

Has Access to Quality Child Care for Children under 6 Increased for Low Income Illinois Families? 2011 – 2016



Illinois Action for Children
Research Department
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EXECUTIVE SUMMARY

A three part series, as part of the Illinois-New York Child Care Research Partnership, which examines changes in the supply of quality child care in Illinois available to subsidy-eligible families from 2011-2016.

Part 1: Has Access to Quality Child Care Increased for Low-Incomes Families with Children Under 6?

Part 2: Has Access to Quality Infant Care Increased for Low-Income Families?

Part 3: Has Access to Quality Child Care During Nonstandard Hours Increased for Low-Incomes Families?

Introduction

Over the period 2011 to 2016, the State of Illinois made substantial new investment in its early care and education system. In 2012, Illinois received a federal Race to the Top - Early Learning Challenge grant to invest in increasing the supply of high-quality child care for low-income families. Under this grant, Illinois replaced its quality rating system with a more comprehensive, research-based quality rating and improvement system known as ExceleRate™ Illinois. In addition, some communities in Illinois received federal Early Head Start-Child Care Partnership grants in 2014 to increase high-quality programs for children under age three by blending state and federal funds.

This series examines whether the availability of quality child care for low income working families — in particular, those eligible to receive the child care subsidy — increased during this period. It compares this availability in 2011, prior to these new investments, and again in 2016, three years after implementing ExceleRate Illinois, with specific attention to care for infants and care during nonstandard hours. The reports focus on two Illinois regions: (1) the urban and suburban Cook County area and (2) a group of seven urban, suburban, and rural counties in Southwestern Illinois.

The reports document significant gains in access for families with low incomes to quality child care for children under 6 and infants, particularly in Cook County. Cook County saw substantial expansions in the number of quality-designated slots (slots in programs that are accredited or quality rated),

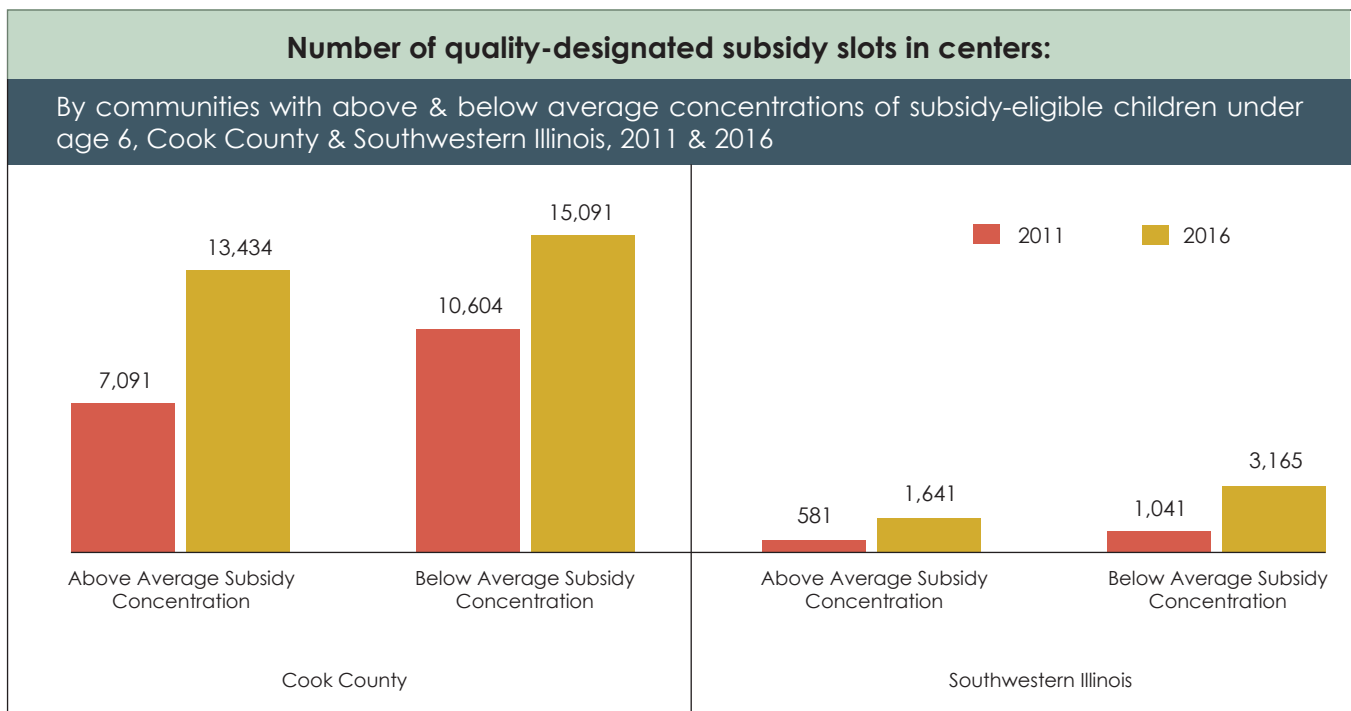
particularly in communities with higher proportions of subsidy-eligible families. This suggests that in areas with concentrated need, providers were more likely to respond to policy incentives such as subsidy rate add-ons and grants tied to improving the quality of their programs. In Southwestern Illinois, which had less favorable economic conditions for expanding quality programs and slots, the results were more mixed. The region saw substantial growth in quality infant and child care slots, but these slots were not necessarily in communities with the highest need. Moreover, in both regions, the supply of quality home care and non-standard hour care saw very little growth.

These findings suggest that Illinois child care policy had significant successes in achieving its goal of increasing access to quality-designated child care. Other policy, demographic, economic, and budgetary factors at play make it impossible to attribute all changes to specific policies. The findings also indicate that for supply-side policies to succeed in increasing high-quality child care, the broader economic and policy environment may need to be stable enough to give child care programs confidence to invest in new and higher-quality capacity. When early care and education policies target capacity-building by programs, they must also focus on stabilizing programs' underlying financial conditions and building their confidence that demand for child care will be strong in their community.

Key Findings

Access to Quality Child Care for Low-Income Families with Children 0-5

- From 2011 to 2016, both Cook County and Southwestern Illinois saw substantial gains in quality-designated child care slots for subsidy-eligible children under age six: 11,953 slots (a 63 percent gain) in Cook County and 3,220 slots (a 192 percent gain) in Southwestern Illinois.
- Most of the improvement took place in centers and not child care homes, which is consistent with how ExceleRate Illinois was implemented – focusing first on improving quality-designations in child care centers.
- Access to quality-designated care leaves much room to grow. Even after the gains, in 2016 there were enough quality-designated slots to serve only 27 percent of subsidy-eligible children in Cook County and 36 percent in Southwestern Illinois. Furthermore, some of these slots were probably taken by children from higher-income families.
- In Cook County, the growth of quality-designated slots occurred largely in census tracts where more subsidy-eligible children lived. As a result, the average distance from actual subsidy families' homes to the nearest quality-designated center fell during this time. This increase in quality-designated slots where subsidy families live reflects a strong supply-side trend that we believe was largely policy-driven.
- Despite Southwestern Illinois' faster growth in quality-designated slots, this growth occurred in census tracts where fewer subsidy-eligible children lived. Higher levels of unemployment and slower recovery from the recession in Southwestern Illinois seem to have hindered quality slot growth in lower-income communities. This suggests that some base level of economic stability is required for programs to respond to policy incentives by expanding the supply of high-quality care in the highest-need areas.



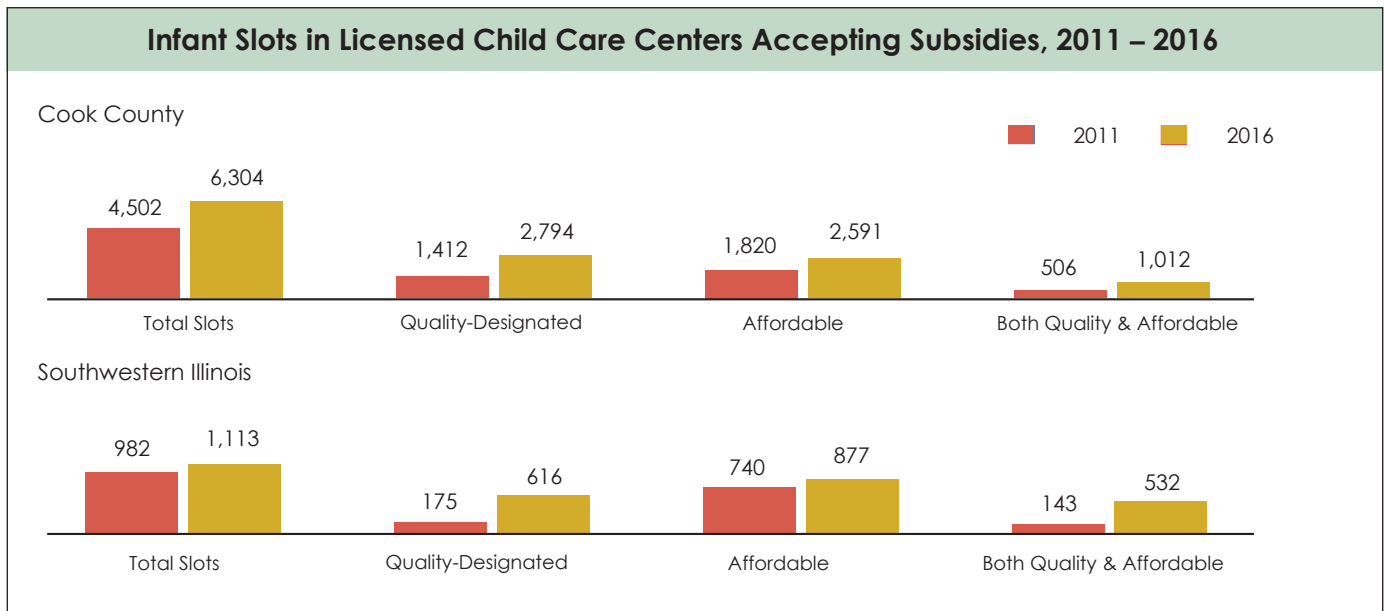
59 percent of the gains in quality-designated subsidy slots in Cook County occurred in communities with higher than average concentrations of subsidy-eligible children, compared to just one-third of the gains in Southwestern Illinois.

Access to Quality, Affordable Infant Care for Low-Income Families

- Cook County and Southwestern Illinois both saw significant growth in their supply of quality-designated infant slots, primarily in child care centers. Cook County centers nearly doubled their number of quality-designated infant slots, bringing the percentage of infant center slots that were quality-designated from 30 percent to 44 percent. Quality-designated infant slots in Southwestern Illinois more than tripled and, by 2016, 55 percent of center infant slots in Southwestern Illinois were quality-designated compared to just 18 percent in 2011. Trends were less positive for licensed homes, as the overall supply of home care declined.
- Despite these great strides, the amount of quality-designated infant care in Cook County that was affordable to subsidy-eligible families (i.e. price was fully covered by the rate paid by the subsidy program) was very

low. Just 16 percent of infant slots were quality-designated and affordable. This is consistent with the fact that subsidy rates paid to child care centers remained flat between 2012 and 2016, while private market rates continued to rise.

- In Southwestern Illinois, subsidy rates did a better job of covering the market price of infant center care, which rose more slowly than in Cook County. Affordable, quality-designated center slots grew alongside quality-designated center slots. By 2016, 48 percent were both affordable and quality-designated.



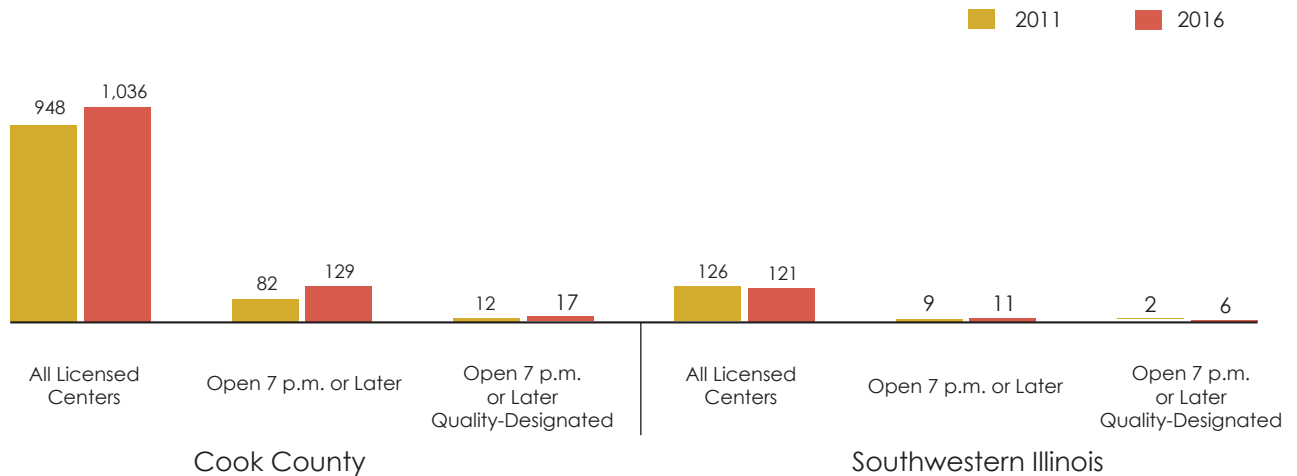
As of 2016, just 16 percent of Cook County's center-based infant care seats were quality-designated and affordable unlike in Southwestern Illinois where nearly half were.

- As with slots for children under six, quality-designated infant slots in Cook County grew in communities where subsidy-eligible families lived, but those in Southwestern Illinois grew more in communities with fewer subsidy-eligible children.

Availability of Quality Non-Traditional Hour Care

- Efforts to expand quality-designated care did not specifically target care during non-standard hours, but we were interested in whether providers of non-standard hour care took up the quality supports. As of 2016, the supply of early morning and evening child care for subsidized children, particularly quality-designated care, remained low. Small gains at both the beginning and the end of the day were accomplished without any policies offering licensed or quality-designated providers special incentives to provide non-standard hour care.
- *Early morning care:* The majority of child care centers in both study sites are open before 7 a.m., so it is not surprising to see gains in the number of quality-designated centers open before 7 a.m. The share of centers that were open before 7 a.m. and quality-designated grew from 12 percent to 20 percent in Cook County and from 15 percent to 44 percent in Southwestern Illinois. Centers that open before 6:30 a.m. are less common, and the percentage in 2016 that were both open before 6:30 a.m. and quality-designated was lower at 11 percent in Cook County and 26 percent in Southwestern Illinois. Many more licensed homes than centers offer care before 6:30 a.m., but because so few homes were quality designated only 8 percent of Cook County homes and 4 percent of those in Southwestern Illinois offered quality-designated care before 6:30 a.m. in 2016.
- *Evening care:* Evening care is even less common among centers than early morning care. Both regions saw very little growth in the number of centers that were open at 7 p.m. or later and quality-designated. By 2016, these amounted to just 2 percent of Cook County centers and 5 percent of Southwestern Illinois centers. Again, licensed homes are much more likely than centers to offer evening care, but the low rate of quality designation among homes means they contributed little to the supply of quality-designated evening slots.

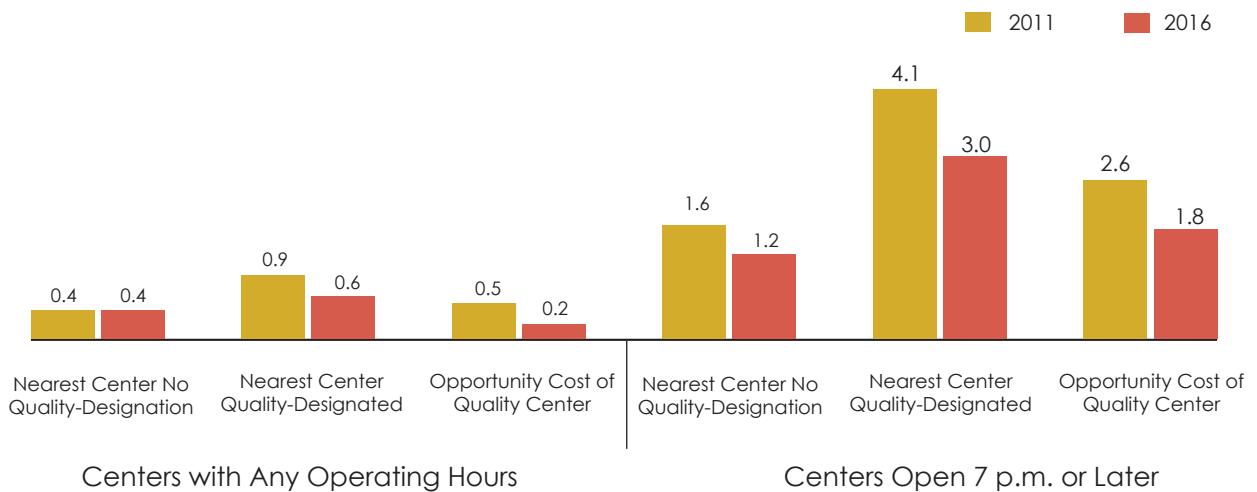
Child care centers accepting subsidy, open 7 p.m. or later, 2011 & 2016



Of Cook County's 1,036 licensed centers in 2016, just 129 were open at 7 p.m. or later, only 17 of which were quality-designated. Similarly, among the 121 centers in Southwestern Illinois in 2016, just 11 were open at 7 p.m. or later and only 6 of these were quality designated.

- While there have been improvements over this period, parents in Cook County still must travel some of the longest regional distances to quality-designated programs that provide care during nonstandard hours.

Average distance in miles that subsidized Cook County families live from the nearest center with any operating hours & the nearest center open at 7 p.m. or later (37,507 families in 2011 & 30,053 in 2016)



Using one of the few quality-designated child care centers with evening hours required subsidized Cook County parents to travel long average distances, although these distances fell by 27 percent from 2011 to 2016: 4.1 miles to 3 miles.

Policy Implications

- Stabilize child care demand.** Policies that encourage providers to expand the supply of high-quality child care slots are most effective in communities with strong demand for child care services. Strong demand gives child care providers confidence to expand their capacity and their quality. In regions experiencing prolonged economic hardship, such as parts of Southwestern Illinois from 2011 to 2016, the demand for child care is too weak to inspire providers' confidence. Policies to stabilize or even raise the demand for quality child care in such communities are important supports for policies to

increase the supply of high-quality child care. Demand policies include expanding eligibility for the subsidy program to more families and using subsidy contracts that give providers predictable revenues.

- **Increase the supply of quality licensed home care.** Most of the improvements in each region took place in child care centers, rather than in child care homes. While more research should undoubtedly be conducted on how to best accomplish it, it is clear that supporting an increase in the supply of high-quality licensed child care homes will lead to greater access and choice for families across Illinois, particularly in rural parts of the state.
- **Create incentives for high-quality, non-standard hour child care.** As of 2016, the supply of quality-designated, non-standard hour child care remained low in both regions studied, which continues to limit access to quality child care for significant numbers of subsidy-eligible families. Policymakers could improve the supply of licensed or quality-designated child care during non-standard hours by providing quality incentives such as subsidy add-ons and grant funding to programs offering extended-hour child care.
- **Address affordability in high cost of care areas.** While subsidy rates were high enough to cover the cost of the vast majority of infant care slots in Southwestern Illinois, in the higher-cost Cook County area, only 16 percent of infant care slots were quality-designated and affordable in 2016. Policymakers can ensure that a greater portion of quality infant slots are affordable — even in high cost areas — by tying reimbursement rates to the cost of providing care within a specific community. This will help ensure that increases in the supply of quality child care are actually accessible for low-income families.



Illinois Action for Children is a catalyst for organizing, developing and supporting strong families and powerful communities where children matter most.