Child Care Subsidy Policies and Practices in the District of Columbia

Perspectives About Innovations and Opportunities

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In recent years, policymakers in the District of Columbia have implemented changes in policies and practices designed to improve access to quality child care for families throughout the city. These include changing child care subsidy reimbursement rates and family copayments, expanding eligibility for child care subsidies to 300 percent of the federal poverty level, updating subsidy practices, and clarifying child care policies. To document the planned and actual changes and perspectives about access to child care, a team of researchers at the Urban Institute collected and analyzed data from policymakers, program administrators, child care subsidy caseworkers, community members, and families. With partners from the District of Columbia Office of the State Superintendent of Education (OSSE), the team analyzed and interpreted data from interviews, focus groups, and document reviews. This brief summarizes the findings.

In recent years, DC policymakers and administrators began implementing new child care subsidy policy and practice innovations designed to increase the supply of accessible child care[1] and improve families' access to care. In DC, the child care subsidy program is designed to help families pay for the cost of care and focuses on families with low and moderate incomes as well as families with special circumstances that create a need for child care assistance. DC leaders implemented and prioritized changes in policies and practice since 2019 and partnered with Urban Institute researchers to study implementation and perceived outcomes of these changes.[2]

In brief, we found that DC leaders, administrators, caseworkers, and community members reported that changes in subsidy policies and practices have promise in improving child care accessibility for families in DC. Changes in policies and practices viewed as especially beneficial include policies to expand eligibility and practices that allow some child care providers to determine family eligibility for child care subsidies. In light of the changes, some parents reported positive experiences accessing child care, whereas others reported challenges.

Background

In DC, OSSE is the lead agency responsible for the Child Care and Development Block Fund (CCDF). OSSE has a legal agreement with a different state agency—the Department of Human Services (DHS)—that specifies personnel at DHS are responsible for determining child care subsidy eligibility. Through formalized agreements, training, and monitoring, OSSE allows some larger child care centers that meet specific requirements to determine child care subsidy eligibility. These providers are referred to as "Level II" providers. In contrast, providers that accept families' subsidies but cannot determine eligibility are referred to as "Level I" providers.

DC leaders have been using a combination of federal and DC matching funds from CCDF to support changes to child care subsidy policies and practices. CCDF is the primary federal funding source for child care subsidies within each state and DC. DC uses more DC matching funds than federal funds to implement the child care subsidy program. The CCDF program is designed to help eligible families, including families with low incomes and those who are especially vulnerable, access child care. In addition, a small portion of CCDF funds is dedicated to improving the quality of care for all children.

The law and associated policies demonstrate a federal commitment to increasing access to stable, high-quality child care for children from households with low incomes while maintaining a commitment to quality and access to care. Yet, as a block grant, policymakers responsible for overseeing CCDF have the flexibility to

- set base subsidy payment rates sufficient to cover the costs to child care providers and that account for the cost of higher-quality care;
- determine eligibility for subsidized child care while prioritizing especially vulnerable populations;
- establish family-friendly eligibility policies; and
- determine the copayments families contribute, how copayments are collected, and if providers can require families to pay the difference when the provider's charge exceeds the maximum rate (Friese et al. 2017).

Previously published research on CCDF policies and practices reveals that some changes to them are associated with improvements in multiple dimensions of access. Access is defined as care that is affordable, supports child development, meets families' needs, is accessible with reasonable effort, and is equitable (Banghart 2022; Banghart and Bedrick 2020).

Changes to DC's child care policies and practices were designed to improve access to child care. Access is defined as care that is affordable, supports child development, meets families' needs, is accessible with reasonable effort, and is equitable (Banghart and Bedrick 2020).

Existing research suggests that changes in CCDF policies and practices can (1) reduce administrative burdens for families and providers; (2) persuade more high-quality providers to participate in the subsidy system by increasing subsidy payments; (3) help providers invest in quality; and (4) ultimately increase the quality of child care among providers serving children whose families receive subsidies (Forry, Daneri, and Howarth 2013; Greenberg et al. 2018; Heinz et al. 2024). In turn, research also suggests that these changes can increase access to child care that meets the needs of families and children (Borowsky and Davis 2025; Forry, Daneri, and Howarth 2013).

Published studies also suggest that barriers exist to families' equitable access to care, especially for some groups of subsidy-eligible families. For example, a 2013 study by Vesely suggests some families experience linguistic and cultural barriers to accessing child care (Vesely 2013). Moreover, research suggests families in some locations experience challenges navigating the subsidy system and report feeling disrespected by staff administering the subsidy program (Forry, Daneri, and Howarth 2013; Heinz et al. 2024). Although some studies report that families experience difficulties accessing care for children with specialized needs (Sullivan, Farnsworth, and Susman-Stillman 2018), recent analyses show families are more likely to access center-based care for children with disabilities (Costanzo and Magnuson 2024). Finally, existing research suggests delays in timely determination of eligibility for subsidies and challenges providing documentation can create obstacles for families that lead to instability of child care (Henly et al. 2015; Minton, Stevens, and Blatt 2016).

BOX 1.

Methods in Brief

In light of existing research, a team of researchers from the Urban Institute, in partnership with OSSE, designed the present study. Urban researchers independently collected data between fall 2023 and summer 2024 and presented preliminary findings to OSSE partners. Partners at OSSE supported the interpretation of findings and provided contextual information presented here.

The research questions were as follows:

- What key child care subsidy policies and practices have DC leaders planned, implemented, and prioritized since 2019?
- To what degree do leaders in DC perceive that these changes in policies and practices yielded desired outcomes? What challenges did they encounter?

- In the context of these changes, what are families' experiences applying for and obtaining child care subsidies?
- In the context of these changes, what are families' experiences accessing child care that meets their needs, their children's needs, and is available with reasonable effort?

To answer the first two research questions, the research team conducted interviews using semistructured interview protocols with questions about perceived innovative policies and practices, implementation status, challenges and opportunities, and desired and perceived outcomes. A total of 26 people participated in interviews, including program leaders from OSSE and DHS, program administrators or supervisors from OSSE and DHS, DHS subsidy caseworkers, and community leaders. The research team also reviewed documents and materials on the OSSE and DHS websites. The team summarized key themes and findings from policymaker, supervisor, and caseworker data collection in internal memoranda. The team shared these key findings with OSSE and DHS leaders to inform changes in subsidy policies and practices that were planned for fall 2024.

To answer the next two research questions, between June and August 2024, the research team conducted interviews and focus groups with families about their experiences applying for and accessing child care subsidies in Washington, DC. The team recruited a total of 25 families who were currently or recently eligible for child care subsidies. The research team used a semistructured interview protocol with questions about families' experiences applying for and using subsidies, perspectives about access to care, and perspectives about the role subsidies play in accessing quality care that meets their children's needs and supports their workforce participation or ability to attend school. The team analyzed the qualitative data for key themes using a combination of a priori and emergent codes. See appendix A for more details about the methods.

Characteristics of Families Who Participated in the Study

Although members who identified as foster parents and guardians were eligible for the study, all study participants identified as parents or mothers. The terms "parent(s)" and "mother(s)" are used throughout the discussion of findings from the focus groups to refer to these study participants. The majority identified as mothers of young children, but a few participants reported they also had school-age children. Participating parents reported using center-based care, home-based care, before- and after-school care, and informal care that some referred to as "babysitters." A majority were using child care subsidies or had used child care subsidies in the past. Several families also identified as receiving Temporary Assistance for Needy Families (TANF). Some told us they were living or had lived in transitional housing after experiencing a lack of housing. Several told us they were parents of children with identified disabilities. Several parents reported their children had disabilities that included speech and developmental delays, autism, and behavioral issues.

Findings

The research team found that people with a vested interest in child care subsidy policies and practices believe recent changes in subsidy have promise in improving child care accessibility for DC families. Some policies and practices are viewed as especially beneficial. As DC leaders were implementing these changes, some parents reported positive experiences accessing child care, whereas others reported challenges. Detailed findings follow.

What Key Child Care Subsidy Policies and Practices Have DC Leaders Planned, Implemented, and Prioritized Since 2019?

Consistent with findings from the study team's review of documents, several policymakers, administrators, caseworkers, and community members who participated in the study reported the following changes as the most innovative and showing early promise in improving families' access to child care:

- changing child care subsidy reimbursement rates and copayments based on a cost-estimation model instead of market rates as determined by a survey of child development facilities that DC conducted previously[3]
- expanding child care subsidy eligibility from 250 percent to 300 percent of the federal poverty level in fiscal year 2024
- updating child care subsidy practices and clarifying policies to make it easier for families to access child care by
    - allowing families to apply for subsidies through some child care providers that had demonstrated meeting DC regulatory requirements (referred to as Level II facilities)[4]
    - providing families with an online application option
    - allowing DC residents working in child care facilities to qualify for child care subsidies as their earnings from child care will not be counted toward the subsidy income threshold
    - updating eligibility standards to streamline the process for families, providers, and eligibility workers to reduce administrative burden for all
    - publishing an updated child care subsidy policy manual in October 2024 that clearly describes updates to policies and practices[5]

DC IMPLEMENTED CHANGES TO CHILD CARE SUBSIDY REIMBURSEMENT RATES AND COPAYMENTS WITH THE INTENT TO INCREASE THE QUALITY OF CARE PROVIDED IN DC

In 2019, shortly before the start of the COVID-19 pandemic, DC increased the subsidy payment rates for all age groups in all settings across all quality levels to enable child care providers to meet federal and local health, safety, quality, and staffing requirements. The rates are based on a cost-estimation approach, and DC is the first jurisdiction in the US to receive approval to use this approach. OSSE has been updating its analysis of the cost to deliver care in DC every three years and uses this information to inform payment rates for subsidized child care as required by the Child Care Development Block Grant.[6] On average, DC increased subsidy rates between fiscal years 2018 and 2022 by 16 percent. OSSE leaders reported they used data from the Bureau of Labor Statistics to include assumptions for lead teacher and assistant teacher salaries in the 2021 cost-modeling analysis that yielded increases. Because mandatory benefits are calculated as a percentage of wages, increased wages also increased estimated benefits costs.

CHANGES IN THE FAMILY ELIGIBILITY CAP WERE DESIGNED TO EXPAND THE NUMBER OF FAMILIES WHO COULD ACCESS CHILD CARE SUBSIDIES

DC raised child care subsidy eligibility from 250 percent to 300 percent of the federal poverty level in fiscal year 2024, with a rise in the eligibility cap from $62,150 to $74,580 for a family of three and from $75,000 to $90,000 for a family of four. Through these changes, an estimated 2,200 additional children are eligible for a child care subsidy each year.

LEADERS UPDATED CHILD CARE PRACTICES AND CLARIFIED POLICIES TO MAKE IT EASIER FOR FAMILIES TO ACCESS CARE

For several years, DC has been supporting a change in the subsidy application process that allows some child care providers that meet specific regulatory requirements to process subsidy applications and determine copayments. These child care providers are monitored for compliance in the same way that eligibility staff at DHS are. These providers are called "Level II providers." Most policymakers and administrators who participated in the study reported that DC government supported this change to make it easier for families to access subsidized care with reasonable effort.

Additionally, in late 2023, DC updated the child care subsidy website to include an option for families to complete an online application for child care subsidies. Policymakers and administrators reported creating the online application to reduce the burden on families applying for child care subsidies, which previously required them to go in person. Finally, in October 2024, DC updated the child care policy manual to clarify processes and policies with the aim of improving access to child care for DC families.

To What Degree Do Leaders in DC Perceive That These Changes in Policies and Practices Yielded Desired Outcomes? What Challenges Did They Encounter?

DC leaders, including policymakers, administrators, and community members, reported expanding eligibility led to large increases in the number of families participating in the subsidy system. Although changes in practices are yielding some benefits, study participants reported opportunities for improvement. Details follow below.

STUDY PARTICIPANTS REPORTED PERCEPTIONS THAT EXPANDED ELIGIBILITY LED TO A LARGE INCREASE IN THE NUMBER OF FAMILIES PARTICIPATING AND THE ASSOCIATED WORK FOR DHS CASEWORKERS, ESPECIALLY IN SPECIFIC MONTHS

DHS subsidy caseworkers told us they believe this increase has led to more equitable access to child care throughout DC. One caseworker stated full-time working families were not eligible for subsidies with the old eligibility criteria but are now eligible, which has been very helpful to them. Others agreed that expanding the eligibility increased equity as they perceived the old cap as unfairly harming families who were not able to work part-time.

Study participants reported big increases in subsidy applications for summer child care, before- and after-school care, and for child care for younger children among families with school-age children. Study participants reported that every year, from June to October, parents are transitioning their children from school to summer camp and then back to school. They believe this creates an increase in the number of applications received. Caseworkers told us the summer rush has been overwhelming in the past and anticipated it would be even more overwhelming in summer 2024 because of the increase in eligibility and associated influx of new families applying for subsidies.

Study participants reported most caseworkers are strongly committed to the work and work beyond regular hours to process applications.

Study participants reported that caseworker turnover is not a challenge currently but noted that the workload has increased. Moreover, several reported that in the absence of more staff and supports, they are concerned about possible turnover in the future. Participants recommended hiring more caseworkers to address this challenge.

LEADERS REPORTED THE ABILITY FOR FAMILIES TO SUBMIT SUBSIDY APPLICATIONS THROUGH ELIGIBLE PROVIDERS HAS PROMISE BUT NOTED A FEW INITIAL CHALLENGES

Several leaders in DC reported they hoped that by engaging Level II providers to determine eligibility and copayments, families would experience a lower administrative burden. Study participants reported several reasons for supporting this change in practice. They hoped to make it easier for families to go to one place to both process the child care subsidy application and apply for child care. They also supported this change so families could more easily access subsidized child care with a reasonable amount of effort. However, they noted that initially, only some providers that met regulatory requirements were processing child care subsidy applications. Families accessing child care through development homes or small centers must apply for subsidies through DHS.

DHS child care subsidy caseworkers reported a few unintended challenges with this process. In some instances, Level II providers experienced turnover among staff who had been determining eligibility. If no trained staff were available through the provider, DHS caseworkers were responsible for processing these subsidy applications, which unexpectedly increased their caseloads. Caseworkers told us this had created unpredictability in caseloads and potential delays for families. Caseworkers noted that only a few providers have experienced this issue, but when it happens, overworked caseworkers are required to take on new responsibilities.

Another unintended consequence reported by study participants occurred when families submitted invalid documentation. Providers that accepted invalid documentation have been required to reimburse the DC government for child care subsidy payments they had accepted. Study participants told us this created large financial challenges for some providers if the subsidy was paid over multiple months.

DHS SUBSIDY SUPERVISORS AND CASEWORKERS BELIEVED SOME DOCUMENTATION REQUIREMENTS FOR CHILD CARE SUBSIDIES WERE CREATING CHALLENGES FOR MANY FAMILIES

Study participants reported that the requirement for families to provide documentation that is no older than 30 days was unreasonable. For example, study participants told us that a lease was considered an acceptable document, but most leases are for a full year. One participant said, "If you've been living in your current residence for more than 30 days, you can't show the lease in your application." Participants noted that families could also provide a utility bill, but often, the bill was dated more than 30 days before the application. Moreover, supervisors and caseworkers reported the need for greater clarity about exemptions to the residency requirements. (It is important to note that the study team summarized this information and shared insights with OSSE leaders who used these findings to inform updates to the child care subsidy manual, described in more detail in box 1 below).

LEADERS REPORTED LAUNCHING A NEW 2024 ONLINE APPLICATION PORTAL BUT REPORTED SEVERAL OPPORTUNITIES FOR IMPROVEMENT

Child care supervisors and caseworkers reported several initial challenges with the online application. For example, some fields in the application were mandatory, but the online application did not indicate this. As a result, some families skipped needed fields and believed the application was complete. Once it was submitted, the assigned caseworker needed to review the application to make sure all the information (such as the lease or utility bill) was included and followed up with families if this information was not included. Another challenge was that once an application was submitted, a family could not edit it to fill in incomplete fields. Because the application could not be edited, families were required to start an entirely new application. Study participants reported that this was especially problematic because slots were only held for a short time, and "child care is on a first-come, first-serve basis." As a result, study participants reported some families lost their child care slot. Caseworkers reported that some families have multiple incomplete applications.

DC LEADERS REPORTED UPDATES TO THE CHILD CARE SUBSIDY POLICY MANUAL IN OCTOBER 2024 TO ADDRESS CHALLENGES WITH CHILD CARE POLICIES AND PRACTICES

In October 2024, DC updated the child care subsidy policy manual and posted it to the OSSE and DHS websites. The purpose of the updated manual was to clarify existing policies and practices, and leaders reported updates could address challenges reported by study participants. OSSE leaders reported that they trained DHS and Level II provider staff to have a consistent understanding of policies and practices. Moreover, DC leaders reported that changes in the manual clarify requirements for families accessing subsidies through Level II providers and DHS. Finally, to make it easier for families to access care and early education, the manual describes differences in requirements for families accessing Early Head Start and TANF. See box 1 below for key details.

BOX 2

Overview of the DC Child Care Subsidy Program Policy Manual

In October 2024, OSSE published a *DC Child Care Subsidy Program Policy Manual*. The manual describes the application process, including eligibility requirements, acceptable supporting documents to establish eligibility, and authorization of care. Moreover, this manual provides clarity about exemptions to the DC residency requirements.

The manual addresses several of the challenges mentioned during staff interviews conducted as part of this study.

First, the manual describes the eligibility criteria for subsidies:

- A child must be under age 13, or younger than 19 if the child has a disability.
- A child must reside with a parent(s) or guardian(s) who is a DC resident. Exceptions exist for children under the protection of the DC Child and Family Services Agency.
- A child must be a US citizen or a qualified immigrant. A child's eligibility is not based on the citizenship or immigration status of their parent(s) or guardian(s). Children enrolled in the DC programs, the Quality Improvement Network (Early Head Start), or the Pre-K Enhancement and Expansion Program are not required to be US citizens or qualified immigrants.
- A child must fall into one of the following need categories: (1) children who reside with a parent(s) or guardian(s) who are working, attending a job training or education program, or are seeking employment, and (2) children who receive or need to receive protective services or are considered to be a vulnerable child. The manual includes a full list of children meeting this category and explains that, for most of these categories, the income requirements are waived.
- A child must reside with a family whose annual gross family income does not exceed 300 percent of the federal poverty level or 85 percent of the state median income for a family of the same size.

Second, the manual describes the requirements for families to submit documentation that proves their identity, their relationships to the child, and supports their child's eligibility. The manual includes a full list of acceptable documentation for each eligibility criteria and includes the following guidance:

- Documents can be originals or legible copies, including electronic copies.
- A single document can be used to verify multiple criteria.

Third, the manual describes two options available to families to apply for child care subsidies:

- If families apply to the subsidy system through their child care provider (only possible through child care providers that have demonstrated meeting regulatory requirements), the family submits all documentation to their provider. Once eligibility has been determined, the child can begin attending the facility.
- If families apply to the subsidy system through DHS, families must find a child care facility and confirm availability for their child. The family then signs and submits an admission form to the provider before the first day the child attends the facility or the first day their child is enrolled in the subsidy program.

Sources: Information drawn primarily from OSSE's *DC Child Care Subsidy Program Policy Manual* (Washington, DC: OSSE, 2024), https://osse.dc.gov/publication/dc-child-carere-subsidy-program-policy-manual; and interviews with OSSE and DHS leaders.

What Are Families' Experiences Applying for and Obtaining Child Care Subsidies?

Parents' experiences obtaining subsidies ranged substantially. Although some parents who participated in the study cited long, complicated processes, others reported the process was straightforward and fast. Parents who faced challenges accessing subsidies described issues with the volume and complexity of documentation requirements, mixed interactions with caseworkers, and particular challenges meeting the requirements for nontraditional-hour care—that is, care offered after 6:00 p.m. and before 7:00 a.m. during the week or any time on the weekend. Parents accessing subsidies through TANF or their child care provider (Level II providers) reported that these entities facilitated their application process, though some parents reported that navigating requirements for multiple public services sometimes made the application process more difficult. Overall, parents who had previously applied for subsidies prepandemic reported that the process had greatly improved in their most recent application process.

SEVERAL PARENTS REPORTED CHALLENGES AND FRUSTRATIONS WITH THE VOLUME AND COMPLEXITY OF DOCUMENTS REQUIRED TO APPLY FOR SUBSIDY

Several parents mentioned challenges or frustrations providing subsidy caseworkers with the documents required to apply for subsidies, which included confusion around which documents were required and in which format, the volume of requirements, and having to correspond with multiple entities to obtain all required documentation. Some parents did not understand the specific documents they are required to provide to DHS when applying for a subsidy, and one described having to return to the DHS continually with her child because she did not understand the requirements. Another reported her discomfort with submitting original documents to DHS, such as her child's birth certificate, because she had not understood that she could make copies instead of submitting original documents. Parents also reported challenges with the volume of documents required, and parents with multiple children described that it was burdensome to complete document requirements separately for each of their children. Finally, some parents mentioned that it was frustrating to obtain paperwork from different entities such as TANF offices, their employer or school, other family members, and doctors' offices.

IN SOME INSTANCES, DELAYS IN ACCESSING OR PROCESSING SUCH DOCUMENTS LED TO CHALLENGES ACCESSING SUBSIDIES IN A TIMELY MANNER, WHICH HAD CONSEQUENCES FOR PARENTS' EMPLOYMENT AND CHILD CARE ARRANGEMENTS

One parent shared that the slow process of providing the necessary documentation (including pay stubs) and receiving approval for a subsidy for before- and after-school care made it difficult to get to work on time until she had access to a subsidy. Another parent shared that it took six months to get her subsidy approved, which resulted in her losing a spot at the child care provider she had selected. The challenge of meeting subsidy requirements while navigating limited child care supply was summarized by a parent: "…in addition to all of the requirements by the child care, [the] quality child care [facilities] have waiting lists. If you don't get your child in there on time [when the facility has an opening], they give your spot up, and then you're back at zero. I see how people get so frustrated with the process. You don't want to put your child in a neglectful environment because you're in this rat race… It can be irritating and disheartening."

PARENTS REPORTED A RANGE OF EXPERIENCES WITH DHS CASEWORKERS

Several parents noted that their experiences with caseworkers at DHS could be improved. Some parents felt that there was little sense of urgency on the part of caseworkers to process their applications, or that they had to follow up proactively to have their subsidy processed or their questions answered. Parents also shared that they saw a need for additional DHS caseworkers and additional training for existing staff. A couple of parents, however, reported positive experiences with their caseworkers. One noted that their caseworker was "responsive," while another described their experience by sharing, "The staff were helpful because they were willing to process my application right there, that day. Overall… they were pretty much sweet."

SOME PARENTS DESCRIBED THE CHALLENGES OF MEETING THE REQUIREMENTS FOR NONTRADITIONAL-HOUR CARE SUBSIDIES

A couple of parents encountered challenges providing the necessary documentation. For example, parents reported difficulties providing pay stubs and logs that showed they worked in the evenings, early mornings, or weekends. Some also reported difficulties getting documentation from the school they were attending. These study participants and some caseworkers reported the documentation required by parents seeking subsidies for nontraditional-hour care exceeded the requirements of families working traditional hours.

PARENTS PARTICIPATING IN TANF REPORTED THAT TANF VENDORS SHARED INFORMATION ABOUT CHILD CARE SUBSIDIES AND INSTRUCTIONS FOR APPLYING, WHICH MADE IT EASIER FOR THEM TO ACCESS CHILD CARE SUBSIDIES

Most parents who told us they accessed TANF reported an easier experience navigating application requirements than those applying for subsidies through DHS. However, this was not universal. Some parents reported that TANF vendors proactively explained requirements to them, had their documentation already available, and supported their submission of materials. One parent told us her TANF caseworker alerted her to the existence of child care subsidies and assisted her with the application: "I only found out about [child care subsidy] vouchers when I had to apply for TANF and went to the vendor. The vendor told me about a voucher so that I could get child care to attend the job-readiness courses. The TANF vendor told me about the vouchers and the paperwork I needed."

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Another parent described how TANF vendors helped her navigate what other parents described as a challenging part of the process: understanding which documents are required when applying for subsidies. They shared that someone from TANF will "call or email you with a list of everything you need" and provide instructions for submitting the required documents.

PARENTS APPLYING FOR SUBSIDIES DIRECTLY THROUGH CHILD CARE PROVIDERS SHARED THAT STAFF AT THE FACILITY HELPED THEM ACCESS CHILD CARE SUBSIDIES

Three parents reported applying for child care subsidies directly through their child care provider, and all the parents described a positive application experience. These parents told us they appreciated having a direct point of contact at their child care provider to answer questions. Parents also said being able to apply for subsidies through their child care provider facilitated the redetermination process. One parent summarized her experience applying for a subsidy through her child care provider: "I love going through [my] child care provider for subsidy because they are respectful, patient, super helpful, and treat [me] and [my] family very well."

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SOME PARENTS ALSO DESCRIBED CHALLENGES WITH SOME ASPECTS OF ACCESSING CHILD CARE SUBSIDIES WHILE RECEIVING TANF AND OTHER PUBLIC SERVICES

One parent reported that because she had just started working and had previously been using TANF to support her family's economic needs, it was hard to produce the necessary pay stubs to get child care subsidies. She reported that to get child care, she needed three pay stubs to prove her income, but she had just started working and needed child care before she had enough pay stubs to submit. Another parent told us that navigating the requirements for TANF, food stamps, and child care was a challenge for her, stating, "There's always some type of problem or barrier or something in the way."

PARENTS WHO HAD APPLIED FOR A SUBSIDY PREPANDEMIC REPORTED THAT THE PROCESS HAS IMPROVED IN RECENT YEARS

Four parents in the study had used the subsidy system over multiple years and reported that the introduction of the online application and other processes since the pandemic have made application and recertification much easier. Participants shared that their experiences before the pandemic were extremely challenging, particularly because of long wait times at the DHS offices and paper document requirements. Some parents described having to return to the DHS offices multiple times during previous application processes because of confusion around which documents were required and which needed to be printed and left with caseworkers. One parent reported that even though she herself has not used the online application, her more recent experience applying for subsidy was much easier, noting, "Postpandemic, it seems it just keeps getting easier and easier."

What Are Families' Experiences Accessing Child Care That Meets Their Needs, Their Children's Needs, Is Affordable, and Is Available with Reasonable Effort?

PARENTS DESCRIBED A RANGE OF CHARACTERISTICS OF CHILD CARE THAT MEET THEIR OWN AND THEIR CHILDREN'S NEEDS

Parents reported that they want their child to be in a child care facility that supports their development, serves them healthy food, and allows parents to check in during the day, either via cameras or by allowing parents to drop in. Many parents mentioned cleanliness and safety as important aspects of quality care. All but one parent reported feeling positive or neutral about the quality of the child care facilities their children were attending. However, some parents reported that they had been dissatisfied with the quality of previous arrangements, which prompted them to look for their current arrangement.

Parents expressed that they wanted their child to be engaged when in care and receive enough attention from the provider. Many parents noted that they prefer care that supports development, learning, and growth. One parent described, "I would say, I actually like the [chain of child care in DC], the early learning centers that get your kids geared up for school, more so than the ones where they just play all day. A lot of daycares, the kids might do 30 minutes to an hour of learning…I want them to get ready for school and get used to the next few years."

Some parents shared that their child care provider facilitated access to comprehensive services such as dentist visits and referrals to other resources. A few parents reported that they appreciated a provider that was able to meet special needs for their child, such as referrals for speech therapy, or meet needs for children with autism.

SOME PARENTS REPORTED A LACK OF HIGH-QUALITY, AFFORDABLE CHILD CARE

Almost half of the parents in this study described difficulty finding a child care provider, encountering waitlists in their search for child care, and a lack of transparency around whether providers accepted subsidies. Some parents commented on the lack of high-quality, affordable child care in DC overall, including one parent who explicitly defined high-quality child care as child care she could not afford. Other parents described their experiences of touring what they considered to be "high-quality" programs only to find out that programs had a waitlist or did not accept subsidy payments. This sentiment was echoed by another parent who reported that many of the providers she considered did not accept subsidy payments. Two parents told us finding infant child care was particularly challenging, and one did not start using nonparental care until her child was two years old because of the lack of options.

One parent reported that she ultimately ended up with a provider that met her needs and accepted subsidy-eligible children, but her experience searching for child care was difficult: "I went to…I think it was six or seven child care centers. A few of them did not accept subsidies, but it was really funny because the ones that I really liked, that had all the bells and whistles, they did not accept subsidies…The centers that have subsidy programs look very different… than the ones where the families can afford to pay out of pocket."

Difficulty finding care impacted parents' experiences with the subsidy system, with one parent reporting that the process of finding a child care provider before having one's subsidy approved felt "backward." Despite these challenges, some parents described the process of finding a provider as easy or at least reasonable.

MULTIPLE PARENTS REPORTED THAT SUBSIDIES HAVE HELPED THEM ACCESS CHILD CARE, BUT A RANGE OF PERSPECTIVES WERE REPORTED ABOUT AFFORDABILITY

Parents in the study who accessed subsidies reported that the subsidy covered most of their child care costs, and some told us that the subsidy gave them access to care they otherwise would not have been able to afford. Parents reported a range of subsidy copayment amounts, which impacted their perspectives on affordability. For some, copayments were affordable, and for others, copayments added a financial burden. One participant mentioned that despite having a subsidy, she had considered temporarily leaving the workforce because she felt her copayment rate was unsustainable. Other participants reported that they found it challenging to begin paying a copayment immediately after gaining employment because they were still adjusting financially. Some parents, including those who received subsidies, described high costs associated with before- and after-care, and another participant mentioned having to pay her child care provider an additional application fee, despite being approved for subsidy. Two parents in the study reported that they had applied for subsidies only to find out that their incomes were slightly above the eligibility threshold. Both parents described challenges finding child care they could afford and high costs of child care without a subsidy.

PARENTS WHO FACED BARRIERS ACCESSING AFFORDABLE CHILD CARE AND CHILD CARE SUBSIDIES IN A TIMELY MANNER REPORTED NEGATIVE IMPACTS ON THE PERCEIVED QUALITY OF THEIR CHILD CARE ARRANGEMENTS

Some parents shared that they delayed their return to the workforce or lost their job because of complications with their child care provider or the time it took to process their child care subsidy. One participant shared, "… a big part of my lack of stable child care arrangement contributed to me losing my job, and it was a very decent job." Of these parents, some resorted to using child care arrangements that they were uncomfortable with, at least for a short period of time. One parent shared that because she could not find care that met her needs and was affordable in a timely manner, she put her child in the care of someone who only provided the "bare minimum." Another parent reported that to keep her job, she had to keep her child in an environment that she did not feel was adequately supporting the child's development: "[My child was] right in front of the TV, no interaction that you would normally get in some kind of arrangement where they're in a learning environment. I had to sacrifice that to go to work."

THE AVAILABILITY OF AFFORDABLE CHILD CARE THAT MEETS PARENTS' NEEDS MIGHT BE DRIVEN BY THEIR NEIGHBORHOOD

Some parents reported looking for child care outside of their neighborhood if child care was not available or did not meet their needs where they lived. Some parents expressed dissatisfaction about their neighborhood and chose to send their child to facilities outside of it or move altogether because of factors such as crime, drug use, and lack of available child care. Other parents reported that they want their children to attend care in their neighborhood. Many other parents had positive experiences with their neighborhood, particularly if they had access to resources and amenities that met their family's needs.

Conclusion

Leaders in DC described several changes in child care subsidy policies and practices designed to improve families' access to child care. Many families participating in the study reported accessing care in DC that met their needs, met their children's needs, and was affordable. But some families in the study reported challenges finding child care they considered to be high quality and affordable and that accepted child care subsidies. Families accessing subsidized care through Level II providers or with support from TANF caseworkers reported the effort to access care was reasonable. In contrast, families accessing care through the regular processes reported variable experiences with the ease of accessing care.

Consistent with parent reports, subsidy leaders reported the surge of child care subsidy applications, and the online application created some confusion for families. Nonetheless, families reported mostly positive experiences with the innovations leaders designed to improve access to care. Moreover, leaders used early findings from this study to refine requirements to address some of the challenges families reported.

The study team collected data from study participants in the spring and summer of 2024 when DC was in the process of updating the child care subsidy manual. After interviews were completed, the study team shared summary findings were shared with decisionmakers. DC issued a revised child care subsidy manual, which was posted in October 2024. This manual addresses many of the challenges reported by administrators, caseworkers, and families. Moreover, DC leaders reported taking steps to continue to improve processes, including the online application.

The study provides a descriptive picture of changes in policies, practices, and families' perspectives that is not generalizable. Future research is needed from a representative sample of families to determine if their experiences are consistent with those reported by families in this study. Moreover, additional research is needed to determine if changes implemented by DC leaders in fall 2024, including issuing the new child care subsidy policy manual, yielded desired improvements from the perspectives of leaders, child care providers, and, most importantly, families.

Appendix A. Data Collection Methods

Research Objective and Scope

A team of researchers at the Urban Institute and OSSE designed this study to document planned and implemented changes in DC subsidy policies and practices as well as families' experiences with the child care subsidy system. The team designed the study to explore reported associations between planned and implemented policies and improvements in families' access to child care. The team collected and analyzed data between October 2023 and October 2024.

Research Questions

The research questions guiding the data collection and analysis activities are as follows:

1. What key child care subsidy policies and practices have DC leaders planned and implemented since 2019?
2. To what degree do leaders in DC perceive that these changes in policies and practices yielded desired outcomes? What challenges did they encounter?
3. What are families' experiences applying for and obtaining child care subsidies?
4. What are families' experiences accessing child care that meets their needs, their children's needs, and is available with reasonable effort?

Policymaker, Administrator, Supervisor, and Caseworker Interviews and Focus Groups

To answer the first two research questions the research team conducted interviews using semistructured interview protocols with questions about perceived innovative policies and practices, implementation status as well as challenges and opportunities, and desired and perceived outcomes. A total of 26 people participated in interviews, including program leaders from OSSE and DHS, program administrators/supervisors from OSSE and DHS, and DHS subsidy caseworkers and community leaders. The team summarized key themes and findings from policymaker, supervisor, and caseworker data collection in internal memoranda. The team shared these key findings (that we elaborate on in this brief) with OSSE and DHS leaders to inform changes in subsidy policies and practices that were planned for fall 2024.

The Urban Institute research team conducted two separate focus groups with DHS supervisors and caseworkers. The research team conducted a group interview with three DHS supervisors and used a semistructured interview protocol with questions about the context surrounding the subsidy process, differences between families receiving TANF and other priority populations, and the challenges and needs of the service center.

Urban Institute researchers conducted a group interview with nine caseworkers using a semistructured interview protocol. The protocol included questions about the role of caseworkers, subsidy payment policies and practices, the context surrounding the subsidy process, and the caseworkers' challenges and recommendations. The caseworkers interviewed had a range of experiences working in the service center; some had been there for less than a year, and some had been in the role for a year or more, including some with more than 10 years of tenure.

The research team completed interviews with policymakers within OSSE to discuss their perspectives using a semistructured interview protocol. Policymakers shared their perspectives on policy changes, changes to how the subsidy policy is implemented, and the challenges faced by families, providers, and caseworkers. The team conducted three interviews with four total policymakers.

Finally, the research team completed a group interview with community members involved in a shared services business alliance for child care providers. They completed the group interview that covered topics including how they supported providers, challenges they reported that providers experience, and the relationship between the shared services business alliance and providers.

The team analyzed themes that emerged from these data collection activities using an iterative process. The Urban Institute team drafted internal memos that summarized key themes as a way of sharing early findings and recommendations with OSSE partners to inform policies and practices.

Parent Interview and Focus Groups

In June, July, and August 2024, the research team conducted interviews and focus groups with families about their experiences applying for and accessing child care subsidies in Washington, DC. Family members were eligible for the study if they were using child care subsidies, had used child care subsidies in the past, or believed they were eligible for child care subsidies. We aimed to include those who identified as parents, guardians, or foster parents. The research team conducted email recruitment of participants of previous data collection activities through the project who had expressed interest in future research opportunities, and recruitment through a flyer linked to an interest form that was distributed through project advisors and community newsletters and posted in locations such as DHS and TANF offices.

Seventeen interviews and focus groups were conducted with a total of 25 participants. Only one focus group with four participants was conducted in person at a community resources center in Southeast DC. The remaining interviews were conducted virtually by members of the research team. The number of participants on each video call ranged from one to four participants.

The interview protocol explored parents' experiences applying for and using subsidies through questions about their interactions with caseworkers, wait times, and experiences with paperwork. The interview protocol also included questions about parents' definitions of quality care, experiences with their child care providers, and the affordability of their child care with and without child care subsidies.

Once interviews were completed, the research team created a preliminary codebook based on the interview protocol. Using this codebook and NVivo software, two researchers coded one interview and compared codes to assess reliability. Following this round of coding, the researchers adapted the coding structure to reflect emerging themes. Using the updated codebook, the researchers coded another transcript and reached sufficient reliability. The remaining transcripts were coded and analyzed for key themes.

Document Reviews

The research team also reviewed documents and materials on the OSSE and DHS websites, as well as documents shared by OSSE partners. The documents were analyzed to triangulate key themes that emerged from primary data collection activities. We reference the key documents that we reviewed.

Notes

[1] DC uses the term child care provider, or provider, to represent owners and operators of child development facilities. DC uses the term child development facility to refer to family child care homes and centers. A child care provider may own and operate more than one child development facility. Throughout the brief, authors use the term child care provider rather than child development facility or early education and care provider.

[2] "Coordinated Evaluations of Child Care and Development Fund (CCDF) Policies and Initiatives: Planning and Implementation," Office of Planning, Research, and Evaluation (OPRE), accessed January 10, 2025, https://www.acf.hhs.gov/opre/project/coordinated-evaluations-child-care-and-development-fund-ccdf-policies-and-initiatives.

[3] "Modeling the Cost of Child Care in the District of Columbia," Office of the State Superintendent of Education (OSSE), accessed June 6, 2023, https://osse.dc.gov/page/modeling-cost-child-care-district-columbia. In addition to using the cost-estimation model, DC also changed policies to reimburse providers based on enrollment instead of attendance.

[4] This change was implemented before 2019, but implementation of this change has been a priority for OSSE in recent years and therefore is noted.

[2] OSSE, *DC Child Care Subsidy Program Policy Manual* (Washington, DC: OSSE, 2024), https://osse.dc.gov/publication/dc-child-care-subsidy-program-policy-manual.

[6] "Modeling the Cost of Child Care in the District of Columbia," OSSE.

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