	1.00	1.00								

Note: Caution should be used in interpreting correlations that involve dichotomous variable such as “State has a refundable EITC”

Table A6 Correlation/Covariance Matrix (N=40)

	negin~02	mnbla~02	mhispc_02	mp04_02	mp059_02	mp101~02	mimmi~02	allur~00	south	midwest
negindex_02	1.00									
mblack_02	-0.61	1.00								
mhispc_02	0.02	-0.30	1.00							
mp04_02	-0.23	0.27	0.21	1.00						
mp059_02	-0.05	-0.01	0.51	0.42	1.00					
mp1017_02	0.26	-0.20	-0.37	-0.88	-0.74	1.00				
mimmi_02	0.30	-0.21	0.76	0.26	0.46	-0.36	1.00			
allurb_00	0.26	-0.06	0.58	0.45	0.54	-0.54	0.79	1.00		
south	-0.67	0.72	-0.37	0.22	-0.05	-0.18	-0.38	-0.35	1.00	
midwest	0.33	-0.18	-0.20	-0.09	-0.07	0.08	-0.24	-0.40	-0.40	1.00
northeast	0.41	-0.16	0.00	-0.43	-0.05	0.40	0.25	-0.35	-0.29	-0.29
west	0.01	-0.47	0.62	0.26	0.17	-0.26	0.44	-0.37	-0.31	-0.31
medfam_02	0.73	-0.14	0.08	-0.05	0.19	0.00	0.47	-0.41	0.17	0.17
medearn_02	0.45	0.09	0.10	0.05	0.26	-0.11	0.48	-0.17	-0.03	-0.03
memprat_02	0.73	-0.22	-0.15	0.03	-0.09	0.10	0.03	-0.38	0.43	0.43
f1999	-0.55	0.47	0.37	0.17	0.31	-0.29	0.39	0.36	-0.54	-0.54
ratio_5thp	-0.30	0.22	0.41	0.24	0.37	-0.35	0.47	0.15	-0.41	-0.41
medhi_02	0.82	-0.55	-0.10	-0.09	-0.14	0.19	0.05	-0.64	0.40	0.40
hhnet_02	0.66	-0.19	0.00	-0.07	0.12	0.06	0.38	-0.37	0.12	0.12
hhzero_02	-0.40	0.25	0.15	0.41	0.14	-0.33	0.19	0.25	-0.30	-0.30
nins1864	-0.64	0.23	0.46	0.26	0.21	-0.32	0.13	0.30	-0.44	-0.44
maddis_02	-0.71	0.32	-0.31	-0.09	-0.07	0.01	-0.48	0.63	-0.25	-0.25
pol23_00	0.45	-0.16	0.40	-0.19	0.14	0.15	0.48	-0.36	-0.08	-0.08
pol23a_00	.	.	.	.	.	.	.	.	.	.
pol31_02	0.34	-0.28	0.14	-0.27	-0.12	0.23	0.39	0.20	-0.25	-0.31
eitc_00	0.33	-0.04	-0.06	-0.11	0.00	0.12	0.13	0.13	-0.12	0.10
pol71_02	0.15	-0.06	0.32	0.19	0.19	-0.23	0.51	0.49	-0.29	0.18
tanf_02	0.15	-0.28	0.05	-0.09	0.00	0.00	0.02	0.01	-0.24	0.19
mfood_02	-0.27	-0.03	-0.23	-0.29	-0.16	0.13	-0.24	-0.25	0.07	0.11
pol91_03	0.17	-0.11	-0.06	-0.43	-0.13	0.32	-0.06	-0.06	-0.16	0.18
pol93_03	0.47	-0.38	0.13	-0.27	-0.10	0.30	0.24	0.17	-0.47	0.06
pol92b_03	0.45	0.02	0.10	0.10	0.06	-0.02	0.30	0.37	-0.27	0.18
pol131a_02	-0.09	0.27	-0.01	0.15	0.16	-0.16	0.17	0.18	0.27	-0.16
k12edusp	0.53	-0.09	0.09	-0.28	0.17	0.17	0.47	0.44	-0.28	-0.04
totalspk	0.54	-0.10	0.08	-0.30	0.17	0.18	0.46	0.42	-0.27	-0.04

	northe-t	west	medfa-02	medea-02	mempr-02	f1999	ratio_-p	medhi_02	hhnet_02	hhzer-02
northeast	1.00									
west	-0.27	1.00								
medfam_02	0.47	-0.16	1.00							
medearn_02	0.51	-0.26	0.90	1.00						
memprat_02	0.09	-0.11	0.60	0.30	1.00					
f1999	0.18	-0.01	-0.15	0.17	-0.62	1.00				
ratio_5thp	0.23	0.04	0.06	0.32	-0.52	0.70	1.00			
medhi_02	0.15	0.16	0.57	0.24	0.77	-0.72	-0.49	1.00		
hhnet_02	0.43	-0.12	0.88	0.80	0.45	-0.19	0.03	0.52	1.00	
hhzero_02	-0.30	0.32	-0.31	-0.23	-0.31	0.44	0.27	-0.31	-0.41	1.00
nins1864	-0.27	0.38	-0.59	-0.37	-0.58	0.61	0.37	-0.62	-0.59	0.49
maddis_02	-0.23	-0.23	-0.70	-0.48	-0.75	0.33	0.21	-0.69	-0.50	0.14
pol23_00	0.44	0.07	0.42	0.31	0.34	0.02	0.08	0.25	0.33	-0.31
pol23a_00	.	.	.	.	.	.	.	.	.	.
pol31_02	0.48	0.14	0.36	0.31	0.12	0.01	-0.07	0.18	0.42	-0.32
eitc_00	0.33	-0.29	0.40	0.44	0.31	-0.06	0.16	0.19	0.31	-0.08
pol71_02	0.03	0.11	0.36	0.30	0.17	0.12	0.15	0.20	0.39	0.11
tanf_02	-0.23	0.30	-0.05	-0.20	0.02	-0.23	-0.22	0.27	0.00	0.13
mfood_02	-0.15	-0.05	-0.30	-0.19	-0.36	0.00	-0.11	-0.21	-0.25	-0.07
pol91_03	0.19	-0.20	0.18	0.14	0.26	-0.15	-0.22	0.11	0.10	-0.33
pol93_03	0.44	0.04	0.35	0.22	0.27	-0.23	-0.05	0.38	0.30	-0.40
pol92b_03	0.37	-0.23	0.62	0.59	0.41	-0.07	0.19	0.29	0.49	-0.32
pol131a_02	0.14	-0.27	0.14	0.38	-0.15	0.39	0.21	-0.20	0.11	0.12
k12edusp	0.67	-0.28	0.74	0.75	0.19	0.16	0.24	0.28	0.65	-0.20
totalspk	0.66	-0.28	0.74	0.74	0.20	0.16	0.23	0.28	0.66	-0.21
maddis_02	-0.23	-0.23	-0.70	-0.48	-0.75	0.33	0.21	-0.69	-0.50	0.14
pol23_00	0.44	0.07	0.42	0.31	0.34	0.02	0.08	0.25	0.33	-0.31
pol23a_00	.	.	.	.	.	.	.	.	.	.
pol31_02	0.48	0.14	0.36	0.31	0.12	0.01	-0.07	0.18	0.42	-0.32
eitc_00	0.33	-0.29	0.40	0.44	0.31	-0.06	0.16	0.19	0.31	-0.08
pol71_02	0.03	0.11	0.36	0.30	0.17	0.12	0.15	0.20	0.39	0.11
tanf_02	-0.23	0.30	-0.05	-0.20	0.02	-0.23	-0.22	0.27	0.00	0.13
mfood_02	-0.15	-0.05	-0.30	-0.19	-0.36	0.00	-0.11	-0.21	-0.25	-0.07
pol91_03	0.19	-0.20	0.18	0.14	0.26	-0.15	-0.22	0.11	0.10	-0.33
pol93_03	0.44	0.04	0.35	0.22	0.27	-0.23	-0.05	0.38	0.30	-0.40
pol92b_03	0.37	-0.23	0.62	0.59	0.41	-0.07	0.19	0.29	0.49	-0.32
pol131a_02	0.14	-0.27	0.14	0.38	-0.15	0.39	0.21	-0.20	0.11	0.12
k12edusp	0.67	-0.28	0.74	0.75	0.19	0.16	0.24	0.28	0.65	-0.20
totalspk	0.66	-0.28	0.74	0.74	0.20	0.16	0.23	0.28	0.66	-0.21
maddis_02	-0.23	-0.23	-0.70	-0.48	-0.75	0.33	0.21	-0.69	-0.50	0.14
pol23_00	0.44	0.07	0.42	0.31	0.34	0.02	0.08	0.25	0.33	-0.31
pol23a_00	.	.	.	.	.	.	.	.	.	.
pol31_02	0.48	0.14	0.36	0.31	0.12	0.01	-0.07	0.18	0.42	-0.32
eitc_00	0.33	-0.29	0.40	0.44	0.31	-0.06	0.16	0.19	0.31	-0.08
pol71_02	0.03	0.11	0.36	0.30	0.17	0.12	0.15	0.20	0.39	0.11
tanf_02	-0.23	0.30	-0.05	-0.20	0.02	-0.23	-0.22	0.27	0.00	0.13
mfood_02	-0.15	-0.05	-0.30	-0.19	-0.36	0.00	-0.11	-0.21	-0.25	-0.07
pol91_03	0.19	-0.20	0.18	0.14	0.26	-0.15	-0.22	0.11	0.10	-0.33
pol93_03	0.44	0.04	0.35	0.22	0.27	-0.23	-0.05	0.38	0.30	-0.40
pol92b_03	0.37	-0.23	0.62	0.59	0.41	-0.07	0.19	0.29	0.49	-0.32
pol131a_02	0.14	-0.27	0.14	0.38	-0.15	0.39	0.21	-0.20	0.11	0.12
k12edusp	0.67	-0.28	0.74	0.75	0.19	0.16	0.24	0.28	0.65	-0.20
totalspk	0.66	-0.28	0.74	0.74	0.20	0.16	0.23	0.28	0.66	-0.21

REFERENCES

- ¹ To access the KIDS COUNT data, visit the Annie E. Casey Foundation's website at www.aecf.org/kidscount.
- ² A much larger literature exists for some of the individual indicators, e.g. teen pregnancy rates, used to create the KIDS COUNT composite index of child well-being.
- ³ Cohen, Phillip, 1998, "State Policies, Spending and Kids Count Indicators of Child Well-Being." Paper presented at the Annual Meeting of the American Sociological Association; Engels, Susan M., Carolyn Field, and David Finkelhor, 2000, *State Child Well-Being Ranking: Alternative Approaches*, Family Research Laboratory, University of New Hampshire accessed at www.unh.edu/frl on October 31, 2005; Harknett, Kristen, et al, 2005, "Are Public Expenditures Associated with Better Child Outcomes in the U.S.? A Comparison across 50 States," *Analyses of Social Issues and Public Policy*, 5, 1: 103-125; Whitaker, Ingrid Phillips, 2001, "Unequal Opportunities among Unequal States: The Importance of Examining State Characteristics in Making Social Welfare Policies Regarding Children," *Journal of Children and Poverty*, 7, 2:145-162.
- ⁴ Finegold, Kenneth, Laura Wherry, and Stephanie Schardin, 2004, "Block Grants Details of the Bush Proposals," *New Federalism Issues and Options for States*, The Urban Institute, Washington, DC. Series A, No. A-64, April; Finegold, Kenneth, Laura Wherry, and Stephanie Schardin, 2004, "Block Grants: Historical Overview and lessons Learned," *New Federalism Issues and Options for States*, The Urban Institute, Washington, DC. Series A, No. A-63, April
- ⁵ See Table 2 on page 31 of the 2007 KIDS COUNT Data Book available at www.kidscount.org
- ⁶ O'Hare, William, Mark Mather, and Melissa Scopilliti, 2005, "State Rankings on the Well-Being of Children in Low-Income Families: Some Preliminary Findings," KIDS COUNT Working paper, www.kidscount.org; Moore, Kristin, Laura Lippman, Sharon Vandivere, Bill O'Hare, Christina Theokas, Margot Bloch, 2006, "Indices of Child Well-Being, at the National and State Level," Population Association of American Annual Conference, Los Angeles, March 2006; O'Hare, William P. and Vicki L. Lamb, 2004, "Ranking States Based on Improvement in Child Well-Being During the 1990s," KIDS COUNT Working paper, The Annie E. Casey Foundation, www.kidscount.org; Mather, Mark, William O'Hare, and Dia Adams, 2007, "Testing the Validity of the KIDS COUNT State-Level Index of Child Well-Being," KIDS COUNT Working paper, www.kidscount.org.
- ⁷ www.census.gov/acs/www/
- ⁸ www.nschdata.org/DesktopDefault.aspx
- ⁹ www.census.gov/hhes/www/saipe/saipe.html
- ¹⁰ www.oas.samhsa.gov/nhsda.htm
- ¹¹ www.brookings.edu/metro/pubs/eitc/20060209_newsafety.htm
- ¹² <http://lehd.dsd.census.gov/led/index.html>
- ¹³ NAEP reference from the Data Book
- ¹⁴ See S _____ introduced by _____ on _____
- ¹⁵ Policy matters available at <http://www.policymatters.us>.

¹⁶ Gibbs, Robert and Cromartie, John, 2001, "Low Wage Counties Face Locational Disadvantages," *Rural Trends*, 11, 2:18-25.

¹⁷ Engels, Susan M., Carolyn Field, and David Finkelhor, 2000, *State Child Well-Being Ranking: Alternative Approaches*, Family Research Laboratory, University of New Hampshire accessed at www.unh.edu/fri on October 31, 2005.

¹⁸ Engels, Susan M., Carolyn Field, and David Finkelhor, 2000, *State Child Well-Being Ranking: Alternative Approaches*, Family Research Laboratory, University of New Hampshire accessed at www.unh.edu/fri on October 31, 2005.

¹⁹ A higher employment ratio in a state suggests that more of those people desiring work can actually find a job. This measure is more useful than the unemployment rate because it also captures the effect of discouraged workers. In some localities, unemployment rates may be low not because people are employed but because work is not available and so people have stopped looking for work.

²⁰ Uninsured populations and those with disabilities are at greater risk of becoming unemployed due to health related conditions.

²¹ Bureau of the Census, Department of Commerce, 2002 American Community Survey, accessed at www.census.gov; Bureau of Economic Analysis, Department of Commerce, 2003 Gross Domestic Product, accessed at www.bea.gov; Bureau of the Census, Department of Commerce, 2000 Decennial Census, accessed at www.census.gov; Berstein, Jared, Elizabeth McNichol, and Karen Lyons, 2006, "Pulling Apart: A State-by-State Analysis of Income Trends," Center on Budget and Policy Priorities and Economic Policy Institute, Washington, D.C.: January; Center for Enterprise Development (CFED), *2002 State Asset Development Report Card*, Washington, D.C.: accessed at www.cfed.org on January 12, 2006; Employment and Training Administration, Department of Labor, *Comparison of State Unemployment Laws, 2002*, Washington, D.C., accessed at www.workforcesecurity.doleta.gov on April 4, 2006; Center for the Study of Social Policy (CSSP), *Policy Matters*; Hoffman, Katherine and Marie Wang, 2003, "Health Insurance Coverage in America: 2002 Data Update," Report prepared for the Kaiser Commission on Medicaid and the Uninsured, Washington, D.C.: December; Rockefeller Institute, 2007, 2003 State and Local Expenditures per Child;



The Annie E. Casey Foundation

**701 St. Paul Street
Baltimore, MD 21202
410.547.6600
www.aecf.org**