The ee/cc Model
(Early Education/Child Care Model)

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August 1, 2007
Figure 1
Child Care and Early Education Spending and Potential Spending

Over one hundred programs fund child care and early education, but most funding is from just six programs.
Funding has grown rapidly since 1997, and now totals about $24 billion.

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Using data from various sources, the ee/cc Model synthesizes information about the CCDF, TANF, SSBG, CACFP, Head Start and pre-K, and provides various programmatic estimates.

**Inputs**
- TRIM
- SIPP/NHES
- CCDF admin data

**Outputs**
- Arrangements
- Subsidies
- Take-up rates
- Substitution potential
- Costs

The ee/cc Model maps child care and early education arrangements. Almost all poor four-year-olds, for example, are in a paid or subsidized arrangement (whether or not the mother works).

* “Other” represents the remainder of Head Start-eligible children who are not in Head Start; prekindergarten; kindergarten; school; or full-time, subsidized care. Thus, the children in the “other” category are in, but not limited to, the following arrangements: free, full-time care by the child’s relative (when not subsidized); part-time, subsidized care; and any unduplicated children in child care funded through the Individuals with Disabilities Education Act, through Title I of the Elementary and Secondary Education Act, and through Even Start.

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The ee/cc Model connects mothers’ work hours to the duration of care. Child care often lasts many more hours than mothers' work (because of commuting and overconsumption or forced consumption). For older children, school serves as a substitute for child care.

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Figure 5
Family Structure of Formally CCDF-Eligible Children and Recipients

More single mothers than married couples are eligible for subsidies, with the difference larger under state eligibility rules. The difference in subsidy receipt is even greater, but for both groups, coverage is far from complete.

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Eligible children are roughly equal by age, but subsidies tend to go to younger children (especially as measured by the dollar amount of subsidies rather than the number of children) largely because they spend more time in care and that care tends to be center-based.

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Figure 7
Different Definitions of CCDF Eligibility

- **Federal eligibility:** Up to 85 percent of state median family income using Census Bureau’s definition of income. (No hours of work requirement.)

- **State eligibility:** Lower income limits and often required minimum number of hours worked.

- **Federal income definition:** The Census Bureau’s method of computing income.

- **State income definition:** Usually (1) monthly vs. annual income, and (2) subfamily income unit.

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Figure 8
The Impact of State and Local Definitions of Income

State and local agencies use definitions that understate income
(because they use monthly income and measure it at the subfamily level).

Figure 9
The Impact of Using Federal Levels of Income Eligibility, Full Take-up, and Full Substitution

Federal CCDF-eligibility reaches to 85 percent of state median family income, but almost all states have set lower income-eligibility limits.

About 71 percent of CCDF-eligible families (even those under the poverty line) are in arrangements that could receive subsidies but do not.

About 21 percent of CCDF-eligible families (even those under the poverty line) are in arrangements that do not qualify for a subsidy.

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### Figure 10

<table>
<thead>
<tr>
<th>Cost</th>
<th>Head Start</th>
<th>CCDF</th>
<th>Pre-K/Preschool</th>
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<tr>
<td></td>
<td>Ages 3–5</td>
<td>Ages 0–2</td>
<td>Ages 3–5</td>
</tr>
<tr>
<td>Average per child (regardless of hrs)</td>
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<td>Head Start Bureau estimate</td>
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<td>Besharov/Myers estimate</td>
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<td>NIEER estimate</td>
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<td>Part-day and full-day sessions</td>
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<td>Besharov/Myers estimate (part-day)</td>
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<tr>
<td>Besharov/Myers estimate (full-day)</td>
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<td>Hourly (across all durations)</td>
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<tr>
<td>Hourly (full-time)</td>
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<tr>
<td>Hourly (part-time)</td>
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<td><strong>Full-time, full-year</strong> (50 hours/week, 49 weeks/year)</td>
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<td><strong>$24,904</strong></td>
<td><strong>$8,616</strong></td>
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