

# Insights on Access to Quality Child Care for Infants and Toddlers

Julia R. Henly
UNIVERSITY OF CHICAGO

Gina Adams
URBAN INSTITUTE

October 2018

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.<sup>2</sup> The 2014 CCDBG reauthorization includes requirements and incentives for states 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 some barriers that families with infants and toddlers face in accessing centers and offers broad 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 indepth policy recommendations.

# Understanding the Child Care Needs of Infants and Toddlers

Children younger than 3 are in a critical developmental stage characterized by rapid brain development. Learning is cumulative, and development that occurs early on is a foundation for later growth and development (National Scientific Council on the Developing Child 2007; NRC and IOM 2000). High-quality arrangements can mitigate negative effects of poverty and disadvantage (National Scientific Council on the Developing Child 2007; NRC and IOM 2000).

- Almost half of low-income children younger than 6 with working parents are infants and toddlers (46 percent or 2.2 million children). Not surprisingly, this proportion is relatively consistent across states (table 1).
- Children younger than 3 are less often cared for in child care centers than their 3- and 4-year-old counterparts. For children with working mothers, organized care facilities such as centers, Head Start, nursery programs, or preschool programs care for 16 percent of children younger than 1, 30 percent of 1- and 2-year-olds, and 51 percent of 3- and 4-year-olds (Laughlin 2013). Overall, infants and toddlers disproportionately are cared for in home-based settings, especially with family, friend, and neighbor providers (Halle et al. 2009; Iruka and Carver 2006; NSECE Project Team 2015; Susman-Stillman and Banghart 2008).
- The supply of centers is lower for infants and toddlers than for children 3 and older. The National Survey of Early Care and Education finds that only 36 percent of centers serve children younger than 1, 43 percent serve 1-year-olds, and 52 percent serve 2-year-olds, whereas over 80 percent serve 3- and 4-year-olds (NSECE Project Team 2015). As a result, parents with infants and toddlers seeking center-based care have fewer options. Households in lower-income communities are especially less likely to have access to centers that serve infants and toddlers (NSECE Project Team 2015).

TABLE 1
Estimated Number and Share of Low-Income Children Younger Than Age 6 with Working Parents
Who Are Infants and Toddlers (Younger Than Age 3)

State	All low-income children < 6 with working parents #	Of this total, children who are infants and toddlers	
		#	%
Alabama	80,800	36,500	45%
Alaska	9,700	4,200	43%
Arizona	109,200	49,600	45%
Arkansas	58,200	25,700	44%
California	517,000	237,600	46%
Colorado	68,900	31,000	45%
Connecticut	37,500	16,600	44%
Delaware	13,600	6,400	47%
District of Columbia	8,300	3,900	47%
Florida	305,100	141,100	46%
Georgia	183,600	85,200	46%
Hawaii	13,300	5,700	43%
Idaho	31,900	14,400	45%
Illinois	178,900	79,200	44%
Indiana	115,700	53,700	46%
Iowa	52,400	23,100	44%
Kansas	52,800	24,900	47%
Kentucky	66,600	30,300	45%
Louisiana	94,900	43,300	46%
Maine	15,400	6,500	42%
Maryland	69,100	31,200	45%
Massachusetts	63,000	28,500	45%
Michigan	145,000	70,300	48%
Minnesota	76,500	35,900	47%
Mississippi	65,800	28,900	44%
Missouri	99,900	46,700	47%
Montana	16,200	7,400	46%
Nebraska	35,900	17,300	48%
Nevada	47,500	21,500	45%
New Hampshire	12,500	5,200	42%
New Jersey	94,500	44,600	47%
New Mexico	38,500	16,700	43%
New York	248,400	114,700	46%
North Carolina	165,200	74,400	45%
North Dakota	11,200	5,800	52%
Ohio	183,400	83,800	46%
Oklahoma	73,200	33,500	46%
Oregon	57,700	26,900	47%
Pennsylvania	158,300	72,600	46%
Rhode Island	12,300	5,900	48%
South Carolina	84,100	37,900	45%
South Dakota	17,200	8,000	46%
Tennessee	111,500	50,000	45%
Texas	497,100	227,400	46%
Utah	49,900	24,000	48%
Vermont	7,300	3,400	47%
Virginia	102,600	46,700	46%
Washington	91,900	42,700	46%
West Virginia	23,800	11,100	47%
Wisconsin	89,600	41,500	46%
Wyoming	8,600	4,000	46%
50 state and DC total	4,771,600	2,187,400	46%
JU SLALE AIRU DC LULAI	7,771,000	2,107,400	70/0

**Source:** 2011–15 American Community Survey five-year estimates.

# Some Factors Shaping the Availability of Center-Based Care for Infants and Toddlers

Research is limited on the factors shaping the supply of centers for infants and toddlers. But concerns related to insufficient and unreliable demand, the cost of providing care to very young children, and provider readiness may all play a role.

#### Insufficient and Unreliable Demand

Providers may think there are not enough families who prefer center care for their infants and toddlers and can afford it. Some parents prefer home-based settings for their very young children. However, the number of families using center care for infants and toddlers has grown in recent years (Chaudry et al. 2017). This trend suggests that though there are still parents that prefer home-based settings, parents' attitudes toward enrolling infants and toddlers in center care have become more favorable and providers are slowly increasing the number of slots available to infants and toddlers.

#### **Cost of Providing Care**

- Center-based child care for infants and toddlers is significantly more expensive to provide and to purchase than care for children of other ages; providers must meet lower child-staff ratios, smaller group sizes, and, in several states, higher staff qualifications (Sandstrom, Moodie, and Halle 2011). Providers must also have enhanced facilities and meet building requirements addressing health and safety requirements for infants and toddlers. These cost constraints are reflected in a 2015 survey of CCDBG administrators: 83 percent reported the cost of maintaining ratios as a major barrier to providing infant and toddler care, 22 percent reported feeling burdened by compliance with regulations and paperwork, and 20 percent reported insufficient space in existing facilities as a barrier to providing care for infants and toddlers (Resnick et al. 2015).
- Providers may not be able to recoup the additional investments through higher tuition rates alone, given the affordability concerns of their customers, especially low- and middle-income families (Stoney 2015). The costs of providing care for infants and toddlers reflected in the additional facility enhancements and programming requirements may not be sufficiently compensated by subsidy payment rates. In many programs, the tuition from families with older children may partially subsidize the higher costs of extending care to infants and toddlers (Stoney 2015).

#### **Provider Readiness**

Center directors may lack the necessary training or interest to serve infants and toddlers. The 2015 survey of CCDBG administrators mentioned above identified insufficient numbers of providers with infant and toddler training (41 percent) and disinterest among providers in extending care to infants and toddlers (22 percent) as additional barriers to serving this population (Resnick et al. 2015). Curricular models that are appropriate for infants and toddlers require specific developmental knowledge and use activities unique from those targeted at preschool and older children. Not all center directors have the desire or resource capacity to invest in gaining this training, and they may consider work with infants and toddlers more difficult or outside their comfort zone.

# Recommended Policies to Help Infants and Toddlers

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 face trade-offs and competing priorities for these funds. Nevertheless, the infusion of additional funds offers states 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 CCDBG policy tools when designing subsidy policies to meet CCDBG goals around access and quality for priority populations, including infants and toddlers.<sup>3</sup>

- Increase financial incentives for various providers to serve this age group, including homebased settings and legally unlicensed caregivers as well as centers.
- Use contract-based financing for both centers and family child care homes and networks to serve this age group.
- Target training, technical assistance, and grants to help providers with the start-up costs, to support caregiver education, and to help providers overcome any concerns about serving this population.
- Develop targeted consumer education efforts about the importance of quality care for infants and toddlers' healthy development.

The complex combination of market and business realities, provider motivation, and parental preferences suggests that states wanting to meet the needs of infants and toddlers 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 with infants and toddlers, 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. There are signs that demand for infant and toddler care has increased in recent years, which may alleviate center owners' concerns about insufficient and unreliable demand. But some parents will likely still prefer home-based settings even as the center-based market for infants and toddlers expands. 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 infants and toddlers 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 infants and toddlers, 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 for this population. 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, Early Head Start, early intervention, and related programs to support access to high-quality child care for these families.

### Notes

- 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."
- <sup>2</sup> For simplicity's sake, we use "states" instead of "states and territories" for the remainder of this brief.
- <sup>3</sup> 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

Chaudry, Ajay, Taryn Morrissey, Christina Weiland, and Hirokazu Yoshikawa. 2017. Cradle to Kindergarten: A New Plan to Combat Inequality. New York: Russell Sage Foundation.

Halle, Tamara, Nicole Forry, Elizabeth C. Hair, Kate Perper, Laura D. Wandner, Julia Wessel, and Jessica Vick Whittaker. 2009. "Disparities in Early Learning and Development: Lessons from the Early Childhood Longitudinal Study–Birth Cohort (ECLS-B)." Bethesda, MD: Child Trends.

Henly, Julia R., and Gina Adams. 2018. Increasing Access to Quality Child Care for Four Priority Populations: Challenges and Opportunities with CCDBG Reauthorization. Washington, DC: Urban Institute.

- Iruka, Iheoma, and Priscilla R. Carver. 2006. *Initial Results from the 2005 NHES Early Childhood Program Participation Survey*. Washington, DC: US Department of Education, National Center for Education Statistics.
- National Scientific Council on the Developing Child. 2007. "Science Briefs: How Early Child Care Affects Later Development." Cambridge, MA: National Scientific Council on the Developing Child.
- NRC (National Research Council) and IOM (Institute of Medicine). 2000. From Neurons to Neighborhoods: The Science of Early Childhood Development. Committee on Integrating the Science of Early Childhood Development. Jack P. Shonkoff and Deborah A. Phillips, eds. Board on Children, Youth, and Families, Commission on Behavioral and Social Sciences and Education. Washington, DC: National Academies Press.
- NSECE (National Survey of Early Care and Education) Project Team. 2015. "Who Is Providing Home-Based Early Care and Education?" Report 2015-43. Washington DC: US Department of Health and Human Services, Administration for Children and Families, Office of Planning, Research and Evaluation.
- Resnick, Gary, Meghan Broadstone, Heidi Rosenberg, and Sarah Kim. 2015. "State Policies and Practices Supporting Child Care for Infants and Toddlers." Waltham, MA: Education Development Center.
- Sandstrom, Heather, Shannon Moodie, and Tamara Halle. 2011. "Beyond Classroom-Based Measures for Preschoolers: Addressing the Gaps in Measures for Home-Based Care and Care for Infants and Toddlers." In *Quality Measurement in Early Childhood Settings*, by Martha J. Zaslow, Ivelisse Martinez-Beck, Kathryn Tout, and Tamara Halle, 317–46. Baltimore: Brookes Publishing.
- Stoney, Louise. 2015. Financing High-Quality Center-Based Infant-Toddler Care: Options and Opportunities. Washington, DC: Early Educator Central.
- Susman-Stillman, Amy, and Patti L. Banghart. 2008. "Demographics of Family, Friend, and Neighbor Child Care in the United States." Research Connections. New York: Columbia University, Mailman School of Public Health, National Center for Children in Poverty.

#### 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.



2100 M Street NW Washington, DC 20037

www.urban.org

#### **ABOUT THE URBAN INSTITUTE**

The nonprofit Urban Institute is a leading research organization dedicated to developing evidence-based insights that improve people's lives and strengthen communities. For 50 years, Urban has been the trusted source for rigorous analysis of complex social and economic issues; strategic advice to policymakers, philanthropists, and practitioners; and new, promising ideas that expand opportunities for all. Our work inspires effective decisions that advance fairness and enhance the well-being of people and places.

Copyright © October 2018. Urban Institute. Permission is granted for reproduction of this file, with attribution to the Urban Institute.