

# Report on Child Care in Cook County 2018

For FY 2017

(covering July 1, 2016–June 30, 2017)

Prepared By:

Research Department

Illinois Action for Children

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## Highlights

### Child Care Capacity Grows in Centers but Decreases in Homes

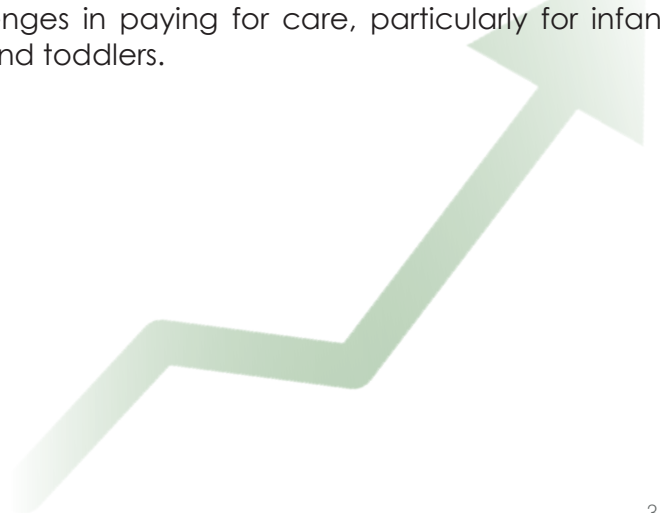
The number of children that Cook County's licensed child care programs can serve has grown by 3 percent over the last five years and 8 percent since 2007. New and larger child care centers account for this growth. They offset a steady loss of capacity in licensed, home-based programs during this period. The past two years saw a particularly high drop in licensed home capacity, which decreased by 7 percent in 2016 and 4 percent in 2017, more than the average one percent drop per year over previous years. Drastic restrictions placed on parent eligibility for the state's Child Care Assistance Program during this period apparently accelerated the loss of home care. During these two years center capacity continued to grow but at a slower pace than in previous years.

We see similar trends in infant care, which is traditionally in short supply. The overall number of licensed infant slots has grown by 9 percent in the past five years, riding on a strong 33 percent growth of center slots for infants while home provider numbers fell each year.

### Child Care Continues to be Expensive

Despite a rising supply of child care, the high and increasing cost of child care continues to place working families in crisis. Although the last presidential election brought renewed focus to the high cost of child care, little has been done to address the problem. In Cook County, the cost for a preschooler to attend a child care center full-time averages nearly \$10,000 per year, while it costs over \$13,500 for an infant. This is more than the average cost of tuition and fees at a public university in Illinois.

Not only are child care costs high, they typically rise faster than the rate of inflation. Even though family incomes are in a strong recovery from their deep decline during the 2008 recession, child care still takes a larger share of family income than before the recession, a share far higher than federal guideline of 7 percent. Working families with two or more young children face even more challenges in paying for care, particularly for infants and toddlers.



## Fewer Families are Receiving Child Care Assistance

Illinois' Child Care Assistance Program (CCAP) makes child care affordable to lower-income families that otherwise would not have access to expensive licensed child care options. A family of two earning \$10 per hour, for example, pays just 6 percent of its income for center-based child care if it has CCAP as opposed to 42 percent without CCAP.

CCAP is essential, then, to improving working parents' access to quality child care options. However, drastic eligibility restrictions enacted by the governor in 2015 resulted in a reduction of almost 20,000 families with CCAP by January 2016. Although the restrictions were partially reversed, by the end of 2017, 10,000 fewer families participated than before the cuts – a 20 percent drop.

Throughout FY2017, two groups that have traditionally been eligible for CCAP remained ineligible to apply: families in education and training programs and families earning between 162 and 185 percent of the federal poverty level. Eligibility for these families was not restored until autumn 2017.

## Efforts to Meet Quality Standards

FY2017 was the third year of Illinois' revised quality rating and improvement system, ExceleRate Illinois. At year-end, 23 percent of Cook County child care centers had a silver or gold Circle of Quality, the two highest ratings. This percentage was similar to 2016. In 2017 an additional 15 percent of centers achieved the third highest rating, the bronze Circle of Quality – bringing the total percentage of child care centers with a quality rating to 39 percent. Among home-based child care providers, a smaller portion had a Circle of Quality in 2017: 229 providers, or just 7 percent.

In 2017, the Illinois Department of Human Services, which administers the CCAP program, introduced new health and safety training requirements for all providers that serve CCAP families. The requirements stem from the reauthorization of the federal Child Care and Development Block Grant, but they exceed federal requirements and do not align with other monitoring or quality efforts in Illinois. As a result, child care programs (and most of their staff) will need to complete up to 57 hours of training. It is unclear how providers will manage the competing demands of both the CCAP health and safety training requirements and ExceleRate Illinois. Some observers expect provider participation in CCAP or ExceleRate Illinois to decline in the coming year.

# Introduction:

## Families and Child Care in Cook County

Approximately 856,000 children under the age of 13 live in Cook County. A large proportion, and perhaps a majority, of these children receive regular care from someone other than their parents or guardians: from a relative, a friend or neighbor, a family child care home, a child care center, or a park district or other after-school program.

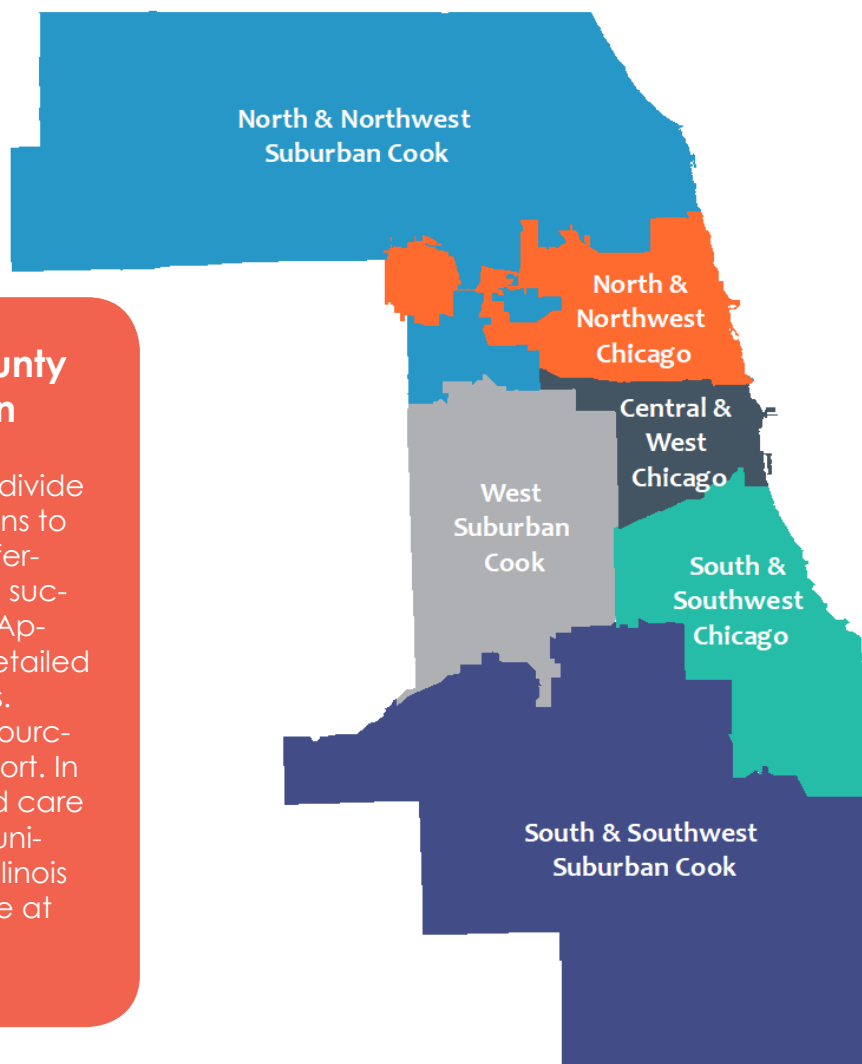
Families seek child care by asking relatives or friends for referrals, looking at notices and advertisements, and visiting child care centers in their communities. The State of Illinois offers a resource for families in the form of a referral service. Illinois Action for Children administers this service for families in Cook County through its Child Care Referral Program, maintaining a database of child care providers who register voluntarily to be referred to parents. Child care providers supply detailed information about their programs so that referral consultants can help

parents find providers who match their needs and preferences. Referral consultants help inform parents on what constitutes quality child care to better equip parents in evaluating the programs they visit. Most of the data presented in this report are derived from information collected for this service.

This 2018 Report on Child Care in Cook County examines the availability of child care to families in different parts of Cook County in FY2017, the year ending June 30, 2017. We present the various settings in which child care takes place, the number of children that can be served in each type of care, and the fees that parents pay to different types of providers. Challenges faced by families in relation to the cost of child care and state efforts to subsidize that care are also explored. Finally, we review policy options that could make child care more affordable and accessible to families throughout Cook County.

### Examining Cook County Child Care by Region

Throughout this report we divide Cook County into six regions to show how geographic differences can affect parents' success in finding child care. Appendix 1 provides more detailed definitions of these regions. Appendix 1 provides the sources of data cited in the report. In addition, Census and child care data for particular communities can be found on the Illinois Action for Children website at [www.actforchildren.org](http://www.actforchildren.org).







## What Types of Child Care are Available in Cook County?

A family's success in finding quality child care is based on many factors including the types of care available where they live, the child's age and specific needs, the hours of care needed, the amount the family can afford to pay, and the parent's particular preferences. If we assume families have access to all types of child care, we can look at their available options in Cook County.

The reader will note that parents' use of these options has changed substantially in recent years. Some of these changes began years ago and represent long-term trends in the economy and child care policy. Other changes have more recent origins, including the state's budget crisis and new emergency rules enacted in CCAP. A subsequent section of this report examines the impact of these changes in Cook County.



### Parental Care

Many families use parental care only. Either one parent stays home to care for the children, or both parents stagger their schedules so one can care for the children while the other works, goes to school or fulfills other responsibilities.

### Formal Child Care Sector

Families might choose a formal child care arrangement in a child care center or a licensed family child care home. Approximately 4,550 child care providers comprise the formal child care sector.

Many home-based child care providers, especially those who provide care as an ongoing profession, choose to become licensed. The

care provided in their homes is regulated by the Illinois Department of Children and Family Services (DCFS) and, in some cases, by a local licensing agency as well. Throughout this report, we refer to these caregivers as licensed home providers. In Illinois, a license is required when the home provider is caring for more than three children, including the caregiver's own children.



## Licensed Home Care: 3,066 homes in Cook County

This is care offered in a person's home and regulated by the Illinois Department of Children and Family Services (DCFS). Licensed home providers may care for as many as eight children, plus an additional four school-age children during out-of-school time if an assistant is present. Providers with full-time adult assistants licensed as group homes can care for as many as 16 children. The number of licensed homes decreased by 131 from 2016 to 2017.

Parents also have the option of enrolling their child in a child care center. While most of these facilities are licensed by DCFS, centers such as those based in schools or affiliated with religious groups are exempt from being licensed. Center care may include all-day or part-day child care programs, before- and after-school pro-

grams (including those provided by park districts and YMCAs), and full-day summer programs for school-age children. Many parents choose center-based care to give their children a classroom-based early learning experience before they enter kindergarten.



## Full-Day Center Care: 1,278 centers in Cook County

Child care centers typically offer full-day care to serve working parents. Most are licensed through the Illinois Department of Children and Family Services (DCFS), though a number connected to schools or religious institutions are exempt from licensing (70 known centers). Full-day centers increased by 11 centers in 2017.



## School-Age Care: 158 programs in Cook County listed with Illinois Action for Children

In addition to school-age care offered through child care centers, before- and/or after-school care is offered by some schools, park districts, and programs such as the Boys and Girls Clubs. Most of these programs are exempt from licensing, making it difficult to get a complete count of them. Our count has fallen by 14 programs since the previous year.

Parents who do not need full-time child care but wish to prepare their 3- or 4-year-old child for kindergarten may consider a part-day or part-week preschool program. These programs include private, tuition-based preschools as well as free, public preschools such as Head Start and Preschool for All. Data on public and private preschool pro-

grams for the year ending June 30, 2017 are not yet publicly available and are not included in this report. In FY2016, Cook County had about 53,000 Head Start and Preschool for All slots.<sup>1</sup> These were mostly part-day slots and thus were problematic for parents working full-time during the day.

<sup>1</sup> Illinois Early Childhood Asset Map, downloaded October 19, 2017 from <http://search.iecam.illinois.edu/cgi-bin/iecam/search.asp>.

## Informal Child Care Sector

Tens of thousands of caregivers provide child care through informal arrangements. Parents who need or want to look beyond parental care may choose a caregiver who can provide care in the child's home, as a nanny does. They may also choose to place their child in the home of someone they know well and trust, such as a family member, close friend, or neighbor. This type of care is often referred to as Family, Friend, and Neighbor (FFN) care. When operating legally, FFN care providers are not required to have a child care license and are also called license-exempt home providers.

Parents using FFN care often have a personal relationship with their provider. Families and FFN providers often share a common culture and lan-

guage as well. Parents also choose FFN care for economic reasons. FFN care is more affordable than center-based care or licensed home care, and many FFN providers are more flexible about if and when child care payments are made. FFN providers are more likely to offer care in the evenings, overnight, and on the weekends when other care is less available and can be more flexible with parents who receive their work schedules on short notice.<sup>3</sup>



**Family, Friend, and Neighbor (FFN) Care: Total number unknown. More than 14,800 of Cook County's FFN providers participated in the Illinois Child Care Assistance Program (CCAP) in FY 2017.**

This is care provided by friends, neighbors and relatives in either the home of the child or the caregiver. FFN providers are permitted to care for up to three unrelated children at a time without a license. The number of FFN providers participating in CCAP decreased by about 4,200, or 22 percent, in FY 2017.

<sup>3</sup> For a more complete discussion of FFN care as it relates to non-traditional work hours, see Cook County Parents, Nonstandard Work and Child Care (Illinois Action for Children Research Brief, Jan., 2016). For parents' views, see Choices in the Real World: The use of family, friend and neighbor child care by single Chicago mothers working nontraditional schedules, Illinois Action for Children, 2013.





## Who is Served by the Formal Child Care Sector?

The formal child care sector comprised of child care centers and licensed homes has the capacity to care for approximately 142,000 Cook County children.<sup>4</sup> As there are about 600,000 children

birth-through-12 in Cook County with all parents working, only 24 percent of children potentially in need of child care can be served in formal child care settings.<sup>5</sup>

### The Formal Child Care Sector

	Formal Child Care Slots						Children potentially in need of child care		
	Licensed child care centers	License exempt child care centers	School-age programs	Licensed child care homes	Licensed homes - additional school-age slots	Total slots	Total children birth through 12	Children birth to 12 with all parents working	Slots as a percent of children potentially in need of care <sup>6</sup>
Cook County	95,188	6,933	10,163	24,044	5,563	141,891	865,057	600,037	24%
N & NW Chicago	15,529	1,228	419	3,406	914	21,496	156,617	106,292	20%
Central & West Chicago	14,597	538	1,076	3,437	723	20,371	99,315	67,272	30%
S & SW Chicago	20,511	1,796	1,299	9,447	2,293	35,346	182,141	132,118	27%
Chicago Total	50,637	3,562	2,794	16,290	3,930	77,213	438,073	305,682	25%
N & NW Suburb. Cook	20,263	2,102	5,454	1,500	219	29,538	204,843	137,933	21%
West Suburban Cook	8,144	713	833	2,318	500	12,508	91,370	63,416	20%
S & SW Suburban Cook	16,144	556	1,082	3,936	914	22,632	130,771	93,006	24%
Suburban Total	44,551	3,371	7,369	7,754	1,633	64,678	426,984	294,355	22%

The remaining 76 percent of children in this category may be cared for by one or more of the following: license-exempt child care providers, babysitters or nannies, public or private preschool programs, older siblings or family members, parents or guardians who work part-time or stagger their work schedules, or even self-care. While not all child care centers report their slots by age to

Illinois Action for Children, the data below reflect the capacity of the 79 percent that do.<sup>7</sup>

While not all child care centers report their slots by age to Illinois Action for Children, the data below reflect the capacity of the 79 percent that do.<sup>7</sup> Note the low number of infant and toddler slots compared to slots for older children.

<sup>4</sup> Slots shown represent daytime capacity. Licensed homes have the capacity to serve 16,549 children during evening hours if they choose to operate during these hours, while child care centers can provide an additional 5,060 evening slots.

<sup>5</sup> Children with all parents working, from the 2016 American Community Survey, five-year estimates.

<sup>6</sup> Percentages are based on known slots; additional license-exempt centers and slots may exist that are not reported to Illinois Action for Children, particularly those serving school-age children.

<sup>7</sup> Comparable data for licensed homes are not reported because home providers have more flexibility in the ages of children they can enroll and the ages they serve change frequently.

## Child Care Center Slots by Age

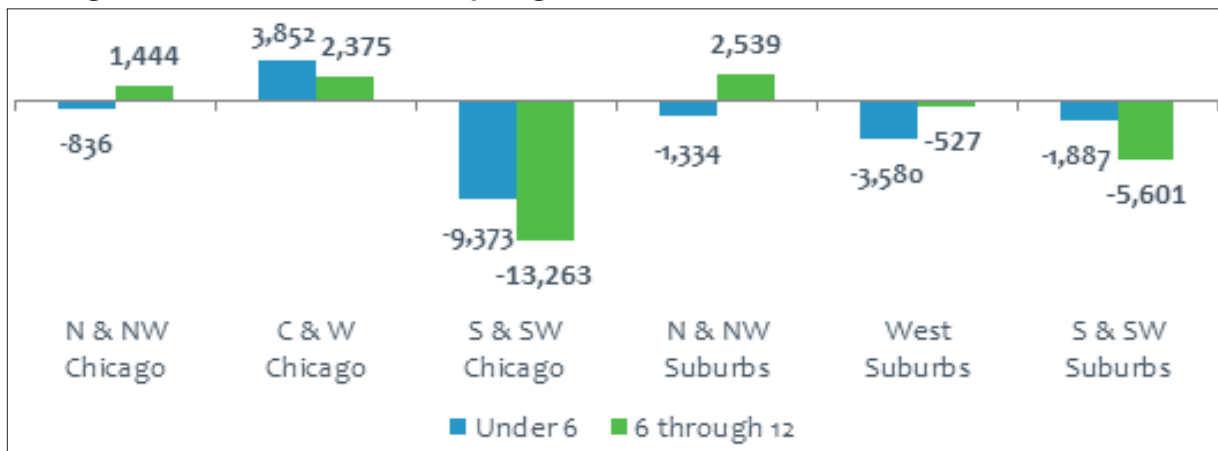
	Infant (6 weeks to 14 months)	Toddler (15 to 23 months)	2-year-old	3- to 4-year-old	5-year-old & kindergarten	Before & After School (full & part time)	School Age, Summer
Cook County	6,617	8,210	13,096	19,891	17,464	16,819	19,415
N & NW Chicago	619	944	1,957	2,849	2,435	2,257	3,312
Central & West Chicago	885	1,074	1,966	2,851	2,356	1,686	3,940
S & SW Chicago	1,551	1,876	3,214	4,577	4,099	3,181	6,487
Chicago Total	3,055	3,894	7,137	10,277	8,890	7,124	13,739
N & NW Suburban Cook	1,493	1,831	2,586	4,226	3,863	4,468	3,603
West Suburban Cook	595	719	1,120	1,823	1,760	1,578	590
S & SW Suburban Cook	1,474	1,766	2,253	3,565	2,951	3,649	1,483
Suburban Total	3,562	4,316	5,959	9,614	8,574	9,695	5,676

## Trends in Child Population over Time

The number of children under age 13 in Cook County continued to decrease from 2011 to 2016. Chicago lost 15,800 children from its population during this period, primarily in the South and Southwest Chicago region. Suburban Cook County also

saw a net decrease of about 10,400 children, with losses across all regions except for school-age children in the North and Northwest Suburbs. The West and Central Chicago region showed the largest growth, picking up 6,200 children under 13.

### Change in Number of Children by Region, 2011-2016<sup>8</sup>



## Trends in Number of Licensed Care Slots over Time

Over the past five years, the number of licensed child care slots in Cook County grew by 3,703 slots, or 3 percent. This growth can be attributed to an increase in center capacity, with 7,487 center slots added during this period (an 8 percent increase). This center growth was partially offset by a loss of 3,784 licensed home slots (a 14 percent decrease). These slot changes are part of a long-term trend of steady growth in the supply of licensed center slots in the county and a steady

decline in licensed home slots, with an overall net growth in licensed slots nearly every year over the past decade.

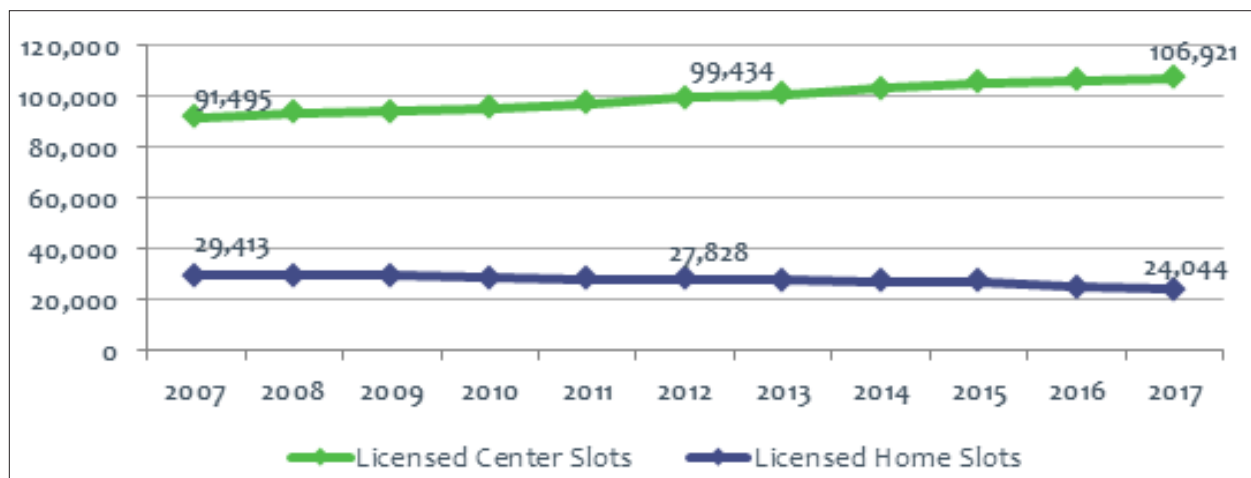
The past two years are an exception. Higher-than-average drops in licensed home slots in 2016 and 2017 (7 percent and 4 percent respectively) surpassed lower-than-average growth in center slots, leading to a net loss of licensed slots both years.

<sup>8</sup> Data are based on American Community Survey 2011 and 2016 5-year estimates. The 2011 data point reflects data collected during the years of 2007 through 2011, while the 2016 data point reflects data collected from 2012 through 2016.

This decline in licensed slots can likely be attributed to policy changes to the state's Child Care Assistance Program (discussed later) that greatly reduced the number of families that received

help paying for child care. With fewer families that could pay, child care providers experienced a sudden loss of income and some were not able to survive this financial loss.

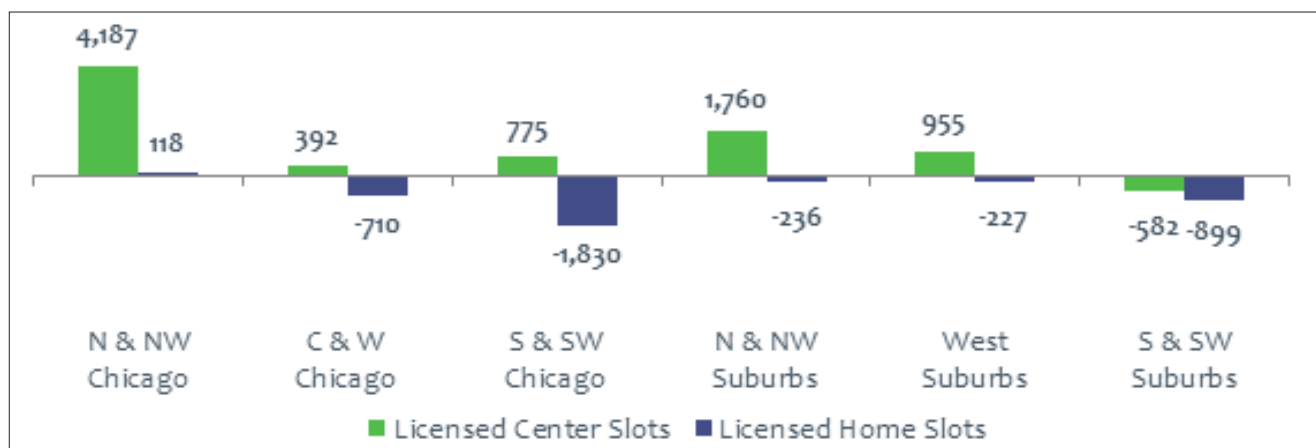
### Change in Number of Licensed Center and Licensed Home Slots over Time, 2007 – 2017



The drop in licensed home slots over the past five years occurred in every region of the county except the North and Northwest Chicago region. The bulk of the growth in center slots was within the city of Chicago, where slots grew by 11 percent compared to just 3 percent in suburban Cook County. Most of the Chicago growth occurred within the North and Northwest region, while the North and Northwest suburban Cook region saw

the most suburban growth. The South and Southwest Suburban Cook region was the only region that lost center slots over the past five years, including in 2017. Chicago's South and Southwest and Central and West regions gained center slots but lost licensed slots overall. Central and West Chicago was the only region that gained children but lost licensed slots over this period.

### Change in Number of Licensed Child Care Slots by Region, 2012-2017



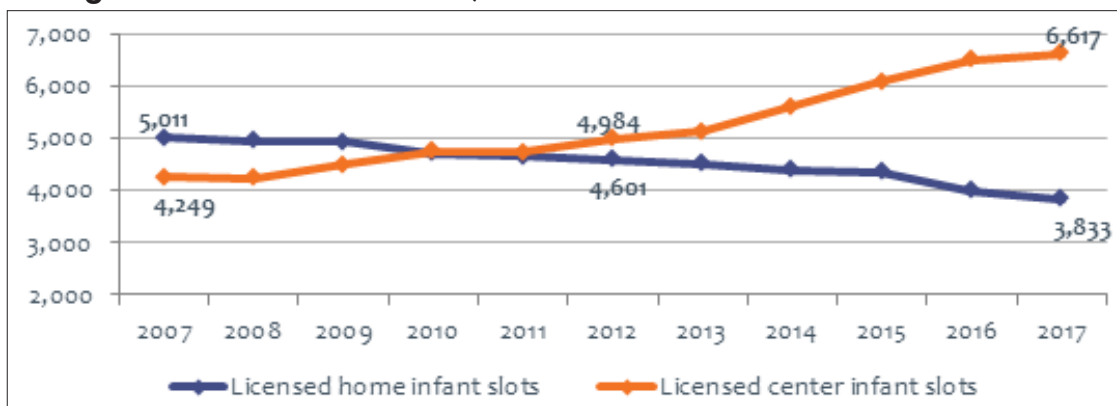


## Availability of Infant Care

State licensing standards require high caregiver-to-child ratios for infant care: one caregiver for every four infants in centers and one caregiver for every three infants in homes without an assistant. Organizations such as the American Academy of Pediatrics and American Public Health Association recommend even lower ratios of one caregiver for every three infants in child care centers and one caregiver for every two infants in large family child care homes.<sup>9</sup> As a result, child care providers find it costly to provide infant care and may limit the number of infant slots they offer, opting to provide slots for older children instead,

or charge high prices that put infant care out of reach for many parents. Overall, the supply of infant care in Cook County has improved over the past ten years. Similar to the overall trend in licensed slots, the number of infant center slots increased substantially while the number of licensed home slots declined. Because the number of licensed home providers fell over the past ten years, slots available for infants in homes dropped by 1,178.<sup>10</sup> However, center infant slots grew by 2,368, resulting in a net gain of 1,190 infant slots in Cook County.<sup>11</sup>

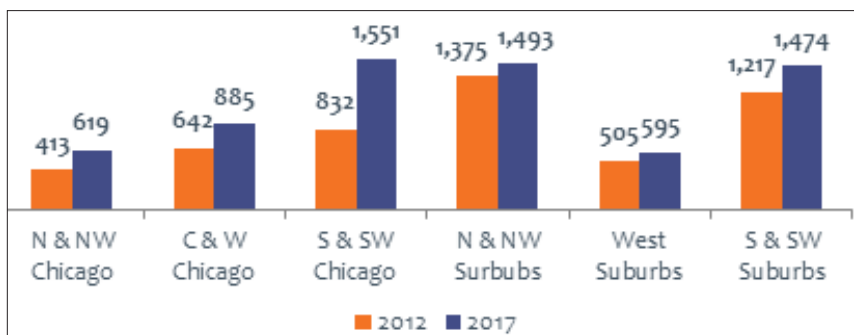
### Change in Number of Infant Slots, 2007 – 2017



Looking at the past five years by region, we see substantial growth in the number of infant center slots in the Chicago regions: in North and Northwest Chicago slots grew by 50 percent and by 86 percent in South and Southwest Chicago. Infant

slots also increased in all three suburban regions, though at a lower rate. Meanwhile, following the trend of children birth-through-twelve, the number of infants in Cook County declined in all but the Central and West Chicago region.

### Change in Number of Infant Center Slots by Region, 2012 & 2017



<sup>9</sup> American Academy of Pediatrics, American Public Health Association, National Resource Center for Health and Safety in Child Care and Early Education. 2011. Caring for our children: National health and safety performance standards; Guidelines for early care and education programs. 3rd edition. Elk Grove Village, IL: American Academy of Pediatrics; Washington, DC: American Public Health Association. Also available at <http://nrckids.org>.

<sup>10</sup> As mentioned, licensed home providers do not have designated slots by age. IAFC collects enrollment-by-age data from home providers that can inform us of their actual practices. In 2017, 73 percent of the home providers reporting their enrollment to IAFC was caring for one or more infants, with the average number of infants being 1.25. Therefore, to estimate infant home slots, we used 1.25 infants per licensed home provider.

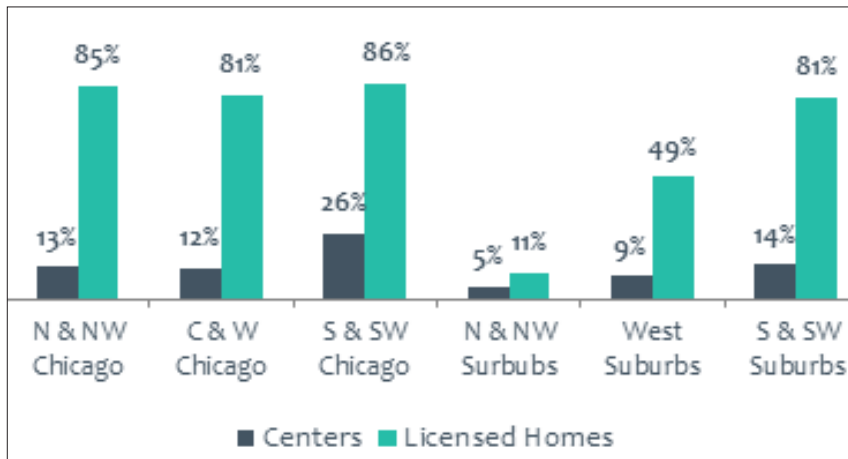
<sup>11</sup> Part of this change may be attributed to the number of providers that report their slots each year to IAFC's Resource and Referral program rather than an actual change in infant slots.

## Availability of Care During Non-Traditional Work Hours

Many families find access to child care to be limited during non-traditional work hours. Most child care programs are available only during the daytime on weekdays, but half of part-time employees and one-third of full-time employees, particularly low-income employees, work non-traditional schedules that include at least some evening, night, or weekend hours.<sup>12</sup>

One-half (49 percent) of all Cook County parents using CCAP work at least one hour between 6 pm and 6 am or on weekends, and 26 percent work at least 16 nonstandard hours each week.<sup>13</sup> Many employees also work schedules that vary, sometimes with little advance notice. Relatively few programs accommodate parents' needs for evening child care, overnight care, weekend care, or care on a variable schedule.

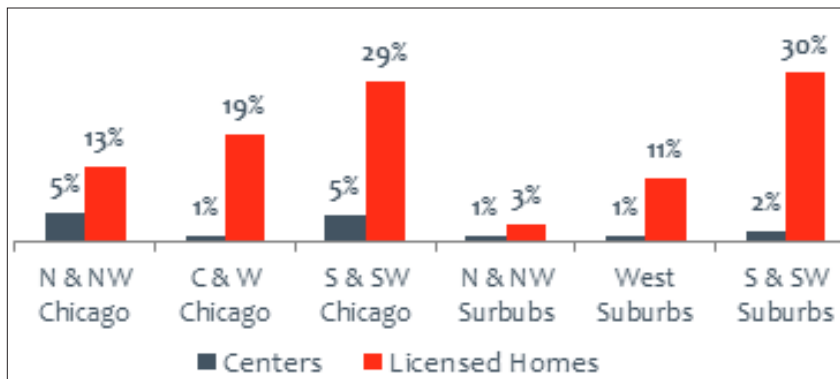
### Programs with Evening Care by Region (between 7pm and 2am)



Licensed homes are generally more flexible than centers in offering care during non-traditional hours. In several regions, the majority of home-based providers are licensed to provide evening care compared to only 14 percent of centers overall. However, further study is needed to determine how many homes actually offer care during the evening hours for which they are licensed.

Home-based providers are also far more likely than centers to offer weekend care, particularly homes in South and Southwest Chicago and in the South and Southwest suburbs. The availability of weekend care in homes increased in Cook County as a whole, from 8 percent in 2006 to 22 percent in 2017.

### Programs with Weekend Care by Region

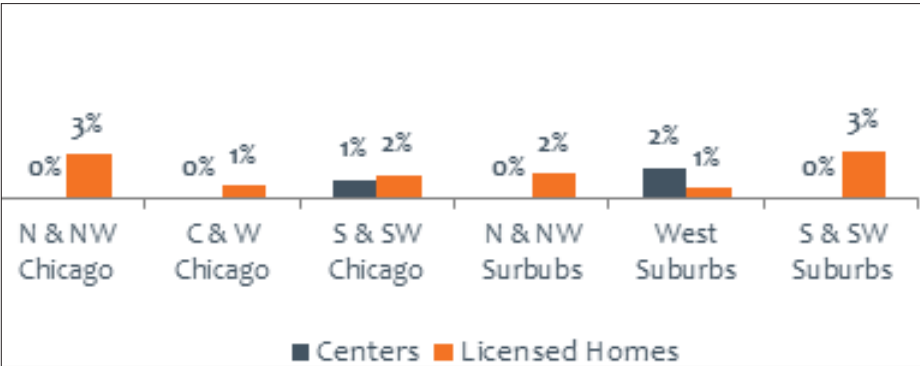


<sup>12</sup> See Working Later in Illinois: Work Schedules, Incomes and Parents' Access to Child Care, Illinois Action for Children, 2006. [http://www.actforchildren.org/wp-content/uploads/2016/02/MDP\\_ResearchPublications\\_PDFs\\_WorkSchedsCondensed.pdf](http://www.actforchildren.org/wp-content/uploads/2016/02/MDP_ResearchPublications_PDFs_WorkSchedsCondensed.pdf)

<sup>13</sup> Illinois Action for Children Research Brief, Cook County Parents, Nonstandard Work and Child Care, 2016 <http://www.actforchildren.org/wp-content/uploads/2016/09/CCAP-Work-Schedules-Policy-Brief-FINAL-9-14-16.pdf>

Very few homes or centers offer overnight care-less than one percent of centers and just three percent of licensed homes in Cook County.

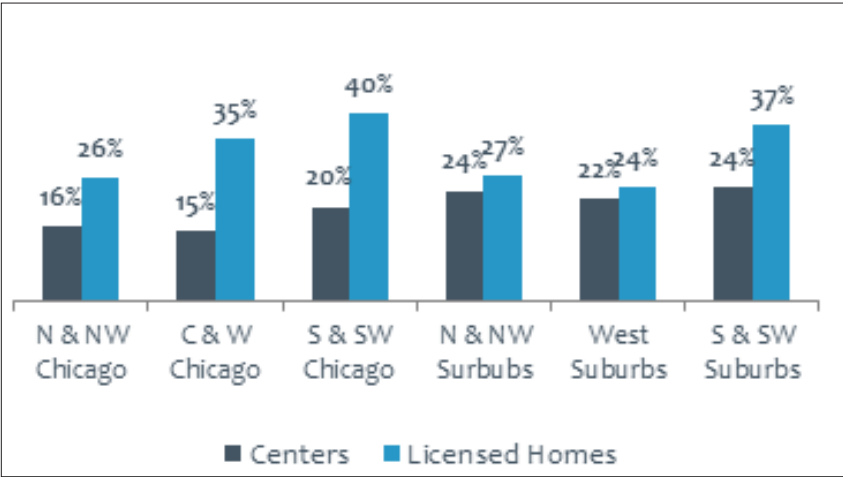
Programs with Overnight Care by Region



Programs offering variable hours of care are important for parents with changing work schedules. However, the majority of programs do not offer variable hour care. Only about one-third of licensed homes and 21 percent of centers say they accommodate variable schedules. In fact,

many programs require parents to pay for the entire week regardless of whether or not their child attends all week. This policy provides programs with needed financial stability but can cause financial hardship for parents.

Programs Allowing Variable Schedules by Region



Since non-traditional work schedules often go hand-in-hand with low-income jobs, most families seeking child care during non-traditional hours are also challenged by affordability issues. It is not surprising, then, that many parents turn to family,

friends, and neighbors to care for their children. These providers offer a more flexible and affordable alternative compared to other child care options.





## How Much Does Child Care Cost?

Each year, Illinois Action for Children's Child Care Resource and Referral (CCR&R) program surveys providers on the rates they charge parents. The tables below present the rates for both licensed centers and licensed homes for the regions of

Cook County based on child age.<sup>14</sup> The final row of each table shows the maximum weekly reimbursement rate the State will pay on behalf of families eligible to receive assistance through the Illinois Child Care Assistance Program (CCAP).<sup>15</sup>

### Average Weekly Rates: Full-time Child Care in a Licensed Center

	Infant (6 weeks to 14 months)	Toddler (15 to 23 months)	2 year-old	3- to 4 year-old	5-year-old to kinder- garten	Before & After School	School Age, Summer
<b>Cook County</b>	<b>\$271</b>	<b>\$255</b>	<b>\$224</b>	<b>\$198</b>	<b>\$192</b>	<b>\$139</b>	<b>\$175</b>
N & NW Chicago	\$324	\$284	\$235	\$209	\$206	\$159	\$179
Central & West Chicago	\$289	\$276	\$243	\$215	\$207	\$135	\$158
S & SW Chicago	\$226	\$222	\$191	\$166	\$161	\$129	\$152
<b>Chicago</b>	<b>\$258</b>	<b>\$246</b>	<b>\$212</b>	<b>\$186</b>	<b>\$181</b>	<b>\$136</b>	<b>\$160</b>
N & NW Suburban Cook	\$338	\$309	\$280	\$252	\$248	\$162	\$250
West Suburban Cook	\$273	\$255	\$226	\$196	\$191	\$127	\$157
S & SW Suburban Cook	\$237	\$229	\$203	\$177	\$171	\$132	\$156
<b>Suburban Cook</b>	<b>\$282</b>	<b>\$264</b>	<b>\$237</b>	<b>\$210</b>	<b>\$204</b>	<b>\$140</b>	<b>\$182</b>
Maximum amount reimbursed by CCAP for full-time care	\$232.45		\$196.30	\$163.60		\$81.80 (<5 hrs/day) \$163.60 (5+ hrs/day)	\$163.60

<sup>14</sup> The cost of family, friend and neighbor care is not reported because very little data are available on the rates they charge.

<sup>15</sup> CCAP reimbursement rates in effect from July 2015 through FY17. <http://www.dhs.state.il.us/page.aspx?item=75772>

## Average Weekly Rates: Full-time Child Care in a Licensed Home

	Infant (6 weeks to 14 months)	Toddler (15 to 23 months)	2 year-old	3- to 4- year-old	5-year-old to kind- er-garten	Before & After School	School Age, Summer
<b>Cook County</b>	<b>\$181</b>	<b>\$179</b>	<b>\$171</b>	<b>\$162</b>	<b>\$161</b>	<b>\$149</b>	<b>\$156</b>
N & NW Chicago	\$199	\$195	\$188	\$181	\$179	\$168	\$180
Central & West Chicago	\$174	\$173	\$163	\$153	\$151	\$144	\$148
S & SW Chicago	\$172	\$170	\$162	\$152	\$151	\$144	\$144
<b>Chicago</b>	<b>\$178</b>	<b>\$176</b>	<b>\$168</b>	<b>\$158</b>	<b>\$157</b>	<b>\$149</b>	<b>\$155</b>
N & NW Suburban Cook	\$239	\$236	\$230	\$226	\$226	\$204	\$204
West Suburban Cook	\$185	\$182	\$174	\$167	\$165	\$150	\$155
S & SW Suburban Cook	\$170	\$168	\$159	\$150	\$148	\$135	\$144
<b>Suburban Cook</b>	<b>\$188</b>	<b>\$185</b>	<b>\$178</b>	<b>\$170</b>	<b>\$169</b>	<b>\$149</b>	<b>\$158</b>
Maximum amount reimbursed by CCAP for full-time care	\$176.50		\$164.45	\$149.60		\$74.80 (<5 hrs/day) \$149.60 (5+ hrs/day)	\$149.60

For both center-based care and licensed home care, child care rates typically decrease as a child gets older because it generally costs less for providers to care for older children. In centers, the child-teacher ratio is allowed to increase as children get older. In licensed homes, providers are permitted to care for additional school-age children beyond the usual maximum capacity if they have a part-time assistant. The cost of care also differs by geographic area. Following the patterns

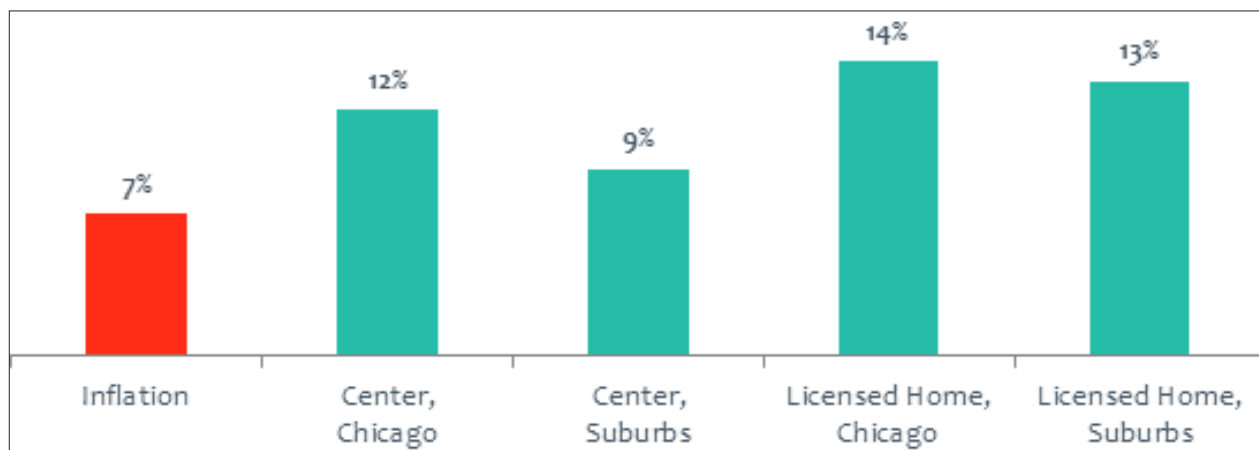
of supply and demand, care is least expensive in the least economically-resourced parts of the county. This is true of center-based and licensed home care in the South and Southwest regions of both Chicago and Suburban Cook County, as well as for licensed home care in the Central & West region of Chicago. Child care is most expensive in the relatively affluent North and Northwest regions of both Chicago and Suburban Cook County.

## The Cost of Child Care in Context

The cost of child care in Cook County continues to rise each year faster than overall inflation.<sup>16</sup> From 2012 to 2017, child care costs increased between 9 percent and 14 percent, depending on the type

and location of care, compared to a 7 percent national inflation rate over that period. Licensed home care prices, in particular, grew quickly -- nearly double the inflation rate.

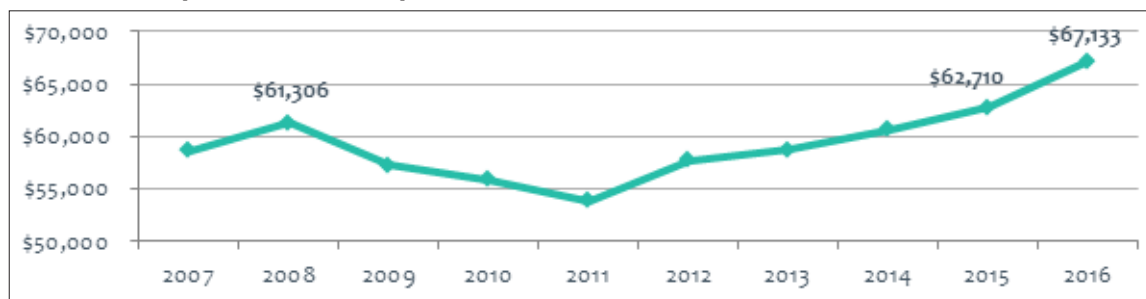
### Percent Increase in the Cost of Care for 3- and 4-Year-Olds from 2012 to 2017 Compared to Inflation



<sup>16</sup> Inflation as measured by the CPI-U for June 2012 and June 2017 by the U.S. Department of Labor, Bureau of Labor Statistics; retrieved November, 2017 at <https://www.bls.gov/cpi/research-series/home.htm>

In 2016, the typical family income in Cook County rose at a faster rate (7.1%) than it has in the past three years, about the rate of inflation, but substantially below increases in child care costs.

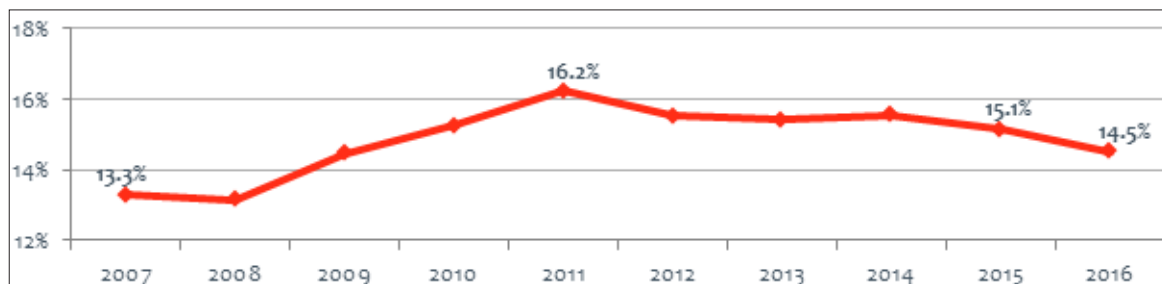
### Cook County Median Family Income between 2007 and 2016<sup>17</sup>



As a result of increasing family income over the past five years, the cost of child care as a share of family income has generally fallen despite rising prices. However, child care costs continue to take a large share of family income and have not

yet returned to pre-recession levels. The following chart shows that the average child care cost for a 3- or 4-year-old accounted for 14.5 percent of Cook County median family income in 2016 compared to 13.3 percent in 2007.

### Cost of Care for a 3 or 4-Year-Old as a Percentage of Median Family Income, since 2007



The federal Department of Health and Human Services recently adjusted its benchmark for child care affordability from ten percent to seven percent of family income.<sup>18</sup> At 14.5 percent, child care in Cook County takes substantially more of typical family income than both the old and new benchmarks. Child care costs are particularly challenging for families with younger children,

whose care is the most expensive, and families who must pay for two or more children.

Comparing the cost of child care to other major household expenses reveals that enrolling an infant in a child care center can cost about the same as sending a young adult to college and more than what many families pay for food, transportation or rent.<sup>19</sup>

<sup>17</sup> Median family income for a family with a child under 18; American Community Survey 1-year estimates, 2007 through 2016.

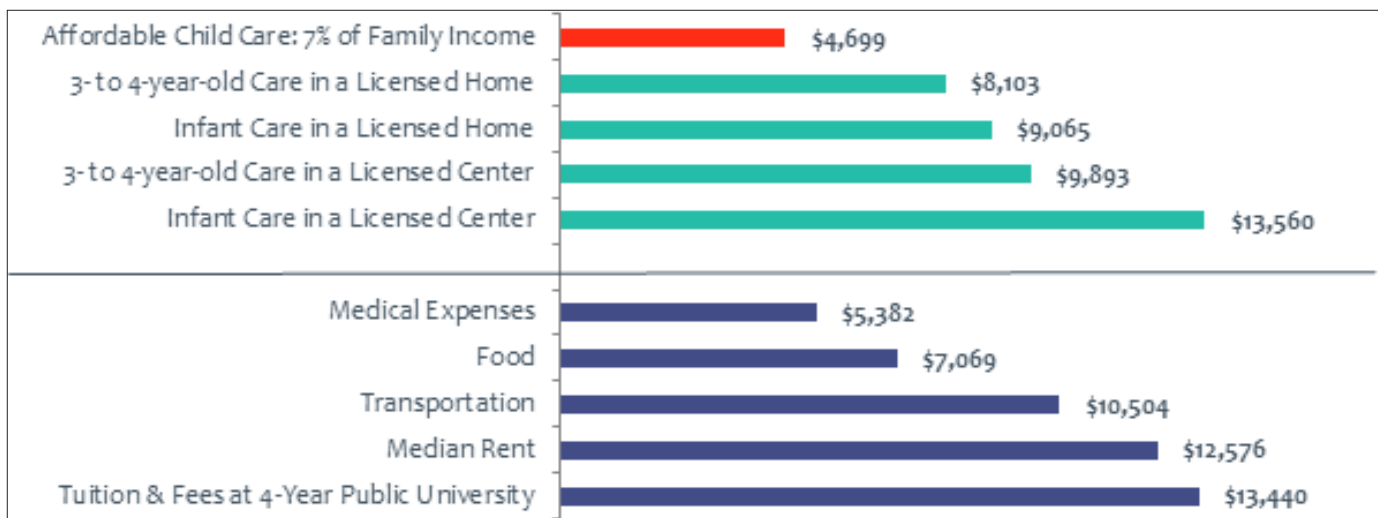
<sup>18</sup> See "Child Care and Development Fund (CCDF): Final Rule," Office of Child Care (2016).

<https://www.federalregister.gov/documents/2016/09/30/2016-22986/child-care-and-development-fund-ccdf-program>.

<sup>19</sup> Average in-state tuition and fees at a four-year public institution in Illinois for the 2016-2017 academic year, Trends in College Pricing, retrieved November 30, 2017 at <https://trends.collegeboard.org/college-pricing/figures-tables/list>. Data on cost of food and transportation represent the average Cook County cost for a family of three comprising two adults and one child adjusted for inflation. Poverty In America: Living Wage Calculator, retrieved March 27, 2017 at <http://livingwage.mit.edu/>. Median family income and rent are from the 2016 American Community Survey 1-year estimates for Cook County.



## Child Care Costs Compared to Other Major Household Expenditures in Cook County



### Why are Child Care Costs so High?

A 2017 state-by-state comparison found that Illinois ranks low in affordability in licensed child care -- particularly infant care. Only five states had less affordable infant care in a center than Illinois for a single-parent family, and only nine states had less affordable infant care in a center for a two-parent family.<sup>20</sup>

Within Illinois, Cook County ranks among the 10 least affordable counties for child care in both centers and licensed homes.<sup>21</sup> Parents pay high costs for child care in Illinois because licensed centers and licensed homes must meet quality standards that promote health, safety and child development.

Illinois standards are substantially higher and more costly in terms of staff and room space than in other states. Illinois requires a lower children-per-teacher ratio than most states, yet at the same time falls short of recommendations by the American Academy of Pediatrics.<sup>22</sup>

For example, Illinois allows only ten four-year-olds for every teacher compared to as many as 14 four-year-olds in other states. Tuition for those ten Illinois children must pay an entire teacher's salary, which in other states can be covered by lower tuition for as many as 14 four-year-olds.

Illinois also has one of the lowest group size standards: only 20 four-year-olds are allowed in a room with two teachers compared to as many as 28 children in other states.

In Illinois it takes five rooms to care for each 100 four-year-olds, while in other states it takes only four rooms. This leads to more expensive rent costs for Illinois child care providers. Illinois also requires higher staff credentials than many states. This increases child care staff pay (although Cook County area child care staff still averaged just \$24,380 in 2015).<sup>23</sup> The 2016 Report on Child Care in Cook County details these requirements and compares the Illinois standards to those of other Midwestern states.<sup>24</sup>

<sup>20</sup> Child Care Aware of America. Parents and the High Costs of Child Care, Child Care Aware of America, 2017 Report. Retrieved January 24, 2018. <https://usa.childcareaware.org/advocacy-public-policy/resources/research/costofcare/>

<sup>21</sup> Illinois Network of Child Care Resource & Referral Agencies (INCCRRA). Illinois Families and the Cost of Child Care, FY 2013 Report. <http://inccrra.com/data-a-reports/reports>

<sup>22</sup> American Academy of Pediatrics, American Public Health Association, National Resource Center for Health and Safety in Child Care and Early Education. 2011. Caring for our children: National health and safety performance standards; Guidelines for early care and education programs. 3rd edition. Elk Grove Village, IL: American Academy of Pediatrics; Washington, DC: American Public Health Association. Also available at <http://nrckids.org>.

<sup>23</sup> May 2016 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates, Chicago-Naperville-Arlington Heights, IL Metropolitan Division Retrieved April, 2016 [https://www.bls.gov/oes/2016/may/oes\\_16974](https://www.bls.gov/oes/2016/may/oes_16974)

<sup>24</sup> Illinois Action for Children, 2016 Report on Child Care in Cook County, <http://www.actforchildren.org/wp-content/uploads/2016/02/2016-Report-Child-Care-Cook-County.pdf>, p. 16 & 17.

## Promoting High-Quality Child Care

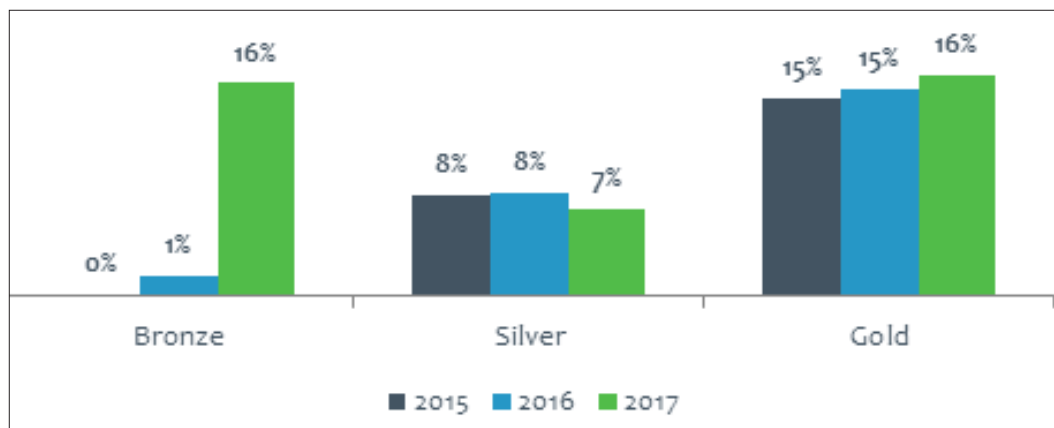
Under the federal Race to the Top grant, the State of Illinois has begun a robust push to increase the quality of child care by revamping its quality rating system. The new statewide system, ExceleRate Illinois, is designed “to make continuous quality improvement an everyday priority among early learning providers.” ExceleRate Illinois established a set of standards for child care providers to help infants, toddlers and preschool age children develop intellectually, physically, socially, and emotionally while in their care.

ExceleRate Illinois lays out a framework for early learning professionals to identify opportunities for improvement and to increase their child care practice skills. It awards four Circles of Quality

(in order of low-to-high quality): Licensed, Bronze, Silver, and Gold.

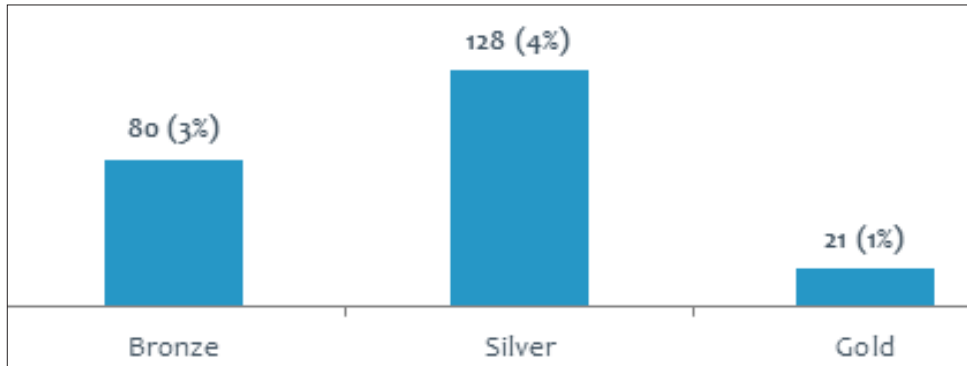
Twenty-four (24) percent of licensed child care centers in Cook County were awarded a Circle of Quality in the first months of the new rating system in 2015. A significant number entered with a gold circle of quality based on the high-quality rating or accreditation they had attained in previous years. Over the past two years, the number of programs with a silver or gold Circle has remained stable and the number with a bronze Circle jumped from two to 220, or 16 percent of all centers. The percentage of licensed centers achieving any Circle of Quality increased from 22 percent in 2015 to 39 percent in 2017.

**Number of Licensed Child Care Centers with a Circle of Quality, 2015 – 2017**



Beginning in FY 2016, ExceleRate Illinois expanded to include licensed child care homes. As of June 2017, eight percent of Cook County licensed home providers achieved a Circle of Quality, with 80 at the Bronze level, 128 at Silver and 21 at Gold.

## Number of Licensed Child Care Homes with a Circle of Quality, 2017



## New Health and Safety Standards

In the midst of state efforts to improve child care quality through ExceleRate Illinois, in 2017 the Illinois Department of Human Services (IDHS) established substantial new health and safety training requirements for providers that serve families participating in Illinois' Child Care Assistance Program (also known as CCAP and discussed in detail in the next section). New federal regulations stipulate that states must ensure providers receive training in ten health and safety topic areas. In response, this past year IDHS enacted a new requirement that all providers who want to serve CCAP families and their teaching staff complete the Illinois Level 1 ECE credential plus three additional trainings.<sup>25</sup> This is much more demanding than federal requirements and requires providers to complete 41 to 57 hours of training.

As a result, providers must invest considerable resources into ensuring they and their staff complete the required training. The degree to which this will affect providers' ability to pursue or maintain an ExceleRate Circle of Quality, particularly after recovering from a year of financial distress due to CCAP eligibility cuts, is unknown.

It is also unclear how the new requirements will

affect providers' willingness to serve families with CCAP. The trainings involve considerable cost to programs in terms of staff time. Programs that serve a small number of children through CCAP, particularly ones in more affluent communities, may find the cost of complying with the new requirements a disincentive to continuing to serve families that rely on CCAP. If this happens, efforts to increase child care quality would have the unintended impact of reducing low-income families' access to programs that private paying families can afford. Efforts to align the new IDHS requirements with standards and monitoring already in place through DCFS and ExceleRate could mitigate this impact.

Families that depend on informal care providers may have a difficult time finding a family member, friend, or neighbor who is willing to invest the time to complete the training. This may drive families and their providers off of CCAP, which would cause financial burden on the families and make it more difficult to get more feasible quality-enhancing supports and other resources to their providers.

<sup>25</sup> For full list of required trainings see IDHS website: <http://www.dhs.state.il.us/page.aspx?item=95048>



## How Well Does Illinois Support Families' Access to Child Care?

The high cost of child care, particularly quality care, limits many families' child care options. Without assistance, parents working low-paying jobs may be challenged to pay for the very child care that allows them to work or attend school. Recognizing the financial burden child care can place on low-income families, the federal government and state governments fund the Illinois Child Care Assistance Program (CCAP), which helps families pay for child care that would otherwise be too costly.

Through the Child Care Development Block Grant (CCDBG), the federal government sets parameters for state subsidized child care policies. However states have much autonomy in setting their policy and designing their program administration. Important program elements that support families are those that:

1. Keep the cost to families affordable and prevent steep jumps in cost.
2. Reimburse providers at or near market rates to give families access to quality programs and to
3. support programs in enhancing the quality of their child care.
4. Support families in both their work needs and their child's developmental needs.
5. Minimize disruptions to families' child care that result from burdensome paperwork requirements.
6. Reach the families who need it.

Let us examine how well the Illinois Child Care Assistance Program supports families in each of these ways.

### About the Illinois Child Care Assistance Program (CCAP)

Through the Illinois Department of Human Services (IDHS), CCAP provides low-income families with access to quality, affordable child care. Eligible parents must be working or in an approved school or training program and have incomes at or below 185 percent of the federal poverty level, for example, \$37,296 per year for a family of three.

Under federal and state policy, CCAP is designed to give parents the choice of child care that best fits the needs of their family. CCAP reimburses the provider at the established state rate, which varies by region, age of child, and type of provider. Families are required to pay a portion of the cost of care through a sliding scale copayment that is based on family size and income.

CCAP is primarily a system of vouchers for individual families that in Cook County is administered by Illinois Action for Children. Some child care centers, however, have direct contracts with IDHS to serve families eligible for CCAP.



# 1 Family costs must remain affordable and should rise gradually as family income increases

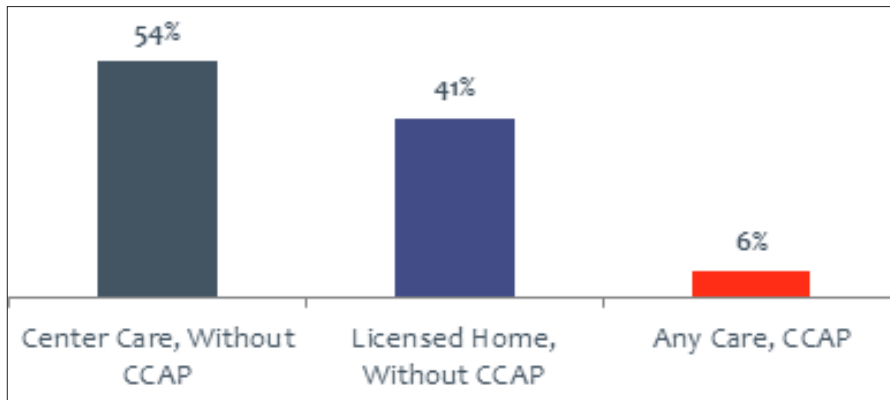
## Graduated Copayments

Copayments for Illinois families with CCAP are graduated, starting as low as \$2 per month for families below the poverty line and rising steadily to as high as 10 percent of family income.<sup>26</sup> The copayment amount is the same regardless of the type of child care the parent selects or the age or number of children needing care. Under this policy, more expensive licensed care costs the same to the parent as less expensive family, friend or neighbor care, and thus parents may access a range of child care options. In fact, in 2017, 75 percent of Cook County CCAP children

were in formal care settings, which families might find prohibitively expensive without assistance. A single parent who earns \$10 per hour would pay six percent of the family income in the form of a copayment for care for a two-year-old. Without CCAP, the same parent would have to pay 41 percent of the family income for licensed home care or 54 percent for center care. For many families, CCAP makes child care affordable.

While copayments for families earning up to 140 percent of the federal poverty level are considered affordable according to the federal benchmark set at 7 percent of family income, copayments for families with higher incomes exceed the benchmark and rise to as high as ten percent of family income. When copayments are high, not only do families have to balance child care against their other expenses, but child care programs may experience unstable finances – for example, receiving late or partial payments.

## Percentage of Income Needed for Child Care, Single Parent Earning \$10 per Hour with 2-Year-Old



## The CCAP Income Ceiling

Under an ideal model, participating CCAP parents would follow a path of periodic wage increases and move toward financial independence. Child care costs would rise gradually until families could afford to shoulder the full cost. With CCAP, child care costs do rise gradually but only until family earnings reach the eligibility ceiling of 185 percent of the poverty level, at which point families lose their child care assistance and child care costs often skyrocket to unaffordable levels.

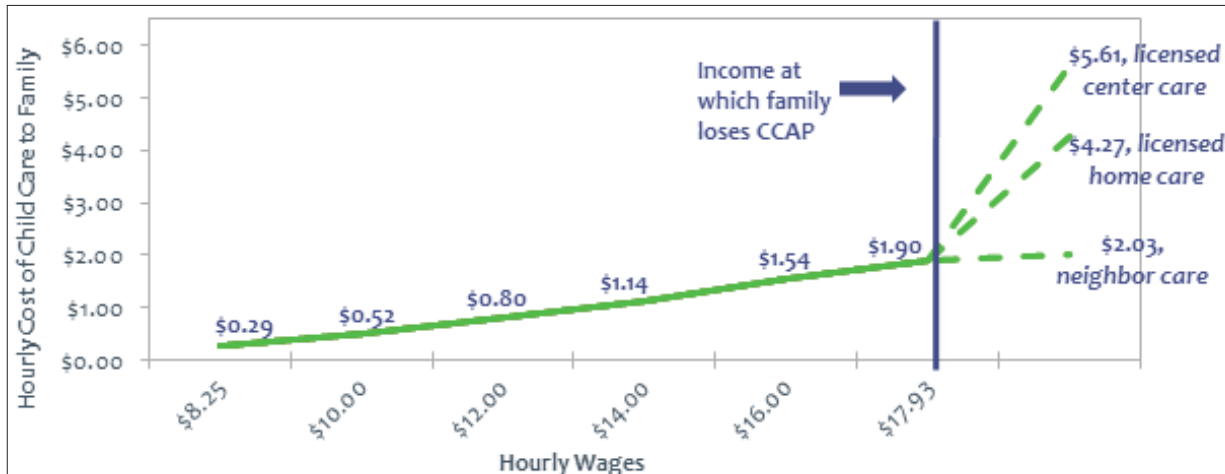
This income ceiling may discourage families from earning higher wages out of fear that they will no longer be able to afford the very child care that makes it possible to work or attend classes. This

creates a situation that contradicts the goals of CCAP to support parents who work and make progress toward self-sufficiency. Some families decline small wage increases that would put them over the limit in order to avoid paying steeper child care costs. Others with wage increases lose CCAP and switch to less expensive care arrangements which disrupts the children's important bonds with their caregivers. The less expensive child care may also be of lower quality. The following chart represents the financial effect of losing CCAP for Illinois families who succeed in increasing their hourly wages. As its income rises, a family of three can receive CCAP support up to an income of \$17.93 per hour (\$37,301 per year). If a 10 cent-

<sup>26</sup> Illinois Department of Human Services family copayment rates effective January 1, 2015 through 2017.

## Jump in Child Care Costs When a Family “Incomes-out” of CCAP

### Family of 3 with a two-year-old in child care



With CCAP, a family gradually pays more for child care (green line) as its income increases. If even a small raise pushes its wages past \$17.93 per hour, the family loses CCAP and hourly licensed child care costs rise from \$1.90 to at least \$4.27 for licensed care for a two-year-old. Infant care in an average licensed Cook County center would cost \$6.78 per hour.

per-hour raise puts the family over the threshold, they must pay the full price of care, which could cost an additional \$2.37 to \$3.71 per hour.<sup>27</sup>

It is evident why so many families may turn down small raises, exit, and then eventually cycle back to CCAP, or switch to less expensive FFN care.<sup>28</sup>

The federal CCDBG reauthorization passed in 2014 begins to address this problem of a “child care cliff.” It includes a provision that requires a more graduated phase-out of child care assistance for families whose incomes increase above state eligibility limits yet fall below 85 percent of the state’s median income. (In 2016, 85 percent of median family income in Illinois was just under \$70,500.) Illinois will need to establish a graduated phase-out within CCAP and determine how high

it will allow family income to rise and remain eligible.

As of 2015, 19 states had a graduated phase-out and 29 states had income ceilings higher than Illinois’ limit of 185 percent of the federal poverty level, some reaching as high as 377 percent of the federal poverty level.<sup>29</sup> If the CCAP income ceiling were raised from 185 percent to 300 percent of the federal poverty level, an Illinois family of three would receive some assistance paying for child care until its annual income exceeds \$60,480. When the family loses CCAP at that income, it could better manage the shock of paying more for child care even if the payments rose by \$2.37 per hour or \$3.71 per hour.

<sup>27</sup> Numbers reflect the rise in the cost of care for a two-year old in license home care and in center care, respectively.

<sup>28</sup> The average cost of FFN care is unknown as it varies greatly by provider and child. For this chart we utilized CCAP reimbursement rates for FFN care.

## 2 Provider reimbursement rates must be sufficient to ensure CCAP families can access quality programs and to support programs in enhancing and maintaining their quality

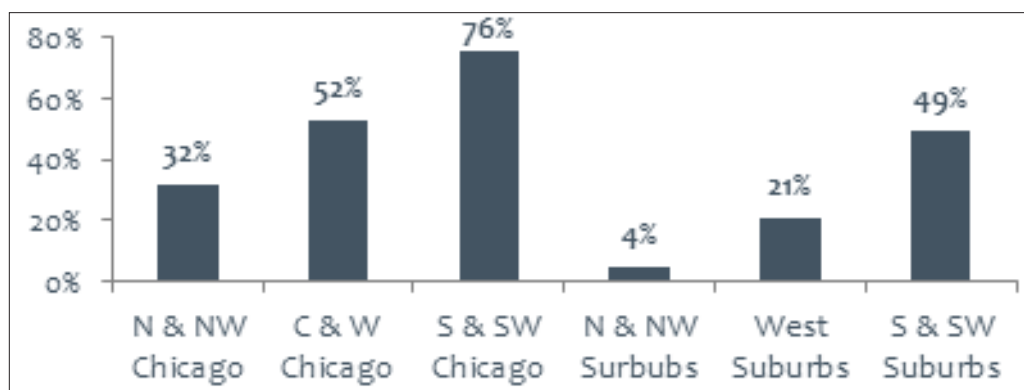
Historically, the reimbursements paid to providers in Cook County by CCAP have been significantly below the federally-recommended levels of 75 percent of the market rate charged by child care programs. According to the most recently published Market Rate Survey conducted in 2014, CCAP reimbursements for center care for children under age five ranged from 43 percent to 49 percent of market rates, while those for homes were stronger at 67 percent to 81 percent of market rates.<sup>30</sup> Reimbursement rates for child care centers have not increased since January 2012, while licensed home and FFN providers last received rate increases in July 2015. This helps explain why CCAP home reimbursements are closer to market rates than centers. However, with no reimbursement rate increases in recent years we expect the upcoming market rate survey to show worse results. The tables on page 15 and 16 show

the CCAP reimbursement rates compared to the average rates charged by licensed programs in Cook County. In all regions except the South and Southwest Chicago region the average costs of licensed center care for children birth-through-five exceed the CCAP reimbursement rates. For licensed home care, CCAP reimbursement covers the average cost of care in three Cook County regions: South and Southwest Chicago, Central and West Chicago, and the South and Southwest Suburbs, but falls short of the average rates in the other three Cook regions.

We estimate that the CCAP reimbursement rates could purchase only 41 percent of birth-through-five licensed center slots in Cook County. This varies by region as shown in the table below. In order for families to access the remaining slots, programs would have to be willing to waive the extra costs or families would have to pay the difference in cost on top of their copayment.

With Illinois and the federal government placing greater emphasis on increasing program quality, particularly for lower-income families, competitive reimbursement rates are necessary to create and retain a highly qualified workforce.

**Percentage of Licensed Center Slots that CCAP Reimbursement Rates Can Purchase, by Region (among centers reporting both rates and slots)**



<sup>29</sup> The CCDF Policies Database Book of Tables: Key Cross-State Variations in CCDF Policies as of October 2015, OPRE Report 2013-22, November, 2016. Retrieved March, 2017 at [https://www.acf.hhs.gov/sites/default/files/opre/ccdf\\_policies\\_database\\_2015\\_book\\_of\\_tables\\_final\\_11\\_23\\_16\\_b508.pdf](https://www.acf.hhs.gov/sites/default/files/opre/ccdf_policies_database_2015_book_of_tables_final_11_23_16_b508.pdf)

<sup>30</sup> Illinois Department of Human Services. Market Rate Survey of Licensed Child Care Programs in Illinois Fiscal Year 2014. Retrieved November, 2017 from <http://www.dhs.state.il.us/page.aspx?item=82489>

### **3 Program policies must support families in both their need to work and their child's developmental needs.**

Subsidized child care programs have dual goals: to support parents' ability to work and attend school and to increase families' access to high-quality care that promotes healthy child development. Policies put in place to advance one of these goals may undercut the other. For example, in an effort to ensure children receive high-quality care, some states only pay for care in licensed child care programs. However, this leaves no support for families dependent on FFN care because, for example, they work nonstandard hours.

CCAP allows families to choose from a full range of child care options including FFN care, a policy supportive of working families in an increasingly nonstandard economy. However, policy makers must carefully consider how efforts to increase child care quality may unduly burden FFN providers and disrupt care for these working families. For example, new policies regarding provider registration and background checks have led to fewer families using CCAP for FFN care. Data indicate that these families are not switching to licensed care but are leaving CCAP altogether. There is concern that IDHS' new health and safety training requirements will have a similar effect and many families may leave or not apply for CCAP because their relative or neighbor provider will find the requirements too burdensome.

There is also concern that children whose families work nonstandard hours may miss out on opportunities to attend high-quality preschool programs. Some advocates feel CCAP can better support these families by decoupling child care payments from parent work hours, thus enabling children to attend a quality program during daytime hours even if the parent works evenings or a variable schedule.

### **4 Minimize disruptions to families' child care that result from burdensome paperwork requirements.**

Once approved for CCAP, Illinois families receive assistance for six months and then have to renew their eligibility by (once again) submitting paperwork and proof of employment or school enrollment. Many families drop from CCAP at this renewal point, some because they no longer need child care, but others because they find the paperwork requirements too challenging. Simplifying paperwork and documentation requirements for families and reducing the frequency in which they need to be submitted can prevent families from unintentionally dropping from CCAP. A new requirement of the federal government's reauthorized CCDBG should help. States must begin to approve families for 12-month periods rather than shorter periods. Illinois has not yet created a plan for when or how this new regulation will be administered, but when enacted it is expected to reduce unnecessary flow of families on and off the program and, in turn, improve the stability of families' child care arrangements.

In another innovation, some states are working to adopt a single application process to determine program eligibility for a number of human services programs that support poor or low-income families. Families would only need to prove eligibility once for complementary services instead of completing several applications. Such reductions in paperwork have the potential not only to make program administration more efficient, but also reduce the multiple barriers that parents must cross to access supports that promote their self-sufficiency.

Illinois has implemented a single application for some human services programs but currently not for the Child Care Assistance Program. Illinois could study the impact of including Child Care Assistance in joint determination of eligibility.



## 5 Child Care Assistance must reach the families who need it

We estimate that 31 percent of the 865,000 children under 13 in Cook County live in families where all parents in the household work and the families earn less than 185 percent of the federal poverty level. These families are eligible for CCAP. Typically the CCAP program serves about 30 percent of these eligible children. Eligibility restrictions

put in place in the past two years, however, have reduced the number of children served by 19 percent, and in 2017 CCAP served only 25 percent of eligible children. Over 77,000 children under age six and almost 123,000 school-age children were eligible for CCAP based on regular income guidelines but did not or could not use it.

### Eligible Children served by CCAP, age birth to 5

	Number of Children	Percent Below 185% of Poverty (income eligible for CCAP)	Children with CCAP (June 2017)	Eligible for but not participating in CCAP (estimate)	Percent of eligible children being served
Cook County	402,280	43%	39,130	77,207	34%
N & NW Chicago	80,354	37%	4,801	14,780	25%
C & W Chicago	49,811	59%	5,853	13,268	31%
S & SW Chicago	82,345	61%	14,790	20,634	42%
Chicago	212,510	51%	25,444	48,682	34%
N & NW Suburban Cook	92,803	26%	2,877	12,365	19%
West Suburban Cook	39,891	40%	3,378	6,959	33%
S & SW Suburban Cook	57,076	44%	7,431	9,201	45%
Suburban Cook	189,770	34%	13,686	28,525	32%

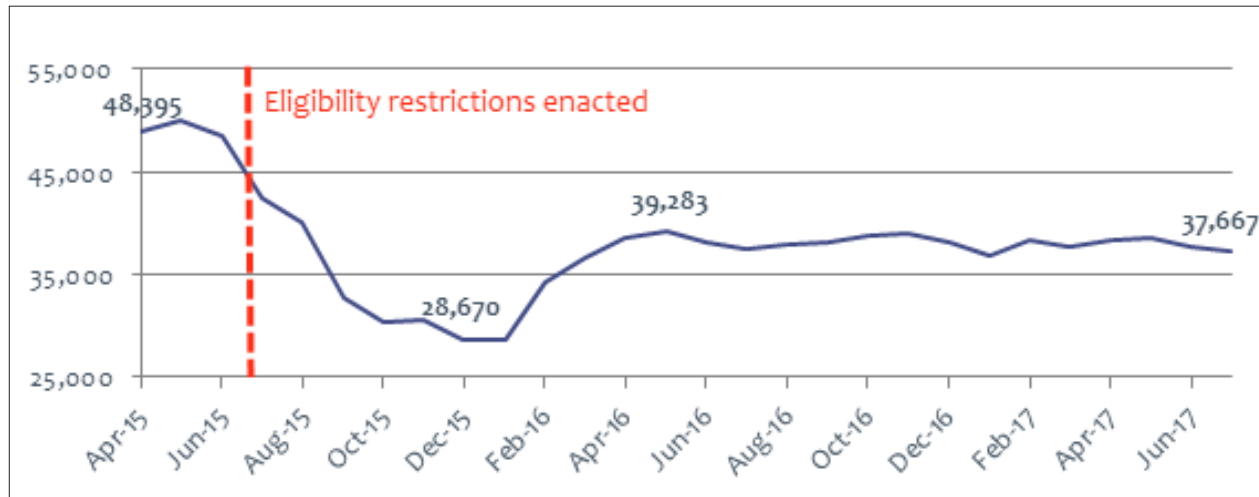
### Eligible Children served by CCAP, age 6 to 12

	Number of Children	Percent Below 185% of Poverty (income eligible for CCAP)	Children with CCAP (June 2017)	Eligible for but not participating in CCAP (estimate)	Percent of eligible children being served
Cook County	462,777	46%	27,704	122,961	18%
N & NW Chicago	76,263	45%	2,748	21,321	11%
C & W Chicago	49,504	66%	4,942	17,473	22%
S & SW Chicago	99,796	61%	11,068	33,098	25%
Chicago	225,563	57%	18,758	71,891	21%
N & NW Suburban Cook	112,040	26%	1,433	19,312	7%
West Suburban Cook	51,479	41%	2,114	12,927	14%
S & SW Suburban Cook	73,695	45%	5,399	18,830	22%
Suburban Cook	237,214	35%	8,946	51,070	15%

This drop in child care participation demonstrates that the drastic eligibility restrictions to the program enacted in July 2015 and partially rescinded in November 2015 continue to have a substantial impact on the program's reach to families in need of assistance.<sup>32</sup> Historically, CCAP has served be-

tween 42,000 and 52,000 Cook County families. Despite eligibility restrictions being partially rescinded, participation has not rebounded much higher than its current level of 38,000 families. Participation remained at this level throughout FY17—far below historical needs of Cook County families.

### Cook County Families Served by CCAP: Pre and Post Eligibility Restrictions



<sup>32</sup> In July 2015, emergency rules enacted by the Governor reduced income eligibility for applicants to 50 percent of the federal poverty level and eliminated eligibility for new applicants participating in education and training (except for teen parents and TANF recipients). In November 2015, income limits were partially restored – eligibility was increased but to only 162 percent of the poverty level. It was not until October 2017 that income limits returned to 185 percent of the poverty level and late August 2017 that parents in school or non-TANF training became eligible again.



## Experience Finding Care for Some Cook County Families

In FY2017 Illinois Action for Children helped 5,100 Cook County families with their search for child care and preschool programs through our referral phone hotline. After providing referrals, IAFC surveyed these families about their search experience and one fifth responded to the survey. Families using IAFC's referral service do not represent the child care demand across the county and across socio-economic groups (the majority earned below 200 percent of the poverty level), but their experiences can provide insight into some of the needs and challenges of families seeking child care.

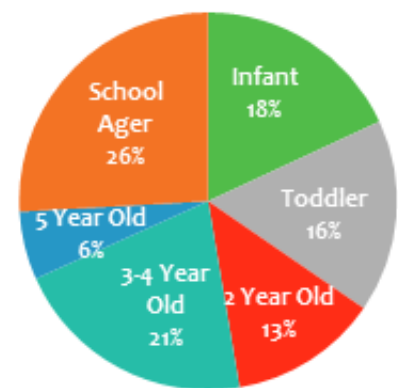
### Family Needs

Approximately one-third of children needing care were infants or toddlers, ages for which child care can be most costly or difficult to find.

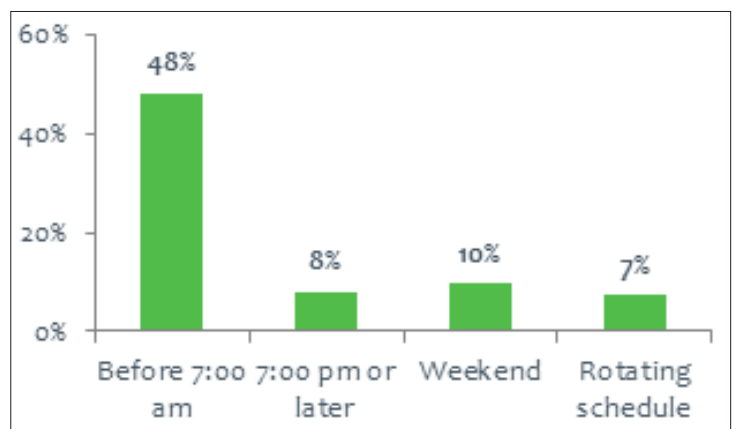
Five (5) percent of children needing care – 312 children - had a special need reported by their parent for purposes of finding a provider who could meet the child's special care needs.

More than half of families needed child care during non-traditional work hours: evenings, early mornings, weekends, or on a varying schedule. The most common need was for early morning care, with 48 percent of families needing care prior to 7 a.m. Often families need care as early as 6 a.m. to allow enough travel time to get to jobs or school starting at 7, 8 or even 9 a.m. Eight (8) percent of families needed care in the evenings, 10 percent on weekends, and 7 percent for a varying schedule.

**Ages of Children Needing Child Care, FY2017 (N=6,887 children)**



**Families Needing Care During Non-Traditional Hours (N=5,105 families)**

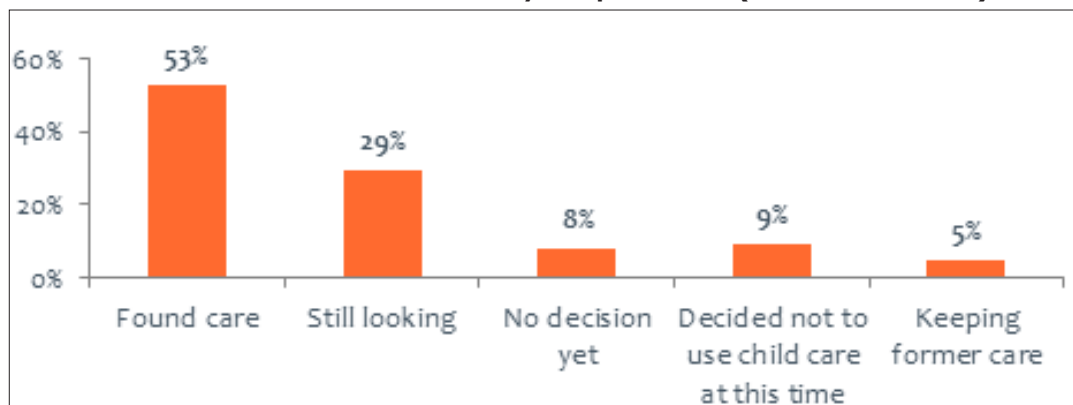


## Families' Search Experience

Among the 20 percent of families responding to our follow up survey, just over half said that at the time of the survey they had found child care. An-

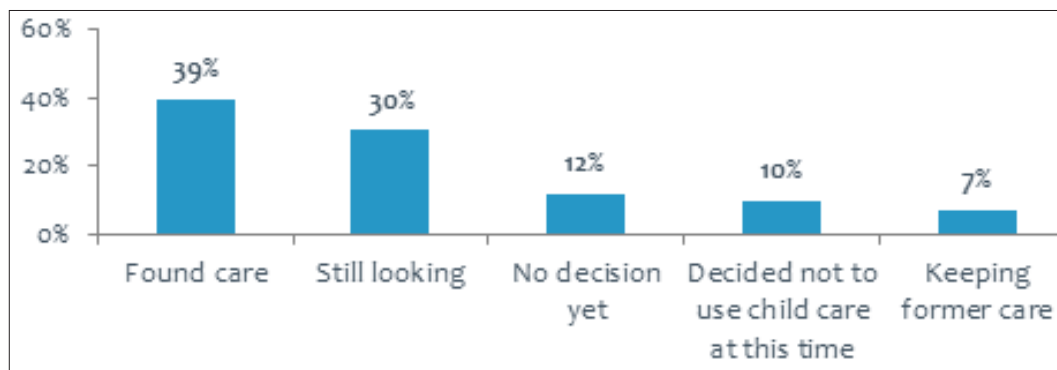
other 29 percent, however, were still looking for care. Other parents decided to keep their former care or decided not to use child care.

### Child Care Search Results - All Survey Respondents (N=1,771 families)

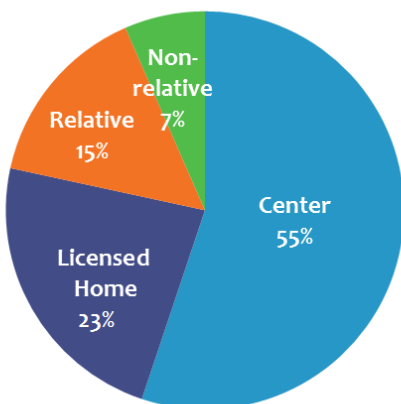


Families with children with special needs report having a more difficult time finding care, with only 39 percent having found care at the time of the survey compared to 53 percent of all families.

### Child Care Search Results - Families with Child with Special Needs (N=142)



### Type of Care Chosen (N=940)



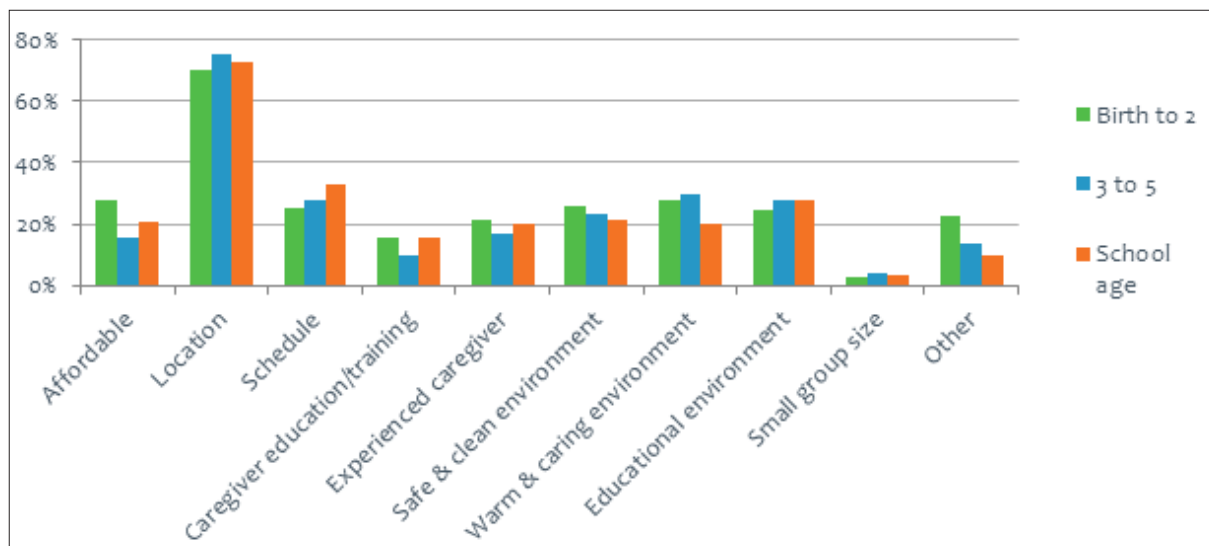
Among families who reported finding care, slightly more than half selected some form of center-based care such as a child care center or preschool. The other 45 percent selected home care, with half of that group using licensed home providers and half using family, friend, or neighbor care providers, particularly relatives.



Location was the most common reason for families' child care selection, followed by schedule and the environment of the child care setting – with parents of younger children valuing a warm & caring and safe & clean environment and those of older children valuing an educational environment. Affordability was less important to most

families, which could reflect family participation in CCAP which makes more programs affordable. However, families with children ages birth-to-two were more likely to select care based on affordability than those with older children whose care is less expensive or even free in the case of public preschool.

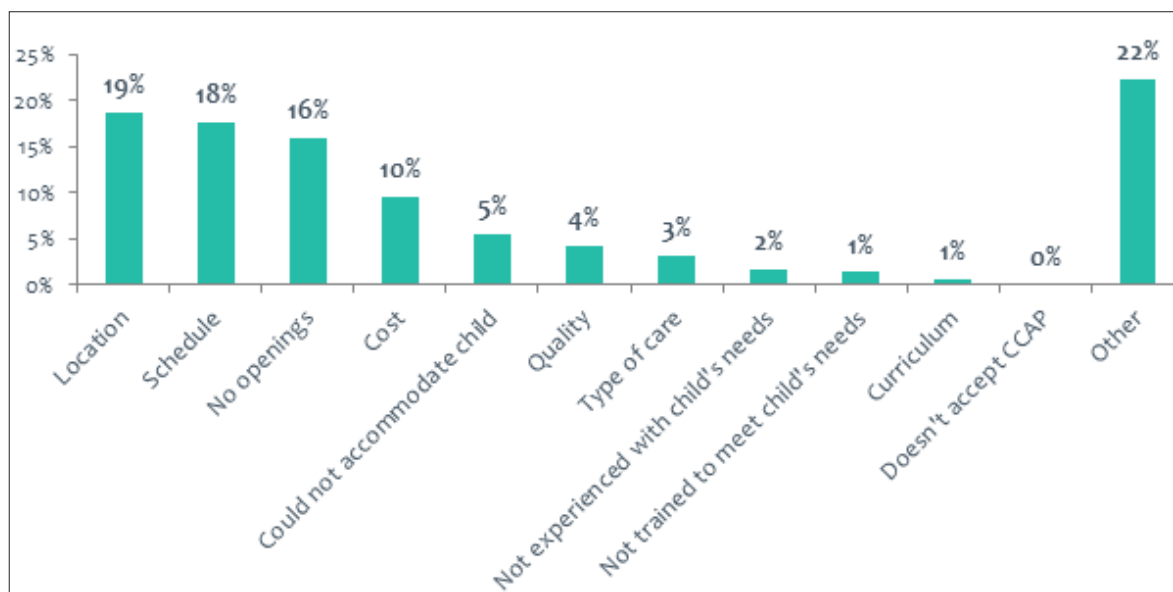
### Why Families Selected Care, by Age of Child (N=1,052)



Families were asked what problems they encountered while searching for care. The large majority - 77 percent - reported experiencing no problems, though at the time of the survey only 53 percent had yet found care. Among the problems experienced by parents, location was most common – and as noted above also one of the most im-

portant factors in parents' decisions. Other common difficulties included finding a provider with the right schedule, providers having no openings, and cost. Issues of quality and the ability of the provider to meet a child's particular needs were not commonly cited.

### Problems Families Encountered Finding Care (N=386 problems cited)



# Conclusion and Policy Options

Parents face few challenges as emotionally and financially stressful as that of finding the right child care for their child. In Cook County, as in almost all counties in the United States, parents' options are limited. This is especially true for low-income parents. While the Child Care Assistance Program gives some families greater access to child care and early learning programs, not all families who need assistance qualify for it, and even with assistance, these child care settings may be too costly. Nevertheless, with more options and with assistance paying for child care, the likelihood is greater that parents will succeed in finding the provider best suited for their child.

Many families' options are also limited by the number of openings that high-quality programs in their community offer, particularly infant care openings. Other families discover that success is not just finding openings but finding them at the right times of day or the week. As many as 50 percent of families work outside the traditional Monday through Friday daytime schedule, yet most centers and licensed child care homes do not offer care in the evenings, overnight, or on weekends.

While this report documents many improvements in the child care options available to Cook County parents as a group, the reality is that many families still do not have realistic options. Advocates and policy makers should consider policy strategies to improve the accessibility of quality child care for all families in Cook County and the State of Illinois. Strategies could include the following:

## **Expand income eligibility in the Child Care Assistance Program (CCAP)**

There are good reasons to raise income eligibility not only to 185 or 200 percent of the federal poverty level, but even, as in some other states, to 300 percent so that more parents can receive assistance paying for child care. Currently, parents with increasing wages reach an income limit at which the loss of CCAP results in a sharp jump in their child care costs that they are financially unprepared to pay.

New federal guidelines require states to institute a graduated phase-out for CCAP families whose incomes rise above the income limit to reduce this "cliff effect." IDHS will need to determine the phase-out income amounts and timelines. Illinois can best support families by setting generous phase-out policies as well as by returning income eligibility for new CCAP applicants to its 2011 level of 200 percent of the federal poverty level.

## **Raise provider reimbursement rates to target levels**

Providing child care is very expensive for programs largely due to appropriate licensing standards that impose high costs in terms of staff and facilities. This is particularly true for the care of infants and toddlers. For many types of care in Cook County, CCAP reimburses providers far below the federally recommended 75th percentile of the local child care market rates, and as child care prices have increased, CCAP reimbursement rates have not. Providers who need to charge more than the CCAP reimbursement amount either must turn down families with CCAP or charge parents the difference.

This effectively prices many child care programs out of parents' reach. By raising reimbursement rates to target levels, lawmakers can ensure that more families have access to high-quality child care.

## **Limit parent copayments in the Child Care Assistance Program (CCAP) to seven percent of family income**

Graduated copayments that rise with family income give many families high-quality child care options that they otherwise would not have. However, for Illinois families earning above 140 percent of the poverty level, copayments exceed 7 percent of family income and are thus considered unaffordable by federal standards. Illinois can relieve families of this financial burden by reducing copayments for higher-income families. This would benefit the financial stability of child care programs as well, since programs often experience the impacts of unaffordable copayments in the form of receiving late or partial payments or having to expel a child because of late payments.

## **Increase access to high-quality child care for families working nontraditional hours**

Parents who work evenings, nights or weekends, or who have unpredictable or rapidly-changing work schedules often cannot access high-quality child care programs that are available only during weekday and daytime hours. More flexible IDHS' eligibility policies could take a child's developmental needs into account and allow child care outside of a parent's work or school hours if it supports continuity of care or enables a child to access high quality early learning programs. For example, policies could better support working or student parents in mixing home-based child care during nontraditional work or school hours and center-based early learning programs during the daytime.

## **Minimize the impact of new health and safety requirements on families' access to care**

New federal guidelines require states to ensure child care providers paid through CCAP meet minimum health and safety training requirements.

In Illinois, IDHS' implementation of these guidelines in 2017 requires that all providers that serve CCAP families, including individual center staff, complete a Level 1 ECE credential as well as additional trainings. This three-tier, time-intensive credential involves 40-57 hours of training. While the intent of the new requirement is to improve the quality of care, the trainings involve considerable cost for child care providers in terms of staff time and may act as a disincentive for programs to serve CCAP families, particularly programs that serve few CCAP families or informal family, friend, and neighbor caregivers who may feel overwhelmed by the steep requirements. Illinois can minimize the impacts of the requirements on families' ability to access care by 1) reducing the training hours required, 2) ensuring providers have adequate time to complete the trainings, and 3) aligning IDHS training requirements and monitoring with those that licensed providers are held to by DCFS and ExceleRate Illinois.

## **Fund tiered reimbursement for providers' achievement in ExceleRate Illinois**

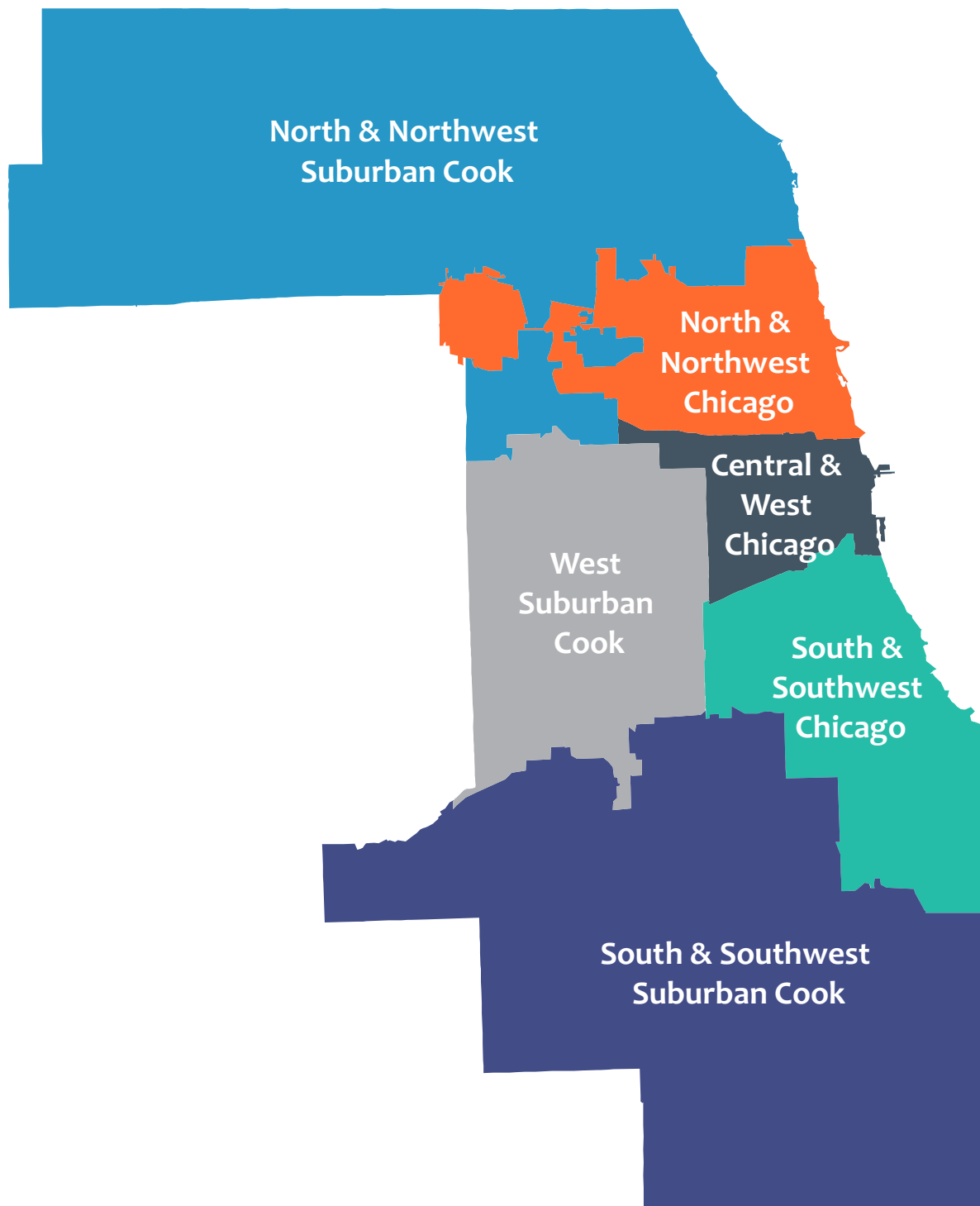
Quality rating improvement systems such as ExceleRate Illinois offer standards, guidelines, resources, and supports to help child care providers make sensible changes that lead to higher quality programs. When providers participate in quality rating improvement systems, parents have more high-quality programs to choose from. ExceleRate Illinois is a voluntary program and many providers opt not to participate due to concern that it is too costly to achieve higher levels of quality. Legislators can ensure stable funding for ExceleRate Illinois to provide technical assistance and support for providers in navigating the quality rating system process, and to provide adequately-tiered CCAP reimbursements for providers for achieving higher levels within the system.

These are only a few of the strategies that policy makers could consider to improve Illinois parents' real child care options, reduce families' financial and emotional stress, and help ground the next generation of Illinoisans in optimism and opportunity rather than crisis.

## Appendix 1: The Six Cook County Regions

This report divides Cook County into six geographic regions: three in Chicago based on the 77 Chicago Community Areas, and three in suburban Cook County based on the suburban municipalities.

When presenting census data for Chicago and Cook County in this report, we built our aggregate units from data for the individual Chicago Community Areas and municipalities. Our aggregate data, therefore, may deviate somewhat from aggregate data provided by the U.S. Census.





<b>North and North-west Suburban Cook</b>	<b>West Suburban Cook</b>	<b>South and South-west Suburban Cook</b>	<b>North and North-west Chicago</b>	<b>South and South-west Chicago</b>
Arlington Heights Barrington Bartlett Des Plaines East Dundee Elgin Elk Grove Village Elmwood Park Evanston Franklin Park Glencoe Glenview Golf Hanover Park Harwood Heights Hoffman Estates Inverness Kenilworth Lincolnwood Morton Grove Mount Prospect Niles Norridge Northbrook Northfield Northlake Palatine Park Ridge Prospect Heights River Grove Rolling Meadows Rosemont Schaumburg Schiller Park Skokie South Barrington Streamwood Wheeling Wilmette Winnetka	Bedford Park Bellwood Berkeley Berwyn Bridgeview Broadview Brookfield Burr Ridge Cicero Countryside Forest Park Forest View Hillside Hodgkins Indian Head Park Justice La Grange La Grange Park Lyons Maywood McCook Melrose Park North Riverside Oak Park River Forest Riverside Stickney Stone Park Summit Westchester Western Springs Willow Springs	Alsip Blue Island Burbank Burnham Calumet City Calumet Park Chicago Heights Chicago Ridge Country Club Hills Crestwood Dixmoor Dolton East Hazel Crest Evergreen Park Flossmoor Ford Heights Glenwood Harvey Hazel Crest Hickory Hills Hometown Homewood Lansing Lemont Lynwood Markham Matteson Merrionette Park Midlothian Oak Forest Oak Lawn Olympia Fields Orland Hills Orland Park Palos Heights Palos Hills Palos Park Park Forest Phoenix Posen Richton Park Riverdale Robbins Sauk Village South Chicago Heights South Holland Steger Thornton Tinley Park	Albany Park Avondale Belmont Cragin Dunning Edgewater Edison Park Forest Glen Hermosa Irving Park Jefferson Park Lake View Lincoln Park Lincoln Square Logan Square Montclare North Center North Park Norwood Park O'Hare Portage Park Rogers Park Uptown West Ridge  <b>Central &amp; West Chicago</b>  Austin East Garfield Park Humboldt Park Loop Lower West Side Near North Side Near South Side Near West Side North Lawndale South Lawndale West Garfield Park West Town	Archer Heights Armour Square Ashburn Auburn Gresham Avalon Park Beverly Bridgeport Brighton Park Burnside Calumet Heights Chatham Chicago Lawn Clearing Douglas East Side Englewood Fuller Park Gage Park Garfield Ridge Grand Boulevard Greater Grand Crossing Hegewisch Hyde Park Kenwood McKinley Park Morgan Park Mount Greenwood New City Oakland Pullman Riverdale Roseland South Chicago South Deering South Shore Washington Heights Washington Park West Elsdon West Englewood West Lawn West Pullman Woodlawn

## Appendix 2: Sources for Data on Child Care Providers in Cook County

Information on Cook County child care providers in this report comes from three different sources:

1. The Illinois Action for Children Child Care Resource and Referral (CCR&R) Program
2. The Illinois Department of Children and Family Services (DCFS)
3. The Illinois Child Care Assistance Program (CCAP)

The Illinois Action for Children Child Care Resource and Referral (CCR&R) program is part of a state-wide network of Resource and Referral agencies funded through the Illinois Department of Human Services (IDHS). Illinois Action for Children invites child care providers to list their programs on our database and to provide detailed information about their programs such as the rates they charge parents, the number of children they serve per age group, languages spoken, training and education they have received, and other characteristics that help referral staff match parents with providers.

Illinois Action for Children supplements its database with licensing data from DCFS. We maintain the most comprehensive listing of child care providers in Cook County, though we do not fully capture child care that is legally exempt from licensing or the otherwise illegal care.

The third source of child care data used in this report is CCAP, which provides the best count of known license-exempt child care programs in Cook County.

### Child Care Providers in Cook County in 2017: Who is Included

Type of Program	Description
Child Care Centers	Any child care center operating for the full year or the school year and offering some or all full-time care for children under age 5. The center may provide school-age care as well. This category does not include private preschool programs or public preschools such as Head Start-only or Preschool for All-only programs. Park and recreation programs are included if the care is full-time for the full year or school year. Data are from June 2017.
School-Age Programs	Any center that provides full-year or school-year care for children ages 5 and over only. Includes before and after school programs and part-day programs for children in kindergarten. Programs may be center-based, school-based, or at a park or recreation program. Data are from June 2017.
Summer Only Programs	Any center that provides care only during the summer months. Only centers providing full-time care are included. Ninety-one (91) percent of these summer-only programs are park and recreation programs. Data are from June 2017.
Licensed Homes	Any family child care home that is licensed by DCFS as of June 2017.
Family, Friend and Neighbor Care (License-Exempt Homes)	License-exempt home providers participating in CCAP in FY 2017. The number of participating home providers varies from month to month just as the number of participating families varies. These data do not capture the significant number of unknown family, friend, or neighbor caregivers throughout Cook County.

For information on early education slots in Cook County (Head Start and Preschool for All) and on child care and early education slots in regions outside of Cook County, visit the Illinois Early Childhood Asset Map (IECAM) website at [iecam.crc.illinois.edu](http://iecam.crc.illinois.edu).



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