Child Care Research Partnership:

Determinants of Subsidy Stability and Child Care Continuity in Illinois and New York: Phase 2 - A Focus on the Subsidy-Quality Intersection

Project Team: Julia R. Henly, University of Chicago (PI); Amy Claessens, University of Wisconsin, Madison (Co-PI); Heather Sandstrom, Urban Institute (Co-PI)

Grant or Contract Number: 90YE0151-01-00

Period of Funding: October, 2013 – September, 2017 (with one year no-cost extension)

Project Description. Phase 1 of the Illinois-New York Child Care Research Partnership (supported by a prior ACF-supported partnership grant) examined subsidy instability from the perspective of subsidy program participants; Phase 2 shifted focus to stakeholders from subsidy and quality improvement programs and providers, exploring factors that contribute to low-income families' access to high-quality, stable care arrangements and providers' participation in quality improvement efforts.

Research Questions.

- 1. From the perspective of CCDF and quality improvement stakeholders, what factors facilitate or impede the stability of subsidized, quality care?
- 2. From the perspective of key stakeholders, what are the key challenges to improving care quality? What are stakeholders' experiences with recruiting and training subsidized providers to improve quality?
- 3. How much high-quality, subsidized child care is available to meet the needs of subsidized families, where is it located relative to where subsidyeligible families live, and (in IL) does it increase over time with the implementation of state quality rating and improvement systems (QRIS)?
- 4. From the perspective of subsidized providers, what factors facilitate or impede the stability of subsidized, quality care?
- 5. What strategies do subsidized providers employ to help families access high-quality, stable care? How do providers balance subsidy program demands with quality improvement efforts?
- 6. From the perspective of subsidized providers, what factors facilitate or impede involvement with state and local efforts related to quality improvement? What types of activities would increase provider interest and engagement?

Sample and Methods. The study included four partnering communities (two in IL; two in NY) that vary in population density, caseload size, demographics, and subsidy program administration. Research activities included: 1) case studies of local sites; 2) a local supply and demand analysis; and 3) a study of subsidized providers. Case studies included interviews with program stakeholders and document analysis. Purposive sampling allowed for representation from subsidy policy and quality programming divisions at distinct levels of practice. Providers were purposively selected from centers, licensed family child care homes, and the licenseexempt sector. Potential demand for subsidized care was estimated from US Census Bureau's American Community Survey; supply estimated from child care resource and referral agency data and subsidy records.

Program Findings. Program findings can be found in two reports (links below.) *The Mapping Report* discusses how well local supply meets the potential need for subsidized child care in the four study sites. The greatest gaps in coverage are in areas with a high density of subsidy-eligible families. There are very few accredited or quality-rated providers in these communities. Some are in areas with high numbers of subsidy-eligible children, and others operate in areas with lower need. A quality center in a low-need neighborhood leads to increased competition with higher-income children, further constraining access.

In both NY counties, less than 7% of slots in full-time centers serve infants, compared to about 20% in family child care. In both IL sites, 6 percent of slots in centers and less than 10 percent in family child care are available for full-time infant care. A large proportion of subsidy-eligible children have single

parents who work nonstandard hours. In all sites, center-based providers seldom operate nontraditional hours. Family child care providers are better equipped to meet some of this need but also have limited capacity and are also less likely to be quality rated.

Longitudinal analysis in IL shows distributional changes in the supply and quality of the child care market between 2011 and 2016 and assessed observable market changes after the roll out of QRIS in IL. The supply of licensed and quality-designated slots for subsidy-eligible children under age 6 increased at the regional level and to a variable extent at the census tract level. These promising results extend to centers serving infants but not nontraditional hour care.

The Child Care Provider Report summarizes findings from the provider study, and includes supporting evidence from Phase 1 parent and program stakeholder findings. Findings demonstrated that the subsidy program benefits low-income families and child care providers. In some high-needs communities, providers relied entirely on subsidy payments and the success of their businesses depended on this funding source.

Providers felt subsidy requirements are too strict and exclude needy families. Additionally, resource constraints and communication/administration issues make it difficult for both providers and families.

Providers use various strategies to support parents to improve subsidy and care continuity: assisting with paperwork, acting as a liaison to subsidy office, caring for children during breaks in subsidy receipt, offering flexible payment plans, reducing/waiving copayments.

Participating in training and quality improvement efforts is challenging given time and resource constraints. Positive experiences include improved quality and greater recognition. But some providers questioned its value and reported difficulties using QRIS resources and achieving a higher rating.

Implications for policy/practice

Knowledge of the intersection between state subsidy and quality systems can inform state and federal efforts to promote systems collaboration and integration. Within the context of CCDBG reauthorization, the findings can inform local efforts to increase the supply of high-quality, stable care.

Implications for research

Findings may inform efforts to evaluate interventions aimed at improving the intersection of subsidy and quality efforts. The mapping of child care market data offers innovative methods to build the field's capacity to study issues of quality, supply, and access.

For more information:

http://ssascholars.uchicago.edu/ccrp/

Mapping Child Care Demand and the Supply of Care for Subsidized Families. 2018. Sandstrom, Claessens, Stoll, Greenberg, Alexander, Runes, & Henly 2018. Washington, DC: Urban Institute https://www.urban.org/sites/default/files/publication/97286/mapping-child-care-demand-and-the-supply-of-care-for-subsidized-families.pdf

Learning from Child Care Providers Across Settings: A Critical Step to Improving the Quality and Stability of Subsidized Care. 2018. Sandstrom, Coffey, Henly, Bromer, Spalding, Thomas, Greenberg, and Derrick-Mills, Washington, DC: Urban Institute https://www.urban.org/sites/default/files/publication/9 9519/learning from child care providers across settings 0.pdf

The Longitudinal Mapping Report will be published in May 2019 as three separate briefs (1-changes in infant care, 2-nonstandard care, and 3-overall supply changes from 2011-2016).

Contact

Julia R. Henly, Professor, School of Social Service Administration, University of Chicago jhenly@uchicago.edu

Amy Claessens, Associate Professor, Gulbrandsen Chair, Department of Educational Policy Studies claessens@wisc.edu

Heather Sandstrom, Senior Research Associate, Urban Institute hsandstrom@urban.org