Left Out:
The Status of Children in Chester County
PCCY could not have completed this report without the tireless work done by our interns: Cory Johnson, Nicole Ventrone, Emilia Hinckley, Justin Escobar, Amanda Solch, and Eleanor Carpenter.

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This report prepared by: Donna Cooper, Executive Director; David Loeb, Policy Researcher; Colleen McCauley, Health Policy Director; Shawn Towey, Child Care Policy Coordinator; ML Wernecke, Development Director; David Kim, Communications Director and Steven Fynes, Administrative Director.
Introduction and Executive Summary

It has been more than four years since the rebound from the Great Recession, the official unemployment rate in Chester County now hovers at about 4%, and the county has experienced a full recovery in the number of jobs. Things should be good for the nearly 119,000 children in Chester County, right? Unfortunately, that is not the case.

The county’s child poverty rate shot up during the first year of the Great Recession and remains alarmingly high. Poverty is unfortunately becoming one of the nation’s greatest predictors of life outcomes. But poverty alone is not the only indicator of child wellness. That’s why Public Citizens for Children and Youth (PCCY) created the PCCY Child Wellness Index to present a more robust analysis of how the children in Chester County have fared since the recession. Companion reports also examine child wellness in each of the other four southeastern Pennsylvania counties. The facts and trends vary slightly across the counties, but the conclusions are the same:

- While the full GDP rebound from the recession was four years ago, the share of children who are suffering or facing hardships is higher than it was during the depth of the recession.

- Where children are doing better, it is due in large measure to effective public policy that protected them from the hardships of the recession.

The PCCY Child Wellness Index presents a snapshot of how children have fared since the onset of the recession in 2008 to 2014. The Index looks at four domains that research tells us are key determinants of lifetime outcomes: Economic Well-Being, Health, Early Childhood Education, and K-12 Education.

Economic Well-Being: Tragically, the economic rebound has not accrued much benefit to children. Across Chester County, 2,000 more children were in poverty in 2015 than at the onset of the recession. That’s a 30% jump in the total share of children in poverty for the county.
Unfortunately, the data also shows that recovery for children lagged far behind seniors. In fact, 7.2% of children lived in poverty compared to 4.3% of seniors. That’s 8,542 children living in poverty, or more than 340 classrooms of children.

One consequence of such high poverty rates is high rates of hunger among children. Federally subsidized school meals are an essential anti-hunger strategy. Yet three out of every ten children who are eligible for reduced price or free meals at school don’t receive them.

**Health:** The PCCY Child Wellness Index shows steady progress in children’s health – until 2014, when the rate of uninsured children doubled. Insuring children is the first step to boosting child health outcomes, so the county must get back on track and regain the progress it had been making. Additionally, the Index shows a strikingly small percentage of children screened for lead. The data also shows much more progress must be made in ensuring that more black and Hispanic families can access quality health care. The racial disparities shown in the data for infant mortality and dental care offer ample evidence that health care systems must significantly change their delivery models in order to boost the health outcomes of every child.
**Early Childhood Education:** The Index also shows some modest improvement in the Early Childhood Education domain. That’s especially good news since high quality child care (including pre-k) and full day kindergarten have proven track records for boosting school and lifetime outcomes. Although the trend is mostly positive for these critical system expansions, still 80% of eligible three and four year olds are shut out of high quality public pre-k programs and nearly 60% of all public school kindergarten students still only get a half day of school due to the shortage of resources. The escalating cost of child care is also preventing more parents from accessing quality care.

**K-12 Education:** The fourth domain of K-12 Education shows once again that the trend for children is going in the wrong direction. Every school district had significantly more low income children than were enrolled during the recession.

During the recession, state and federal funds helped school districts avoid layoffs and ensured continued high quality supports for students. But since those state and federal funds disappeared in 2012, most districts across the county lost ground. In fact, 92% of the districts had fewer funds available for instructional needs than they had in the worst years of the recession.

While money alone doesn’t boost student performance, as funds have dwindled, student performance has worsened. Compared to 2011, 1,000 more students were added to the ranks of the 5,000+ who were unable to pass state reading assessments, and progress was lost in reducing the share of students lagging behind in math.

The PCCY Child Wellness Index for Chester County shows that there has been incremental improvement in some areas of the well-being of children. However, the data also clearly demonstrates that far too many children in the county are suffering, and only where effective public policies were in place to address the needs of children were they protected from the hardship inflicted by and since the recession.
How to Boost Chester County’s Child Wellness Index

Because good public policy matters and has been demonstrated to change the life outcomes of children, PCCY recommends that to boost the Child Wellness Index going forward, elected officials of all stripes and professions, along with parents, must build the public will for the following public policies to be adopted:

- **Economic Well-Being:** Boost household income of families by raising the minimum wage, making available new or expanded forms of public assistance and tax credits that augment earned income, and enacting workplace regulations that promote job longevity, including predictable scheduling and paid sick and family leave.

- **Health:** Expand health insurance to every child including those who are undocumented and improve the oversight of Pennsylvania’s public health insurers and providers, with the goals of ensuring compliance with federal lead exposure testing for children under three and eliminating health disparities between minority and white children.

- **Early Childhood Education:** Ensure that every family can afford high quality child care and pre-k and that all children start school with a year of full day kindergarten under their belt.

- **K-12 Education:** Enable success at school districts with the largest percentage of students struggling to meet academic standards by using the newly adopted state Basic Education Funding Formula and adequately funding schools.
What is the PCCY Child Wellness Index?

PCCY created the Child Wellness Index to provide a comprehensive picture of how children have fared in southeastern Pennsylvania since the onset of the Great Recession. The methodology mirrors the approach used by the Foundation for Child Development’s Child and Youth Well-Being Index.1

An index measures change over time compared to a base year. The PCCY Child Wellness Index starts with a base year of 2008, the year that the recession took hold nationally. Thus, using 2008 as a frame of reference demonstrates change to the well-being of children through the recession and recovery.

To develop the index, PCCY relied exclusively on publicly available data for key indicators of child well-being that were consistently available for each year from 2008 through 2014. For some indicators, 2015 data was available and is referenced in the text of the report. However, the index was only calculated through 2014, the latest year for which data for all indicators was available.

For each indicator, the base year of 2008 was assigned an index value of 100. For each subsequent year, the rate of change against 2008 was measured. The rate of change was then subtracted from 100 to get the indicator’s index value for a given year.2 The index is oriented such that a higher index value means an improvement for children.

<table>
<thead>
<tr>
<th>Sample Data</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below grade-level reading rate</td>
<td>17.5%</td>
<td>16.9%</td>
<td>16.5%</td>
</tr>
<tr>
<td>Below grade-level reading index</td>
<td>100</td>
<td>104</td>
<td>106</td>
</tr>
</tbody>
</table>

The indicator data was categorized into four domains:

- **Economic Well-Being**
- **Health**
- **Early Childhood Education**
- **K-12 Education**

To calculate the domain indices, the index values for the indicators within each domain were summed and then divided by four (the total number of indicators in each domain) to get the average index value for a given year.

Each indicator was given an equal weight. The equal weighting method was chosen based on research showing that without a clear ordering of the importance of indicators that has a high degree of consensus among the population, equal weighting will achieve the most agreement amongst the greatest number of people.3
**Key Definitions**

Source for following definitions: US Dept. of Health and Human Services

- **Poverty**: 100% of the Federal Poverty Level, which is an annual income of $24,300 for a family of four.
- **Deep poverty**: 50% of the Federal Poverty Level, which is an annual income of $12,150 for a family of four.
- **Low income families**: Families with earnings at or below 200% of the Federal Poverty Level, which means earning no more than $48,600 for a family of four.
- **Free and reduced price school meals eligible**: Students in households earning under 185% of the Federal Poverty Level ($44,955 a year for a family of four); or students who are in foster care, homeless, migrants, or in households receiving SNAP or TANF benefits.
- **Low income students**: Students who are eligible for free or reduced-price school meals (see eligibility definition above).
- **Medicaid eligible**: Children age six and older in households earning up to 138% of the Federal Poverty Level (FPL) ($33,500 a year for a family of four); Children ages one to six in households earning up to 162% FPL. Children under one year old in households earning up to 220% FPL. Children must have current immigration documents.
- **CHIP eligible**: Any child who is not eligible for Medicaid is eligible for CHIP. Children must have current immigration documents.

Source for child care categories: Pennsylvania Office of Child Development and Early Learning

- **Publicly funded pre-k eligible**: Households earning up to 300% of the Federal Poverty Level ($72,900 a year for a family of four).
- **Child care subsidy eligible**: Households earning up to 200% of the Federal Poverty Level ($48,600 a year for a family of four).
- **High quality child care**: Programs with a Keystone STARS rating of 3 or 4.
- **High quality early learning program**: High quality child care programs (see definition above) as well as Head Start and Pre-K Counts programs.

Source for recession definition: The US Bureau of Economic Analysis

- **The official definition of the Great Recession is based on the nation’s GDP, which fully rebounded in the second quarter of 2011, from the beginning of the recession in the third quarter of 2007.**
- **For most families, the recessionary impact lingered until employment rebounded. The US economy regained all of the jobs lost during the recession in September 2014.**
President Hubert Humphrey summoned our better angels when he said, “The moral test of government is how it treats those in the dawn of life, the children, those who are in the twilight of life, the aged, and those in the shadows of life, the sick, the needy and the handicapped.” Given the depth of poverty, especially for children, we are failing that moral test.

On its face, Chester County posted a strong economic comeback following the Great Recession. By the end of 2014, over 16,000 more of the county’s residents were employed than at the economy’s nadir in 2009. Despite the job market’s strong comeback, far too many breadwinners with children struggled to make ends meet during and after the downturn.

The PCCY Child Wellness Index, which ends in 2014, shows that more children were in poverty than at the onset of the recession. While the recently released September, 2015 Census data indicates that the child poverty rate is declining, it’s still higher than it was in 2008.

**Children are Still Suffering from the Effects of the Recession**

Between 2008 and 2014, the child poverty rate rose from 5.5% to 9.9%, a net increase of over 5,200 more children growing up in poverty. By 2014, Chester County was home to 11,700 poor children which is about the same as the total number of students in the West Chester school district. Even more startling is the sustained increase in the share of children in deep poverty post-recession, with 4,494 children growing up in families facing extremely challenging conditions in 2014. To make matters worse, nearly 1,000 children were homeless in the county in 2014, more than doubling since 2012.
The child poverty rate declined to 7.2% in 2015. While this is welcome news for many families, the level of child poverty remains stubbornly high in a growing Chester County economy.

**Children are Still More Likely to Live in Poverty Than Seniors**

The recovery has been much slower to reach children than seniors. At the onset of the recession in 2008, the child poverty rate was slightly below the rate for seniors. As the recession took hold, however, child poverty accelerated while the rate for seniors trended lower. The gap between children and seniors widened every year but one through 2014 and the rate for children grew to be more than twice the rate for seniors by 2013. These trends suggest the rising tide of the recovery did not lift all boats equally, and that children were more likely to be left at the dock.

**Poverty Varies by Race and Ethnicity, but Most Poor Families are White**

In terms of demographics, white families make up nearly two out of three (64%) of all poor families living in Chester County; one in four are black. Fewer than one in five poor families are Hispanic.
Even though most poor children in the county are white, Hispanic and black children are significantly more likely to be growing up poor. The poverty rate for Hispanic children (19.1%) is four times the comparable rate for white children (4.7%) while the rate for black children is more than five times as high (26.1%). Put another way, only about one in 20 white children are growing up poor versus one in five Hispanic children and one in four black children.

More Students Qualified for Free or Reduced Price School Meals in 2014 Than in 2008 in Every School District

One of the most serious side effects of poverty is child hunger, which puts children at greater risk of behavioral, emotional and academic problems. According to research compiled by the Food Research and Action Center, children experiencing hunger have lower math scores and are more likely to repeat a grade, and teens experiencing hunger are more likely to be suspended from school and have difficulty getting along with other children.8

One of the major policy responses to reduce child hunger is the National School Lunch Program. Students are eligible for free or reduced price school breakfasts and lunches, depending on family income.
The percentage of children eligible increased in every school district between 2008 and 2014. In fact, the share of students qualifying for the school meals program increased by at least 60% in the Great Valley, West Chester Area, and Tredyffrin-Easttown school districts.

Two trends accounted for the uptick in eligibility for school meals. First, it’s obvious from the data that more families needed help. The numbers also reflect the fact that state government has developed smarter strategies, such as data matching, with other safety net programs to more effectively identify children who qualify for school meals.

Just because a child is eligible for free breakfasts or lunches, however, does not mean he or she is receiving them. Across Chester County school districts, far too few children are getting these meals. In one district, fewer than three in five low income students are receiving these lunches, and even in the district with the most coverage, 20% of children who need these meals don’t get them.

**CHART 5: TOO FEW CHILDREN ARE RECEIVING FREE AND REDUCED PRICE SCHOOL MEALS**

The share of children eligible for subsidized school meals increased in every school district.
Upward Mobility Remains Elusive for Poor Children

One way of assessing the degree to which the recovery created new opportunities for families is to compare where their children fall on the income scale in 2008 and 2015. Surprisingly, the number of children growing up in low income families grew by 6.6 percentage points between 2008 and 2015 despite the sustained recovery. Based on this data, it appears that relatively few children were able to move up over this time period.

At the other end of the spectrum, the number of children in families earning more than $100,450 rose by 1.4 percentage points. With growth at both ends, the middle was squeezed and the number of children in the mid-range group declined by eight percentage points.

CHART 6: MORE CHILDREN ARE GROWING UP IN LOW INCOME FAMILIES
The sharply higher child poverty rate is the leading reason that Chester County has made no significant progress on the PCCY Child Wellness Index. It’s welcome news that the child poverty rate has finally started to trend downward in 2015, but it’s also clear that more must be done to ensure that the rising economic tide lifting some in the county is not leaving children behind.

Policy Recommendations to Improve Child Economic Well-Being:

- Boost earnings of the lowest wage earners. Not every low wage earner is a parent, but many of them are. And they cannot earn enough to lift their children out of poverty even if they work full-time. For this reason, a minimum wage increase is urgently needed. If the minimum wage is raised to $12 by 2020, more than 45,000 Chester County wage earners, or 18% of the resident workforce, will directly benefit. At $15 per hour, 64,500 workers, or 28% of the Chester County workforce, will directly benefit. Beyond these wage rates, measures that enable workers to keep their jobs longer help to increase their lifetime earnings. Workforce supports that increase job longevity of working parents include mandated predictable scheduling and paid sick and family leave.

- Increase household income for more working parents by taking an active role in connecting families to federal income and work supports such as the Earned Income Tax Credit, Child Tax Credit and SNAP.

- Expand school district participation in the federally subsidized school breakfast program and adopt strategies that reduce the stigma of free and reduced priced breakfast for low income students.
Child Health

“It’s heart-breaking and exasperating to tell a parent that we can help her apply for insurance for her baby but not for her nine year old son who does not have immigration papers. All Chester County children no matter where they were born should qualify for public health insurance. Both the moral and economic evidence is convincing.”

Alain Oliver, Former Executive Director
Maternal and Child Health Consortium of Chester County

Precisely because children’s health status impacts their ability to learn and do well in school, it is a bedrock indicator of children’s overall wellness. Healthier children complete school in higher numbers, which in turn increases their opportunities to thrive as adults.

The PCCY Child Wellness Index contains good news for the county with respect to children’s health. The county overall made gains on many important health indicators since 2008. Unfortunately, a deeper look at the data finds that the playing field is not level. While the Index shows that most children are healthy, black and Hispanic children in the county lag behind their white peers, and as a result, their lifetime outcomes are being cut short before they even enter adulthood.

Most Children Have Health Insurance, but Far Too Many Hispanic Children Remain Uninsured

Health insurance is a little-known and highly effective attendance booster. A recent study shows that enrolling more children in the Children’s Health Insurance Program (CHIP) is associated with lower student absenteeism and improved attendance. While most Chester County students have this valuable supply in their life locker, the rate of uninsured children jumped to 7% in 2014, double the 2013 rate and two points higher than in 2008. This spike means that at least 8,090 children had no coverage – enough to populate 400 classrooms. Hispanic children in the county were disproportionately uninsured at 17%, compared to white children at 6%.
Most uninsured children are eligible for CHIP and Medicaid except for approximately 1,000 children. In southeast Pennsylvania, nine out of ten children who are undocumented have not been able to secure health care services or receive significantly delayed care. It costs 50% less to insure a child through CHIP compared to the average uncompensated care costs at the Children’s Hospital of Philadelphia, yet Pennsylvania law bars these children from enrolling in these critical public health programs. Pennsylvania is the state where the now widely hailed federal CHIP program was created, but it has fallen behind the curve. Now five other states and Washington DC are leading the way by permitting undocumented children to enroll in their CHIP or Medicaid programs.

Too Many Children are Out Sick

Insurance is the first step to good health, but a vigilant health care system is essential to keeping children healthy and attending school. When children miss 5% or more days of school, their academic performance suffers. In school year 2013-14, Coatesville and Octorara School Districts had an average school absentee rate of 5% or greater and five more school districts were close behind with absenteeism rates between 4% and 4.9% (Avon Grove, Tredyffrin-Easttown, Oxford, Downingtown and Owen J. Roberts).

Illness is one of the top reasons students are absent, and asthma and oral health problems are among the top health conditions for which children lose the most time. The good news is that the overall rate of children hospitalized for asthma decreased slightly from 2008 to 2013 – but disparities persist. In 2012, the rate for white children was 3.7 per ten-thousand and was strikingly five times higher for black children. (No data is available for Hispanic children.) The data shows that the share of students with asthma hovers around 10%.
Students with poor oral health are nearly three times more likely to miss school due to dental pain. Most Chester County children get to the dentist at least once a year, but here again disparities persist. In 2015, 5.6% of children overall did not see a dentist compared to 14.5% of Latino, 12.6% of Black and a stunning 45.5% of uninsured children.

*Black, Latino, and Poor Children are More Likely to be Obese and Overweight than White Children*

Approximately 23% of all Chester County children ages six to 17 were overweight and obese in 2015, a slight decrease from 24.3% in 2008. A smaller share of white children were overweight and obese (18.7%) compared to children overall, yet the share of black, Latino, and poor children who were overweight and obese were between 1.5 and 2.5 times higher than white children.

**CHART 7: ASTHMA HOSPITALIZATION AND OBESITY RATES ARE FAR HIGHER FOR BLACK, HISPANIC AND POOR THAN WHITE CHILDREN, LATEST DATA SHOWS**
Screening for Lead Poisoning Isn’t Happening for More Than 75% of Children

Since the massive lead poisoning of children in Flint, Michigan, the need to reduce childhood exposure to lead has taken center stage. Although water carried lead in the case of Flint, most children who are poisoned encounter lead when they innocently crawl on the floor as toddlers and get lead paint dust on their hands, which they stick in their mouths. There is no safe level of lead in a child’s blood. A 2016 Cleveland study of more than 13,000 children demonstrated that preschoolers with elevated blood lead levels were more likely to have low scores on kindergarten readiness assessments.

Because we have not yet succeeded in eliminating children’s exposure to lead, screening children for lead remains a critical measure. This is particularly important since nearly one out of two homes in the county were built before 1978, when lead-based paint was finally banned for residential use. While the state does not require all children to be screened, Medicaid mandates that children be tested at ages one and two, and health guidelines recommend that children with risk factors such as living in an older home also be tested.

However, the PCCY Child Wellness Index shows that only 22% of children under three were screened for lead exposure in 2014. It is not possible to know from the data what share of the children tested were covered by Medicaid.

We also don’t know how many children were poisoned. In 2012, the CDC recognized that children were being harmed by smaller amounts of lead in their bodies, so it lowered the blood lead level that constitutes poisoning. Disturbingly, no data is available on the share of children under three who were poisoned under the new standard, but based on the old standard, 37 children were poisoned in 2014.
Teens Need More Help to Prevent Pregnancies

The ultimate school absenteeism crisis, of course, is when students don’t graduate. Nationwide approximately two thirds of female students who are pregnant or become parents during high school do not graduate.\textsuperscript{33} Here again is another example of where public policy matters. The teen birth rate declined nationwide by 40\% between 2008 and 2014, and in Chester County it declined 38\%\textsuperscript{34}. Looking closer, however, deep disparities persist for this critical health indicator. In 2014 the rate for white teens was 5.1 per one-thousand, but strikingly the rate for black and Hispanic teens was four and eight times higher.\textsuperscript{35} Even with an overall decline in births, an estimated 430 girls are teen parents in Chester County – a number equivalent to the combined 2016 graduating classes of Great Valley and Downingtown STEM Academy High Schools.\textsuperscript{36}
Policy Recommendations to Improve Child Health:

• Expand public health insurance to all children including children who are undocumented.

• Advocate for state policies that create a new pay for performance metric for Medicaid Managed Care Organizations that will increase health care provider focus on child obesity.

• Ensure Medicaid providers are compliant with the federal law that requires that every child under three is tested for lead exposure. Preemptive efforts to reduce exposure are also needed and can be targeted by testing homes of pregnant women at high risk for lead hazards so they can be remediated to prevent poisoning.

• Expand public health insurance benefits to cover asthma home visits conducted by community health workers to help eliminate factors that influence asthma hospitalizations.

• Partner with schools, medical professionals, and social service agencies to increase teen access to long acting birth control for teens with Medicaid.
Early Childhood Education

“Children soak up so much in their first five years, setting patterns that will help or hinder learning for the rest of their lives. It’s the most effective time for intervention – both in terms of cost and impact – especially for a child who shows a delay or disability, or whose life circumstances put her or him at risk. And evidence shows that typically developing, middle-class children also benefit enormously from high quality early childhood education. Yet so many children are missing their chance; that’s why we should advocate for investing more in kids.”

Dr. Joseph O’Brien, Executive Director
Chester County Intermediate Unit

With more than 34,000 children under five years old, Chester County has a substantial opportunity to mitigate the impact of its increasing child poverty by leading the charge to expand access to high quality early care and education, ensuring that children benefit from its life-altering impact.

One bright spot in the PCCY Child Wellness Index for Chester County is found in the modest improvement in the share of children enrolled in high quality child care and full day kindergarten. In spite of the welcome positive trend, the lion’s share of children who could benefit most from these proven programs are excluded from them due to the shortage of public investment and the high cost of quality care for families on relatively limited incomes.

Child Care is Becoming Less Affordable

Child care and its quality matter to parents, particularly to those who are working full time. That’s especially the case in Chester County where the great majority (61%) of children age five and under in the county have all parents in the workforce. Yet, even with two incomes, many families struggle to pay the high cost of child care. In 2014 the median cost of full-time, center-based care was $11,596 for a preschooler and $25,376 for both an infant and a preschooler, the highest in the region. Quality child care for a low income family could easily consume half of their budget.
From 2008 to 2014 the price of child care jumped 28%. Meanwhile, across the county the share of families unable to afford this care grew and state funding for child care subsidies for working families of limited means did not keep pace with the need. As a result, far too many low income parents likely faced difficult decisions to pull out of the workforce or put their children in lower quality care than desirable. Neither outcome is the best for the children or their families.

A Shortage of Quality Persists

While child care is nearly uniformly expensive, it’s not of equal quality. More often than not parents are paying a substantial portion of their income for care that’s not good enough to meet the developmental needs of their child. Across the county, child care providers offer 2,000 high quality child care seats – triple the number in 2008 – but still accommodating only 21% of children in publicly regulated care.39

An important measure of access to quality is the percentage of low income children who are enrolled in high quality care, as they and their families have the most to gain. Communities and society gain the most through these investments, by offsetting future costs – a savings of at least $7 for each $1 invested.40 In Chester County, because state funds for care did not grow in response to need, only one in three children from a low income family is enrolled in high quality subsidized child care.41

CHART 9: SHARE OF CHILDREN IN HIGH QUALITY CARE INCREASED FROM 2008 TO 2015 BUT REMAINS TOO LOW

- High Quality
- Low or Unknown Quality

8% 21%
92% 79%
Meanwhile, good quality care for infants and toddlers is even harder to find and afford. Among low income working families, only 176 infants and toddlers could be enrolled in high quality subsidized child care due to the shortage of public funds.42

Four Out of Every Five Children Can’t Access High Quality Affordable Pre-K

When children turn three they are ready for two years of high quality pre-k. The connection between high quality pre-k and school readiness is now widely understood.

In Pennsylvania, high quality child care centers, school district-sponsored pre-k and Head Start programs offer three and four year olds from moderate and low income families’ access to this essential preschool experience. Unfortunately, the data shows that the enormous unmet need for publicly funded pre-k remained stubbornly high at approximately 80% from 2008 to 2014.43 There is some hope that the supply shortage will begin to shrink since state funding for pre-k was increased in both the FY 2016 and FY 2017 state budgets.

It’s also noteworthy that Chester County is the only suburban county with a Migrant Head Start program, serving 115 children. It is also the only suburban county that has maintained its Head Start seats despite federal funding cuts.

Too Few Children are Receiving Early Intervention Services

The Early Intervention system (EI) offers individualized therapies for children with developmental disabilities or delays and their families backed by federal and state funds. Research shows that these services often help children avoid the need for special education once they enter school.44 EI enrollment as a percentage of children from birth to five peaked at 11.5% in 2013 and then fell to 9% last year, even as the number of children remains higher than in 2009.45 This trend signals that there is room for better outreach and screening to identify children with developmental delays and ensure that they are being referred, evaluated, and are getting the services and therapies they need.46
Important Gains in Full Day Kindergarten but More Than Half of Children are Still Shut Out

Although kindergarten is part and parcel of our public education system, Pennsylvania remains an outlier by not mandating enrollment in school before the age of eight. That policy flies the face of legions of studies showing the importance of full day kindergarten.47 Studies show that children with full day K have better social-emotional skills and less absenteeism in first grade than those who attended half day.48 Lower income children and their families benefit even more, as they are least able to pay for quality private care the rest of the day.

The clearest indicator of progress in this domain on the Index is the share of children enrolled in full day kindergarten. In 2008 only one in five (19%) of public school kindergarteners were in a full day program. That share had more than doubled to 44% by 2014.49 Even so, in 2014 only four of eleven school districts offered full day kindergarten to all children, and four others offer it only selectively, to fewer than 15% of their students. One recent sign of progress is that West Chester Area School District, one of the largest in the county, will begin offering full day kindergarten to all of its incoming students in September, 2017. Even with this expansion in full day kindergarten access, about 45% of kindergarten students will not benefit from this proven educational strategy. This lack of access to full day kindergarten is due in large measure to the state’s failure to adequately fund public schools so that the full spectrum of educational needs of children from kindergarten to 12th grade can be properly met.

56% of public school children are starting first grade without a year of full day kindergarten.
Policy Recommendations to Improve Access to Early Childhood Education:

- Increase the supply of high quality child care options for children birth to five using county and state resources to incentivize providers to improve quality and enable providers that are already high quality to expand.

- Increase state investment in pre-k so that every child who is eligible for a state-funded program is offered a seat.

- Work with pediatric practices and early childhood service providers to expand the use of early screening tools to identify all children who need early intervention services and ensure that they are referred for evaluations and offered the therapies they need.

- Remove the financial barriers that limit access to full day kindergarten.
K-12 Education

“We have some terrific school districts in Chester County, but each year we see more children who need extra help to succeed. And our ability to help them is hampered by a broad range of unfunded mandates and the state’s resistance to putting up its fair share of public school funding. That’s one reason we’ve seen district budgets across the county that require tax increases. As a school board member I know how hard it is to ask our neighbors to pay more in taxes. But we have little choice. We work very hard to run our district as efficiently as possible to keep taxes down. But I know that if a tax increase is necessary to ensure a high quality education, we have to do so. I can’t let down the children in my community. They come first.”

Kate Shaw, School Board Director
West Chester Area School District

For 180 days a year, we entrust children to the public school system with the expectation that it can do its job of academically preparing each child to graduate and to have the knowledge needed to succeed in the next step in life. The PCCY Child Wellness Index makes one thing very clear: progress is stalled for the nearly 90,000 public school students in Chester County.

More Than 5,000 Students Struggling With Reading and Math

Reading and math are the basics every student must master. Yet, of 36,000 third through eighth grade students in the county, nearly 6,200 were unable to pass the state reading assessments in FY 2014, causing the fail rate to remain stubbornly high at 17.7%.50 The share of students that didn’t make the grade in math dropped slightly from 16.7% to 15.0% but still nearly 5,300 students are falling behind in math.

Research shows that students unable to read on grade level in third grade have diminished chances of success for the rest of their academic careers.51 That’s why it’s especially sobering that the share of third graders failing the reading assessment jumped by three points to 16.8% in 2014.
It is well understood that standardized state assessments are not a complete picture of a student’s capability. However, assessment results can be an indicator of progress and based on these indicators far too many students in every Chester County district need more instructional support to succeed.

**Every District is Educating More Low Income Children, Most With Fewer Resources**

Educational research is definitive on this point: it is more expensive to successfully educate lower income children because they need smaller class sizes, extra help and typically social services in order to meet their education potential. In fact, the higher cost of educating low income students was recognized by the Pennsylvania legislature when it designed its new approach to funding public schools in 2015. Countywide, the share of low income public school students jumped substantially from 14% to 20% from 2008 to 2014.
Meanwhile the majority of districts across the county had fewer funds to support a boost in student achievement. In FY 2008 the districts spent, overall, around $8,600 per student for instructional costs. Fast forward to FY 2014, when overall, Chester County districts had about $8,000 less per classroom ($330 per student) available to educate their students. The reduction in resources is a sign of real trouble for the districts since every district’s share of lower income students rose in this same period as well. More spending on education does not necessarily increase student achievement, but the fact is that without sufficient funds, students who need help cannot get it.

Dramatic Increases in Mandated Costs Decreased Funds Available for Instruction for Every District

The double whammy of rising poverty and rising costs outside a district’s control put school leaders, teachers and students in a painful vise. From 2008 to 2014, district budgets had to absorb an 11% inflation rate and cover $25 million more in state-mandated pension costs.
In spite of hefty tax hikes, the skyrocketing increase in mandated costs meant that the funds available for instruction dropped in 11 of the 12 districts from FY 2009 to 2015. These trends are particularly alarming because in the districts with fewer resources for instruction, the share of low income students rose by 47%.

Increased Dependence on Local Funding Compounded the Problem for Poorer Districts

School boards across the county made the tough decisions to increase local taxes to cover costs in an attempt to maintain their academic programs. However, lower wealth districts had to impose higher millage increases than other districts and typically still ended up short of what was needed. Case in point: the lowest wealth district, Oxford Area, had a millage rate 50% higher than the wealthiest district, Great Valley. Nevertheless, in FY 2015 Oxford Area had nearly $3,800 less to spend per student.

CHART 13: LOWER WEALTH DISTRICTS ARE MORE HEAVILY BURDENED BY PROPERTY TAXES
This disparity is especially problematic because low wealth districts educate more high needs students. Over 40% of the students in Oxford Area were low income, compared to just 13% in Great Valley. As a result of the financial constraints of rising costs, less state funds and limitations on their tax bases, districts had to shortchange students by making cuts to educational programs and increasing class sizes.58

Ideally, state funding helps smooth the spending gap among school districts by relying on a formula that distributes state aid based on the number of students, the relative needs of the students and relative local capacity to fund the school. The absence of a funding formula caused Pennsylvania to become the state with the greatest resource gap between wealthy and poor school districts in the nation.59 Fortunately, Pennsylvania enacted a school funding formula in FY 2015 that has the potential to address these gaps and as a result reduce the pressure on local taxes and boost student achievement. However, in the first year that the new formula was employed, only 3% of the state’s more than $6 billion appropriation for school aid flowed through it. Were the formula backed with sufficient state resources, districts across the county would receive $60 million more in state aid with the lion’s share allocated for the districts with the greatest share of low income students and the lowest capacity to raise revenues from the local tax base.60

Policy Recommendations to Improve K-12 Educational Experiences:

• Increase state funds for public schools by the amounts defined in the Legislature’s 2006 Costing Out Study (adjusted for inflation) and ensure those funds are distributed to districts in accordance with the recently enacted Basic Education Funding Formula.
The time has come for the benefits of the economic recovery to trickle down to all 118,636 children in Chester County. Children have been left out, and if nothing more is done they will continue to be left out. Only a concerted effort to adopt good public policies, like those listed below, that protect and improve the life chances of children will ensure that all of the children living in Chester County finally recover from the Great Recession.

- **Boost Job Longevity and Pay**: A minimum wage increase is urgently needed. Beyond higher wage rates, workforce supports including predictable scheduling and paid sick and family leave are needed.

- **Increase Household Income**: The state or county must take an active role in connecting families to federal income and work supports such as the Earned Income Tax Credit, Child Tax Credit and SNAP.

- **Feed Hungry Children**: Expand school district participation in the school meals program and adopt strategies that reduce the stigma of subsidized meal participation for low income students.

- **Ensure Health Care Access**: Expand public health insurance to all children including children who are undocumented.

- **Reduce Child Obesity**: Advocate for state policies that create a new pay for performance metric for Medicaid Managed Care Organizations that will increase health care provider focus on child obesity.

- **Eliminate Child Lead Poisoning**: Ensure publicly funded health providers are testing every child under three and pursue preemptive targeted efforts by testing and remediating homes of pregnant women at high risk for lead hazards.

- **Increase School Attendance**: Improve how publicly funded health providers address asthma including home visits by community health workers to help eliminate home-based asthma triggers.
PCCY’s Child Wellness Agenda for Chester County
(continued)

- **Cut the Teen Pregnancy Rate Further:** Partner with schools, medical professionals and social service agencies to increase access to long acting birth control for teens with Medicaid.

- **Expand the Reach of Early Intervention:** Work with pediatricians offices and early childhood service providers to expand the use of early screening tools to identify all children who need early intervention services.

- **Make Quality Child Care Affordable:** Increase the supply of high quality child care options for children birth to five using county and state resources to incentivize providers to improve quality and enable providers that are already high quality to expand.

- **Expand Pre-K:** Advocate for greater state investment in pre-k so that every child who is eligible for a state-funded program is offered a seat.

- **Grow Access to Full Day Kindergarten:** The state should find ways to cover the cost borne by districts that add full day kindergarten for every child.

- **Address the School Funding Crisis:** Increase state funds for public schools by the amounts defined in the Legislature’s 2006 Costing Out Study (adjusted for inflation) and distribute those funds to districts in accordance with the recently enacted Basic Education Funding Formula.

An American tragedy is happening right before our eyes, yet it’s hard to see. The headline news touts a strong economic rebound and monthly jobs reports amplify those messages. But as the PCCY Child Wellness Index shows, too many Chester County parents are not able to earn enough to provide for their children in the ways proven to ensure that the American promise of upward mobility will be possible when the children reach adulthood.
### Appendix 1: Data Used to Calculate the PCCY Child Wellness Index

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
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<tr>
<td>Teen Birth Rate (per 1,000)</td>
<td>15.3</td>
<td>14.3</td>
<td>13.4</td>
<td>12.2</td>
<td>9.9</td>
<td>8.8</td>
<td>9.4</td>
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<td>Infants &amp; Toddlers Not Screened for Lead</td>
<td>88.4%</td>
<td>87.7%</td>
<td>87.0%</td>
<td>86.7%</td>
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<td>Unmet Need for Publicly Funded Pre-K</td>
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<td>Children in Child Care who are in Low or Unknown Quality</td>
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<td>91.2%</td>
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<td>Cost of Child Care as Share of 200% FPL</td>
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<td>77.7%</td>
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<td>Instructional Spending per Student</td>
<td>$8,575</td>
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<td>$3,600</td>
<td>$3,100</td>
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<tr>
<td>Below Grade Level in Math</td>
<td>15.5%</td>
<td>14.0%</td>
<td>11.8%</td>
<td>11.4%</td>
<td>11.0%</td>
<td>12.7%</td>
<td>13.7%</td>
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<tr>
<td>Below Grade Level in Reading</td>
<td>16.7%</td>
<td>15.8%</td>
<td>15.4%</td>
<td>14.4%</td>
<td>14.3%</td>
<td>17.0%</td>
<td>16.5%</td>
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Appendix 2: Indicator Sources & Definitions

Economic Well-Being

**Child Poverty:** Share of children under 18 in households making 100% or less of the Federal Poverty Level. *Source: US Census Bureau; American Community Survey, 1-Year Estimates.*

**Child Deep Poverty:** Share of children under 18 in households making 50% or less of the Federal Poverty Level. *Source: US Census Bureau; American Community Survey, 1-Year Estimates.*

**Children in Rent Burdened Households:** Share of children under 18 living in renter households in which 30% or more of the household income is spent on gross rent. *Source: Reinvestment Fund computations of US Census Bureau; American Community Survey, 1-Year Estimates.*

**Free or Reduced Price School Meals Eligibility:** Share of K-12 students qualifying for free or reduced price meals under the National School Lunch Program. *Source: Pennsylvania Department of Education; National School Lunch Program Reports.*

**Health**

**Teen Birth Rate:** Births to 15-19 year old girls per 1,000 girls. *Source: Center for Disease Control and Prevention; Wonder Search for Natality.*

**Infants & Toddlers Not Screened for Lead:** Share of infants and toddlers under 36 months old who have not been screened for lead poisoning. *Sources: Pennsylvania Department of Health; Enterprise Data Dissemination Informatics Exchange; (2008-2013). Pennsylvania Department of Health; Childhood Lead Surveillance Annual Report; (2014).*

**School Absenteeism:** Share of school days missed by K-12 public school students. *Source: Pennsylvania Department of Education; Obtained via a special data request.*


Early Childhood Education

**Unmet Need for Publicly Funded Pre-K:** This was calculated by first totaling the number of children in Pre-K Counts, Head Start, School District pre-k, and three and four year olds with subsidies in STAR 3 or child care. That number was subtracted from, and then divided by, the total number of three and four year olds below 300% of the Federal Poverty Level. *Source: Pennsylvania Office of Child Development and Early Learning; Reach and Risk Report.*

**Children in Child Care who are in Low or Unknown Quality:** Share of children in licensed child care who are not in a STAR 3 or 4 program. The 2008 figure for total licensed seats was not available, so an estimate was extrapolated based on the number of children in high quality seats. *Source: Pennsylvania Office of Child Development and Early Learning; Reach and Risk Report.*

**Cost of Child Care as Share of 200% FPL:** Median cost of care for one infant and one toddler in a full-time, full-year center based program as a share of 200% of the Federal Poverty Level. Data was not available for the odd-numbered years, so median cost was estimated by averaging the median cost of the prior and subsequent year. The 2008 median cost data was not available, so an estimate was extrapolated based on the 75th percentile cost, using a ratio of median to 75th percentile identical to the ratio in 2010. *Source: Pennsylvania Office of Child Development and Early Learning; Pennsylvania Market Rate Survey.*

**Kindergartners Without Full Day Access:** Share of public school kindergartners enrolled in half day kindergarten. *Source: Pennsylvania Department of Education; Public School Enrollment Report.*

K-12 Education

**Per Student Spending:** Instructional spending per student, calculated by dividing Actual Instructional Expense by Weighted Average Daily Membership, removing pension payments (Object 230 Retirement Contributions), and adjusting for inflation so that all figures are in 2008 dollars. The inflation adjustment was made using the Employment Cost Index, Total Compensation for Elementary and Secondary Schools, Q3 (which aligns with Q1 of Pennsylvania’s Fiscal Year). *Sources: Pennsylvania Department of Education; Finances. United States Department of Labor, Bureau of Labor Statistics; Employment Cost Index.*

**Spending Gap, Highest and Lowest Wealth Districts:** Gap in instructional spending per student, calculated using the above methodology, between the lowest and highest wealth school districts. Wealth was determined using the Pennsylvania Department of Education’s Aid Ratio figures. The district with the Highest Market Value/Aid Ratio each year was considered the highest wealth district (Tredyffrin-Easttown in 2008 and 2009, Great Valley all other years). The district with the highest Market Value per Weighted Average Daily Membership each year was considered the highest wealth district (Tredyffrin-Easttown in 2008 and 2009, Great Valley all other years). *Source: Pennsylvania Department of Education; Aid Ratios.*

**Below Grade Level in Math:** Share of public and charter school students, grades 3-8, scoring basic or below basic on the math section of the Pennsylvania System of School Assessment. *Source: Pennsylvania Department of Education; PSSA Results.*

**Below Grade Level in Reading:** Share of public and charter school students, grades 3-8, scoring basic or below basic on the reading section of the Pennsylvania System of School Assessment. *Source: Pennsylvania Department of Education; PSSA Results.*
References


2. One indicator, Per Student Spending, was added to rather than subtracted from 100 to get its index value. It is the only indicator where an increase is considered good for children. Because higher index values mean greater well-being for children, the rate of change for Per Student Spending must be added to 100 to get its index value.


17. Ibid.


19. Pennsylvania Department of Education. Data obtained via special data request.


21. These data were provided by the Division of Health Informatics, Pennsylvania Department of Health. The Department specifically disclaims responsibility for any analyses, interpretations, or conclusions.
22. The rate for black children was 18.6 per 10,000 children. 2012 data is reported because it is the most recent year for which data for black children is available.


25. The rate for black, Latino and poor children was 45.4%, 42.8% and 33.5% respectively.


34. Center for Disease Control and Prevention. Wonder Search for Natality. The teen birth rate declined from 15.27 to 9.42 births per 1,000 from 2008 to 2014.

35. These data were provided by the Division of Health Informatics, Pennsylvania Department of Health. The Department specifically disclaims responsibility for any analyses, interpretations, or conclusions. The teen birth rate in 2014 for black and Hispanic teens was 21.3 and 40.5 births per 1,000 respectively.

36. PCCY estimate based on Pennsylvania Department of Health data.


38. 2014, 2010 and 2012 PA Market Rate Survey, raw data obtained via a special data request.


41. The Annie E. Casey Foundation. KIDS COUNT. http://www.aecf.org/work/kids-count


Based on risk factors for developmental delay including very low birthweight, exposure to lead, parental abuse or neglect; diagnosed health condition; depression or substance use of mother; and low maternal education.

“Full day” refers to a full 6-hour school day of kindergarten. “Half day” refers to kindergarten of 3 hours.

Pennsylvania Department of Education. Public School Enrollment Reports. http://www.education.pa.gov/Data-and-Statistics/Pages/Enrollment%20Reports.aspx#tab-1


Instructional spending per student was calculated by dividing Actual Instructional Expense by Weighted Average Daily Membership, removing pension payments, and adjusting for inflation so that all figures are in 2008 dollars. The inflation adjustment was made using the Employment Cost Index, Q3, which aligns with Q1 of Pennsylvania’s fiscal year.


In three districts, Methacton, Perkiomen Valley and Pottsgrove, the drop in instructional spending was coupled with a decline in student enrollment, so the impact of fewer resources was offset to some degree.


Public Citizens for Children and Youth (PCCY) serves as the leading child advocacy organization working to improve the lives and life chances of children in the region.

Through thoughtful and informed advocacy, community education, targeted service projects and budget analysis, PCCY watches out and speaks out for children and families. PCCY undertakes specific and focused projects in areas affecting the healthy growth and development of children, including child care, public education, child health, juvenile justice and child welfare.

Founded in 1980 as Philadelphia Citizens for Children and Youth, our name was changed in 2007 to better reflect our expanded work in the counties surrounding Philadelphia. PCCY remains a committed advocate and an independent watchdog for the well-being of all our children.

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