



Child Care Policy Research Consortium 2009

Unionization In Child Care The Illinois Perspective



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Unionization In Illinois

In January 2005, the Governor issued an Executive Order granting day care home providers the right to representation and the right to engage in collective bargaining concerning their participation in the Child Care Assistance Program (CCAP).

In March 2005, Service Employees International Union (SEIU) won the right to represent day care homes in the collective bargaining process.

Illinois' Definition of Day Care Homes

Licensed Day Care Home – family homes, which receive more than 3 up to a maximum of 12 children for less than 24 hours per day and licensed by the Department of Children and Family Services in accordance with applicable standards and provisions of the Child Care Act of 1969.

License-Exempt Day Care Home – family homes that care for no more than 3 children under the age of 12 or that receive children only from a single household for less than 24 hours. Commonly referred to as Family, Friend and Neighbor care.

Provisions

The first collective bargaining agreement covered the period April 1, 2006 through June 30, 2009. Major provisions of the agreement are classified as non-economic and economic.

Non-Economic Provisions

- Access to data; monthly reports detailing all payments by provider, number of children billed, number of days of care, amount of payments, amount of assessed parent co-payment; all contact information for newly approved providers, etc.
- Requirement for state to send union information to all new day care home providers

Non-Economic (continued)

- Access to all required trainings in order to provide Union orientation
- Requirement for state to modify data systems to allow for deduction of membership dues and fair share from provider payments
- Grievance Procedure

Economic Provisions

- 4 rate increases over the 39 month term of the agreement
- Quality Rating System (QRS) based on the recommendations of the Child Care Advisory Council
- Health Insurance contributions to a Health Benefit Fund selected by the Union

Estimated Cost to Illinois

for the 39 month Contract
(in millions)

| | FY06 | FY07 | FY08 | FY09 | Total |
|--------------------------|--------------|---------------|---------------|----------------|----------------|
| Rates | \$8.1 | \$32.4 | \$72.0 | \$100.8 | \$213.3 |
| Health Insurance | \$0 | \$0 | \$ 7.0 | \$ 20.0 | \$ 27.0 |
| QRS | \$0 | \$0 | \$ 3.0 | \$ 7.0 | \$ 10.0 |
| Increase over prior year | \$0 | \$24.3 | \$39.6 | \$ 28.8 | \$ 92.7 |
| Total | \$8.1 | \$32.4 | \$82.0 | \$127.8 | \$250.3 |

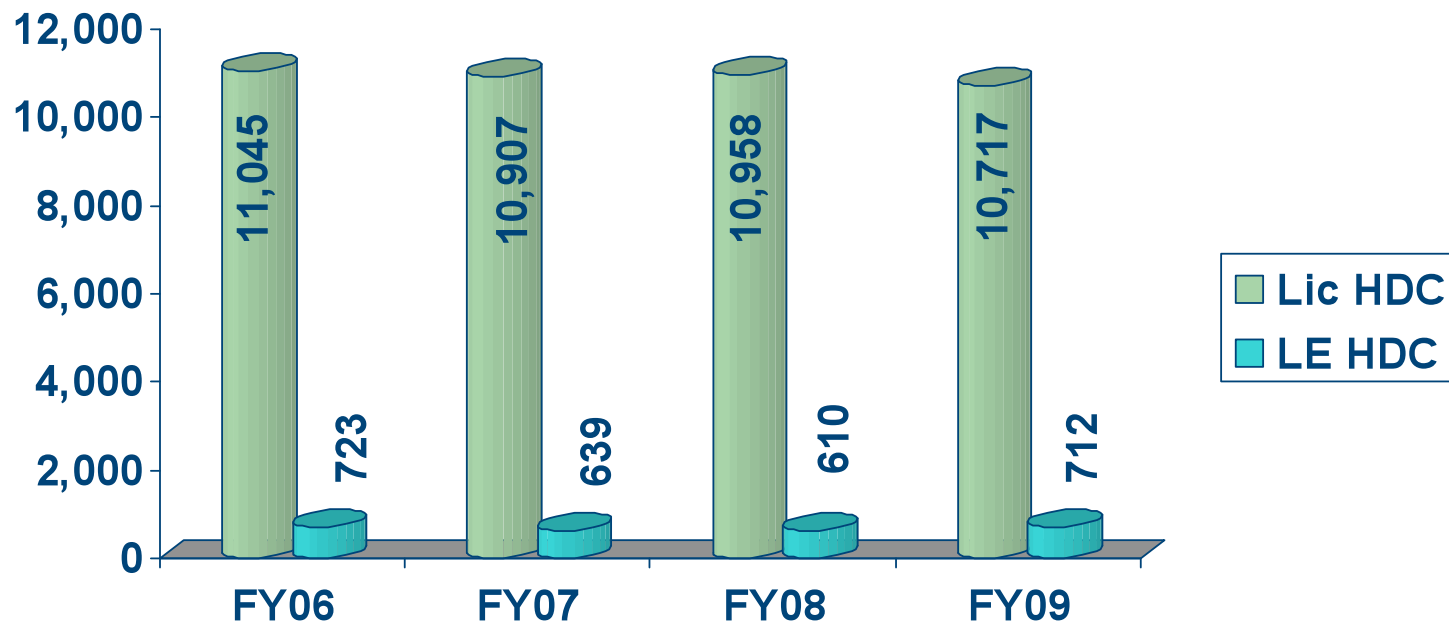
Unanticipated Benefit – Center Parity

- Rates - the State gave centers the same rate increases (%) that day care homes negotiated through the contract
- QRS – the State allowed centers to voluntarily participate in QRS and receive enhanced rates

Measuring the Impact of Unionization

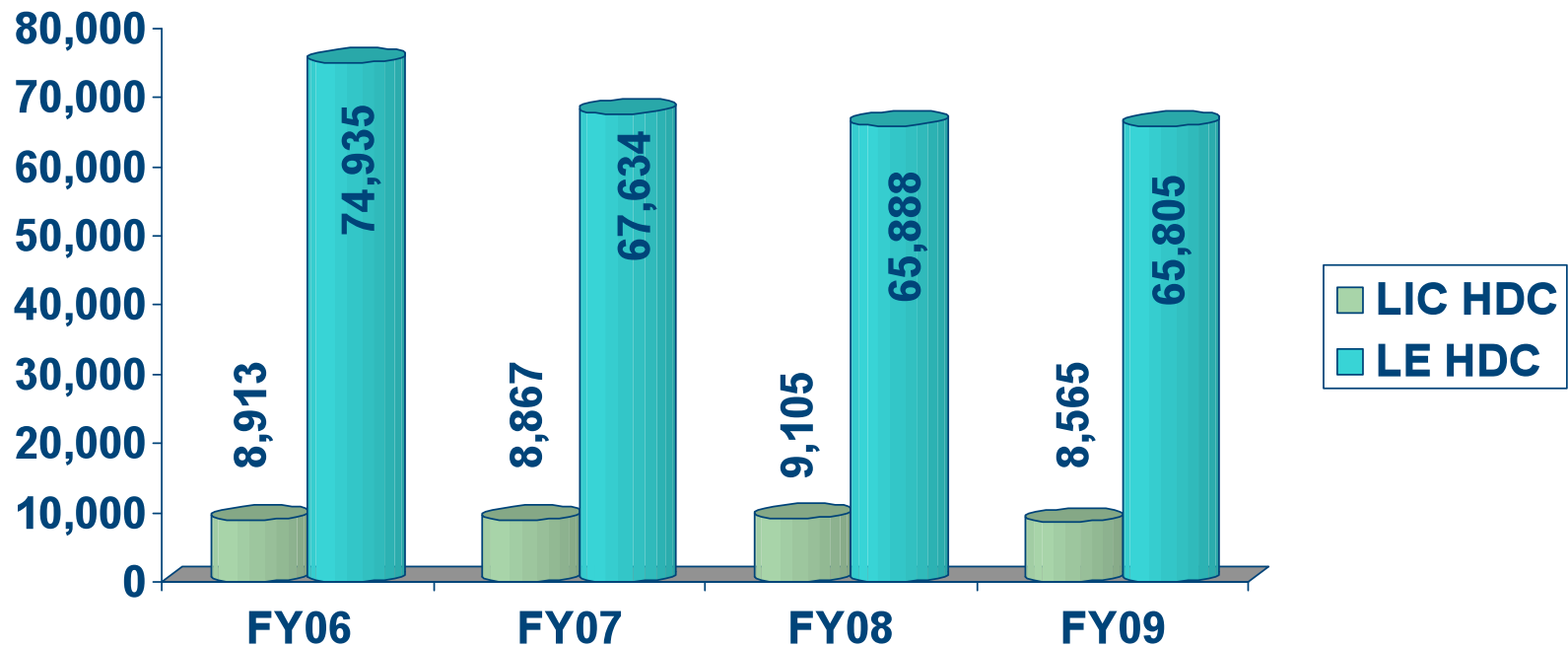
- *Workforce*
 - are there more day care homes?
- *Access*
 - are parents better able to access care?

Number of Home Day Care Providers



Data Source: CCR&Rs Provider Referral Database

Number of Home Day Care Providers paid through the CCAP



Measuring the Impact of Unionization

- *Economic*

- are day care home providers better off financially?

- *Rates*

- are rates set at market?

Average Income for Licensed Home Day Care Providers

FY05

Of the responses, providers:

- Worked an average of 51.45 hours per week, 48 weeks per year
- 75% made less than \$17,000 per year (net)

FY07

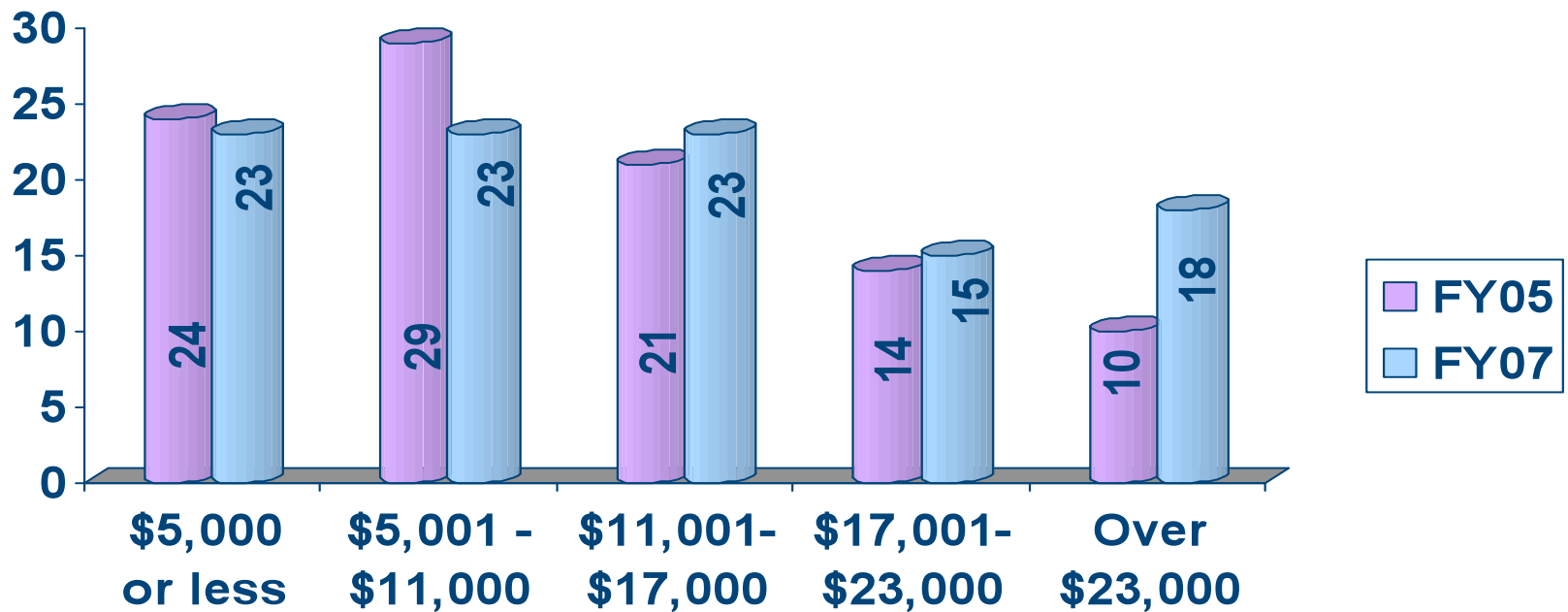
Of the responses, providers:

- Worked an average of 49 hours per week, 48 weeks per year
- 75% made less than \$20,000 per year (net)
- Only 10% of LEHDC providers reported netting more than \$28,000/year

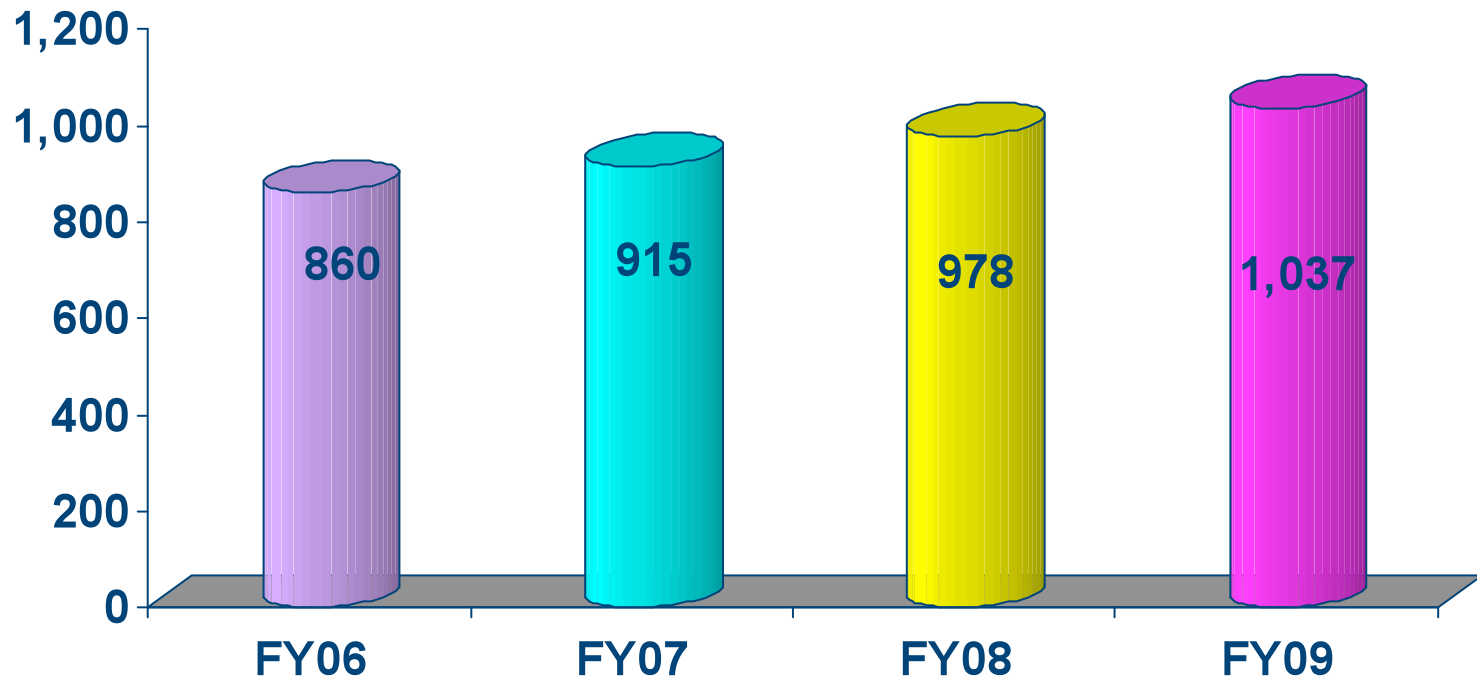
Data source: IL Salary & Staffing Survey of Licensed Child Care Facilities

Net Income Ranges for Licensed Home Day Care Providers

(% of providers)



Great START Participation for Licensed Home Day Care Providers



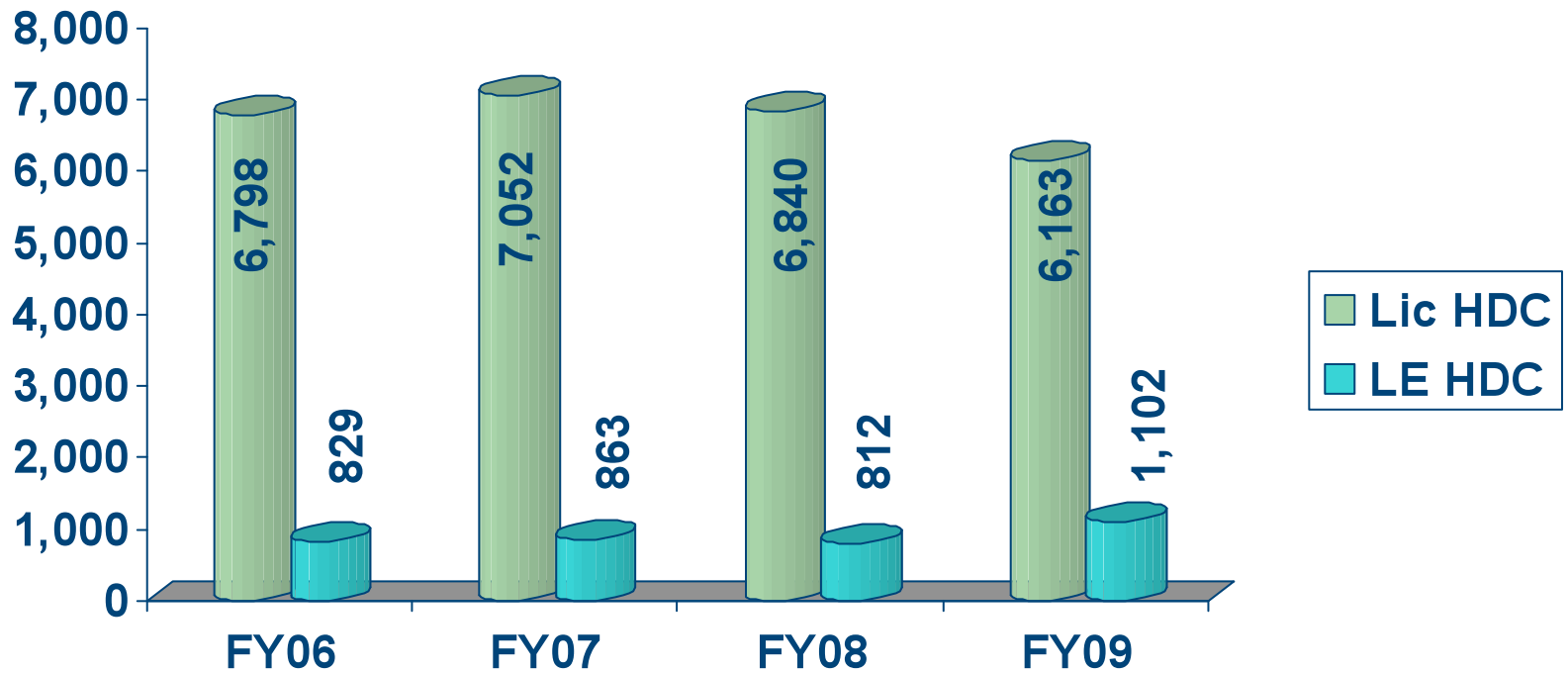
2008 Market Rate Survey

| Group 1A | |
|-----------------|-----------------------------|
| Age 0 – 2 | 49 th percentile |
| Age 2 | 51 st percentile |
| Age 3 and Older | 42 nd percentile |
| Group 1B | |
| Age 0 – 2 | 47 th percentile |
| Age 2 | 50 th percentile |
| Age 3 and Older | 49 th percentile |
| Group 2 | |
| Age 0 – 2 | 83 rd percentile |
| Age 2 | 87 th percentile |
| Age 3 and Older | 70 th percentile |

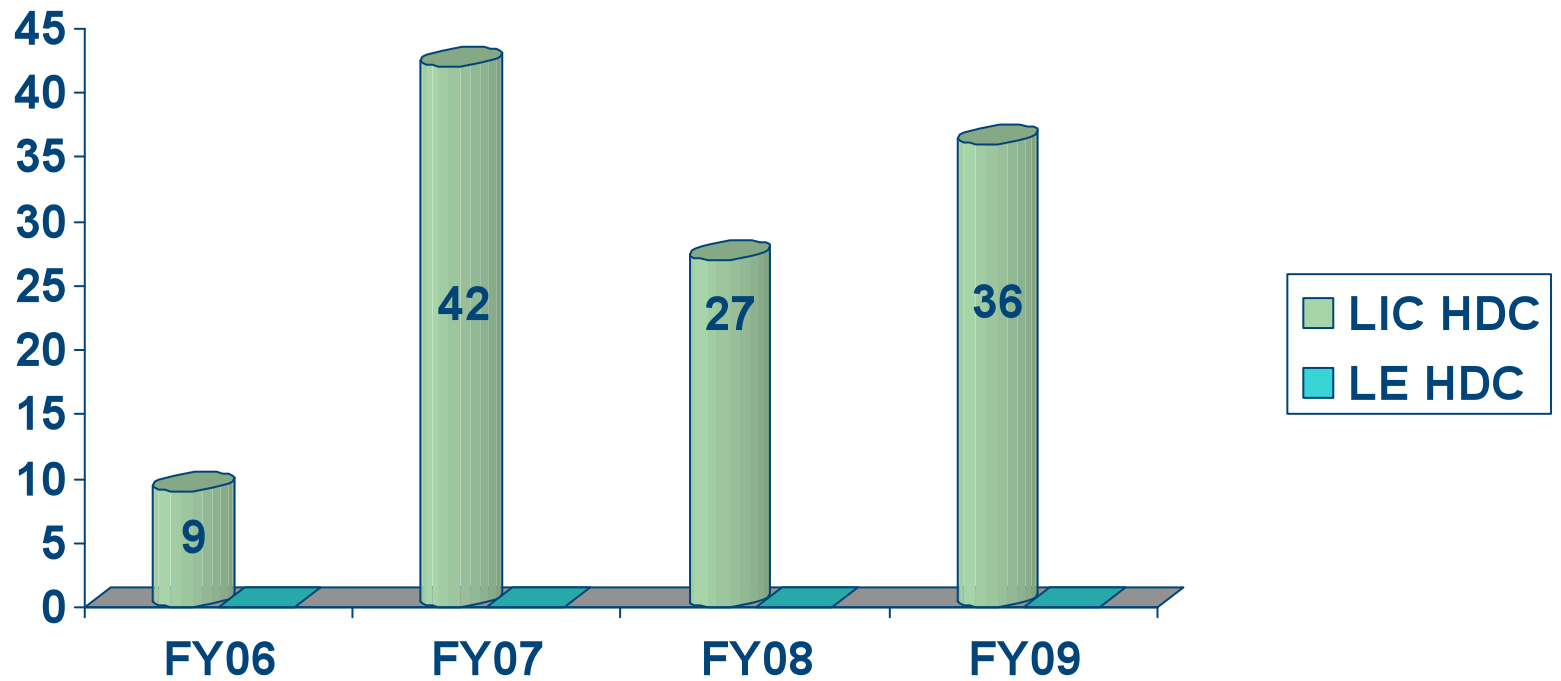
Measuring the Impact of Unionization

- *Quality*
 - is there an improvement in the quality of care provided?

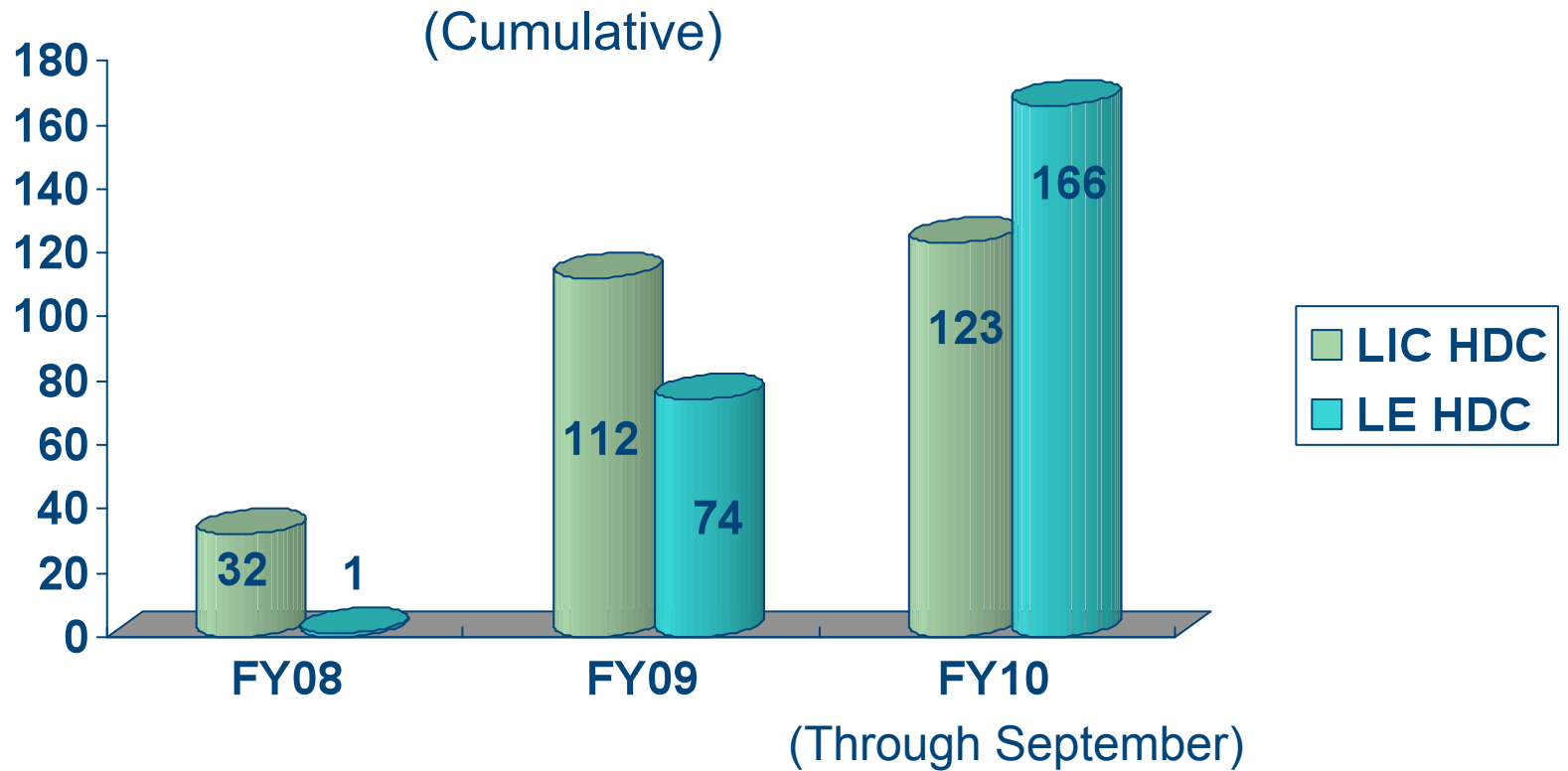
Participation in Training



Credentials



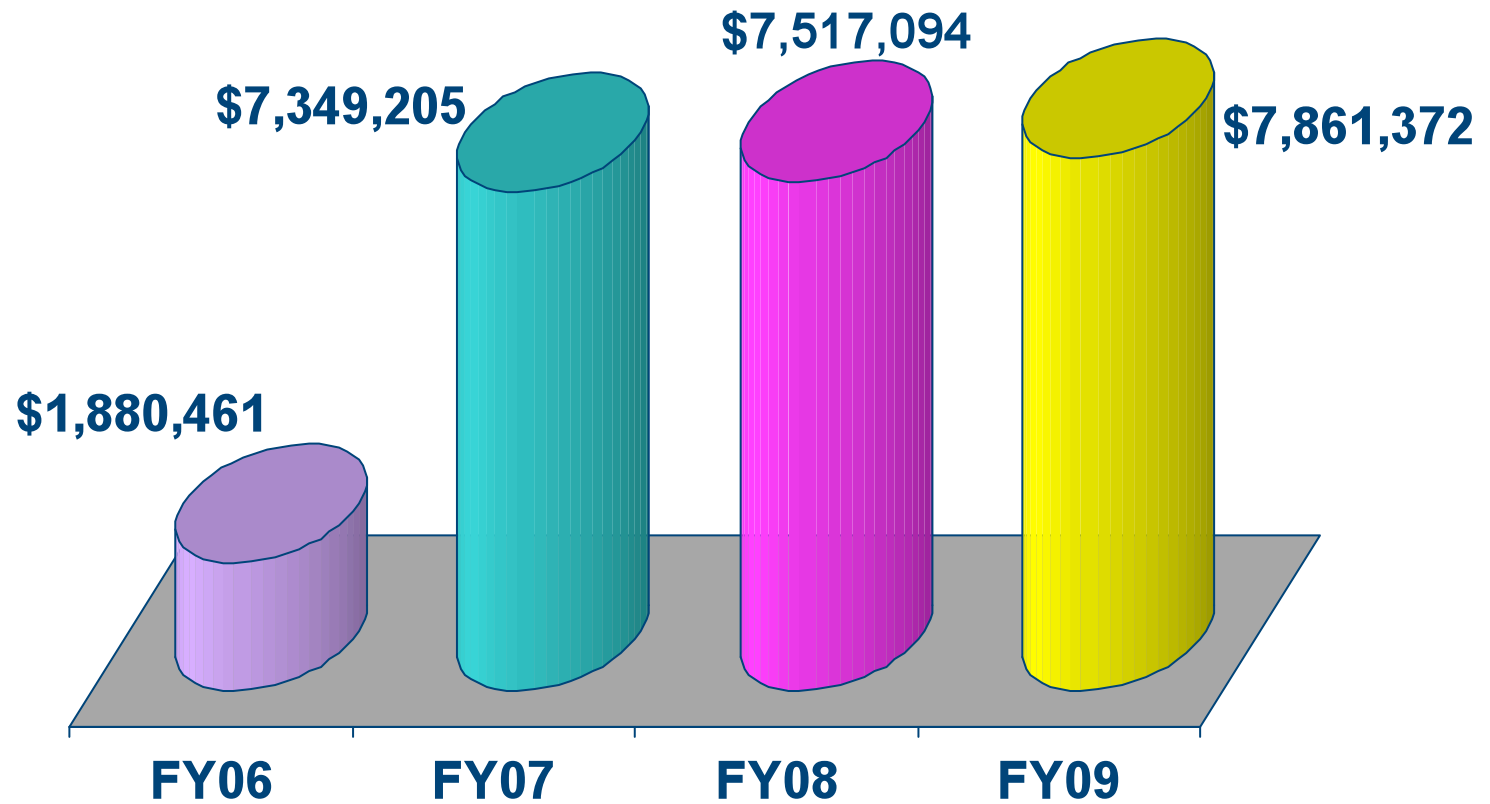
Quality Rating System



Measuring the Impact of Unionization

- Does the make-up of the negotiating team make a difference in the contract provisions?
- Is there a difference in the process if licensing and subsidy are housed in the same agency?
- Does the union invest deductions back into the membership?

Union Contributions



Unionization in Illinois

- Recently completed 2nd union agreement
- Rates – 7 increases over four fiscal years, approximately 20% increase over current rates
- Health – Covered for up to 5,000 enrollees
- QRS – continuation of \$7.0 million annually

Contact Information

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For more information on the Union contract:
www.state.il.us/cms/download/pdfs/emp_seiuchild.pdf