EARLY CHILDHOOD

Does Requiring QRIS Participation Affect Subsidized Child Care Supply and Use?

Justin B. Doromal
Urban Institute

Elli Nikolopoulos
Urban Institute

Alavi Rashid
Urban Institute

URBAN INSTITUTE

RESEARCH REPORT

March 2026

ABOUT THE URBAN INSTITUTE

The Urban Institute is a nonprofit research organization founded on one simple idea: To improve lives and strengthen communities, we need practices and policies that work. For more than 50 years, that has been our charge. By equipping changemakers with evidence and solutions, together we can create a future where every person and community has the opportunity and power to thrive.

Contents

Contents iii

Acknowledgments iv

Key Terms and Definitions v

Executive Summary vi

Does Requiring QRIS Participation Affect Subsidized Child Care Supply and Use? 1

- Policy Context: Child Care Subsidies, QRIS, and the Supply of Subsidized Care 2
- Methods 10
- Findings 13

Discussion and Policy Implications 26

Notes 28

References 30

About the Authors 33

Statement of Independence 34

Acknowledgments

This report was supported by the Administration for Children and Families (ACF) of the US Department of Health and Human Services (HHS) as part of financial assistance award (Grant #90YE0321) totaling $100,000, with 100 percent funded by ACF/HHS. The contents are those of the authors and do not necessarily represent the official views of, nor an endorsement by, ACF/HHS or the US Government. Please visit the ACF website, Administrative and National Policy Requirements, for more information. We are grateful to them and to all our funders, who make it possible for Urban to advance its mission.

The contents and views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders. Funders do not determine research findings or the insights and recommendations of Urban experts. Further information on the Urban Institute's funding principles is available at urban.org/fundingprinciples.

We thank Breno Braga and Clare Waterman for technical feedback and substantive comments on prior drafts; Cary Lou and Kassie Martinchek for providing conceptual input to the study; and Alex Dallman for her editorial assistance.

Key Terms and Definitions

- **Child Care and Development Fund (CCDF).** Federal program that provides US states, territories, and Tribes with funding to help families with low incomes afford child care.
- **Child care subsidy program.** Child care initiative designed to reduce out-of-pocket child care costs for eligible families (typically income- or work-based eligibility). States have flexibility in setting subsidy program policies, such as eligibility rules, copayments, provider payment policies, and quality investments. Families receiving CCDF assistance to access child care must use providers approved to participate in the state's child care subsidy program.
- **Subsidy-accepting provider.** Any child care provider approved by the state to accept families' CCDF-funded subsidies. These may include child care centers and family child care providers, as well as licensed, license-exempt, and unlicensed providers. Legal operating statuses vary across states.
- **Quality rating and improvement system (QRIS).** A state or local system designed to measure, support, and incentivize improvements in child care quality. QRIS design varies across states, with most including quality standards and rating levels; coaching or technical assistance for providers; financial incentives, such as bonuses or tiered reimbursement; and consumer education to help families understand ratings.

Executive Summary

For decades, the Child Care and Development Fund (CCDF) has enabled states, territories, and Tribes to help families with low incomes afford child care. To ensure CCDF dollars are spent on higher-quality care and to expand families' access to affordable and higher-quality options, over 30 states now require providers that accept child care subsidies to participate in their quality rating and improvement systems (QRIS).[1] Yet QRIS participation can be administratively burdensome for some providers, and limited evidence suggests requiring provider participation in QRIS for those also in the child care subsidy program could instead unintentionally deter their subsidy program participation and reduce the supply and use of subsidized child care.

We examined whether QRIS participation requirements for subsidy-accepting providers affected the supply of subsidized child care or families' use of subsidies in states introducing these changes. We used publicly available data and a synthetic difference-in-differences method (Arkhangelsky et al. 2021) to leverage variation across states in the timing of introducing these requirements. We addressed two research questions:

1. How do trends in the supply of subsidized child care change after states start to require subsidy-accepting providers to participate in QRIS? Do patterns vary by provider type (child care center versus family child care home) or by regulation status?
2. How do trends in families' use of subsidized child care change after states start to require subsidy-accepting providers to participate in QRIS?

Our key finding is that **requiring subsidy-accepting child care providers to participate in QRIS did not negatively impact the number of providers accepting a child care subsidy or the number of families using one**. In fact, the earliest adopters of this requirement saw plausible positive effects on the number of providers, children, and families supported by CCDF-funded subsidies, relative to what may have occurred had the requirement not been introduced. While it is still possible some individual providers faced pressures in meeting new QRIS requirements they now had to comply with, our results offer encouraging evidence that the introduction of these requirements did not compromise subsidized child care supply, at least in aggregate.

These findings shed light on the importance of calibrating subsidy policies and supports for subsidy-accepting providers required to participate in and comply with QRIS standards. This may be

especially important for small providers such as family child care homes, who may be particularly prone to administrative burden and high operational costs that can come with QRIS participation. More broadly, policymakers considering implementing similar requirements might monitor supply and family access to ensure they can identify any unintended consequences early and work to mitigate them in accordance with their priorities.

Does Requiring QRIS Participation Affect Subsidized Child Care Supply and Use?

With more than 14 million children under age 5 having parents participating in the labor force, access to affordable, high-quality child care is a pressing concern for many working Americans.[2] Many states, territories, and Tribes strive to tackle child care affordability and quality through two concurrent policy approaches.

- **Child care subsidy programs** subsidize child care for families with low incomes by either contracting slots in child care providers chosen by the state or providing families with a voucher to use the subsidy at a provider of their choosing. These programs ultimately aim to help child care become more affordable for eligible families using dollars from the Child Care and Development Fund (CCDF), authorized under the Child Care and Development Block Grant (CCDBG).
- **Quality rating and improvement systems (QRIS)** are state- and local-led initiatives aimed at standardizing quality measurement, incentivizing providers to participate and pursue higher ratings, and providing support to improve child care quality and achieve these higher ratings (Boller et al. 2015). These programs ultimately aim to increase the supply of high-quality child care providers.

As of 2023, 44 states and territories operate QRIS at scale,[3] and over 30 states require subsidy-accepting providers to participate.[4] The intent is straightforward: If these providers are required to participate in QRIS, they will benefit from the program's supports and incentives, and families using subsidies will ultimately have greater choice in and access to higher-quality care. In fact, research has shown that providers are responsive to QRIS incentives and demonstrate quality improvement (Bassok, Dee, and Latham 2019; Bassok, Magouirk, and Markowitz 2021; Herbst 2018), with one Maryland study reporting increases in QRIS participation and use of high-quality providers after the state required subsidy-accepting providers to participate in QRIS (Banghart, Darling, et al. 2024).

However, benefits of QRIS participation (e.g., stable revenue, technical assistance, increased potential demand from families) could also come with additional participation costs (e.g., paperwork, monitoring, and unfunded quality requirements; Schilder et al. 2022). Depending on providers'

previous evaluations of the perceived benefits and costs of participating in the child care subsidy program, requiring QRIS participation could lead some providers to find participation in the child care subsidy program too burdensome. Thus, while this policy is intended to strengthen the supply of subsidized child care, it could potentially deter subsidy program participation and instead reduce supply. Despite recent widespread adoption, we have little national evidence on whether such requirements affect the supply of subsidized child care and the number of families using child care subsidies.

In this report, we fill this gap by establishing new evidence on whether policies that link child care subsidy program participation with QRIS participation might negatively impact the supply and use of subsidized child care. Through these findings, we aim to inform CCDF Lead Agencies as they design policies that balance quality goals with sustaining the supply of providers that accept subsidies, in a way that bolsters, rather than undermines, meaningful family choice.

Policy Context: Child Care Subsidies, QRIS, and the Supply of Subsidized Care

Child care supports children in their learning and development while allowing families to pursue work, education, or training. However, the price of care can be prohibitive, reaching up to 16 percent of some families' median incomes for just one child.[5] Moreover, a surmounting body of research indicates children benefit the most when they attend high-quality providers equipped to provide enriching and responsive caregiving (Phillips et al. 2017). Unfortunately, it is not always easy for families to access high-quality care, as those residing in neighborhoods facing the most socioeconomic disadvantages, including families with lower incomes, often have fewer high-quality child care providers available to them (Hatfield et al. 2015). Additionally, providers incur higher costs when they offer higher-quality care, exacerbating the already prohibitively expensive prices that families must pay (Workman 2021).

In the following sections, we review two policy approaches to addressing child care affordability and quality: child care subsidy programs and quality rating and improvement systems. We then describe states' approaches to leveraging both programs and offer theoretical arguments for why linking them could potentially lead to unintended consequences.

Child Care Subsidy Programs

States use CCDF funding to subsidize child care for families with low incomes and support their access to care. While states must follow certain federal rules and regulations for how to administer the funds, they also have flexibility in establishing policies governing certain eligibility requirements, with the goal of promoting family choice among high-quality child care providers. Notably, beginning with the 2014 reauthorization of the CCDBG Act, states have been required to use CCDF dollars to fund at least one quality-related activity to ensure families using subsidies have higher-quality options to choose from (Lin and Maxwell 2021).

Some research indicates that child care subsidies may expand families' access to providers, with one study finding that families with subsidies are more likely to report having more options for care that meets their needs and more access to higher-quality care, relative to families with similar incomes but no subsidies (Marshall et al. 2013). But at least two conditions must be met for this outcome to be realized. First, a sufficient supply of subsidized child care should be available: If providers are not willing to participate in their state's child care subsidy program, then families using a subsidy will not have providers to choose from. Generally, providers seek revenue sources that sustain their program operations, and in deciding whether to participate in a subsidy program they weigh potential benefits against potential costs (Giapponi Schneider et al. 2017). Accepting subsidies can align with providers' values in serving families' needs, help them fill additional slots to maintain full enrollment, and serve as a reliable source of funding (Farr et al. 2025b). State and local policies as well as other market factors might determine the types of costs providers can face. For example, if subsidy reimbursement rates are set too low, such that they do not reflect the true cost of care and provide less revenue than tuitions from private-paying families, then providers might see less value in participating (Adams, Luetmer, and Todd 2022; Bipartisan Policy Center 2020; Slicker, Barbieri, and Hustedt 2024). Administrative burdens associated with participation—such as additional paperwork and completing compliance requirements—are an additional deterrent to participation (Doromal, Michie, and Weisner 2023; Rohacek and Adams 2017; Sandstrom et al. 2018).

A second condition is that approved providers should offer care services that align with families' other care needs. Indeed, families' child care decisionmaking is complex (Sandstrom et al. 2024; Waterman, Sandstrom, and Betancur 2025), and families consider a range of criteria besides affordability. For example, families may look for aspects of quality important to them (e.g., child learning, safety, provider background and qualifications, curricula, and cultural or linguistic match), as well as providers' compatibility with their work schedule and needs (Bassok et al. 2018; Meyers and Jordan 2006). At the same time, families' choices are constrained to child care providers in their local

area and what they can afford. Providers meeting families' criteria may not have an open slot for their child's age, and when open seats are available, families may not be able to afford to enroll their child (Meyers and Jordan 2006). Subsidies relax families' affordability constraints, but they may further restrict supply to providers approved by the state to accept subsidies. In situations where the supply of subsidized child care is misaligned with families' other preferences and constraints, families might further negotiate these preferences and constraints in this more limited market, or they might turn to informal (and oftentimes more affordable) child care arrangements, such as care provided by family members, friends, or neighbors.

Quality Rating and Improvement Systems

States often implement QRIS with the goal of increasing the supply of high-quality child care. Though the structures of these systems vary from state to state, they typically incorporate four elements: (1) quality measurement standards and tools, (2) supports geared toward improving the quality of providers' care, (3) incentives to increase provider participation, and (4) consumer education initiatives to allow parents to access child care quality information (Boller et al. 2015; Hilty et al. 2024). On the whole, QRIS shows promise as a tool for quality improvement, as providers do appear to be responsive to QRIS ratings and incentives (Bassok, Dee, and Latham 2019; Herbst 2018), and demonstrate growth in ratings (Bassok, Magouirk, and Markowitz 2021; Doromal, Nikolopoulos, and Kuhns 2025). That said, qualitative data indicate families may not always understand what ratings are intended to measure or how ratings should be used in decisionmaking, and that quality as measured in QRIS may not fully represent dimensions of quality that can positively impact children (Hooper, Hallam, and Skrobot 2021; Jimenez Parra et al. 2025; Kuhns et al. 2025; Sandstrom et al. 2024).

Unlike child care licensing systems, in which any provider offering child care services as a business must be licensed, states do not always require all child care providers to participate in QRIS, though some states may choose to do so or—as is the focus of this report—may choose to require participation for specific groups of child providers. When participation is not required, child care providers make decisions on QRIS participation by evaluating the benefits and costs, just as they might for the child care subsidy program. Providers may benefit from QRIS participation by accessing technical assistance to support quality caregiving and monetary incentives for participation (Schilder et al. 2022). However, they could also incur additional costs from QRIS requirements, such as monitoring and paperwork, or increased costs associated with provision of high-quality care (Schilder et al. 2022).

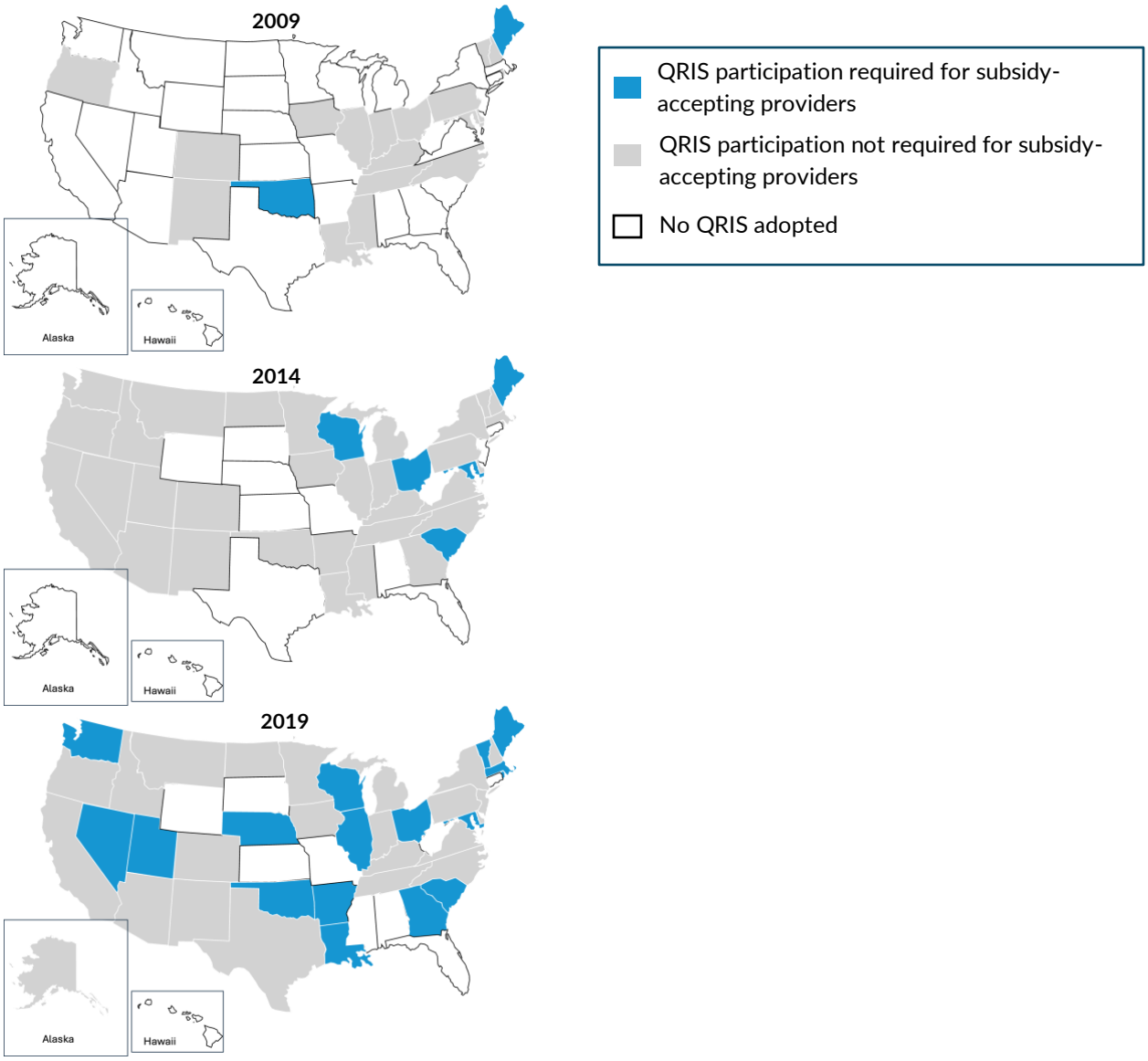
How Might QRIS Participation Requirements for Subsidy-Accepting Providers Affect the Supply of Subsidized Child Care?

Expansions in statewide implementation of QRIS ramped up in the mid-2010s, catalyzed by funding from the Race to the Top – Early Learning Challenge.[6] In contrast, the emergence of states requiring subsidy-accepting providers to participate in QRIS occurred toward the end of the 2010s—likely a result of CCDBG's 2014 requirement to fund quality-related activities (figure 1). Prior to 2009, only a handful of states had a statewide QRIS, and just two states reported requiring subsidy-accepting providers to participate in QRIS. Even in 2014, as QRIS became more popular, only five states reported having a QRIS participation requirement for their child care subsidy program. Only by 2019 did more states report requiring QRIS participation for subsidy-accepting providers.[7] Notably, developing or enhancing QRIS fulfills the 2014 CCDBG Act requirement that states fund at least one quality-related activity, and although it is not the only way states can fund quality-related activities, nearly all states reported investing in QRIS as part of the requirement (Lin and Maxwell 2021).

FIGURE 1

QRIS and Participation Requirements for Subsidy-Accepting Providers Expanded over the Past Decade

Rollout of QRIS participation requirements for subsidy-accepting providers: 2009, 2014, and 2019



URBAN **INSTITUTE**

Source: Authors' analysis of *Quality Compendium* data, accessed April 30, 2024, https://qualitycompendium.org/about/about-us; and Tout, Kathryn, Rebecca Starr, Margaret Stoli, Shannon Moodie, Gretchen Kirby, and Kimberly Boller, *Compendium of Quality Rating Systems and Evaluations* (Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, US Department of Health and Human Services, 2010), https://acf.gov/sites/default/files/documents/opre/qrs_compendium_final.pdf.

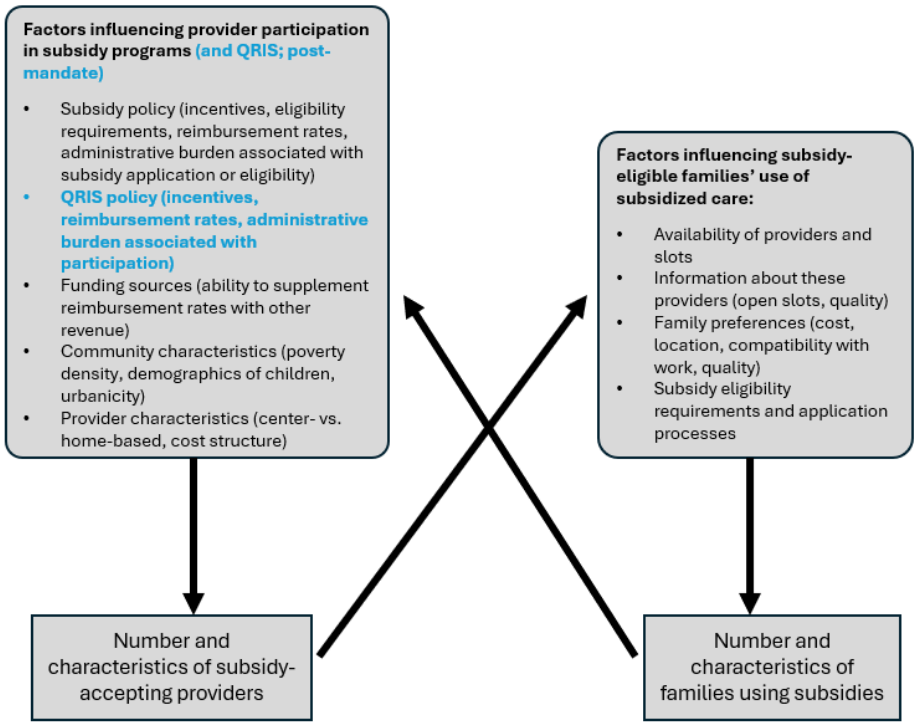
Note: We include the District of Columbia in our counts of states but exclude US territories. Additionally, Miami Dade, Palm Beach, and Duval counties operated three separate QRIS programs before the launch of Florida's statewide program. These substate programs are not included in these counts.

Before the introduction of a QRIS participation requirement, some subsidy-accepting child care providers may have made participation decisions for both the child care subsidy program and QRIS based on similar factors. For example, some providers participating in the child care subsidy program may receive rates that already do not reflect the cost of care, making the provision of higher-quality care more unappealing. Some states make it more attractive for providers to participate in QRIS and the subsidy program by setting higher subsidy reimbursement rates for providers with higher QRIS ratings to offset the higher costs associated with providing high-quality care as a result of QRIS participation (Bipartisan Policy Center 2020). Yet providers might also view benefits and costs differently for each program—for example, the increase in potential demand from the child care subsidy program versus technical assistance received through QRIS.

However, when QRIS participation does become required of subsidy-accepting providers, they can no longer make separate choices about participation. Instead, participation in either program requires an evaluation of the holistic benefits and costs from both programs, and the decision to accept families' child care subsidies must also come with the decision to participate in QRIS.[8] Thus, whether the supply of subsidy-accepting providers changes depends on the benefits and costs of QRIS participation and how providers value each relative to their existing benefits and costs associated with subsidy participation (figure 2).

FIGURE 2

Conceptual Model for How Requiring QRIS Participation for Subsidy-Accepting Providers Affects Providers and Families



URBAN **INSTITUTE**

Source: Authors' conceptual model developed based on "Conceptual Framework of Child Care Provider Subsidy Participation" from Kate Giapponi Schneider, Marji Erickson Warfield, Pamela Joshi, Yoonsook Ha, and Dominic Hodgkin; "Insights into the Black Box of Child Care Supply: Predictors of Provider Participation in the Massachusetts Child Care Subsidy System," *Children and Youth Services Review* 79 (2017): 148–59, https://doi.org/10.1016/j.childyouth.2017.06.014; and "Accommodation Model" from Marcia K. Meyers and Lucy P. Jordan, "Choice and Accommodation in Parental Child Care Decisions," *Community Development* 37, no. 2 (2006): 53–70, https://doi.org/10.1080/15575330609490207.

For some providers, the policy introduction is inconsequential, especially if the independent motivations to join either program are aligned and do not incur a high cost to providers. Indeed, decisions to participate in subsidy programs and QRIS are likely to influence each other. Jenkins and colleagues (2021) found that receiving public funding from multiple sources is associated with QRIS participation, while Slicker and Hustedt (2022) found that providers with QRIS ratings were more likely to also participate in the subsidy program. Some subsidy-accepting providers may already be voluntarily participating in QRIS and thus be unaffected by a policy requiring their participation in QRIS. Similarly, providers participating in QRIS that had not previously considered subsidy program participation might consider accepting subsidies if they do not view participation costs as considerably

greater than existing costs from QRIS. Finally, introducing a QRIS participation requirement might not impact providers if states' existing licensing requirements are already comparable to standards that QRIS might impose.

That said, at least two marginal cases in which requiring QRIS participation for subsidy-accepting providers could lead to changes in the overall supply of subsidized child care. First, providers who were deterred from QRIS participation (and thus, could previously opt to not participate in QRIS) may decide that the costs of subsidy program participation are now too great to justify and subsequently cease child care subsidy program participation. Second, providers who were unsure of participating in subsidy programs could now see greater value in their participation. QRIS participation is often accompanied by technical support and financial incentives to achieve higher ratings (Herbst 2018), so the linking of QRIS and subsidy eligibility could have an indirect benefit for providers by offsetting some costs of operating a high-quality facility.

In the aggregate, it is not clear whether these changes in decisionmaking would result in a change in the supply of subsidized child care. The number of subsidy-accepting providers might not change if the introduction of a QRIS participation requirement does not induce providers to enter or exit the subsidy program. No change in subsidized supply need not be a bad policy outcome—and, in fact, is a desirable outcome should states want the policy to avoid compromising families' access to subsidized child care through deterring providers' participation.

How Might Participation Requirements Affect Families' Use of Subsidized Child Care?

We do not anticipate direct policy effects on families. Although QRIS involves a consumer education component, such that providers' QRIS rating could inform families' search for subsidized child care, existing evidence suggests that families face challenges accessing and using QRIS when selecting a child care provider (Sandstrom et al. 2024). In other words, families' decisions about child care are unlikely to systematically change as a result of their providers being required to participate in QRIS.

That said, linking providers' subsidy program and QRIS participation could impact families by changing the characteristics of providers that remain available to families using subsidies (figure 2). Previous research has found associations between provider and community characteristics and subsidy program participation, including location in high-poverty areas, serving infants and toddlers, participation in QRIS, and receiving other sources of public and private funding (Slicker and Hustedt 2022). Similarly, Tonyan, Paulsell, and Shivers (2017) document the challenges some states face in

designing QRIS to include family child care. Because families differ in their care preferences and may require some types of providers more than other families, the number or composition of families using subsidies could also shift postpolicy introduction if specific care types are also driven out of the subsidized child care market.

Methods

In this study, we address two research questions examining the potential of QRIS participation requirements for subsidy-accepting child care providers to have unintended impacts on supply (as measured by the count of child care providers) and families' use of subsidized child care.

1. How do trends in the supply of subsidized child care change after states start to require subsidy-accepting providers to participate in QRIS? Do patterns vary by provider type (child care center versus family child care home) or by regulation status?
2. How do trends in families' use of subsidized child care change after states start to require subsidy-accepting providers to participate in QRIS?

Data Sources

We compiled state-by-year panel data on QRIS features, the number of children and families using child care subsidies, and the number of providers that accept them from multiple publicly available data sources. First, we used information from the **Quality Compendium**, a comprehensive database of QRIS initiatives operated in US states, territories, and the District of Columbia (DC), designed to provide information to policymakers, federal and state administrators, researchers, and technical assistance providers.[9] For each QRIS, the compendium captures information on program information (management, revisions, goals, partners, and websites), participation (number of participating providers, participation rules, and recruitment), funding (levels and sources), financial incentives for participating, technical assistance supports, and ratings structure and process observation tools used (including specific indicators, data systems, evaluations conducted, and public outreach efforts). Importantly, it provides information on our key policy variable of interest, whether a state requires child care providers that receive CCDF funds to serve children of families using a subsidy to also participate in its QRIS. We compiled compendium data across waves to identify the timing of when states adopted this requirement.

Second, we obtained outcome data on the supply and use of subsidized child care from published **ACF-800** and **ACF-801 annual aggregate reports**. The Administration for Children and Families (ACF) collects data on use of CCDF funds in each state and territory through the mandatory ACF-800 and ACF-801 reporting process to track and assess the performance of the CCDF program.[10]

- In the **ACF-800 report**, states and territories provide aggregate data for each fiscal year on the number of children, families, and providers receiving subsidies; children served by payment method; and consumer education efforts. We leverage annual reports published from 2003 to 2021, though reports have been published since 1998.
- In the **ACF-801 report**, states and territories report information on children and families receiving assistance through the CCDF on a quarterly basis, along with details on the types of services these families use (including provider type where child care subsidy was used). We used information from 2003 through 2019, which was the most recently published report available at the time this analysis was conducted, aggregating the data to annual averages.

Finally, we drew upon the **American Community Survey** (ACS) to construct time-varying state characteristics used as controls. The Census Bureau administers the ACS, an annual data collection capturing information from over 3.5 million households each year. The survey is representative of the US resident population in the 50 states and DC and includes information on family and household structure and relationships, demographics, nativity, education, employment and work, and income and benefits receipt. We used the published summary tabulations of year-by-year estimates for states from 2001 to 2022 to control for the population under the age of 5 and the share of children below 200 percent of the federal poverty line—a broad proxy for other factors that could explain state-specific trends over time in investments in young children.

Analytic Sample and Treatment Definition

We analyzed data from 2003 to either 2019 (for ACF-801 outcomes) or 2021 (for ACF-800 outcomes). For our study, the policy variable of interest is introducing a QRIS participation requirement for subsidy-accepting child care providers. Eight states adopted this requirement before 2019 (figure 1), with an additional 10 states adopting the requirement after 2019 but before 2021. As states introducing QRIS participation requirements on or after 2021 did not have sufficient postpolicy outcome data, we considered them untreated for the purposes of this analysis.[11] Notably, our analysis is restricted to US states, as most Tribes and US territories did not operate a QRIS at scale during the years under study.[12]

Analytic Approach

We used the synthetic difference-in-differences method (SDID), as described in Arkhangelsky et al. (2021), to estimate changes in the supply and families' use of subsidized child care. Prior to implementing this approach, we downloaded data tables and checked each for completeness and internal consistency before compiling them to a state-by-year dataset.[13] After constructing our panel, we conducted descriptive statistics for the average number of providers, children, and families funded through CCDF. These statistics supported our data quality assurance steps, but they also provided insight into child care supply and use trends occurring during this period.

Although randomized controlled trials are considered the gold standard in generating credible policy impacts, leveraging randomization is seldom feasible, especially in evaluating policies that have already been implemented. In our case, states were not randomly assigned to either require or not require their subsidy-accepting providers to participate in QRIS, and by definition, all subsidy-accepting providers are subject to the policy under study once it is enacted. A simple comparison of adopting states to nonadopting states might reflect other characteristics that are confounded with either the decision to require QRIS participation or the supply and families' use of subsidized child care. Moreover, a simple comparison of outcomes pre- to postpolicy adoption might also reflect secular trends that may have been occurring during this time and are unrelated to the policy of interest, such as state-specific declines in child care supply that may have already been occurring (e.g., Banghart, Solomon et al. 2024; Claessens, Magnuson, and Ros Pilarz 2024).

The SDID method aims to combat these challenges to causal inference by constructing a weighted combination of nonadopting states that closely matches each adopting state's pre-policy trends in outcomes and covariates.[14] These estimates are then pooled across adopting states and each of their synthetically constructed counterfactuals. We employed Callaway and Sant'Anna's (2021) approach to multistate difference-in-differences with staggered policy adoption, comparing the pre-post change in outcomes in the treated state to the change in its synthetic counterpart. Finally, we estimated treatment effects both among all adopting states during the study period and among early adopting states only (i.e., on or before 2009, to increase precision and enable measurement of impacts over a longer horizon).

We used event study graphs to visualize changes in outcomes following the year QRIS participation requirements were introduced for subsidy-accepting providers. Outcomes were centered on the year prior to when states introduced the requirement (i.e., $t = -1$), and we measured gaps between the treatment and control groups beginning in the year the requirement was introduced (i.e.,

t = 0). Because event study graphs plot gaps, we should expect prepolicy treatment years to be about zero. Moreover, increasing gaps following policy introduction should not necessarily be introduced as outcomes increasing in levels. For example, because the supply of family child care has been in decline nationally (Claessens, Magnuson, and Ros Pilarz 2024), a positive gap on the outcome of family child care providers accepting CCDF-funded subsidies might indicate adopting states experienced a "less steep" decline, rather than an increase in supply.

Sensitivity Tests, Robustness Checks, and Outstanding Limitations

We conducted several sensitivity tests to probe the stability of results to researcher decisions to ensure findings were not determined based on study design rather than our policy of interest. First, we ran models excluding imputed states from the analysis to test sensitivity to missing data handling. We also analyzed several models using additional covariates, including state median household income, cost-of-living metrics, and urbanicity. None of these models produced appreciable differences in results and substantive conclusions, confirming that our results were not sensitive to these study decisions.

Despite these validity checks, several data limitations remain. First, despite our methodological approach, we cannot fully rule out all potential confounding effects that could also impact the supply of subsidized child care, such as states' adoption of other policies governing subsidy eligibility, subsidy reimbursement rates, or the supply of child care. Moreover, data availability constrains both our ability to include more states as treated states and our ability to include more outcome years, as several states introduced required QRIS participation for subsidy-accepting providers in the last available year of outcome data and so could not be included in our model. The data were also primarily collected before the pandemic and before many of the current economic and political events facing the child care sector in the early 2020s. Finally, we can only measure the supply of listed subsidized child care and cannot describe potential impacts on unlisted care or even listed unsubsidized child care. While we can observe declines in the number of providers available to families using CCDF-funded subsidies, we cannot conclude whether they are driven to closure, leave the CCDF-funded system, or something else.

Findings

Overall, we did not find conclusive evidence that states introducing a QRIS participation requirement for subsidy-accepting providers saw significant changes in either the supply or families' use of

subsidized child care. We discuss findings for each of our research questions in the subsequent subsections.

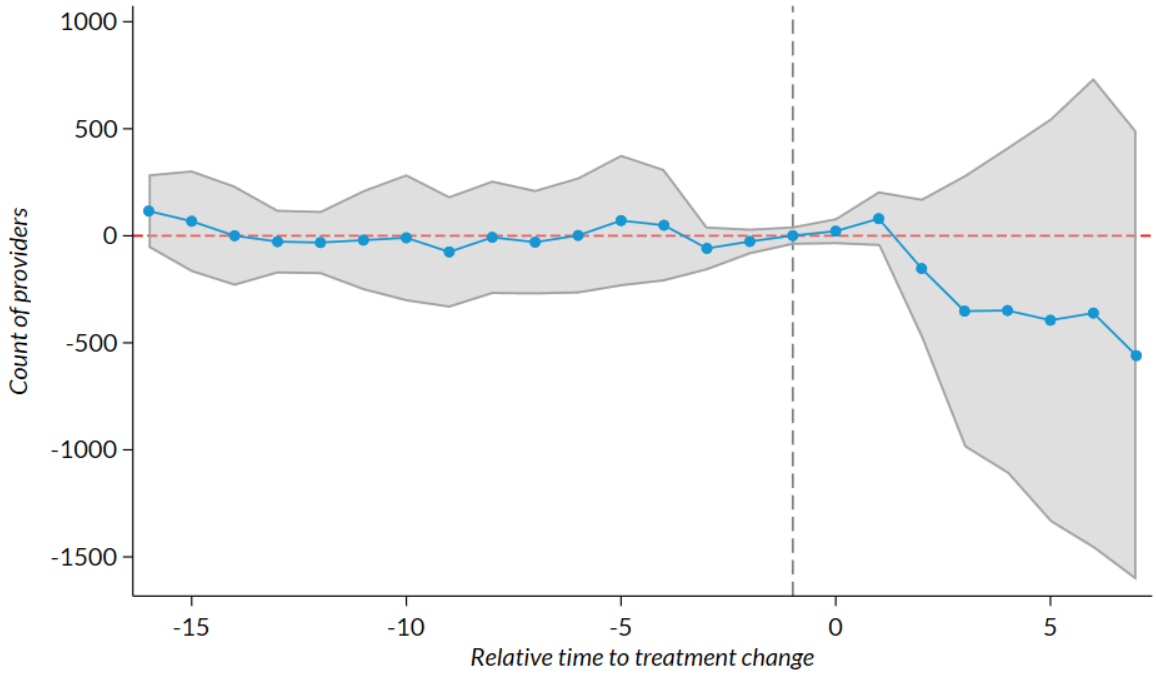
Changes in the Number of Providers Accepting CCDF-Funded Subsidies

In the event study estimation, we did not find evidence to support that the gap in the number of subsidy-accepting child care centers (figure 3) or family child care providers (figure 4) was statistically different from the gap prior to policy adoption. Similarly, we did not find a statistically significant difference in the gaps of the number of licensed child care providers (figure 5) and unlicensed child care providers (figure 6) when comparing the time before and after policy introduction.

FIGURE 3

QRIS Participation Requirements Did Not Affect States' Count of Center-Based Providers Accepting CCDF-Funded Subsidies

Event study estimates from analyses including all adopting states through 2019



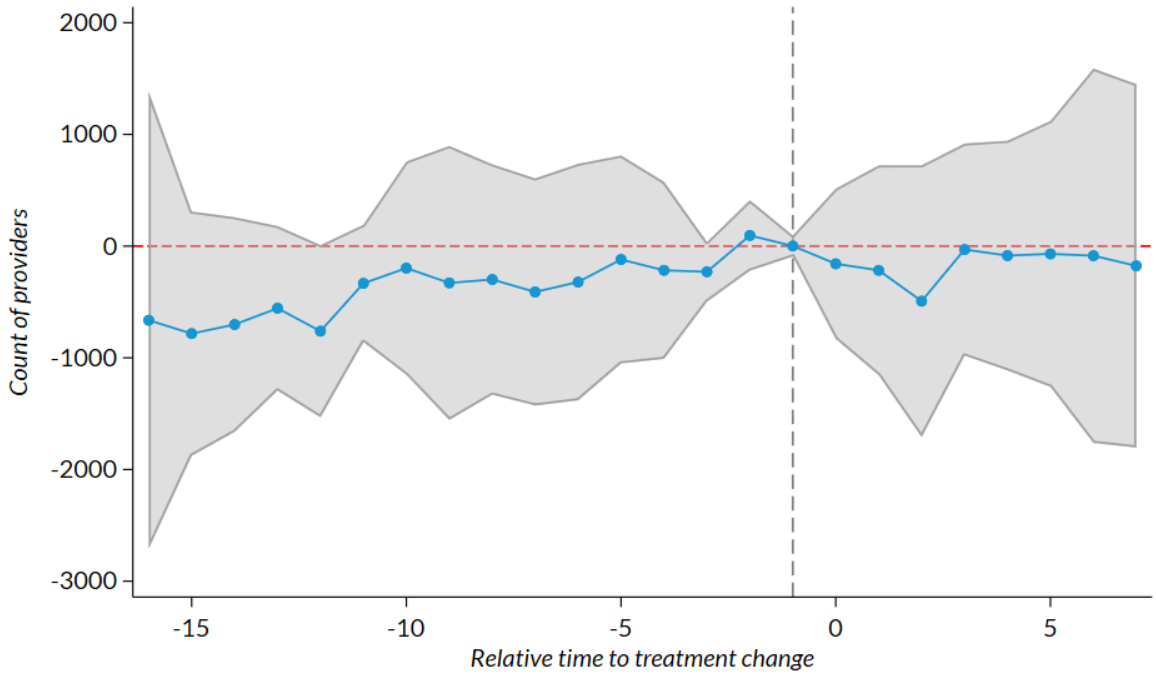
URBAN INSTITUTE

Source: Authors' analysis of ACF 800 and Quality Compendium data, 2003–21.
Notes: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line.

FIGURE 4

QRIS Participation Requirements Did Not Affect States' Count of Family Child Care Providers Accepting CCDF-Funded Subsidies

Event study estimates from analyses including all adopting states through 2019



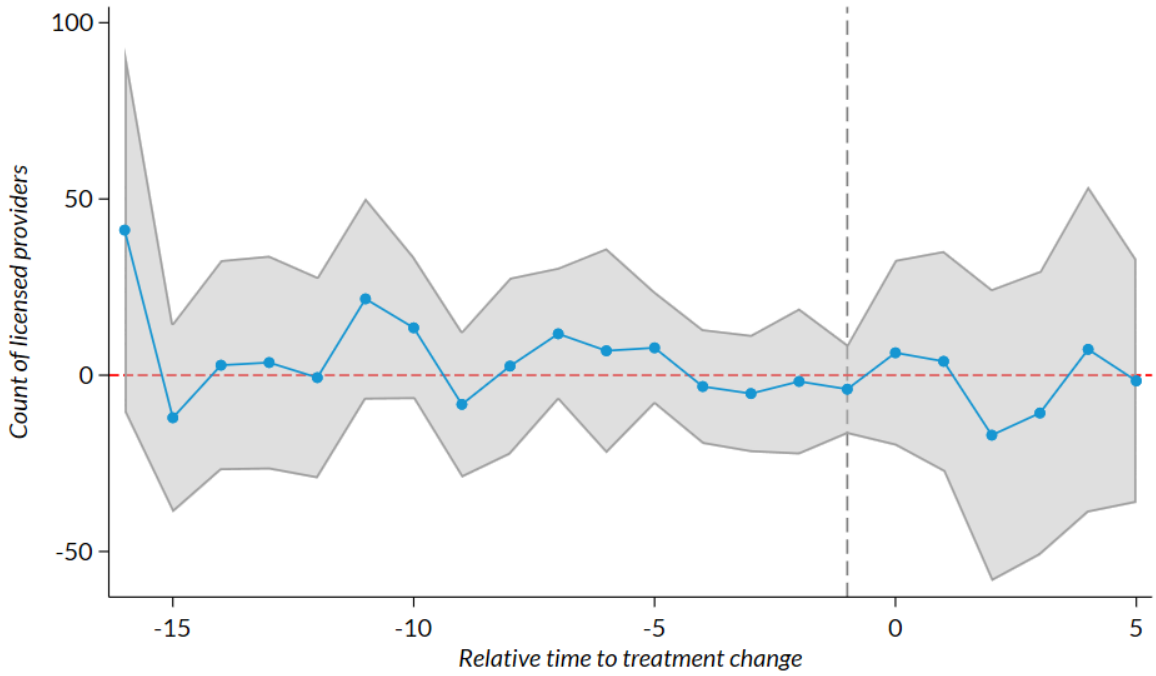
URBAN **INSTITUTE**

Source: Authors' analysis of ACF 800 and Quality Compendium data, 2003–21.
Notes: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line.

FIGURE 5

Participation Requirements Did Not Affect States' Count of Licensed Child Care Providers Accepting CCDF-Funded Subsidies QRIS

Event study estimates from analyses including all adopting states through 2017



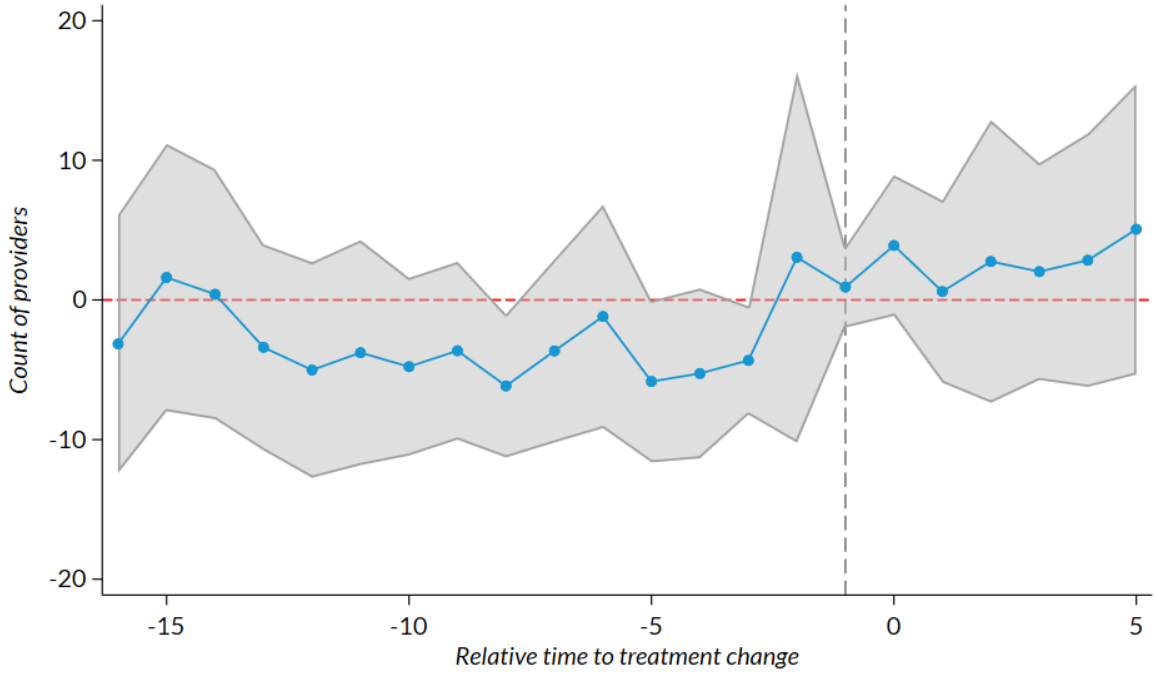
URBAN **INSTITUTE**

Source: Authors' analysis of ACF 801 and Quality Compendium data, 2003–19.
Note: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line.

FIGURE 6

Participation Requirements Did Not Affect States' Count of Unlicensed Child Care Providers Accepting CCDF-Funded Subsidies

Event study estimates from analyses including all adopting states through 2017



URBAN **INSTITUTE**

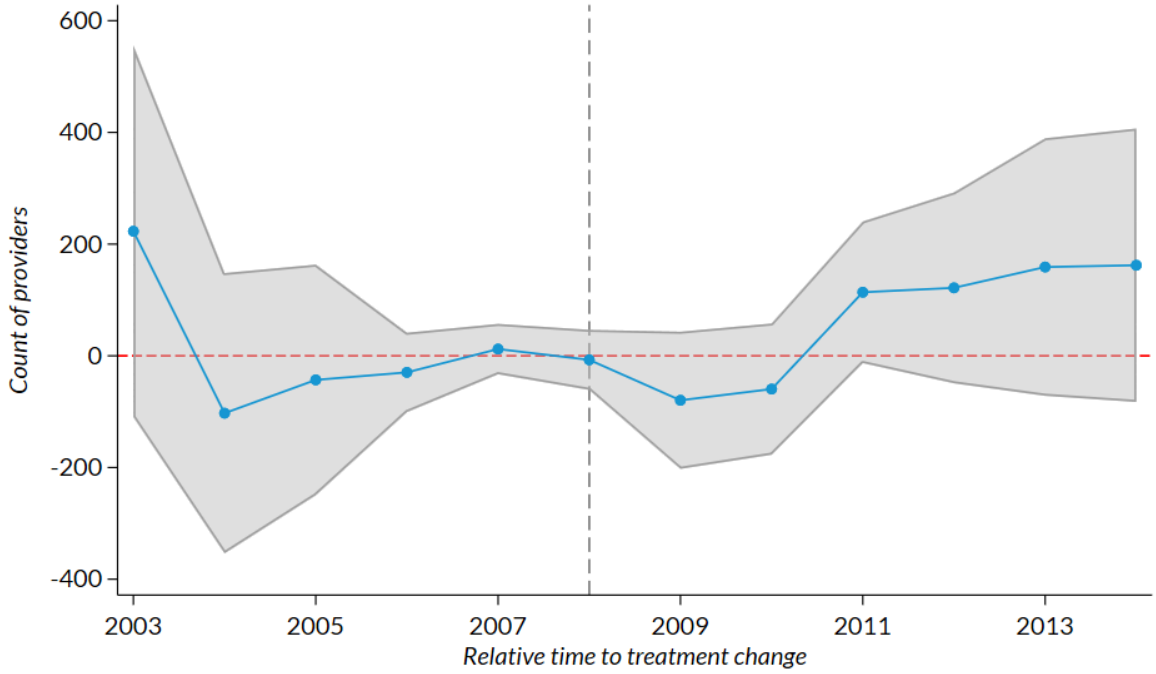
Source: Authors' analysis of ACF 801 and Quality Compendium data, 2003.
Note: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line.

We also looked at models focused on early-adopting states (figures 7 to 10), which enable us to measure impacts over a longer timeframe with more precision. We found that the gap in the number of centers (figure 7) and family child care providers (figure 8) accepting child care subsidies increased, though only after several years of the policy being implemented (and in the case of child care centers, the gap was only marginally statistically significant). We saw a similar increase in the gap in the number of unlicensed child care providers accepting child care subsidies (figure 10). Although we see a trending decrease in the gap in the number of licensed child care providers (figure 9), the gap is only significant in two of the postpolicy years.

FIGURE 7

In Early Adopting States, QRIS Participation Requirements Marginally Improved States' Count of Center-Based Providers Accepting CCDF-Funded Subsidies

Event study estimates from analyses restricted to states adopting requirements by 2009



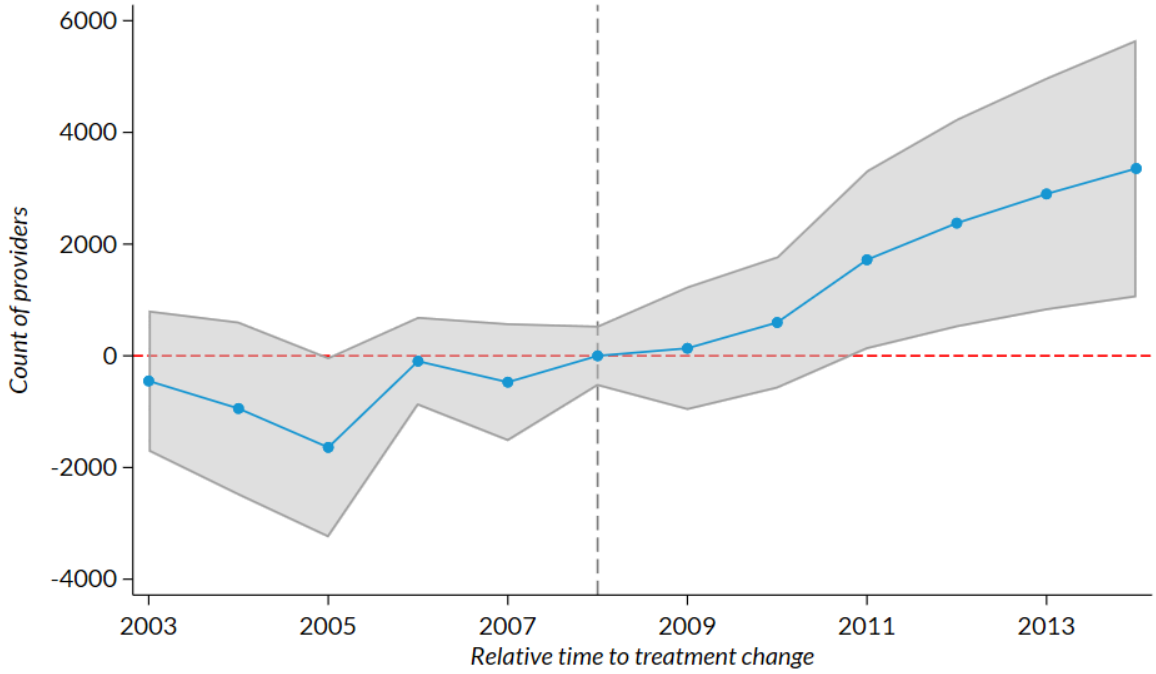
URBAN **INSTITUTE**

Source: Authors' analysis of ACF 800 and Quality Compendium data, 2003–14.
Note: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line. Only states introducing a QRIS participation requirement on or before 2009 are included as treated states; states adopting a requirement on or after 2014 are excluded from both treated states and the donor pool for synthetic controls.

FIGURE 8

In Early Adopting States, QRIS Participation Requirements Improved States' Count of Family Child Care Providers Accepting CCDF-Funded Subsidies Several Years Postpolicy

Event study estimates from analyses restricted to states adopting requirements by 2009



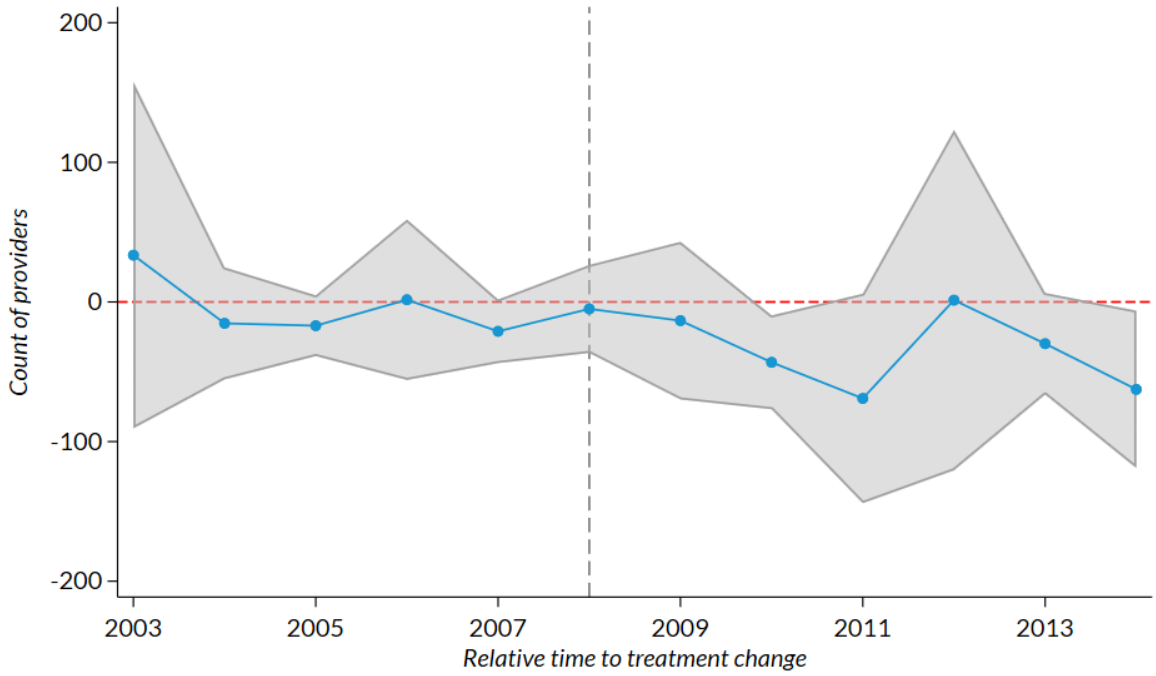
URBAN **INSTITUTE**

Source: Authors' analysis of ACF 800 and Quality Compendium data, 2003–14.
Note: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line. Only states introducing a QRIS participation requirement on or before 2009 are included as treated states; states adopting a requirement on or after 2014 are excluded from both treated states and the donor pool for synthetic controls.

FIGURE 9

In Early Adopting States, QRIS Participation Requirements Marginally Decreased States' Count of Licensed Child Care Providers Accepting CCDF-Funded Subsidies

Event study estimates from analyses restricted to states adopting requirements by 2009



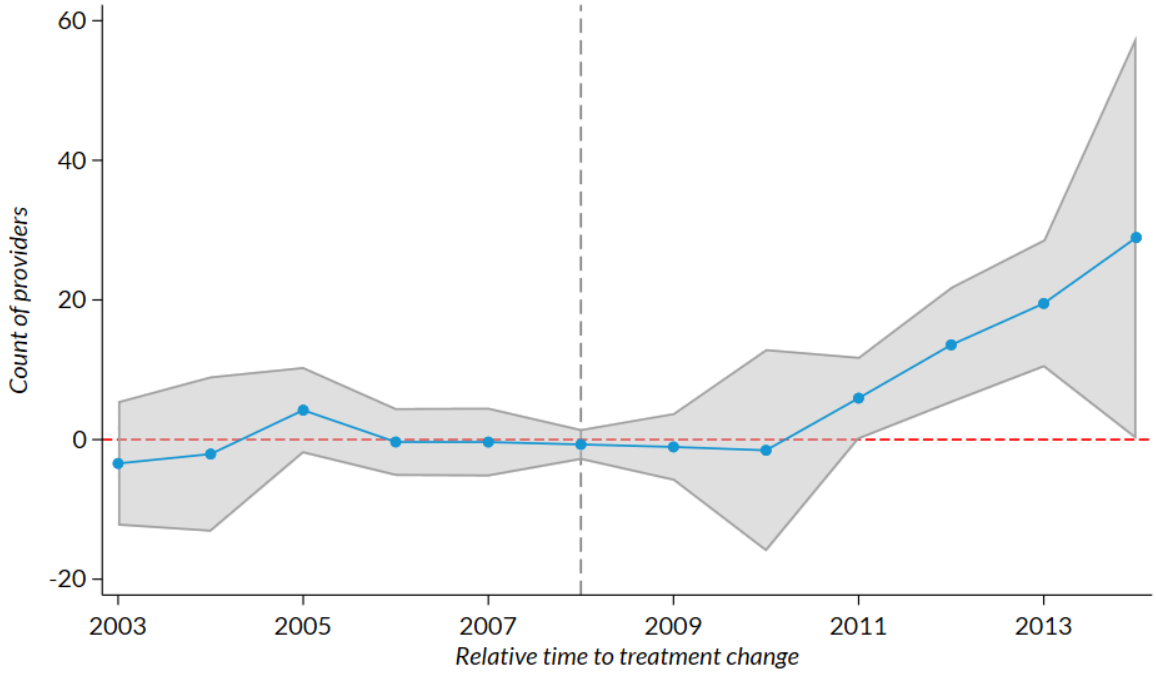
URBAN **INSTITUTE**

Source: Authors' analysis of ACF 801 and Quality Compendium data, 2003–14.
Note: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line. Only states introducing a QRIS participation requirement on or before 2009 are included as treated states; states adopting a requirement on or after 2014 are excluded from both treated states and the donor pool for synthetic controls.

FIGURE 10

In Early Adopting States, QRIS Participation Requirements Improved States' Count of Unlicensed Child Care Providers Accepting CCDF-Funded Subsidies Several Years Postpolicy

Event study estimates from analyses restricted to states adopting requirements by 2009



URBAN **INSTITUTE**

Source: Authors' analysis of ACF 801 and Quality Compendium data, 2003–14.
Note: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line. Only states introducing a QRIS participation requirement on or before 2009 are included as treated states; states adopting a requirement on or after 2014 are excluded from both treated states and the donor pool for synthetic controls.

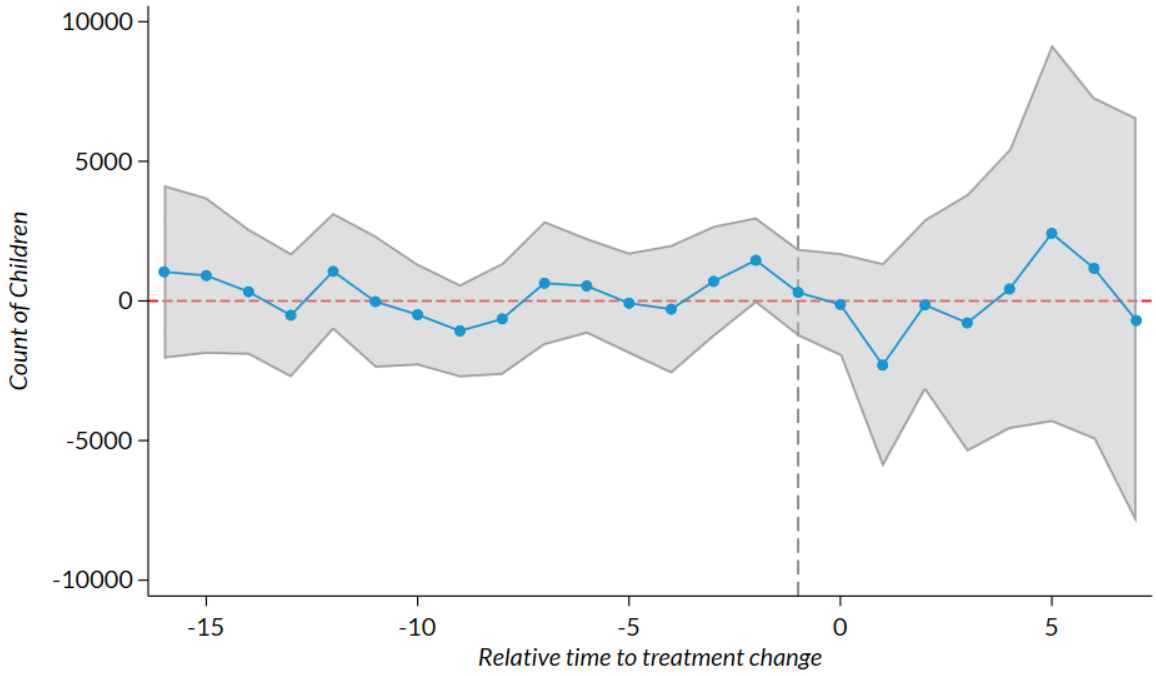
Changes in the Number of Families and Children Receiving CCDF-Funded Subsidies

We did not find statistically significant differences in the count of either children or families receiving CCDF-funded subsidies in our models leveraging all treated states during the study period (figures 11 and 12). This might be expected given that we did not observe significant treatment effects on subsidy-accepting child care providers in our main models, aligning with our hypothesis that we might only observe effects on families through impacts on child care providers.

FIGURE 11

QRIS Participation Requirements Did Not Affect States' Count of Children Using CCDF-Funded Subsidies

Event study estimates from analyses including all adopting states through 2019



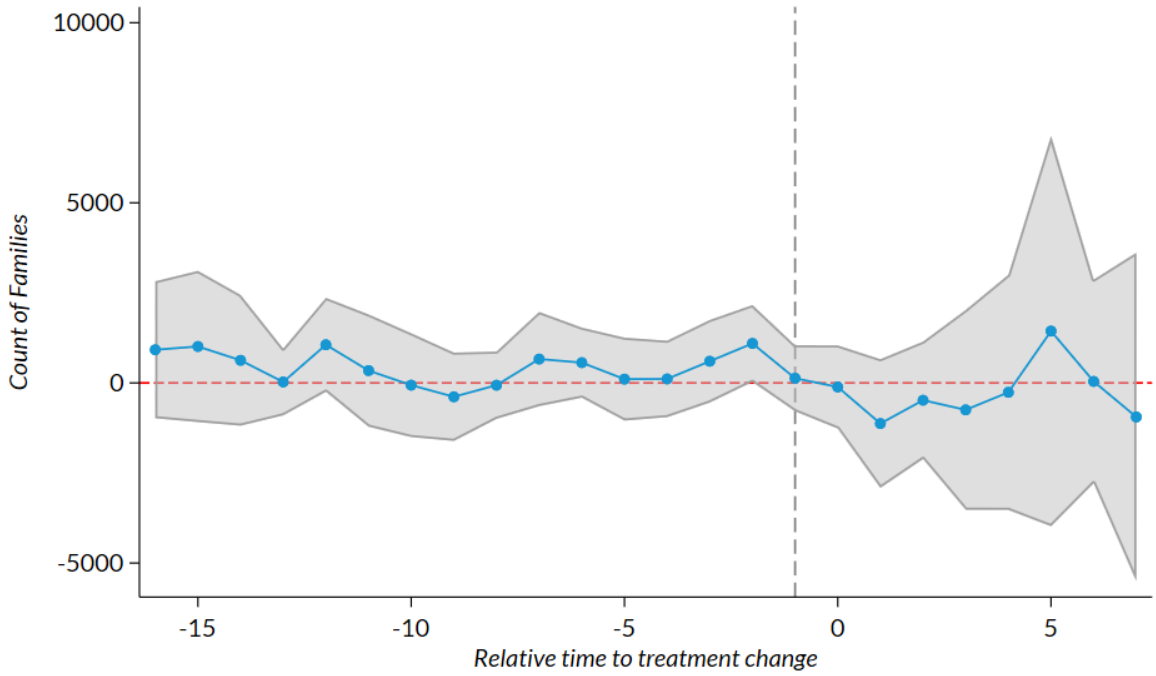
URBAN **INSTITUTE**

Source: Authors' analysis of ACF 800 and Quality Compendium data, 2003–21.
Note: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line.

FIGURE 12

QRIS Participation Requirements Did Not Affect States' Count of Families Using CCDF-Funded Subsidies

Event study estimates from analyses including all adopting states through 2019



URBAN **INSTITUTE**

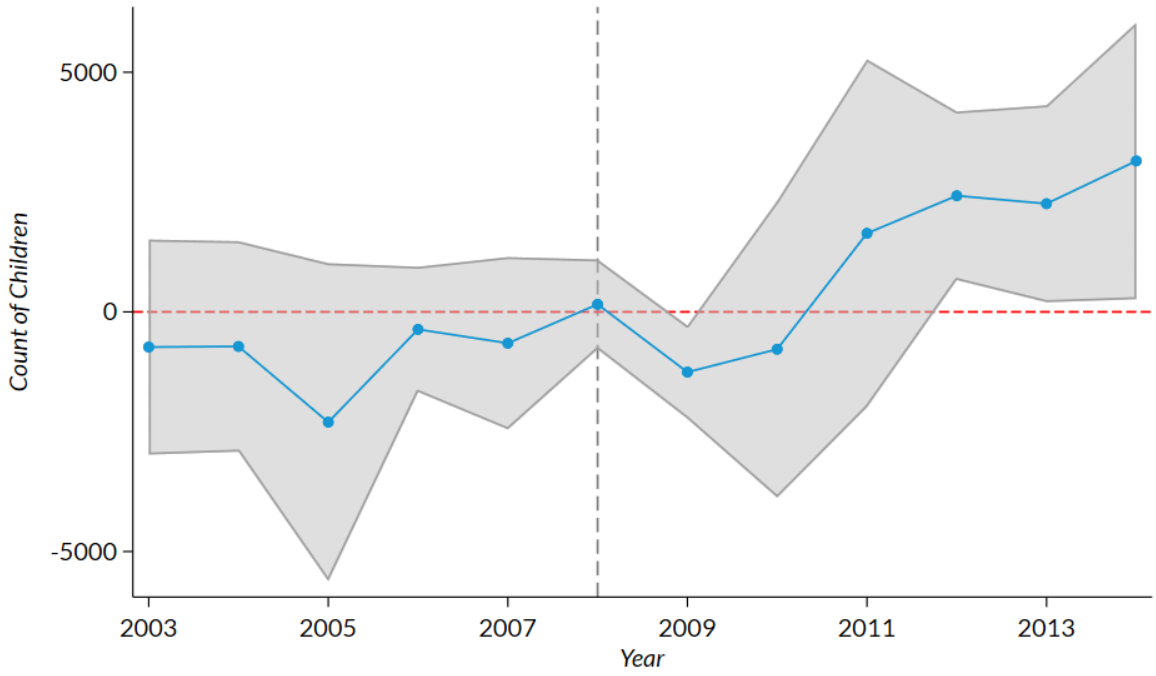
Source: Authors' analysis of ACF 800 and Quality Compendium data, 2003–21.
Note: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line.

However, in our analysis of early-adopting states, we observed increases in the number of children and families using a CCDF-funded child care subsidy (figures 13 and 14, respectively). Like our results focused on supply, these gaps started to emerge about three years after policy introduction, though they were only statistically significant beginning with the fourth year. These results also align with our hypothesis that trends in families' use of subsidized child care would shift to follow patterns in supply, though with these data we cannot link children to providers to explicitly test this hypothesis further.

FIGURE 13

In Early Adopting States, QRIS Participation Requirements Improved States' Count of Children Using CCDF-Funded Subsidies Several Years Post-Policy

Event study estimates from analyses restricted to states adopting requirements by 2009



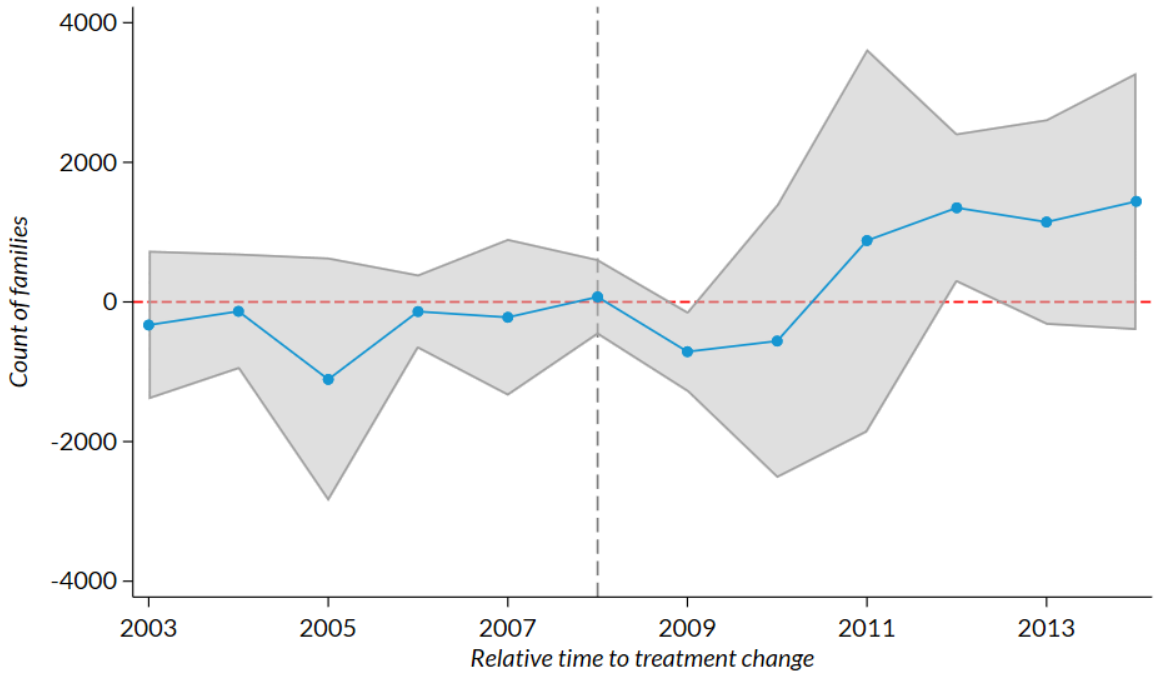
URBAN **INSTITUTE**

Source: Authors' analysis of ACF 800 and Quality Compendium data, 2003–14.
Note: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159), employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line. Only states introducing a QRIS participation requirement on or before 2009 are included as treated states; states adopting a requirement on or after 2014 are excluded from both treated states and the donor pool for synthetic controls.

FIGURE 14

In Early Adopting States, QRIS Participation Requirements Marginally Improved States' Count of Families Using CCDF-Funded Subsidies Several Years Post-Policy

Event study estimates from analyses restricted to states adopting requirements by 2009



URBAN **INSTITUTE**

Source: Authors' analysis of ACF 800 and Quality Compendium data, 2003–2014.
Note: Event study estimation generated from synthetic difference-in-differences models (Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159). employing methods from Callaway and Sant'Anna's approach to staggered policy adoption (Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001). Blue dots denote point estimates of the gap between policy-adopting states and synthetic control states; gray bands denote 95 percent confidence intervals. Covariates include the number of children from birth to age 5 and the share of children from households at or below 200 percent of the federal poverty line. Only states introducing a QRIS participation requirement on or before 2009 are included as treated states; states adopting a requirement on or after 2014 are excluded from both treated states and the donor pool for synthetic controls.

Discussion and Policy Implications

The CCDF program gives states the flexibility to set policies and requirements in a way that can support both families' access to subsidized child care and the quality of child care providers' practices and services. Although subsidy policies are designed to incentivize participation and support participating providers, they could also inadvertently deter some providers from joining altogether. In this report, we examined one such policy: requiring subsidy-accepting providers to participate in QRIS. Linked participation for subsidy-accepting providers has become a common lever for increasing QRIS engagement and supporting these providers in delivering higher-quality care for children and families. Our analyses suggest that, at least in aggregate and in the years under study, states introducing a QRIS participation requirement for subsidy-accepting providers did not adversely impact the number of providers accepting CCDF-funded subsidies or the number of children and families using a CCDF-funded subsidy. For states adopting this policy by 2009, there is suggestive evidence that the supply and use of subsidized care may have increased, at least among certain types of providers.

Future research could build on our analysis in several ways. Because we used public aggregate data, we could not distinguish a provider opting out of their subsidy program from a provider deciding to close their business; we also could not distinguish between families unenrolling from a program, being forced to find a new program, or simply ceasing use of subsidies but remaining at the provider. Aggregate data provided useful measures for describing the segment of the child care market relevant for families using public funding to access care, yet future researchers could take advantage of individual-level data to understand impacts for specific providers, families, or children. In addition, due to the pandemic and other policy factors, recent years of outcome data were unavailable for inclusion in this analysis. Future research could benefit from more years of outcome data to examine more recent cohorts of states adopting a QRIS participation requirement for providers in their subsidy program, especially during a landscape characterized as volatile for child care providers.

Nonetheless, our analysis—in tandem with other literature to date—informs several key implications for policymakers and researchers to consider. First, before implementing QRIS participation as a requirement for child care subsidy eligibility, CCDF Lead Agencies and other state or local policymakers might **consider the alignment of both programs to ensure providers are able to benefit from joint participation and are not overly burdened**. Although our findings did not support the possibility that increased requirements could lead to negative policy outcomes, public assistance programs at large are well-documented as being rife with administrative requirements (Barnes 2021), so it is useful to design subsidy program policies with providers in mind to ease participation. QRIS can

provide meaningful benefits to participating programs (Jimenez Parra et al. 2025), but these initiatives could backfire in instances where participation in multiple publicly funded child care initiatives creates more work.

Policymakers might also **consider implementing policies that can support participation in both QRIS and the subsidy program**. Tiered reimbursement rates, which provide higher reimbursements to providers with higher QRIS ratings, are one approach to this, although some providers have noted that this policy often does not provide the start-up resources needed to make quality investments (Kuhns et al. 2025). Policymakers might achieve this by leveraging existing shared services and business supports to help child care providers in meeting administrative requirements (Farr et al. 2025a). To lower the barrier to entering QRIS, policymakers may also consider whether to integrate QRIS into the state's licensing system or develop a coordinated system across state early childhood initiatives, allowing providers to apply for or access multiple programs at once (Allen et al. 2024).

Finally, **policymakers and researchers could conduct listening sessions, surveys, or other narrative-based data collection and feedback loops to understand the potential ramifications of linking subsidy program and QRIS participation, through the experiences of current stakeholders** (Hilty et al. 2024). These efforts could clarify pain points and opportunities for policy improvement, either in the two child care initiatives separately or when they are linked together. These conversations might also illuminate certain providers or families who may be substantially impacted by enacting this kind of requirement—positively or negatively. While our analysis focuses on national-level trends, a community-level analysis can ensure policies and supports are designed with the local child care context in mind, including broader factors that impact the child care market and providers' willingness to participate in state early childhood initiatives.

Notes

[1] Prenatal-to-3 Policy Impact Center, "Child Care Subsidies," accessed November 26, 2025, https://pn3policy.org/pn-3-state-policy-roadmap-2023/us/child-care-subsidies/.

[2] Zero to Three, "How America's Child Care Crisis Impact Parents," June 7, 2024, https://www.zerotothree.org/resource/how-americas-child-care-crisis-impacts-parents/.

[3] Quality Compendium, accessed February 9, 2026, https://qualitycompendium.org/.

[4] Prenatal-to-3 Policy Impact Center, "Child Care Subsidies," accessed November 26, 2025, https://pn3policy.org/pn-3-state-policy-roadmap-2023/us/child-care-subsidies/.

[5] Georgia Poyatzis and Gretchen Livingston, "New Data: Childcare costs remain an almost prohibitive expensive," US Department of Labor Blog, November 19, 2024, https://blog.dol.gov/2024/11/19/new-data-childcare-costs-remain-an-almost-prohibitive-expense.

[6] Office of Early Childhood Development, "Race to the Top – Early Learning Challenge," accessed February 25, 2026, https://acf.gov/ecd/early-learning/race-top.

[7] As we note in the Data Sources section, statewide documentation of QRIS policies shifted to a biannual cadence after 2017, which may influence our ability to measure QRIS participation requirements in a systematic way. Thus, it is possible that the influx of adopting states could have occurred anytime between 2017 and 2019.

[8] When child care subsidy program participation and QRIS participation are linked, it is seldom the case that child care providers participating in QRIS become required to participate in the child care subsidy program.

[9] Quality Compendium data were initially gathered by Child Trends researchers via reviews of online materials and policy documents, and QRIS administrators and staff checked, supplemented, and verified these data. For subsequent updates, the Quality Compendium team shared states' existing QRIS profile with state QRIS staff to review, update, and amend to ensure data reflected the latest developments. Since the initial report, the Quality Compendium team has released annual updates from 2014 to 2016 and biannual updates from 2017 to 2023 (see "Quality Compendium Datasets," [Quality Compendium, accessed April 30, 2024] https://qualitycompendium.org/about-the-data/datasets-analyses-and-summaries). A precursor report, the *Compendium of Quality Rating Systems and Evaluations* (Tout et al. 2010), contains similar information on state QRIS program information, participation requirements and other policies, incentives, structure, standards, and rating criteria from 2009.

[10] Office of Child Care, "Child Care and Development Fund Statistics," January 21, 2026, https://acf.gov/occ/data/child-care-and-development-fund-statistics.

[11] Illinois is an exception, as in 2009 they reported implementing required participation for subsidy-accepting providers, but in subsequent snapshots they did not report having this requirement, not until the 2021 data collection wave. We excluded Illinois from the analysis, though our results did not change if we instead included Illinoi in the sample.

[12] The Northern Mariana Islands operates a QRIS, but it only did so in years after the end of our panel, so we cannot include them in our analyses.

[13] We imputed missing or discrepant values through linear interpolation. We present findings from analyses estimated on imputed data, though as we note in the Sensitivity Tests, Robustness Checks and Outstanding Limitations section, the substantive conclusions were similar to those from analyses estimated on the unimputed data.

[14] Specifically, we applied the Stata package *sdid*, which implements the R package *synthdid* in Stata, and builds on functionality for event study applications (Ciccia 2024; Clarke et al. 2023).

References

Adams, Gina, Grace Luetmer, and Margaret Todd. 2022. *Using Child Care Subsidy Payment Rates and Practices to Incentivize Expansions in Supply*. Washington, DC: Urban Institute.

Allen, Rosemarie, Eric Z. Bucher, Shantel Meek, Brittany Alexander, Afua Ameley-Quaye, Xigrid Soto-Boykin, Darielle Blevins, and Mario Cardona. 2024. *Reimagining State Child Care Licensing: Improving the Foundation for Quality and Equity in Early Care and Education Environments*. Tempe, AZ: Arizona State University.

Arkhangelsky, Dmitry, Susan Athey, David A. Hirshberg, Guido W. Imbens, and Stefan Wager. 2021. "Synthetic Difference-in-Differences." *American Economic Review* 111 (12): 4088–118. https://doi.org/10.1257/aer.20190159.

Banghart, Patti, Bonnie Solomon, Emily Maxfield, Sarah Kelley, Rebecca Madill, Tamara Halle, and Sara Amadon. 2024. *The Decline of Family Child Care in Maryland*. Rockville, MD: Child Trends.

Banghart, Patti, Kristen Darling, Tamara Halle, Rebecca Madill, and Jing Tang. 2024. "More Families Accessed High-Quality Child Care after Changes to the State's Subsidy Program: Insights from Maryland." Washington, DC: Urban Institute.

Barnes, Carolyn Y. 2021. "'It Takes a While to Get Used to': The Costs of Redeeming Public Benefits." *Journal of Public Administration Research and Theory* 31 (2): 295–310. https://doi.org/10.1093/jopart/muaa042.

Bassok, Daphna, Preston Magouirk, and Anna J. Markowitz. 2021. "Systemwide Quality Improvement in Early Childhood Education: Evidence from Louisiana." *AERA Open* 7. https://doi.org/10.1177/23328584211011610.

Bassok, Daphna, Preston Magouirk, Anna J. Markowitz, and Daniel Player. 2018. "Are There Differences in Parents' Preferences and Search Processes across Preschool Types? Evidence from Louisiana." *Early Childhood Research Quarterly* 44: 43–54. https://doi.org/10.1016/j.ecresq.2018.01.006.

Bassok, Daphna, Thomas S. Dee, and Scott Latham. 2019. "The Effects of Accountability Incentives in Early Childhood Education." *Journal of Policy Analysis and Management* 38 (4): 838–66. https://doi.org/10.1002/pam.22149.

Bipartisan Policy Center. 2020. *The Limitations of Using Market Rates for Setting Child Care Subsidy Rates*. Washington, DC. Bipartisan Policy Center.

Boller, Kimberly, Diane Paulsell, Patricia Del Grosso, Randall Blair, Eric Lundquist, Danielle Z. Kassow, Rachel Kim, and Abbie Raikes. 2015. "Impacts of a Child Care Quality Rating and Improvement System on Child Care Quality." *Early Childhood Research Quarterly* 30: 306–15. https://doi.org/10.1016/j.ecresq.2014.10.001.

Callaway, Brantly, and Pedro H.C. Sant'Anna. 2021. "Difference-in-Differences with Multiple Time Periods." *Journal of Econometrics* 225 (2): 200–230. https://doi.org/10.1016/j.jeconom.2020.12.001.

Ciccia, Diego. 2024. "A Short Note on Event-Study Synthetic Difference-in-Differences Estimators." Ithaca, NY: Cornell University.

Claessens, Amy, Katherine Magnuson, and Alejandra Ros Pilarz. 2024. "Understanding Why Family Child Care Supply Has Declined: Lessons Learned from Wisconsin." Washington, DC: Urban Institute.

Clarke, Damian, Daniel Pailanir, Susan Athey, and Guido Imbens. 2023. "Synthetic Difference-in-Differences Estimation." Bonn, Germany: Institute of Labor Economics.

Doromal, Justin B., Elli Nikolopoulos, and Catherine Kuhns. 2025. "How Child Care Quality Changed under DC's Capital Quality Initiative." Washington, DC: Urban Institute.

Doromal, Justin B., Molly Michie, and Kennedy Weisner. 2023. *Why Child Care Providers Don't Participate in Subsidy Programs: Insights from a Statewide Survey of Non-Participating Providers*. Charlottesville, VA: SEE-Partnerships at the University of Virginia.

Farr, Anna, Diane Schilder, Clare Waterman, and Justin B. Doromal. 2025a. "The DC Shared Services Business Alliance: An Approach to Supporting Child Care Providers Participating in the Subsidy Program." Washington, DC: Urban Institute.

Farr, Anna, Diane Schilder, Clare Waterman, and Justin B. Doromal. 2025b. "What Providers Say Affects Their Willingness to Participate in the DC Child Care Subsidy Program." Washington, DC: Urban Institute.

Giapponi Schneider, Kate, Marji Erickson Warfield, Pamela Joshi, Yoonsook Ha, and Dominic Hodgkin. 2017. "Insights into the Black Box of Child Care Supply: Predictors of Provider Participation in the Massachusetts Child Care Subsidy System." *Children and Youth Services Review* 79: 148–59. https://doi.org/10.1016/j.childyouth.2017.06.014.

Hatfield, Bridget E., Joanna K. Lower, Deborah J. Cassidy, and Richard A. Faldowski. 2015. "Inequities in Access to Quality Early Care and Education: Associations with Funding and Community Context." *Early Childhood Research Quarterly* 30: 316–26. https://doi.org/10.1016/j.ecresq.2014.01.001.

Herbst, Chris M. 2018. "The Impact of Quality Rating and Improvement Systems on Families' Child Care Choices and the Supply of Child Care Labor." *Labour Economics* 54: 172–90. https://doi.org/10.1016/j.labeco.2018.08.007.

Hilty, Rowan, Zipi Diamond, Jennifer Cleveland, and Kathryn Tout. 2024. "4 Trends in Early Care and Education Quality Rating and Improvement Systems." Rockville, MD: Child Trends.

Hooper, Alison, Rena Hallam, and Christine Skrobot. 2021. "'Our Quality Is a Little Bit Different': How Family Childcare Providers Who Participate in a Quality Rating and Improvement System and Receive Childcare Subsidy Define Quality." *Contemporary Issues in Early Childhood* 22: 76–94. https://doi.org/10.1177/1463949119858985.

Jenkins, Jade Marcus, Jennifer K. Duer, and Maia Connors. 2021. "Who Participates in Quality Rating and Improvement Systems?" *Early Childhood Research Quarterly* 54: 219–27. https://doi.org/10.1016/j.ecresq.2020.09.005.

Jimenez Parra, Laura, Catherine Kuhns, Teresa Derrick-Mills, Eve Mefferd, Laura Wagner, and Justin B. Doromal. 2025. *Capital Quality in Focus: Stakeholders' Perspectives on DC's Child Care Quality Rating and Improvement System*. Washington, DC: Urban Institute.

Kuhns, Catherine, Teresa Derrick-Mills, Laura Jimenez Parra, Justin B. Doromal, Eve Mefferd, and Elli Nikolopoulos. 2025. "Capitalizing on Quality: Recommendations for Strengthening DC's Approach to Measuring and Improving Child Care Quality." Washington, DC: Urban Institute.

Lin, Van-Kim, and Kelly Maxwell. 2021. *State and Territory Child Care and Development Fund (CCDF) Investments in Early Care and Education Quality*. OPRE Report 2021-63. Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, US Department of Health and Human Services.

Marshall, Nancy L., Wendy Wagner Robeson, Allison J. Tracy, Alice Frye, and Joanne Roberts. 2013. "Subsidized Child Care, Maternal Employment and Access to Quality, Affordable Child Care." *Early Childhood Research Quarterly* 28 (4): 808–19. https://doi.org/10.1016/j.ecresq.2013.07.008.

Meyers, Marcia K., and Lucy P. Jordan. 2006. "Choice and Accommodation in Parental Child Care Decisions." *Community Development* 37 (2): 53–70. https://doi.org/10.1080/15575330609490207.

Phillips, Deborah A., Mark W. Lipsey, Kenneth A. Dodge, Ron Haskins, Daphna Bassok, Margaret R. Burchinal, Greg J. Duncan, Mark Dynarski, Katherine A. Magnuson, and Christina Weiland. 2017. *Puzzling It Out: The Current State of Scientific Knowledge on Pre-Kindergarten Effects*. Washington, DC: Brookings Institution.

Rohacek, Monica H., and Gina Adams. 2017. *Providers in the Child Care Subsidy System*. Washington, DC: Urban Institute.

Sandstrom, Heather, Amelia Coffey, Julia R. Henly, Juliet Bromer, Alelgra Spalding, Whitney Thomas, Erica Greenberg, and Teresa Derrick-Mills. 2018. *Learning from Child Care Providers Across Settings*. Washington, DC: Urban Institute.

Sandstrom, Heather, Catherine Kuhns, Sarah Prendergast, Teresa Derrick-Mills, and Laura Wagner. 2024. *Parental Search and Selection of Child Care and Early Education: A Literature Review*. OPRE Report 2024-082. Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, US Department of Health and Human Services.

Schilder, Diane, Heather Sandstrom, Eleanor Lauderback, Catherine Kuhns, Natalie Spievack, Erica Greenberg, and Peter Willenborg. 2022. *Child Care Providers' Reflections on Quality Improvement: District of Columbia Child Care Policy Research Partnership Study*. Washington, DC: Urban Institute.

Slicker, Gerilyn, and Jason T. Hustedt. 2022. "Predicting Participation in the Child Care Subsidy System from Provider Features, Community Characteristics, and Use of Funding Streams." *Children and Youth Services Review* 136: 106392. https://doi.org/10.1016/j.childyouth.2022.106392.

Slicker, Gerilyn, Christina Areizaga Barbieri, and Jason T. Hustedt. 2024. "The Role of State Subsidy Policies in Early Education Programs' Decisions to Accept Subsidies: Evidence from Nationally Representative Data." *Early Education and Development* 35 (4): 859–77. https://doi.org/10.1080/10409289.2023.2244859.

Tonyan, Holli A., Diane Paulsell, and Eva Marie Shivers. 2017. "Understanding and Incorporating Home-Based Child Care into Early Education and Development Systems." *Early Education and Development* 28 (6): 633–39. https://doi.org/10.1080/10409289.2017.1324243.

Tout, Kathryn, Rebecca Starr, Margaret Stoli, Shannon Moodie, Gretchen Kirby, and Kimberly Boller. 2010. *Compendium of Quality Rating Systems and Evaluations*. Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, US Department of Health and Human Services.

Waterman, Clare, Heather Sandstrom, and Laura Betancur. 2025. *How Parents Search for, Consider, and Select Child Care and Early Education: A Conceptual Framework*. Washington, DC: Urban Institute.

Workman, Simon. 2021. *The True Cost of High-Quality Child Care across the United States*. Washington, DC: Center for American Progress.

About the Authors

Justin B. Doromal is a senior research associate in the Family and Financial Well-Being Division at the Urban Institute. His research focuses on improving access to stable and high-quality child care for families, as well as the compensation and retention of the child care workforce.

Elli Nikolopoulos is a research analyst in the Family and Financial Well-Being Division. Her research focuses on efforts to increase access to high-quality and affordable child care and early education, especially for families with low incomes.

Alavi Rashid is a research analyst in the Family and Financial Well-Being Division. His research focuses on generating rigorous evidence to understand and address issues facing families with young children such as access to quality childcare, home visiting, and diaper insecurity, among others.

Statement of Independence

The Urban Institute strives to meet the highest standards of integrity and quality in its research and analyses and in the evidence-based policy recommendations offered by its researchers and experts. We believe that operating consistent with the values of independence, rigor, and transparency is essential to maintaining those standards. As an organization, the Urban Institute does not take positions on issues, but it does empower and support its experts in sharing their own evidence-based views and policy recommendations that have been shaped by scholarship. Funders do not determine our research findings or the insights and recommendations of our experts. Urban scholars and experts are expected to be objective and follow the evidence wherever it may lead.

500 L'Enfant Plaza SW
Washington, DC 20024

www.urban.org