

Taking Subsidy Research Forward:
Parental Access and Choice of High-
Quality Care

CCPRC Subsidy Work Session 1

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(10:45AM- 12:15PM)

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Estimates of Subsidy Use

- 2010- 1.7M children served by CCDF monthly
(OCC, 2012)
 - Families below FPL
 - Low-income families who met state income eligibility
- Range of estimates for subsidy use
 - Across methods, 7% (Goerge et al., 2009) -34% (Lee et al., 2003) of eligible families are using child care subsidies
 - Focus on all eligible families vs. only TANF leavers
(Schumacher & Greenberg, 1999)
 - In 2006 17% of eligible families participated in the subsidy program (ASPE, 2010)

Contributors to Subsidy Access

- Parent-related
 - Awareness of subsidy (Schlay et al., 2004)
 - Various concerns of parents (Schlay et al., 2004)
- Policy-related
 - Waitlists (Adams et al., 2002; Schlay et al., 2004)
 - Application/ re-certification process (Adams et al., 2002; Schlay et al., 2004)
 - Income eligibility threshold (Witte & Queralt, 2003)
 - Provider reimbursement (Witte & Queralt, 2003)

Parent Characteristics & Subsidy Receipt

- **Parental education:** Parents with at least a high school degree were *more* likely to receive subsidy (Guzman Cox, 2009; Ha & Meyer, 2010; Herbst, 2008; Herbst & Tekin, 2010; Kinukawa et al., 2004; Tekin, 2004)
- **Race/Ethnicity:** African American mothers are *more likely* to receive subsidies than other racial-ethnic groups (Burstein & Layzer, 2007; Guzman Cox, 2009; Ha, 2009, Herbst & Tekin, 2010; Hirshberg, Huang, & Fuller, 2005; Lee et al., 2003; Shaefer et al., 2005; Schlay et al., 2010; Tekin, 2004)
- **Home language:** mixed findings, study in WI revealed higher subsidy use among *English speakers*; study in CA found *Spanish speakers* more likely to use subsidies (Johnson, Martin, & Brooks-Gunn, 2011; Ha, 2009; Hirshberg et al., 2005)

Family Characteristics & Subsidy Receipt

- **Family structure:** low-income single mothers *more likely* to receive subsidies than low-income married mothers (but no control for family income) (Danziger, Ananat, & Browning, 2003; Hirshberg et al., 2005; Schaefer et al., 2005; Schlay et al., 2004)
- **Number of children:** inconsistent findings across states (Huston, Chang, & Genetian, 2002; Johnson et al., 2012; Schaefer et al., 2005)
- **Family income:** within a low-income sample, families with higher incomes *more likely* to use subsidies (Johnson et al., 2011; Schlay et al., 2004)

Community Characteristics & Subsidy Receipt

- **Region of country:** parents in the West and mid-west are *more likely* to receive subsidy than those in the south or northeast (Guzman Cox, 2009; Tekin, 2004)
- **Urbanicity:** data from IL, MA, MD indicate parents in urban areas are *less likely* to make use of subsidies than parents in non-urban areas (Lee et al., 2003); however, in OR the opposite was found (Davis, Grobe, & Weber, 2010). This difference may be attributed to the distance from home to the nearest human service agency.
- **Distance to human service agency:** some evidence of a negative relationship between distance to services and receipt (Herbst & Tekin, 2012)

Emerging Issues

1. Explore differences in usage based on adjusting policy levers or administrative practices
2. Inconsistencies in *who* is most likely to use subsidies

Subsidies and Parental Choice Of High-Quality Child Care

2 areas of focus:

1. Subsidy receipt and type of care utilized
2. Quality ratings of subsidized v. unsubsidized arrangements

Measurement of Child Care Quality in Subsidy Studies

- Quality is used to describe: practices, environment, and relationships within an arrangement
- Most quality research focuses on centers serving preschoolers
- Variety of measures of quality, ever-expanding

Subsidy Receipt & Type of Care

- *Note: despite center-based programs exhibiting higher quality on global and instructional quality measures, researchers have yet to tap into the unique aspects of quality offered by home-based programs*
- Subsidy receipt and use of licensed/ regulated care is well documented (Brooks, Risler, Hamilton, & Nackerud, 2002; Ertas & Shields, 2012; Forry & Hofferth, 2010; Gassman-Pines, 2003; Greenberg, 2010; Herbst & Tekin, 2010a; Tekin, 2004; Weinraub, Shlay, Harmon, & Tran, 2005)
- “efficient subsidy payment, encouragement of formal care, market-value subsidies, and reduced bureaucratic hassles,” increased parents’ use of center-based care (Crosby, Gennetian, & Huston, 2005, p. 102).

Quality Ratings of Subsidized v. Unsubsidized Arrangements

- Comparison of providers by subsidy acceptance
 - Comparison of 19 centers serving subsidized children and 15 centers not serving subsidized children in NE (Jones- Branch et al., 2004)
 - Quality ratings were *lower* in centers serving subsidized children
 - May be explained by teacher salary (teachers in centers that accepted subsidies had lower salaries) and/or family incomes

Quality Ratings of Subsidized v. Unsubsidized Arrangements

- Comparison of providers by subsidy density
 - 120 home-based providers in four states (Raikes et al., 2005)
 - negative correlation between subsidy density and quality of environment (FDCRS and the Arnett)
 - unclear regarding family incomes, if these differed across subsidized and unsubsidized providers
 - Quality data from 91 centers in KY (Antle et al., 2008)
 - Subsidy density was negatively correlated with global quality and supports for early language and literacy (in preschool classrooms)
 - Teacher salary was predictive of quality in infant/toddler classrooms

Quality Ratings of Subsidized v. Unsubsidized Arrangements

- Quality ratings of providers used by subsidized v. non-subsidized children (inconsistent findings)
 - Head Start, public pre-K > programs serving low-income subsidized children > centers serving low-income unsubsidized children (lowest quality ratings) (Johnson et al., 2012)
 - Subsidized home-based care higher quality than unsubsidized home-based care (Ryan et al., 2011)

But...

- IL, MS, OH, SC, WA across home- and center-based care, subsidized arrangements of infants and preschoolers (not toddlers) had higher child:adult ratios (Maher et al., 2008)
- No differences in global quality between providers who accepted and did not accept subsidies (Weinraub et al., 2005)

Emerging Issues

- A challenge due to conflicting findings in the literature
- Comparison groups in existing literature are not well-defined
- Consider indirect pathways between subsidy and quality (eg: teacher salary)
- Measures of quality
- Cross-state comparisons of quality of child care across states that vary in subsidy policies