State: Maryland
Grantee: Child Trends
PI(s): Tamara Halle
Partner(s): Maryland State Department of Education, Division of Early Childhood

Effects of CCDF Policies and State Investments on Equitable Access to High Quality Subsidized Care in Maryland

This four-year project is a partnership between Child Trends and the Maryland State Department of Education (MSDE) Division of Early Childhood, which is the Lead Agency administering Maryland's Child Care and Development Fund (CCDF) program and the state quality rating and improvement system (QRIS), Maryland EXCELS. The goal of the proposed project is to understand how Maryland's CCDF policies, regulations, and recent initiatives enacted since the CCDBG Act of 2014 have affected low-income families' equitable access to high-quality care in Maryland by examining longitudinal outcomes for Maryland's child care market, providers, families, and children. The project will focus on the following Maryland policies, regulations, and initiatives:

(1) increased income eligibility thresholds for families to receive subsidies,
(2) increased reimbursement rates for providers serving children with a subsidy,
(3) required provider participation in Maryland EXCELS if they serve children with a subsidy,
(4) one-time bonuses for initial Maryland EXCELS rating publication and annual bonuses for maintaining a level 5 rating, and
(5) more stringent health and safety regulations for home-based providers.

Collectively, these policy levers aim to increase the number of families receiving subsidies and incentivize providers to participate in the subsidy program and increase quality. However, some of these policies (e.g., more stringent health and safety regulations) may have unintended consequences, such as reducing the supply of licensed family child care providers in the child care market or the availability of non-standard hours of care, which may limit access to care that meets families' needs.

The project builds on past Child Trends-MSDE partnerships. It will use a mixed-methods approach to evaluate the effects of CCDF policies and state investments on outcomes for Maryland's early care and education (ECE) market, ECE providers, families, and children, with a focus on *equity in access* to ECE that supports children's development and meets parents' needs. ECE market outcomes of interest include supply of providers offering non-standard hours of care and retention of licensed family child care providers in the subsidy system and in the market as a whole. Interrupted time series (ITS) analyses of longitudinal administrative data (i.e., subsidy, licensing, and Maryland EXCELS data) will examine trends prior to and after policy changes. Surveys, interviews, and focus groups with parents and providers will help illuminate the factors that influence access to high-quality care for families receiving subsidies, and providers' motivations to accept children eligible for subsidies and to stay in or leave the child care market. Findings from the project will help MSDE improve its subsidy program to better ensure access to high-quality care for low-income families and connect Maryland with other states from which it can learn. Findings will also contribute to the field by providing data for cross-state comparisons of issues affecting the ECE market, especially for home-based care.