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RESEARCH BRIEF

CHILD CARE SUBSIDY DURATION AND CASELOAD DYNAMICS: A MULTI-STATE EXAMINATION FROM 2004-2014

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Child care subsidies from the Child Care and Development Fund (CCDF) support the cost of care for approximately 1.4 million children in low-income families each month. Policymakers are interested in the length or duration that families receive child care subsidies, in part because a large body of research suggests that continuity of care arrangement can benefit both a child's development and their parent's employment and economic stability. Various factors can influence the length of time that a child care subsidy is provided, including state policies, family decisions, and changes in a child care arrangement or a family's eligibility status.

This Brief provides an examination of the amount of time that low-income families from 32 states received child care subsidies. These families began receiving government-funded child care subsidies during Fiscal Year 2012, prior to the reauthorization of the Child Care and Development Block Grant (CCDBG) Act. In general, families utilized child care subsidy programs for short time periods, usually less than a year. However, families that received child care subsidies for a period frequently returned to the subsidy programs after they exited and received subsidies multiple times. This Research Brief looks at the duration of specific instances or spells of subsidy receipt, as well as total duration of subsidy receipt across multiple spells over a more extended period of time.

Key Findings

- There was variation in typical spell lengths across states, with median spell lengths ranging from 4 to 12 months.
- The duration of a subsidy spell varied by child age, with shorter spell lengths for older children.
- Many families returned to the subsidy programs after exiting.
- Over a two-year follow-up period, 49 percent of families received subsidies for at least 12 months, and 20 percent received subsidies for at least 24 months.

Spell Lengths

Analysis of caseload data reveals that participation patterns are dynamic and often include families cycling on and off of the child care subsidy programs. One method of examining the length of participation is to count the number of consecutive months that families received subsidies, preceded and followed by two months of non-participation. Families beginning new spells of participation may be receiving subsidies for the first time or may be returning to the program after a period of non-participation. As shown in Figure 1, families typically received subsidies continuously for short periods of time – often less than a year – before exiting. For example, 93 percent of families received a subsidy for at least one month before ending participation temporarily or permanently. Nearly half (49 percent) received subsidies for at least 7 months.

Subsidy spell lengths varied by many features, including by child age and by state. Figure 2 shows how the length of subsidy spells differed by child age, with longer median subsidy duration for younger children. Across this group of 32 states, in Fiscal Year 2012 the median length of a subsidy spell for families with infants was 9 months, whereas the median spell length was 6 months for families whose youngest child was age 5 or older. Median spell lengths for individual states are presented in the Appendix.

Total Months of Participation

Many families that stopped receiving child care subsidies for a period of time often returned to the subsidy programs. Analysis of data from Fiscal Years 2004 to 2014 revealed that 47 percent of participating families cycled on and off of the programs more than one time. In order to capture a broader measure of participation, Figure 3 presents the total number of months that families received subsidies over

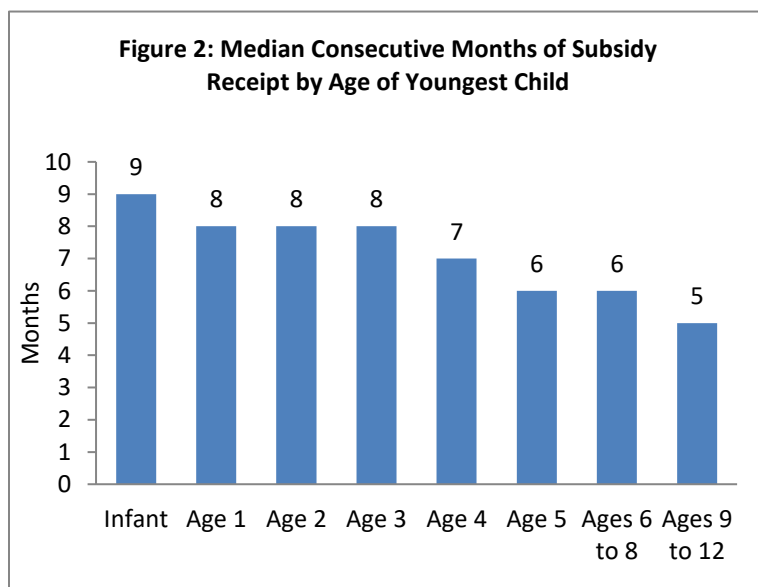
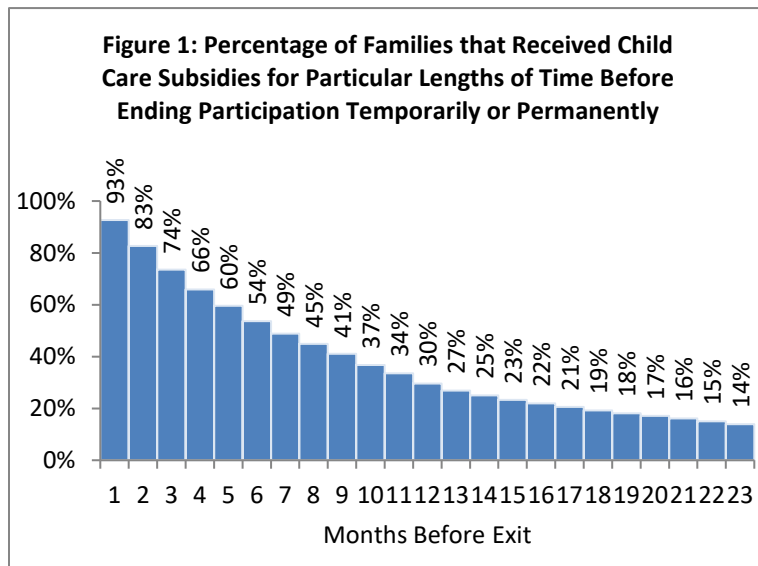
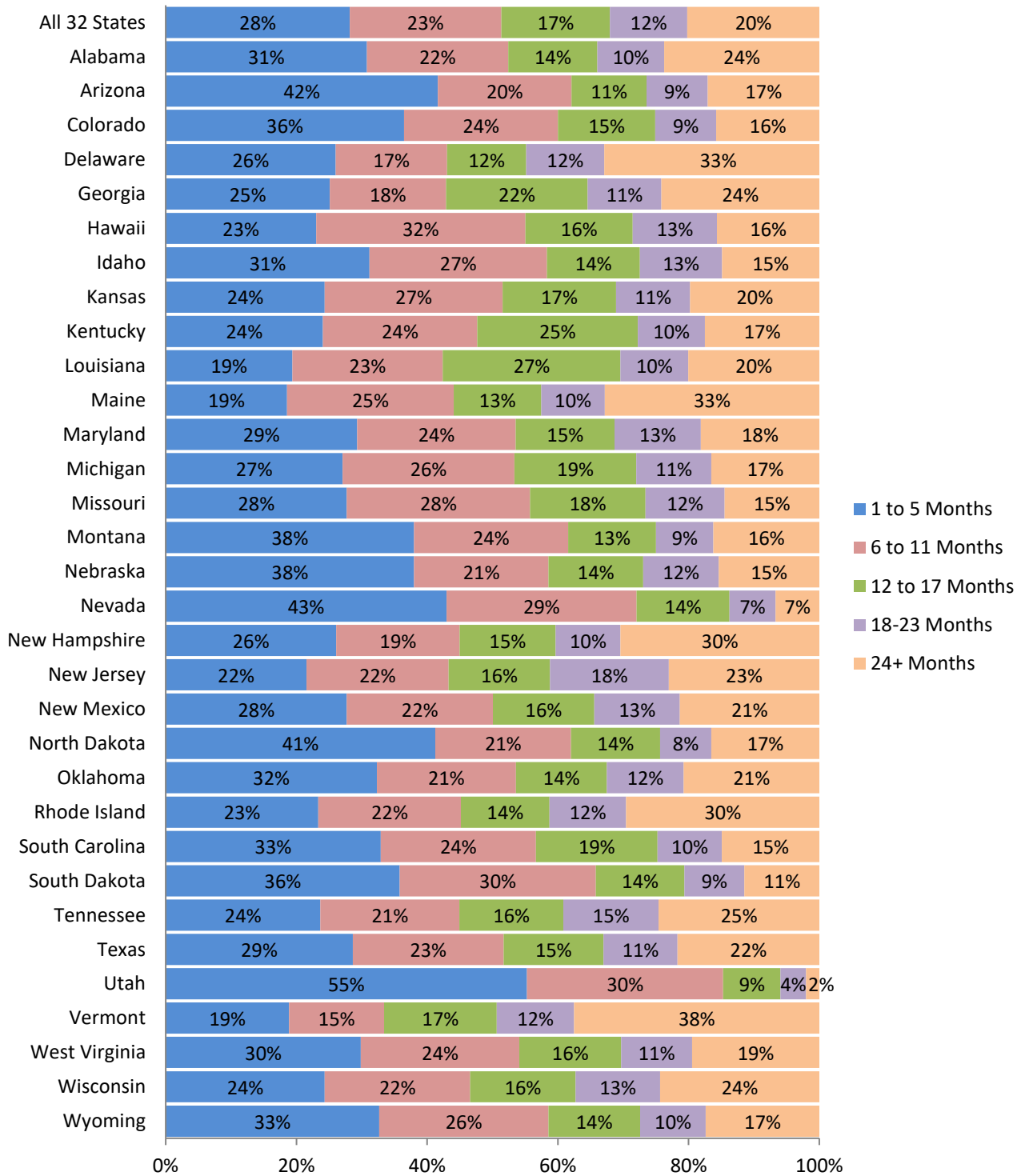


Figure 3. Families that Began Receiving Child Care Subsidies for the First Time in Fiscal Year 2012: Total Number of Months of Receipt



a two-year follow-up period. Of the families that entered the subsidy program in Fiscal Year 2012, 49 percent of them received subsidies for at least 12 months, and 20 percent received subsidies for at least 24 months.

Figure 3 also shows considerable variation across states. In six states - Delaware, Maine, New Hampshire, Rhode Island, Tennessee, and Vermont – over a quarter of all recipients had a subsidy for at least 24 months. Contrastingly, in 10 states at least a third of recipients received a subsidy for less than 6 months.

Conclusion

This analysis described national child care subsidy duration and caseload patterns and identified significant variation in subsidy spell lengths by state and by age of children. Additional research is needed to understand why average subsidy spell lengths differed by these and other factors, as well as how federal and state policies may influence subsidy duration following the CCDBG reauthorization in 2014. The analysis presented here is based on data tabulated from the Child Care Subsidy Duration Tool, which consists of a series of spreadsheets presenting data about the length of time that families received child care subsidies and the dates when they were more or less likely to enter or exit the subsidy programs. The tool is publically-available and can be accessed at www.aspe.placewebpagehere, which includes a Users' Guide along with a more detailed explanation of the methods and individual state tabulations.

Appendix Table 1. Families Receiving Child Care Subsidies for the First Time in FY2012: Number of Consecutive Months Before Ending Participation Temporarily or Permanently

State	Percent of Families					Median Spell
	1 to 5 Months	6 to 11 Months	12 to 17 Months	18 to 23 Months	24+ Months	
All 32 States	28%	23%	17%	12%	20%	8
Alabama	31%	22%	14%	10%	24%	8
Arizona	42%	20%	11%	9%	17%	6
Colorado	36%	24%	15%	9%	16%	6
Delaware	26%	17%	12%	12%	33%	11
Georgia	25%	18%	22%	11%	24%	10
Hawaii	23%	32%	16%	13%	16%	7
Idaho	31%	27%	14%	13%	15%	6
Kansas	24%	27%	17%	11%	20%	9
Kentucky	24%	24%	25%	10%	17%	11
Louisiana	19%	23%	27%	10%	20%	12
Maine	19%	25%	13%	10%	33%	13
Maryland	29%	24%	15%	13%	18%	7
Michigan	27%	26%	19%	11%	17%	8
Missouri	28%	28%	18%	12%	15%	8
Montana	38%	24%	13%	9%	16%	6
Nebraska	38%	21%	14%	12%	15%	6
Nevada	43%	29%	14%	7%	7%	5
New Hampshire	26%	19%	15%	10%	30%	10
New Jersey	22%	22%	16%	18%	23%	9
New Mexico	28%	22%	16%	13%	21%	8
North Dakota	41%	21%	14%	8%	17%	5
Oklahoma	32%	21%	14%	12%	21%	7
Rhode Island	23%	22%	14%	12%	30%	10
South Carolina	33%	24%	19%	10%	15%	7
South Dakota	36%	30%	14%	9%	11%	6
Tennessee	24%	21%	16%	15%	25%	10
Texas	29%	23%	15%	11%	22%	8
Utah	55%	30%	9%	4%	2%	4
Vermont	19%	15%	17%	12%	38%	13
West Virginia	30%	24%	16%	11%	19%	7
Wisconsin	24%	22%	16%	13%	24%	9
Wyoming	33%	26%	14%	10%	17%	6