This profile is one of four exploring the child care needs of families identified in the 2014 reauthorization of the Child Care and Development Block Grant (CCDBG) as deserving priority by states and territories: children who need care during nontraditional and variable hours, infants and toddlers, children in rural areas, and children with disabilities and special needs. The information is selected from our report, *Increasing Access to Quality Child Care for Four Priority Populations* (Henly and Adams 2018). The report explores the implications of a national trend toward publicly subsidized center-based care in the context of the 2014 CCDBG reauthorization and suggests steps to improve access to high-quality subsidized care—across all settings—for these four populations.

Policymakers have increasingly focused on the importance of high-quality child care and early education services to support the developmental outcomes of low-income children. High-quality early care and education can exist in any setting, including child care centers, family child care programs, and other home-based care arrangements. However, the emphasis on public investments in quality has often translated into a singular focus on formal settings, especially center-based programs. Increasingly, states and territories have used CCDBG funds to subsidize child care centers while funding fewer home-based child care settings, such as licensed family child care and legally unregulated family, friend, and neighbor care. The 2014 CCDBG reauthorization includes requirements and incentives for states and territories that could accentuate this trend.

Center care is a preferred child care arrangement for many families. However, there are supply constraints and barriers to access, especially for the four priority populations highlighted in this series.
Some families also prefer home-based alternatives for some of or all their child care needs. Thus, many families may be inadvertently disadvantaged by a subsidy system that focuses primarily on center-based care, and it may undercut the core CCDBG principle of parental choice.

This brief highlights the barriers that families of children with disabilities and special needs face in accessing centers and offers policy recommendations to improve these families’ access to high-quality subsidized care across child care settings. The full report includes more details on this population, and more in-depth policy recommendations.

Understanding the Child Care Needs of Children with Disabilities and Special Needs

Children with disabilities and special needs are an underserved group in need of high-quality early education and child care (Sullivan, Farnsworth, and Susman-Stillman 2018; Weglarz-Ward and Santos 2018). There is considerable variation in the types and severity of conditions recognized as special needs; thus, the particular caregiving supports necessary to serve this population are diverse. Children with disabilities and special needs may experience mild to severe mental or physical disabilities that require occasional or daily specialized attention, including the administration of medication, the use of specialized equipment and structural accommodation, and personal caregiver attention (National Academies 2018).³

- An estimated 13–15 percent of children younger than 6 have special needs that may require services, although fewer than 6 percent (about 350,000 infants and more than 750,000 toddlers and preschool-age children) receive special education and related services under the federal Individuals with Disabilities Education Act program (Boyle et al. 2011; Grant and Isakson 2013; Hebbeler, Spiker, and Kahn 2012; Rosenberg, Zhang, and Robinson 2008; US Department of Education 2015).

- Children with disabilities and special needs reap real benefits from high-quality care, but they require services and supports matched to their particular needs to realize the full developmental benefits that such settings can provide (Spiker, Hebbeler, and Barton 2011). Such supports can be even more important for low-income families, who face the cumulative burdens of poverty and material hardship in addition to the developmental and health challenges associated with a child’s disability (Parish et al. 2005).

- Low-income families are estimated to be 50 percent more likely to have children with special needs than higher-income families (Lee, Sills, and Oh 2002; Simon et al. 2013). They experience greater exposure to environmental conditions that may lead to disabilities, and the economic and social costs of raising a child with special needs (e.g., health care, transportation, specialized equipment) can themselves contribute to economic disadvantage (DeVore and Bowers 2006; Knoche et al. 2006).
Families of children with disabilities and special needs report constrained child care options (Grisham-Brown et al. 2010; Knoche et al. 2006; Sullivan, Farnsworth, and Susman-Stillman 2018; Weglarz-Ward and Santos 2018). They disproportionately use informal care arrangements, use care for fewer hours a week than children without special needs, and experience more child care instability (Booth-LaForce and Kelly 2004; Knoche et al. 2006).

Some Factors Shaping the Availability of Center-Based Care for Children with Disabilities and Special Needs

Research is limited on the factors shaping the supply of centers serving children who have disabilities and special needs. But concerns related to insufficient and unreliable demand, the cost of providing care, and provider readiness to serve this population may all play a role.

Insufficient and Unreliable Demand

Providers may choose not to serve families with children who have disabilities and special needs because there may not be enough parents who both prefer and can afford center-based care to justify the additional costs. Some research finds that parents of children with special needs perceive home-based child care as more aligned with their needs (e.g., Booth-LaForce and Kelly 2004). Some parents who prefer home-based care may be responding to a recognized lack of qualified center staff who can meet their families’ unique and often varied needs. For example, parents of children with special needs seek providers who have relevant experience and training, who can alleviate safety concerns, and who will take a collaborative stance with families and specialists (see Weglarz-Ward and Santos 2018).

Cost of Providing Care

Serving children with special needs can require providers to invest in specialized staff training and equipment. In some cases, such accommodations can represent a significant financial investment for providers, especially small centers, and they may be perceived as a risky business decision given high turnover rates and uncertain or unreliable demand (Essa et al. 2008; Matthews et al. 2017). Yet inclusion can be cost-effective overall, and including children with disabilities may not ultimately contribute to additional expenses for high-quality programs (Weglarz-Wade and Santos 2018).

Providers may spread the additional costs of meeting the accessibility requirements of the Americans with Disabilities Act across all families in a program (US Department of Justice 2017). To keep costs manageable, some providers may also target services to children with less severe caregiving needs, bypassing families requiring more specialized (and costlier) services.
Provider Readiness

- Providers may be hampered by a lack of confidence and uncertainty in their ability to care for children with disabilities, especially if they have limited experience or familiarity with this population (Essa et al. 2008; Weglarz-Ward and Santos 2018). Parent reports also suggest that parents encounter an unwillingness and a lack of provider training related to delivering appropriate services for children with disabilities and special needs (Forry, Daneri, and Howarth, 2013; Grisham-Brown et al. 2010). Interestingly, centers are more likely than licensed family homes to serve children with disabilities, especially large centers with the financial capacity to invest in necessary staff training and equipment (Weglarz-Ward and Santos 2018).

Recommended Policies to Help Children with Disabilities and Special Needs

Child care subsidy administrators face longstanding, and considerable funding obstacles to adequately meet the child care and early education needs of low-income families. Even with the March 2018 CCDBG funding increase, states and territories face trade-offs and competing priorities for these funds. Nevertheless, the infusion of additional funds offers states and territories an opportunity to invest new resources toward fulfilling the promises of reauthorization for all families, with particular attention to these priority populations.

States can use at least four policy tools when designing subsidy policies to meet CCDBG goals around access and quality for priority populations, including children with disabilities and special needs.  

- Establish financial incentives to providers across settings (including centers, licensed family homes, and legally unlicensed caregivers) to serve children with disabilities and special needs, and ensure incentive levels reflect the costs of providing care to these families.
- Issue grants and contracts to center-based and home-based providers and networks to support investments in facility infrastructure and equipment that improve program accessibility to families with children who have disabilities and special needs.
- Develop training and technical assistance strategies to help providers gain skills for serving children with disabilities and special needs.
- Develop consumer education strategies about the availability of developmental screenings, early intervention services, and the benefits of high-quality interventions.

The complex combination of market and business realities, provider motivation, and parental preferences suggests that states wanting to meet the needs of children with disabilities and special needs should consider taking the following steps when employing these policy tools:
Retain or expand access to home-based settings and support access to center-based care: Even as states develop strategies to expand the supply of center-based programs for families of children with disabilities and special needs, increased access to high-quality home-based settings will also be essential. These policy tools can address some barriers to center-based care identified above, but they do little to address insufficient or unreliable demand, which challenges child care centers’ ability to meet the needs of children with disabilities and special needs. States will need to take intentional and focused action to support access to high-quality care across all sectors—including a strong focus on home-based settings—to achieve the access and quality goals of the CCDBG law for these families.

Use a multipronged policy approach: No single policy approach will likely address the specific circumstances and needs of families with children with disabilities and special needs and of the providers who wish to serve them. None of the four policy tools mentioned above will increase quality or supply to this population in all contexts, and the tools are even less likely to work in isolation. To effectively expand access to care for children with disabilities and special needs, states need to develop a multipronged approach, using a carefully targeted combination of different strategies.

Work to understand the unique forces shaping access: States should choose a specific combination of strategies based on an understanding of the unique market forces, community characteristics, family circumstances and needs, and provider strengths and challenges in their communities. However, relatively little is known about these issues overall, or how they play out within particular states. Thus, states should carefully assess the kinds of barriers faced by these families, including an examination of demand, preferences, and supply opportunities and constraints. To support the efficient use of scarce resources, researchers and states should work together to explore these questions, and to incorporate this understanding into the development of cross-sector strategies that leverage opportunities from child care, Head Start, special education, early intervention (IDEA Part C), and related programs to support access to high-quality child care for these families.

Notes

1 Other groups identified in the CCDBG as deserving priority by states and territories include “children experiencing homelessness,” “families with very low incomes,” and “families in areas that have significant concentrations of poverty and unemployment and lack high-quality programs.”

2 For simplicity’s sake, we use “states” instead of “states and territories” for the remainder of this brief.

3 The CCDBG considers a child to have a disability if he or she meets at least one of the following criteria: (1) meets the definition in section 602 of the Individuals with Disabilities Education Act (IDEA); (2) is eligible for early intervention services under part C of IDEA; (3) is under 13 years old and eligible for services under Section 504 of the Rehabilitation Act of 1973; or (4) is a child with a disability, as defined by the state.

4 See Henly and Adams (2018) for an in-depth discussion of the strengths and challenges of each policy tool and for specific policy recommendations to address the needs of these families.
References


About the Authors

Julia R. Henly is a professor in the School of Social Service Administration at the University of Chicago. She studies the intersection of family poverty, low-wage employment, and public policy, especially child care and family policy, using quantitative and qualitative methods.

Gina Adams is a senior fellow at the Urban Institute, where she also directs the Low-Income Working Families initiative and the Kids in Context initiative. She is an expert in policy issues around child care and early education, as well as a broader set of child-related issues.
Acknowledgments

This brief was funded by the Annie E. Casey Foundation through the Urban Institute’s Low-Income Working Families initiative, a multiyear effort that focuses on the private- and public-sector contexts for families’ well-being. We are grateful to them and to all our funders, who make it possible for Urban to advance its mission.

The 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.