

2011 STAM – CCPRC Meeting
Workshop D4
November 17, 2011, 10:15-11:45 am

Child Care Subsidies and Family Well-Being

Description

The goal of this workshop was to present and discuss some of the latest research examining the relationship between child care subsidies and family well-being. A variety of outcomes were explored by presenters—including school readiness and academic achievement, maternal health, child-parent interactions, and child care quality—across a range of data sources and empirical methodologies. Using a workshop format, each participant provided a brief presentation that identified outcomes under investigation, key results, and policy implications. Following the presentations, there was a facilitated discussion to identify areas in which results either overlap or diverge across the studies, methodological challenges, and directions for future research.

Facilitator

Chris Herbst, Arizona State University

Presenters

Nicole Forry, Child Trends
Wladimir Zanoni, University of Chicago

Discussants

Julia Henly, University of Chicago
Taryn Morrissey, American University

Scribe

Nina Chien, Child Trends

1. Documents in Session Folder

- “Subsidized Care Arrangements and Pre-Kindergarten: An Examination of Combined Arrangements and Children’s Readiness for School upon Kindergarten Entry;” Nicole Forry, Elizabeth Davis, and Kate Welti
- “Child Care Subsidies and Child and Family Outcomes Panel,” Julia Henly
- “When Mothers Take Childcare Subsidies and Go To Work: Are They Harming Their Children? Evidence from Administrative Data,” Wladimir Zanoni

2. Summary of Presentations

- **Summary of Presentation #1:** Nicole Forry
 - Public prek programs have been associated with higher levels of school readiness. Nikki discussed a study that looked at the population of Maryland children entering prek, all of whom had received child care subsidies. Outcomes of interest included: math, literacy, and social–emotional development. Predictors included: prek, care type, and subsidy receipt.

- Children who attended pre-k had better math and literacy outcomes (but not social-emotional outcomes).
 - Pre-k had an additive effect for everyone, and that additive effect was bigger for home care than for center-based care (again, math and literacy only, not social-emotional outcomes).
 - Policy implications: importance of coordinating across programs and facilitating access to public pre-k for low-income children; accessing pre-k is a challenge for families, especially when there is no wrap-around care; many home care providers are not aware of how to prepare children for school; need to improve child care quality; and need to identify effective programs for enhancing personal and social development.
- **Summary of Presentation #2: Wladimir Zanoni**
 - Study focused on the effects of subsidies on cognitive development and examined duration, threshold, type and age of exposure.
 - Population included children from Chicago Public Schools, with unemployment insurance, child care tracking system, and food stamps/TANF data being linked. Neighborhood information was obtained from 2000 Census data.
 - Most children were receiving care from unlicensed relatives.
 - Treatment group received subsidy payments; comparison group did not; groups were divided into licensed and unlicensed care groups.
 - Higher reading and math scores were observed among subsidized children who attended licensed care as compared with children not on subsidies; findings were statistically significant for reading but not for math. There was a negative association between attending unlicensed child care and test scores. A “quality ranking” places licensed care facilities at the top of the positive effects ranking, followed by unlicensed relative care (moderate negative effects) and lastly unlicensed non-relative care (strongly negative effects).
 - Unobservable variables explain both the probability of subsidy take-up and child test scores. Pre-program density in utilization was used as an instrumental variable. After using the instrumental variable, the results become non-significant.
 - Policy relevance: for high ability low income women, welfare to work policies may not be good for children; results vary strongly according to type of care.
- **Summary of Presentation #3: Chris Herbst**
 - Study of subsidies and maternal well-being: early maternal employment associated with lower levels of child outcomes and maternal well-being and subsidies are related to poorer child outcomes. Across three studies, Chris found indications that subsidy use was associated with reduced maternal well-being.
 - Data source #1: Fragile Families and Child Well-Being Study: maternal well-being includes depression, HOME, stress, aggression, and spanking; subsidy receipt is available in this dataset.
 - Data source #2: Early Childhood Longitudinal Study, Kindergarten (ECLS-K)
 - Maternal well-being includes health, anxiety, stress, depression (some variables are identical to Fragile Families); includes subsidy receipt; to bolster causality, 2

stage least squares: instrumental variables. IV=distance from social service agency (using geocode).

- Data source #3: DDB Needham Life Style Survey: mother's life satisfaction; measure of subsidy is a proxy (CCDF spending).

3. Summary of Discussion with Presenters and Participants

- Discussant, Taryn Morrissey: Taryn noted the dichotomy between prek and child care in Nikki's study and the fact that center and prek services were not associated with social-emotional outcomes.
- In response to questions, Wladimir suggested that while the assumption is that when mothers are not using subsidies, they are staying at home and taking care of children themselves, but this may not be the case. Some families may have relatives taking care of child for free, and these relatives could be more motivated to take care of children, since they do not have a financial incentive for doing so. Density of utilization could be related to poverty density, etc.
- With regard to mother's employment beliefs and preferences, Chris suggested that what mothers want to do is very important, and when there is a match between what mothers want to do and what they actually do, that's good. Subjective measures of well-being/happiness: Are the survey measures capturing the underlying happiness, or day-to-day fluctuations? Distance to social service agency: are social service agencies located more densely in poorer neighborhoods that need them more?
- Julie Henly (discussant): Julie raised a number of questions about these studies and made suggestions about next steps.
 - Questions include: What is the counterfactual? The comparison group? What is different in each study? What are the selection processes? Who takes up and why? Taking up of subsidies? Of prek? Correlation of employment condition and child care type.
 - In terms of next steps, we need to identify the key pathways and test potential pathways such as financial resources, family stress, and family time. Work environment, stability, hours, etc., may also be related to maternal well-being. What outcomes should we be looking at?
- Other suggestions:
 - For Wladimir: It would be great to know more about the comparison group because, for example, Nikki found that prek is actually better than other types of care. Also, it would be good to know the impact of other services/programs families are receiving at the same time these families are being followed.
 - For Chris: Given annual data, this data is not fine-grained enough (months of subsidy receipt), because dosage effect is also very strong. It's important to consider dosage of subsidy receipt. We really need to look at quality times duration, not just type times duration (data may be difficult to obtain). Need to also consider the pre-subsidy arrangement that mothers had.