

The Socioeconomic Impact of Community Development Financial Institutions on Child Health Outcomes in Mississippi

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Community Development Financial Institutions (CDFIs)

- CDFIs are private financial institutions with the goal of expanding economic opportunity in **low-income communities**
 - Financial products and services for individuals
 - Financial products and services for businesses
- Sectors of CDFI industry include:
 - Community Development Banks
 - Community Development Credit Unions
 - Community Development Loan Funds
 - Community Development Venture Capital Funds
- Examples of CDFI lending
 - Basic financial services to the unbanked and underbanked
 - Mortgage productions
 - Small business capital
 - Affordable housing
 - Community facilities (schools, health clinics, child care centers)
 - Healthy Food Financing

CDFIs and Social Determinants

Social Determinants

- Social determinants of health are conditions in the environments in which people are born, live, learn, work, play, worship, and age that affect health
- Understanding the relationship between how population groups experience “place” and the impact of “place” on health is fundamental to the social determinants of health—including both social and physical determinants.

CDFIs

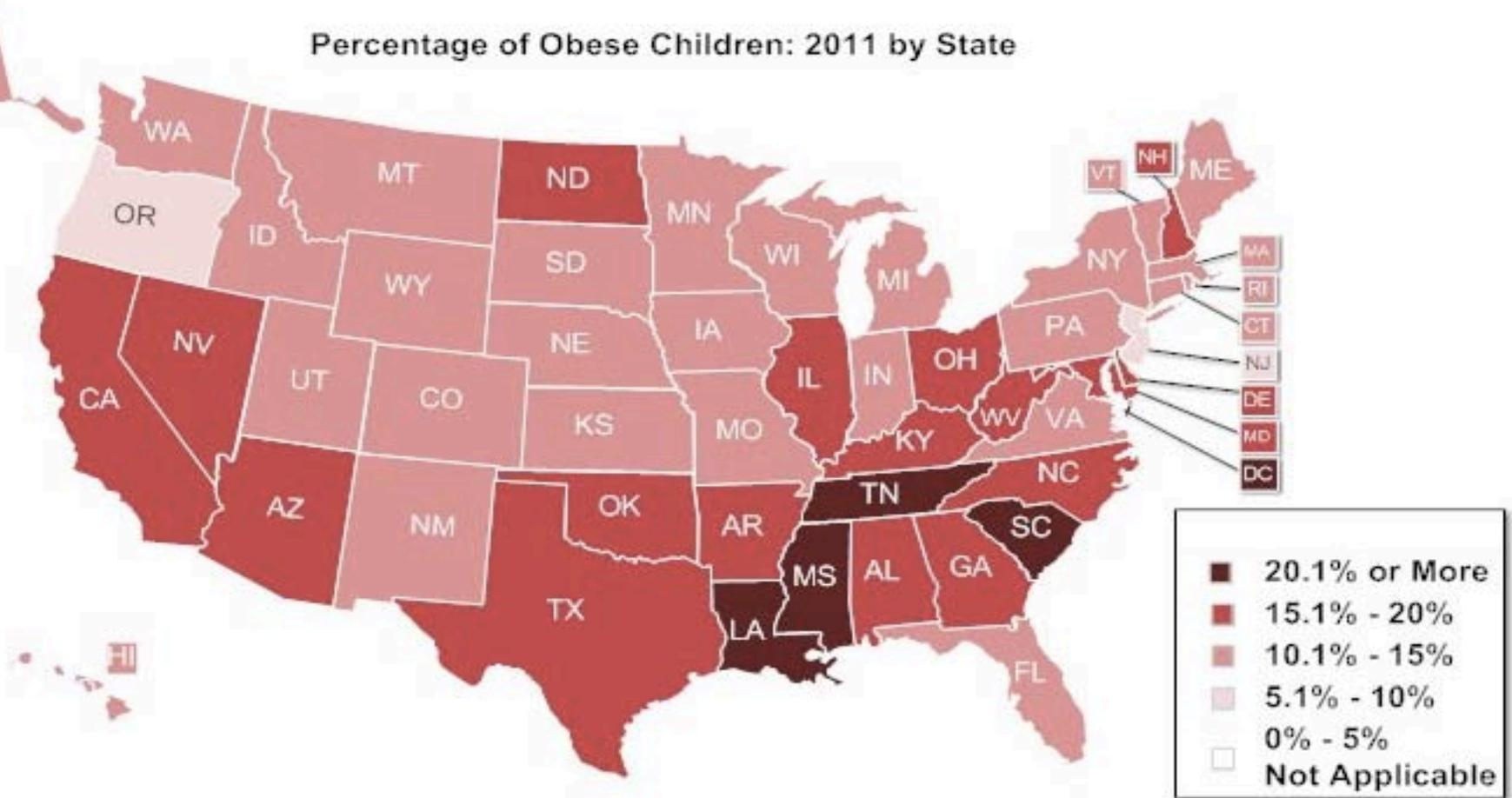
- Targeted lending that influences social determinants i.e. school access, food access, income, poverty
- Targeted lending based on place – high poverty communities

Social Determinants and Childhood Obesity

- Recent research has shown considerable racial and ethnic, socioeconomic, and behavioral disparities in childhood obesity.¹⁻³
- Living in communities with higher levels of poverty and lower levels of education is associated with increase child obesity risk.⁴
- Higher community-level economic hardship was found to be associated with higher childhood obesity prevalence.⁵

Obesity Rates by States 2011

Percentage of Obese Children: 2011 by State



Purpose of the Study

- ◆ Prior research has provided evidence that social determinants are linked to childhood obesity.
 - ◆ Further evidence has shown that positively impacting social determinants has decreased childhood obesity.
- ◆ The purpose of this study is to examine the relationship between presences and investment of CDFIs and childhood obesity.

Motivation:

CDFIs purpose includes high impact investment that affects social determinants.

CDFIs In Mississippi Presence and Investment

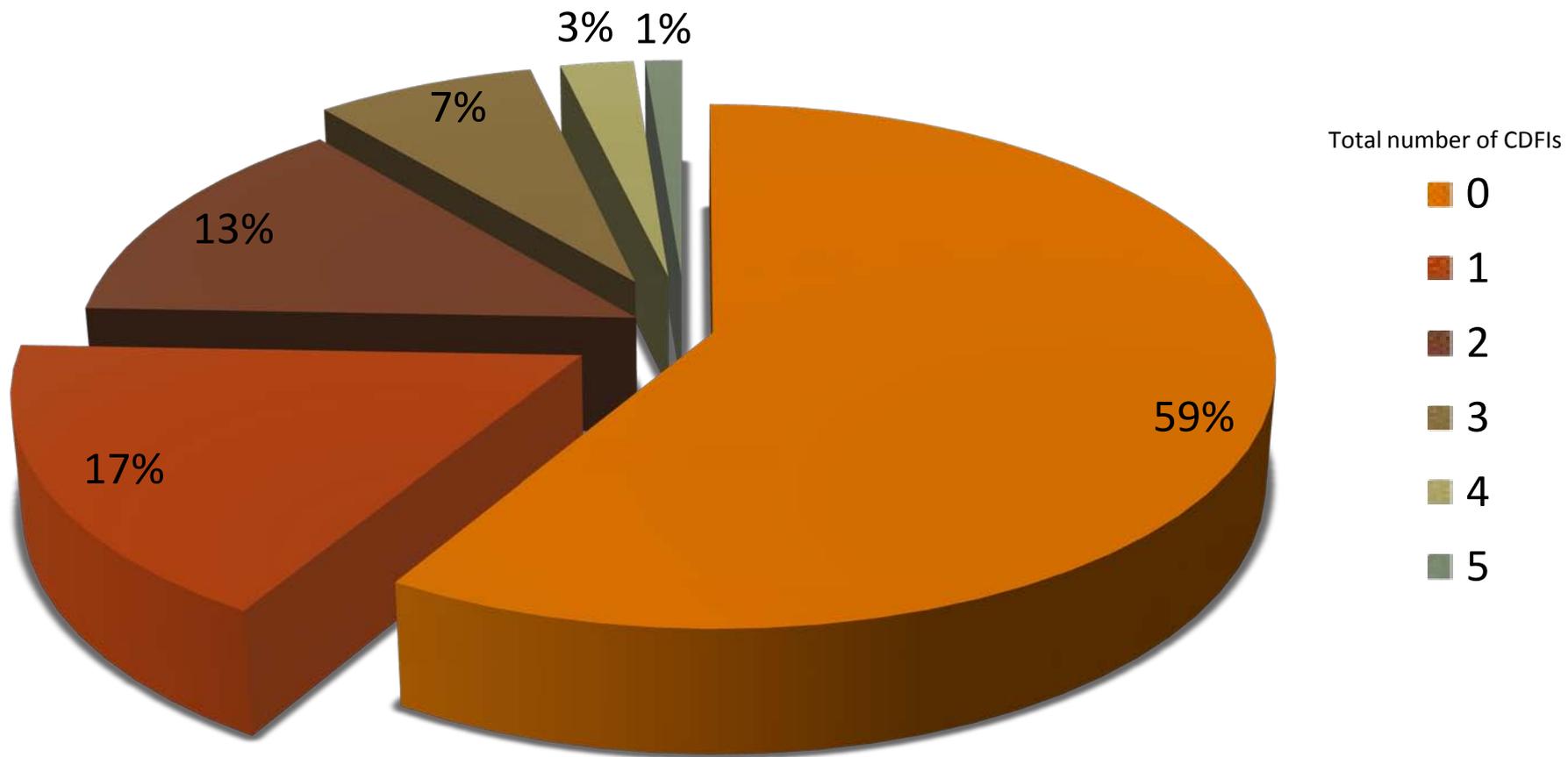
- ◆ There are 67 CDFIs located through out the state of Mississippi
 - ◆ (Hinds County has the most with 5 CDFIs)
- ◆ Total Amount of Investment is approximately \$35 Million in last year.
 - ◆ Harrison, Hinds, Jackson, Jones, Lauderdale, Leflore, Madison, Stone, Washington are all counties with \$1 million plus investment for the



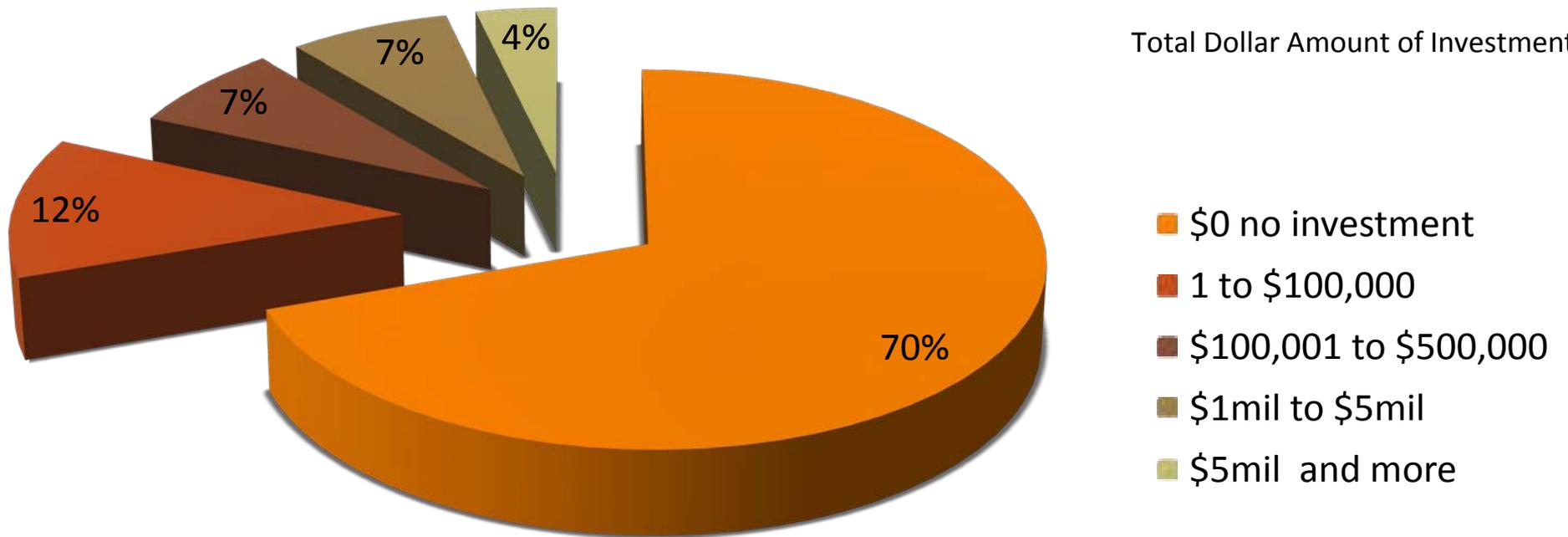
TABLE 1 DESCRIPTIVE STATISTICS OF VARIABLES OF CONSIDERATION

Name	Obs	Mean	STD	Min	Max
% child obesity 08	80	15.08625	4.014523	6.2	25.7
% child obesity 11	80	14.235	3.37999	5.8	25.4
% change Obesity Child	80	-0.85125	2.520448	-6.9	4.3
\$ of Investment	82	431042.7	1568254	0	\$11,600,000.00
# of CDFI per county	82	0.8170732	1.187674	0	5
Presence of CDFI	82	0.4146341	0.4956906	0	1

Percentage of Counties in MS with CDFIs



Percentages of Counties in MS by \$ Amount of CDFI Investment



Regression Coefficients for Obesity on CDFI measurements

	Presence of CDFI	# of CDFI	investment
%child obesity 08	-.6973148	-.3302293	-0.6010648*
	(.9103311)	(.3784142)	(.313625)
%child obesity 11	.1693094	-2.041413	-.5030996*
	(.7690832)	(.3193183)	(0.2641262)

Future Considerations

- Leveraging investments in CDFIs may provide an opportunity for a macro-level childhood obesity intervention
 - Policy considerations may include more federal investment in CDFIs and opportunities for state level investments in CDFIs
- CDFI as macro-level intervention for childhood obesity could be used as a tool to reduce disparities of health
- Researchers have examined the novel role of CDFIs as a tool to improve health and health outcomes; however, more work is need to examine the direct relationship with specific chronic disease conditions influenced by social determinants

References

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