

Designing Subsidy Systems to Meet the Needs of Families: An Overview of Policy Research Findings

**Gina Adams and the Urban Institute
Child Care Research Team**

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Introduction

- Child Care and Development Fund (CCDF) subsidies help low-income parents work
- Subsidy policies and practices can create barriers to, or facilitate, subsidy access and retention among eligible families
- What are states doing to support subsidy access and retention? What lessons have agencies learned? What tradeoffs are involved?

Context

Realities Facing Many Low-Income Families

- Multiple benefit programs/requirements
- May face multiple barriers to meeting requirements
- Dynamic employment/personal patterns

Realities Facing CCDF Administrators

- System has incentives to tightly calibrate subsidy levels to family eligibility
- Must balance parent burden, budget constraints, staff workload/administrative costs, controlling improper payments, fiscal responsibility

Innovative Strategies Fall into Three Areas

- Overarching strategies (linking systems, improving customer service)
- Simplifying application and redetermination
- Supporting families through changing circumstances (simplify interim reporting, minimize inadvertent terminations)

Linking Benefit Systems

- Link systems comprehensively
- Link systems through structural or administrative approaches
- Link systems at specific stages of the client process

Improving Customer Service

- Simplify and explain subsidy policies
- Require local agencies to address customer service
- Minimize language and literacy barriers
- Conduct customer service surveys
- Minimize in-person visits
- Make it easier to get in touch with staff
- Improve computer systems/technology

Simplifying Application

- Make applications easier to access
- Make applications easier to fill out and submit
- Address timeliness of eligibility processing

Simplifying Recertification

(Note: interacts with interim reporting)

- Longer recertification periods (12 mos.)
- 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 an “extra chance”

Simplifying 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

- Maintain eligibility for short gaps in employment
- Minimize reaction to temporary increases in income
- Assist families with fluctuating/non-traditional schedules
- Suspend payments during brief periods of ineligibility
- Simplify process of retaining subsidies when changing eligibility categories
- Delay or suspend copayment increases
- Address unique needs of migrant families

Conclusions

- Area of ongoing activity and interest
- Strategies can stabilize and support parental work and children's development (continuity)
- Tradeoffs not always needed – some “win-win”
- Agencies evaluate tradeoffs differently
- Causes of, and solutions for, problems not always clear – self-assessment key
- Range of strategies being tried, other programs to learn from, partners to work with

Selected Source Documents

all available at www.urban.org

- *Designing Subsidy Systems to Meet the Needs of Families: An Overview of Policy Research Findings.* January, 2008. Adams, Snyder and Banghart
- *Supporting Child Care Subsidy Access and Retention: Ideas from Seven Midwestern States.* (Policy Brief). December 2006. Snyder, Banghart, and Adams.
- *Strategies to Support Child Care Subsidy Access and Retention: Ideas from Seven Midwestern States.* (Full Report). November 2006. Snyder, Banghart, and Adams.
- *Is There a System Supporting Low-Income Working Families?* February 2006. Zedlewski, Adams, Dubay, and Kenney.
- *Child Care Subsidies and TANF: A Synthesis of Three Studies on Systems, Policies, and Parents.* March 2006. Holcomb, Adams, Snyder, Koralek, Martinson, Bernstein, and Capizzano. *[Also see three companion studies.]*
- *Child Care Subsidies for TANF Families: The Nexus of Systems and Policies.* March 2006. Adams, Holcomb, Snyder, Koralek, and Capizzano.
- *Getting and Retaining Child Care Assistance: How Policy and Practice Influence Parents' Experiences.* March 2002. Adams, Snyder, and Sandfort.