

2011 STAM – CCPRC Meeting
Workshop C2
November 16, 2011, 2:45-4:00 pm

Parental Perception of Child Care Subsidies (Poster Symposium)

Description

This poster symposium focused on parental perceptions regarding some of important topics related to child care subsidies. Presenters highlighted findings from their various studies regarding parents' ability to find and use child care subsidies to support their employment; their attitudes and satisfaction with the variety, number, and quality of the child care arrangements for their children; and their perceptions regarding their children's school readiness as a result of their child care.

Facilitator

Wendy Wagner Robeson, Wellesley Centers for Women

Presenters

Allison De Marco, University of North Carolina at Chapel Hill
Nicole (Nikki) Forry, Child Trends
Joanne Roberts, Wellesley Centers for Women
Roberta (Bobbie) Weber, Oregon State University
Amber Moodie-Dyer, Ohio State University

Discussants

Rod Southwick, Consultant
Barbara West Wall, Tennessee Department of Human Services

Scribe

Stacy McCallan, National Center on Child Care Subsidy Innovation and Accountability

1. Documents in Session Folder

- “Child Care Subsidy Use in Low-Wealth, Rural Settings,” Allison De Marco, Lynne Vernon-Feagans, and the Key Family Life Project Investigators (Poster)
- “Understanding the Relationship Between the Context of Child Care Decision Making, Parental Perceptions of Subsidies, and Outcomes,” Colleen Galambos and Amber Moodie-Dyer (Poster)
- “The Massachusetts Child Care Study: Child Care Subsidies, Child Care Needs and Utilization, and Choice of Care Among Low-Income Working Families,” Nancy L Marshall, Wendy Wagner Robeson, and Joanne Roberts (Poster)
- “Parental Perception of Child Care Subsidies in Oregon,” Roberta B. Weber and Deana Grobe (Poster)

2. Summary of Presentations

- **Summary of Presentation #1:** Amber Moodie-Dyer

- Amber described a study that was conducted in one county in Missouri and involved a small, non-random sample. Research questions included:
 - Examine the context of parents' lives and how different barriers influence choice, satisfaction, and continuity.
 - Compare perceptions of parents receiving subsidized care to parents not receiving subsidized care.
 - What were the feelings of families who had ever received subsidized care about their child care experiences?
- Barriers experienced by families: as barriers increased (work flexibility, affordability, and type of assistance), parents were less satisfied, and there was less continuity in child care; for families with higher barriers, quality was rated higher in ideal world, but lower in real choice; most influential barriers were whether or not financial assistance was received and levels of social support in environment.
- Comparing Parents Receiving Subsidy to Parents not Receiving Subsidy:
 - Subsidy recipients were more likely not to have a partner in the household, to be non-white, have less education, and to spend less on child care (but non-subsidy families spent 15% of income on average versus 19% for parents on subsidy).
 - 30% of families were receiving benefits, but 66% met income eligibility criteria; families didn't know how to apply for subsidy, which speaks to outreach.
 - Implications: There is room for improvement in promoting continuity of care, and building awareness about applying for and maintaining subsidized care.
- **Summary of Presentation #2: Bobbie Weber**
 - Bobbie discussed three studies designed to increase understanding of how child care subsidy policy affects parents' decision making on child care and employment. The impetus for the studies was a dramatic change in the generosity of policy in Oregon; the effects of the policy changes were observed using a pre-post design.
 - First study: Sequential mixed methods; qualitative study, in-depth interviews with 44 parents and 17 caregivers regarding child care and employment decisions over a 2-year period; parents participated in child care before and after policy change.
 - Second study: Of a total of 580 parents, 118 had left the subsidy program in the previous 4-5 months; compared the two groups to get insight as to why they left.
 - Third study: Examined administrative data of all parents who entered the subsidy program over 4 year period, 2 years before and 2 years after.
 - Parents' perceptions:
 - In the qualitative study, parents indicated that without a subsidy "I couldn't work," "I'd live in a box," "I can't imagine what I would do."
 - In a telephone survey with the group of families still on subsidy and the group of parents no longer receiving subsidy, there was an identical response for parents currently receiving subsidy– without subsidy, 2/3 said they couldn't work, or didn't know what they would do. They also reported grave concerns regarding children's well-being if not for subsidized care.
 - Parents no longer receiving subsidy were still using child care; they were using relatives and friends predominately, trying not to pay for care, or paying very little.
 - Subsidies and the decisions parents make:

- Subsidized providers were twice as likely to be a center, and 5 times as likely to be regulated family care, as unsubsidized providers.
 - Parents ranked education and skill in the top five reasons for why they selected a particular provider, when the provider was subsidized; when the provider was not subsidized, education and skill did not rank in the top five.
 - Affordability is an issue, even for parents receiving a subsidy; the vast majority of subsidy recipients incur costs in addition to the co-pay, e.g., fees, tuition above maximum payment rate.
 - Child care represents a substantial share of household income for low-income families, almost as great a share as that of working parents not currently receiving a subsidy.
 - Parents on the subsidy pay \$217/month, versus \$251 for those who weren't receiving subsidy; this represents 17% of household income for subsidy parents (who have a higher income); 27% for non-subsidy parents.
 - This affects family well-being; parents consistently reported that how they manage is by reducing expenditures, including essentials like medications, and increasing debt.
- **Summary of Presentation #3: Allison De Marco**
 - Allison's study looked at the low-income rural population in three counties in North Carolina and three counties in Pennsylvania, examining how low-income families balance work and family life, and their use of subsidies. It included representative samples with families being recruited as babies were born in hospitals over a 1-year period; the researchers over-sampled for African Americans in North Carolina and low-income families in both States. The children studied are now entering 2nd grade.
 - Families were visited in their homes, and if the child was using child care for more than 20 hours during the week, child care observations were completed.
 - Take-up rates were relatively low based on income eligibility and TANF usage; 65% of families were eligible, but only one-third were receiving subsidies. Why?
 - Calls were made to families between major data collection points and questions asked about changes in jobs and child care and other relevant questions.
 - Most families did know about child care subsidies; others were not using subsidy because they were not using child care at all.
 - Many parents didn't think they were eligible; some reported they never got off the waiting list; some were using care they didn't need subsidy for, or their provider didn't take subsidy; others said applying for subsidy was too much hassle/too difficult, or that there was stigma/embarrassment associated with subsidy receipt.
 - In North Carolina, the take-up rate was higher; there are more families on the waitlist and the waitlist times are higher; center usage is also higher. These things probably explain why there was more subsidy use in the North Carolina counties.
- **Summary of Presentation #4: Joanne Roberts**
 - Families using multiple types of care that received financial support were studied including families receiving vouchers in centers and family child care, those enrolled in Head Start, and those enrolled in preschools that were part of public school

- programs. With the help of CCR&R agencies, they accessed families on the waitlist for vouchers, the majority of whom were using informal care.
- Findings:
 - Families using Head Start and public preschool were more likely to describe the need for child care in terms of promoting school readiness; families using family child care, kith and kin, and center-based care described their need in terms of parental work or schooling. This suggests that we're not doing enough to reach parents in seeing their child care as a support to child development.
 - Affordability: Subsidies made child care more affordable; families receiving vouchers paid 10% of income towards child care; on average, families on the wait list paid 25% of their income on child care.
 - Word of mouth was the most common way families found out about child care and subsidy; 2/3 of families (including waitlisted families) reported that applying for subsidy was easy and not stressful. Getting information about the program was a roadblock.
 - Parents with vouchers were more likely to report that they had more than one option for child care; parents on the waitlist reported they had to take what they could get.
 - In the waitlisted group, many sat for extended periods of time; those who were contacted regarding a potential slot sometimes found out that they weren't eligible.
 - Waitlisted families were more likely to report that providers seemed to have too many children to manage and less likely to report provider was doing a good job of preparing their children for school.
 - Waitlisted group had a very strong sense of inequity and frustration. TANF recipients receive priority for vouchers. Lots of families on the waitlist were not on TANF and felt that not being on TANF was a block to receiving a voucher. In interviews, families said that child care directors and CCR&Rs advised them to quit their jobs to get on TANF or to reduce work hours to be eligible for subsidy.
 - **Summary of Presentation #5: Nikki Forry**
 - Nikki described a study that involved focus groups with low-income parents in Maryland; two groups with parents who received subsidy in the last year, two groups with parents who did not receive subsidy in the last year.
 - Parents tended to define high-quality care and school readiness in the same ways across groups.
 - Subsidy parents identified safety features, like the presence of security systems, no smoking, no dogs in same room as children, as elements of an ideal arrangement.
 - Subsidy parents defined school readiness as children being able to tie their shoes, being potty trained, and accomplishing other very simple tasks; different expectations between the two groups.
 - Both groups focused on cost; micro-markets with subsidy providers in terms of collection of co-pays, charging extra for fees and recouping costs from parents.
 - Barriers to accessing subsidy: parents feeling injustice; income eligibility criteria; parents attuned to cliffs in benefits.

- Receipt of subsidy affects child care arrangements; Parents won't put their children in subsidized care if they know they are likely to lose the subsidy.
- Parents said that applying is not hard, but waiting between application and receiving care won't work.
- Family-friendly practices: Focus on policy but also administrative practices; how do we support the front-line workers?
- **Discussion with Presenters and Participants:**
 - Discussant: Parents' perceptions of inequities (Rod Southwick)
 - The issue speaks to the inadequate information States provide to parents, lack of specificity on who is eligible, and who is not eligible and why.
 - What can States do? Massachusetts is implementing a new system of eligibility and determination that parents can complete; parents will know the limits and the State's priorities for placement so they won't sit on the waitlist for months and then discover they aren't eligible for a slot.
 - Discussant: Parent engagement, perceptions, and involvement (Barbara West Wall)
 - In Tennessee, QRIS includes everything but unregulated care, so the majority of children are in star-rated programs. Bonuses are provided to quality providers, which serves as an incentive for centers to market broadly to families.
 - Tennessee used American Recovery and Reinvestment Act (ARRA) funding to examine consumer education. This led to the creation of a social media approach to informing and engaging parents; tabs are included for eligibility guidelines and school readiness. This was implemented through the CCR&R.
 - Emerging issues
 - What about children who aren't going to child care, and are going home? There is a new generation of latchkey kids who are not going to wrap-around care.
 - How do we engage parents choosing unregulated care, to make sure they're making good choices and to support the quality of those providers?
 - Question: Is it typical in States not to do pre-qualification for families on waitlists? Responses: Changes happen so frequently with this population that during the time on the waitlist, families may move out of eligibility. In Massachusetts, there is not an extensive prequalification process, but parents often feel they were told they would eventually get subsidy. We have 26,000 on the waitlist, so to determine eligibility up front is a steep administrative burden the State would have to pay for. We're hopeful the new self-declaration system will help with this.
 - Comment: I manage a subsidy program for military child care. Parents screen themselves, and if they are not eligible they do not get on a waiting list. Responses: In Ohio we use the Ohio Benefit Bank, an online system used at a variety of service agency points. The system determines eligibility for child care and other programs. It's a quick check for parents; they enter some basic information, or they can do it with a counselor trained to do screening. There's the perception that this population isn't tech-savvy, but this may be more false than real. States should put in place technology so parents can screen on their own. This may ease negative perceptions.

3. Summary of Discussion

- Two stories emerge, which seem conflicting on the surface:

- Subsidy and other means of financial assistance for child care are:
 - Making a new tier of choices available to low-income parents and having a lot of positive impacts—on employment, satisfaction, perceptions of quality, and percentage of income going toward child care.
- However, there are areas for improvement in the subsidy system:
 - Many parents still don't know about child care subsidies or have misperceptions about their eligibility;
 - Some parents spend substantial time on waitlists and then discover they aren't eligible for a slot (States should consider implementing self-screening processes for parents);
 - New tiers of choices are possible, but parents are not gaining access to the highest quality providers, and some may still find it hard to afford care (may still have significant child care costs); and
 - There are issues around continuity and families cycling in and out of eligibility due to recertification and co-pay structures; parents may not put their children in subsidized care if they know they are likely to lose the subsidy.