

Session # Opening Plenary

Title: Supporting parent choice and access: State strategies to support families

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Gina Adams, M.A., Senior Research Associate, Urban Institute

Judy Curry, Subsidy Manager, WV

SUMMARY OF PRESENTATION

Bobbie Weber:

Child care decisions: what we know about how parents make child care decisions

- Decision making regarding child care arrangements is not a linear process
- Parents may not be aware of what affects their perceptions of child care choices
- What parents use may not be what parents prefer
- BW introduces a conceptual model: Parental child care decision-making
 - o Values, beliefs, definitions, quantity and quality of supply, social networks, consumer education all lead to parent preferences and how they make a decision
 - Parents have their own values and beliefs about what makes a good parent or good child care arrangement
 - Parents use different words and definitions to describe child care – that affects how they think about child care
 - The child care supply differs from community to community (types, quantity, quality, prices, location)
 - o Preferences: dynamic set of parent opinions
 - Complex part of family management decisions
 - Mix with what parents know
 - o Opportunities, constraints, and barriers
 - Finances, timing issues, needs for multiple children, transportation, need for flexibility, health needs of children or parents, information about child care in opportunity
 - o Effective child care options:
 - Fit cultural norms
 - Fit budget constraints
 - Accommodate child's needs
 - Not always realistic
 - o Use of child care and subsidy
 - type and number of child care arrangements, hours, costs, public assistance
- **Decisions are made within a rich context; supporting families will be enhanced by supporting the contextual piece (e.g. what's available to them)**

etc.)

Gretchen Kirby

The role of vouchers in supporting parent choice in the child care subsidy system

- Focus on elements of parent choice that are influenced by subsidy system
- Vouchers = funding relationship between parent and provider; indirect funding mechanism
- Vouchers provide flexibility and portability
- Level of voucher use is pretty high
 - o 85% of children are served through vouchers as of 2005
- Elements of parent choice influenced by subsidy system:
 - o affordability, availability, quality
- Affordability
 - o States try to make it relatively seamless for parents
 - o Payment mechanism matters less than access to subsidies, reimbursement rates and family co-pays
- Availability
 - o Supply of child care
 - Vouchers most effective if market already has good supply
 - Contracts play a role in promoting choice when the supply of care is sparse
 - o Diversity in types of child care
 - Broadening types of providers in the subsidy system by including e.g. informal care providers, home-based providers, faith-infused centers
 - o Provider participation
 - Vouchers contribute to dynamic child care market
 - Range of policies and procedures influence provider participation in subsidy system regardless of payment mechanism
 - o Quality
 - Vouchers promote competition and consumer demands (in theory)
 - Consumer demand depends on what parents know and how they assess quality, as well as whether parents have time and resources to compare providers and make those assessments
 - Consumer education plays critical role in informing choice
 - QRS are a mechanism to provide consistent and understandable information to parents and reward providers for higher-quality programs
- Vouchers maximize parent choice by making them the central figure in the decisions they make
- Policy and procedural decisions affect other factors that contribute to degree of parent choice

Gina Adams

Making child care subsidy systems work: state strategies to support subsidy access and retention

- There are eligible families who are not accessing subsidies
- In some cases subsidy policies and procedures may inadvertently make it difficult for some families to access subsidies
- Administrators have to balance parent burden, administrative costs, improper payments etc.
- Tradeoffs not always obvious
 - o Agencies and administrators weight these and policies differently
- Key policy areas: overarching strategies, simplifying steps in process, minimize inadvertent terminations, special populations
- Linking benefit systems
- Improving customer service: states used a number of different strategies for that, e.g. customer service surveys, minimizing in-person visits, simplify and explain subsidy policies
- Simplifying applications (making it easier to access, making it easier to fill out, deal with timeliness of eligibility process)
- Simplify recertification (closely connected with interim reporting): longer recertification periods, make it easier for families to remember, make it easier for families to get information to the agency, simplify what information parents have to report, give parents and “extra chance” through grace periods and back dating
- Simplify interim reporting: only require reporting of major changes, make it easier to report, identify alternative ways of getting the information, only adjust subsidies with some changes during interim period
- Minimizing inadvertent terminations: low-income families face a lot of changes etc.; system should be build as a safety net around that so families don’t loose their subsidies (e.g. suspending payment but not eligibility; providing subsidy for short gaps in employment, temporary increase in income, suspend payment for brief periods of ineligibility, continue payments when families move, delaying or suspending co-payment increases)
- (many of these strategies address minimizing administrative burden)
- Serving special populations
 - o Fluctuating non traditional work hours are really hard to serve
 - o ELL
- This is an area of ongoing concern for state administrators
- This is about lowering costs, improving costumer service, minimizing administrative burden etc.
- Agencies seek partners
- This is a very fertile ground for researchers (evaluation for most promising strategies)

Judy Curry

Parental choice and provider access: Policy and practice in West Virginia

- Policies in WV:
 - o Operate as entitlement, no waiting list Certificate system, no contracts
 - o Seamless system for all applicants – they don’t know what funding mechanism they are using
 - o Office visits required for new applicants

- Sliding fee scale (use entry and exit level)
- Co-payments for families over 40%
- Conduct reviews every 6 months (are concerned about fraud) (but don't make any changes in co-payments during that period)
- Interim changes do not affect payments
- Providers paid monthly
- Rates below 75th percentile (family child care rates only 30%)
- Monthly rate for 15-20 days
- Full day is 4 hours
- Accredited centers and non-traditional hours receive \$4 extra per day
- Don't pay registration fee directly, families are responsible for that
- Licensed group and center care
- Licensed faith based programs
- Programs that operate fewer than 4 hours are legally exempt from licensing
- Consumer education: mostly done through CCR&R
- Consumer education is done verbally one on one during intake interview not just hand them materials that they will probably never read
- WV requires parents to have a face to face interview with CCR&R workers
- They also have two brochures that they give to parents
 - Choosing the right child care provider
 - Helping West Virginia families afford child care
- All of their CCR&Rs are required to have a web site
- Choices parent resource guide (required to update every two years)
- Things that impact provider access:
 - Rates set at different percentages
 - Paying for slot of care versus days used
 - Full/part day definitions
 - Allowing additional fees (e.g. summer activities)
 - Waiting lists versus limiting income eligibility
 - Rigorous improper payment policies
 - High quality licensing standards that eliminate some providers versus low standards that increase number of providers

SUMMARY OF DISCUSSION

There was no discussion during this panel.

KEY POINTS

- Parent's decisions regarding child care are made within a rich context; supporting families will be enhanced by supporting the contextual piece (e.g. what's available to them, what they know about child care etc.)
- Elements of parent choice influenced by subsidy system:
 - o affordability, availability, quality
- Vouchers maximize parent choice by making them the central figure in the decisions they make
- Policy and procedural decisions affect other factors that contribute to degree of parent choice
- State administrators are very interested in strategies that can support subsidy access and retention (=ongoing concern)
- States use different strategies to help with that; it is essentially about lowering costs, lowering the administrative burden, and improving customer service
- States should have an open ongoing dialogue about different strategies they use to address these issues
- Many factors influence the way state administrators make decisions about their subsidy system, including personal beliefs, federal regulations, and ideas about fraud and improper payments