

Supply Building Strategies to Address Child Care Deserts

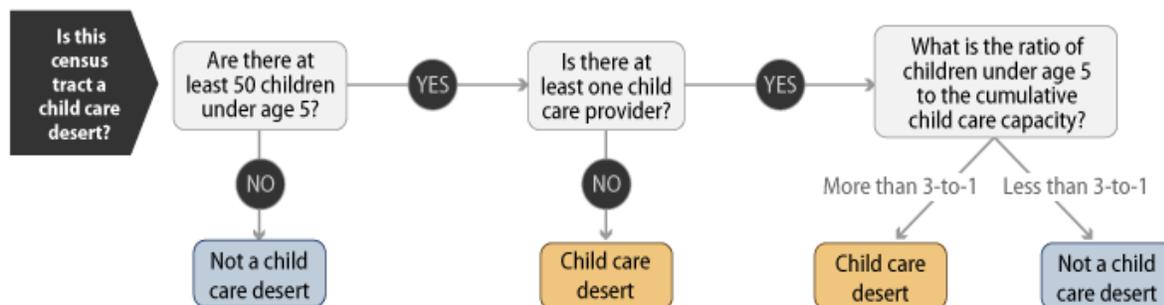
Identifying Child Care Deserts

In 2016, Child Care Aware of America first defined “child care deserts” by drawing from the U.S. Department of Agriculture’s definition of food deserts as “parts of the country vapid of fresh fruit, vegetables, and other healthful whole foods.” Child Care Aware of America “refers to areas or communities with limited or no access to quality child care as child care deserts. In both situations, the identification of deserts is important because it identifies an absence of an essential commodity that results in limited access, which current child care systems do not address.”¹

The Center for American Progress defines a child care desert as “any census tract with more than 50 children under age 5 that contains either no child care providers or so few options that there are more than three times as many children as licensed child care slots.”²

FIGURE 1

A working definition for child care deserts



Note: Child Care Aware defines child care deserts as “areas or communities with limited or no access to quality child care.”

Source: Dionne Dobbins and others, “Child Care Deserts: Developing Solutions to Child Care Supply and Demand” (Arlington, VA: Child Care Aware of America, 2016), available at <http://usa.childcareaware.org/wp-content/uploads/2016/09/Child-Care-Deserts-report-FINAL2.pdf>.



Interactive Tools to Identify Child Care Deserts

Several interactive tools allow users to identify geographic areas with child care deserts.

- ◆ The Bipartisan Policy Center’s [Child Care Gaps Assessment](#) tool is an interactive map that quantifies the supply of, potential need for, and gaps in child care in 35 states in 2019. Working closely with officials from each state, this analysis incorporates the most comprehensive child care supply data collected and serves as the first study to quantify the nation’s child care gap in a way that factors in real parent choice data. The findings offer a starting point from which the country can work to close child care gaps across the country.

¹ Dobbins, D., Tercha, J., McCready, M., & Liu, A. (2016) *Child care deserts: Developing solutions to child care supply and demand*. Child Care Aware of America. <https://www.childcareaware.org/wp-content/uploads/2016/09/Child-Care-Deserts-report-FINAL2.pdf>

² Malik, R., Hamm, K., Schochet, L., Novoa, C., workman, S., & Jennsen-Howard, S. (Dec. 6. 2018). *America’s Child Care Deserts in 2018*. <https://www.americanprogress.org/article/americas-child-care-deserts-2018/>

The accompanying report, [Quantifying What We Know and Don't Know About Child Care in 35 States](#), discusses how to interpret these findings for policy purposes and learn about the Bipartisan Policy Center's methodology, national findings, and specific ways states can optimize the types of child care data they collect.

- ◆ The Center for American Program has an interactive [U.S. Child Care Desert](#) tool that includes all 50 states and territories.
- ◆ Child Care Aware of America offers [Mapping the Gap](#) an interactive “story map” that layers information about child care provider location, child care supply and demand, participation in programs like the Child and Adult Care Food Program and CCDF subsidy, food access, and family poverty.

Estimating the Supply of and Demand for Child Care

States, territories, and Tribal nations may use administrative data to estimate the supply of and the demand for child care.

To gauge the **supply of child care**, states, territories, and Tribal nations can examine their administrative data from child care licensing, Head Start and Early Head Start, each state's prekindergarten program, 21st-century learning programs, and child care resource and referral agencies. Each of these data sources can provide information on the number of child care spaces available to children in the age range the programs serve. The administrative data from the quality rating and improvement system, matched with child care program data, offers information about the quality of the care in the spaces in the participating child care programs.

- ◆ Child Care Aware of America presents child care data and creates state factsheets on its [Child Care Data Center website](#). The state factsheets offer data from 2020 on the number of spaces in licensed child care centers and family child care (FCC) homes, spaces in centers and homes participating in the quality rating and improvement system (QRIS), number of requests made for child care referrals, and national accreditation data. This information may be helpful if a state would like a general estimate on the supply of child care.

To estimate the **demand for child care**, states, territories, and Tribal nations can examine their birth records over a period of years and examine employment data. Sources to consider when looking to estimate the demand for child care include data from the subsidized child care program and waiting list; the administrative data from the programs such as Temporary Assistance for Needy Families, Medicaid, and Special Supplemental Nutrition Program for Women, Infants, and Children programs; numbers of children, on average, in child protective services and foster care cases; and children eligible for Individuals with Disabilities Education Act, Part C, 619.

States report their current enrollment in the child care subsidy program to the Office of Child Care (OCC) on the [Administration for Children and Families \(ACF\) Form 801](#), Child Care Case Record Monthly Reporting Form. The estimated demand for child care and any waiting list data can be compared with the actual number of children receiving subsidies as reported on the ACF Form 801.

- ◆ U.S. Census data is updated and published for use in the [American Community Survey](#). The [population data profiles](#) are available at the state, county, census tract, and zip code levels for 2014–2020 and are helpful when estimating the demand for child care.
- ◆ Information on the [September 2021 Child Medicaid and the Children's Health Insurance Plan](#) enrollment, by state, could serve as a proxy for data if states do not have Medicaid administrative data readily available.

Strategies to Build the Supply of Child Care

This brief aligns with OCC's information memorandum (IM) published in 2015, [Building the Supply of High-Quality Child Care](#). The IM explains that one of the purposes of the Child Care and Development Block Grant Act of 2014 is to increase access to high-quality child care for low-income children, while acknowledging that implementing effective strategies can be particularly challenging in rural areas. The IM reads, “Expanding the supply of high-quality care in rural areas can be especially challenging, due to the lack of child care facilities and large distances

families may be required to travel between home, work, and child care. FCC is particularly important in many rural areas where there are few child care centers. FCC networks can be an important supply building strategy, as can initiatives to help home-based providers meet licensing and higher quality standards. Partnerships with Early Head Start and Head Start may also be an important strategy in rural areas that lack other early childhood programs. States can use Child Care and Development Fund (CCDF) monies to extend Early Head Start and Head Start services for more children and for additional hours and days to meet the needs of working parents.”³

The IM further suggests, “Lead Agencies will likely need to consider multiple strategies to build supply. The following is not meant to be a checklist of required activities, but rather a menu of policy options that the Lead Agency should strongly consider when developing their CCDF State plans. To be most effective, Lead Agencies should 1) identify supply shortages based on data, 2) select the most appropriate strategies to build the supply of high-quality care, and 3) monitor supply building through ongoing evaluation to assess progress towards goals.”⁴

1. Identify Supply Shortages Based on Data

The first step in using effective supply building strategies is understanding the need. To do this, states must examine their data collection efforts to determine if they are identifying true need, as discussed above.

Data analysis is also needed to determine if populations of care (for example, license exempt care) exist that may benefit from investments in quality. States may consider defining both quantity and benchmarks of quality before conducting the analysis. The IM outlines some additional strategies for data collection and analysis.

- ◆ [Identifying, Mapping, and Alleviating Child Care Deserts](#) is a webinar that discusses what child care deserts are, how to recognize them, and how to assess the impact on communities. Through data-driven analysis, the scope of child care under supply comes into focus. The webinar features an interactive demonstration, how-to tips, strategies for using desert maps to drive advocacy, and a discussion about child care in Latino communities—which are frequently child care deserts. Input was shared from leaders in states that have worked to alleviate their own child care deserts.

2. Select the Most Appropriate Strategies to Build Supply

Provider Payments

The IM provides examples of how states used payment rates to build supply of care for certain populations. In one example, the state used payment rates to build the supply of infant and toddler care.

- ◆ [Strategies to Increase Base Payment Rates: An Implementation Guide to American Rescue Plan Act CCDF Discretionary Supplemental Funds](#) outlines strategies for increasing subsidy payment rates for direct child care services. This resource was developed by OCC.
- ◆ [Market Rate Surveys and Alternative Methods of Data Collection and Analysis to Inform Subsidy Payment Rates](#) (Office of Planning, Research and Evaluation (OPRE) report 2017-115) provides research- and expert-informed guidance on collecting data on child care prices and costs for the purpose of setting child care subsidy payment rates. This report addresses market rate surveys and alternative methodologies. It also presents criteria and considerations for assessing methods to inform rate setting. This resource was developed by OPRE.

³ Office of Child Care, Administration for Children and Families, U.S. Department of Health and Human Services. (2015). *Building the supply of high-quality child care*, (CCDF-ACF-IM-2015-02). <https://www.acf.hhs.gov/occ/policy-guidance/building-supply-high-quality-child-care>

⁴ Ibid.

- ◆ [Promoting Sustainability of Child Care Programs during the COVID-19 Pandemic: Considerations for States in Allocating Financial Resources](#) (OPRE report 2020-175) provides background information about the structure of child care costs and revenues. It clearly shows how COVID-19 and associated changes in regulations and demand have affected them and describes the different types of costs in child care programs (for example, overhead costs and those that vary with enrollment). It also shows the differential effects of the pandemic on these costs. Finally, this report presents typical revenue structures and the link between enrollment and revenues. This resource was developed by OPRE.

Financial Incentives

Financial incentives, such as providing quality supports, including mini grants and other start up efforts, as well as differential payment rates, could prove to be an effective strategy to build the supply of child care in areas of need.

- ◆ [Models to Build, Expand and Sustain Quality Facilities and Services in High Need Communities](#) is a webinar that explains how three communities are focusing on building, expanding, and sustaining quality in their early learning communities. These communities have initiatives that use financing in creative ways to address building and sustaining quality early learning supply in areas of high need. The presenters focus on how QRIS enhanced these efforts, investigate key lessons to consider for emerging initiatives, and discuss funding models that support diverse provider businesses.
- ◆ [State Strategies for Building the Supply of High-Quality Infant/Toddler Care](#) is a webinar that offers multiple strategies to states, territories, and Tribal nations for increasing and sustaining the supply of infant and toddler care specifically in high-need areas.

Contracts and Grants

Among other uses of contracts and grants, the IM suggests, “Stable funding can incentivize providers to pay the fixed costs associated with providing high-quality child care, such as adequate salaries to attract qualified staff, or to provide higher cost care, such as for infants and toddlers or children with special needs, or to locate in low-income or rural communities.”⁵

The IM acknowledges, “Designing contracts to increase the supply of high-quality child care requires significant planning. As with other supply-building strategies, Lead Agencies should use data to inform the development of contracts, for example to meet the needs of particular populations or to increase the supply of high-quality care in underserved areas.”⁶

- ◆ [Innovative Strategies to Support Use of Contracts in Child Care Systems](#) is an implementation guide that focuses on the use of contracts to stabilize child care and support overall improvements to the child care system. Potential challenges to using contracts are identified and strategies and resources are offered to overcome concerns.
- ◆ [Implementation Guide: Strategies to Support Use of Contracts for Child Care Slots](#) focuses on commonly reported concerns regarding the use of contracts for child care slots, strategies to overcome those concerns, and additional considerations for designing and implementing contracts.
- ◆ [Using Grants and Contracts, Payment Rates, and Financial Incentives to Increase Supply and Improve Quality](#) is a webinar that includes presentations by states that have used different strategies related to provider payments, grants and contracts, and financial incentives to help build and sustain the supply of high-quality care in child care deserts.

⁵ Ibid.

⁶ Ibid

- ◆ [Using Contracts and Grants to Build the Supply of High Quality Child Care: State Strategies and Practices](#) is a brief that provides information on state and territory efforts to use contracts and grants with providers, beginning with an overview of states, territories, and Tribal nations whose 2016–2018 CCDF Plans indicate they are currently using contracts and grants. Topics include contracts and grants examples, payment practices, monitoring process, and lessons learned.

Expanding High-Quality Family Child Care

Staffed family child care networks might be one potential strategy to explore for rural areas. We know staffed family child care networks can often work to combat some of the reasons many family child care educators are not successful. Networks can cut down on isolation; offer training, technical assistance, and consultation; and even be a means of sharing services and supports.

These resources could be very helpful if staffed family child care networks are something the state would like to explore:

- ◆ [What Are Staffed Family Child Care Networks?](#) is an infographic with basic information to get started.
- ◆ [Staffed Family Child Care Networks: A Research-Informed Strategy for Supporting High-Quality Family Child Care](#) is a brief that includes a description of FCC networks. It also outlines a well-informed strategy for supporting high-quality FCC, including staffing; the essential elements of an effective network; and the value networks bring to the FCC profession.
- ◆ [Addressing the Decreasing Number of Family Child Care Providers in the United States](#) is a brief that examines the reasons FCC homes close and offers information on solutions to this problem for states, territories, or Tribes.
- ◆ [Strategies for Strengthening Family Child Care: Using Data to Inform Policy Change](#) is a webinar that explores strategies for understanding FCC populations and reaching out to and engaging FCC providers. It also outlines supports and services that can help improve access to and sustainability of FCC.
- ◆ [Developing a Staffed Family Child Care Network: A Technical Assistance Manual](#) provides key considerations and questions necessary to implement FCC and guides leaders who wish to support the FCC provider community with staffed networks. The first section of this manual explores adopting networks as a promising approach to improve FCC quality and addresses the role of FCC in serving a range of diverse populations. The second section explores the critical components of a staffed FCC network, and the third section outlines the four stages of successful network implementation.

FCC home programs play an important role in communities and for children and families; indeed, they represent a viable option for women-owned businesses. Staffed FCC networks can make a difference in the stability and quality of FCC in this country. For more resources about improving the quality of FCC homes, check out OCC's [latest resource page](#).

Expanding the Supply of Highly Qualified Teachers and Caregivers

Targeted dissemination of scholarships and financial supports in areas of high need is one way of expanding the supply of highly-quality teachers and caregivers. Likewise, the targeted use of technical assistance, perhaps coupled with quality support as mentioned above, is another possible solution.

- ◆ [Increasing Workforce Compensation Implementation Guide: Immediate Relief for the Workforce](#) is a resource that can help Lead Agencies rebuild their early childhood and school-age care workforce through the use of American Rescue Plan Act of 2021 funding. This resource provides strategies to increase provider compensation and benefits.

- ◆ [Staff Recruitment and Retention](#) provides examples of state systems and policies that help support recruiting and retaining a highly qualified workforce as well as strategies for data collection on staff turnover.

Early Head Start–Child Care Partnerships

Many lessons can be learned from the current Early Head Start–Child Care Partnerships (EHS-CC Partnerships). Region VII could consider garnering input from the Head Start Collaboration Office directors in their state and examining opportunities to expand partnerships in child care deserts. Data on Head Start enrollment could be part of states' data analysis and collection tools.

- ◆ The [Local Early Childhood Partnerships webpage](#) provides comprehensive resources and a detailed planning guide for those exploring EHS-CC Partnerships.

Public-Private Partnerships

Public-private partnerships may be a way to support supply building.

- ◆ [Public-Private Partnerships: Getting Started and Principles for Success](#) outlines initial steps for an effective and sustainable public-private partnership.
- ◆ [What Are Public-Private Partnerships and Why Do They Matter?](#) is a group of resources that provide state and territory policymakers with information about public-private partnerships for early learning, including why partnerships are consequential to different constituencies.
- ◆ [Principles of Successful Public-Private Partnerships](#) offers nine specific strategies grouped by principle that public-private partners can follow to help ensure success.
- ◆ [State Profiles of Successful Public-Private Partnerships](#) presents 14 state public-private partnership profiles, along with an overview summary of the profiles.

Child Care Facilities

In examining barriers to high-quality care, the poor physical environments of care settings might emerge. States may consider examining how to support programs in improving the physical safety of child care facilities.

- ◆ [Financing and Budgeting for Early Care and Education Facilities Guidebook](#) provides information about how to budget for and secure funds to purchase and maintain quality facilities. State leaders will find this guidebook a helpful resource to pass along to child care programs in their states. This guide assists leaders with being innovative in acquiring unique sources of funds to make improvements to existing facilities or to build new ones.

Technical Assistance on Business Practices

Once in business, early childhood and school-age care programs need to have the business acumen to sustain their businesses. State policies that support strong business fundamentals can help new and existing child care programs. Implementing the Strengthening Business Practices for Child Care curriculum coupled with technical assistance and other targeted supports may be an effective approach for sustaining high-quality care in areas of need. Staffed FCC networks (discussed above) and shared services alliances (discussed below) can also support child care programs.

- ◆ [State Policies that Support Business Practices of Child Care Providers](#) is a brief that provides an overview of strategies that states, territories, and Tribal nations can use to promote and strengthen business practices and leadership in early childhood settings. This resource, which draws on state examples, is divided into four key sections: licensing, QRIS, professional development, and resources.

- ◆ [Training of Trainers: Strengthening Business Practices for Child Care Programs](#) provides early childhood trainers with the tools to deliver business training to center-based and FCC providers. The series contains four modules of business practices content: budgets, projections, and planning; financial reports and internal controls; marketing for child care programs; and staff recruitment and retention for center-based child care programs. These trainings can be delivered as a series or as independent sessions.
- ◆ There are a growing number [shared services alliances](#) in the early childhood and school-age care field. In shared services alliances, a local or regional network of centers, homes, or both collaborates and shares staff to deliver services more efficiently and with greater attention to quality. [What Are Shared Services Alliances?](#) is an infographic that offers basic information about shared services alliances. The [Shared Services Complete Start Up Guide](#) offers step-by-step guidance for implementing a shared services alliance.

Rural Child Care

Specifically on the topic of rural child care, the IM suggests creating FCC networks and partnerships with Early Head Start and Head Start. As noted above, opportunities exist to replicate effective strategies specifically targeting high-need areas.

- ◆ [Supporting License-Exempt Family Child Care](#) might be of interest because some models demonstrate strategies to support license exempt care, which could in turn increase the supply of quality child care.

3. Monitor Supply Building Through Ongoing Evaluation

The IM offers suggestions for monitoring and modifying the strategies over time.

- ◆ [Evaluating Quality Investments](#) is the presentation from the 2018 State and Territory Administrator Meeting by Child Trends, the National Center on Early Childhood Quality Assurance, and the State Capacity Building Center. It offers resources to support evaluation.

Technical Assistance

The National Center on Early Childhood Quality Assurance provide individualized free technical assistance to states, territories, and Tribal nations to help map child care deserts and develop strategic plans to build the supply of child care in the identified areas. To request this individualized technical assistance, CCDF Lead Agencies may contact their State Systems Specialist or OCC Regional Program Specialist. Need more information? Email QualityAssuranceCenter@eccetta.info.

The National Center on Early Childhood Quality Assurance (NCECQA) supports state and community leaders and their partners in the planning and implementation of rigorous approaches to quality in all early care and education settings for children from birth through age 12. NCECQA is funded by the U.S. Department of Health and Human Services, Administration for Children and Families.

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