

Children Receiving Child Care Subsidies

DEFINITION

Children receiving child care subsidies is the number of children receiving child care that is either fully or partially paid for with a child care subsidy from the Rhode Island Department of Human Services. Child care subsidies can be used for care in a child care center, family child care home, or by a relative or an in-home caregiver.

SIGNIFICANCE

Families rely on child care to enable them to work and to provide the early education experiences needed to prepare their children for school. Yet the high cost of child care puts quality care out of reach for many low-income families. State child care subsidy programs help low-income, working families enroll their children in licensed child care programs.¹

In Rhode Island, the average cost of full-time child care for an infant in a child care center consumes 49% of the median single-mother family income and 13% of the median two-parent family income. The average annual cost of child care for two children (an infant and a preschooler) in Rhode Island is more than twice the state's median annual rent.² Using the federal affordability guideline that families should spend no more than 10% of their gross income on child care, a Rhode Island family would need to earn approximately \$95,000

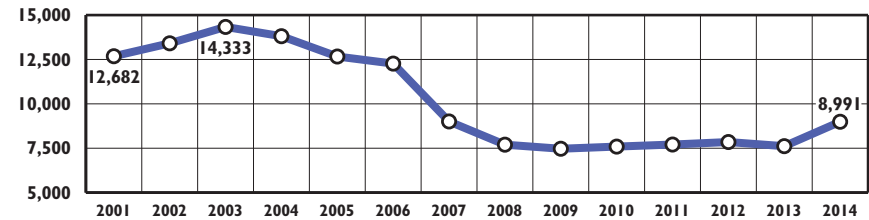
annually to afford the average yearly cost for a three-year-old at a licensed center (\$9,587).^{3,4}

Child care subsidies increase the likelihood that low-income parents are able to work, reduce the likelihood that parents who previously received cash assistance payments do so again, and increase the range of affordable child care options. Families who use child care subsidies have higher rates of parental employment, more stable employment, and more income than poor families who do not use them.^{5,6}

In 1996, Rhode Island established an entitlement to child care assistance for families with incomes up to 185% of the federal poverty level (FPL) as a key component of welfare reform. In 1998, legislation expanded eligibility for families with incomes up to 225% FPL, and adjusted rates paid to child care providers biennially in order to improve access to high-quality child care.⁷ In 2007, eligibility for child care subsidies was reduced to 180% FPL (\$36,162 for a family of three in 2015).^{8,9} In 2008, the requirement to adjust rates biennially was eliminated.¹⁰

Nationally, many families lose access to child care subsidies after a short period of time and then return to the subsidy program. Access and continuity of care can be improved by simplifying application and renewal processes, and expanding eligibility periods.^{11,12}

Child Care Subsidies, Rhode Island, 2001-2014



Source: Rhode Island Department of Human Services, December 2001-December 2014.

- ◆ In December 2014, there were 8,991 child care subsidies in Rhode Island, an increase of 18% from 7,616 in December 2013, but down 37% from the 2003 peak.¹³
- ◆ In 2014 in Rhode Island, 76% of child care subsidies were for care in a licensed child care center, 23% were for care by a licensed family child care home or group family child care home, and 1% were for care by a non-licensed relative, friend, or neighbor.¹⁴
- ◆ As of January 2015, 77% of licensed early childhood centers, 95% of licensed school-age centers, and 84% of licensed family child care homes in Rhode Island accepted Child Care Assistance Program payments.¹⁵
- ◆ In December 2014, 82% of all child care subsidies in Rhode Island were used by low-income working families not receiving cash assistance and 10% were used by families enrolled in the Rhode Island Works Program who were engaged in employment activities. Another 9% of child care subsidies were used for children in the care of the Rhode Island Department of Children, Youth and Families.¹⁶

Average Annual Cost for Full-Time Child Care, Rhode Island, 2013

PROGRAM TYPE	COST PER CHILD
Child Care Center (infant care)	\$12,097
Child Care Center (preschool care)	\$9,587
Family Child Care Home (preschool care)	\$8,715
School-Age Center-Based Program (child age 6-12)	\$6,786

Source: Rhode Island KIDS COUNT analysis of average weekly rates from Bodah, M. M. (2013). *Statewide survey of child care rates in Rhode Island*. Kingston, RI: University of Rhode Island.

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Table 35.

Child Care Subsidies, Rhode Island, December 2014

CITY/TOWN	SUBSIDY USE BY CHILD RESIDENCE			SUBSIDY USE BY PROGRAM LOCATION			
	ENROLLED IN RI WORKS	NOT ENROLLED IN RI WORKS	TOTAL CHILD CARE SUBSIDIES	UNDER AGE 3	AGES 3-5	AGES 6-12	TOTAL CHILD CARE SUBSIDIES
Barrington	1	15	16	9	8	7	24
Bristol	6	62	68	13	16	18	47
Burrillville	1	38	39	3	7	20	30
Central Falls	42	325	367	86	120	149	355
Charlestown	1	7	8	3	1	4	8
Coventry	13	119	132	34	63	64	161
Cranston	52	438	490	160	226	220	606
Cumberland	7	80	87	17	29	28	74
East Greenwich	2	8	10	24	23	16	63
East Providence	23	265	288	64	160	160	384
Exeter	3	11	14	5	6	2	13
Foster	1	7	8	4	8	2	14
Glocester	0	11	11	9	9	0	18
Hopkinton	0	18	18	5	1	1	7
Jamestown	1	2	3	4	2	1	7
Johnston	17	157	174	95	100	89	284
Lincoln	6	95	101	33	42	77	152
Little Compton	0	0	0	0	0	0	0
Middletown	1	52	53	20	41	7	68
Narragansett	0	32	32	0	1	8	9
New Shoreham	0	1	1	0	1	0	1
Newport	20	211	231	57	107	83	247
North Kingstown	16	146	162	54	74	47	175
North Providence	22	173	195	43	54	67	164
North Smithfield	5	31	36	19	30	15	64
Pawtucket	104	876	980	201	349	424	974
Portsmouth	1	23	24	12	14	11	37
Providence	396	2,882	3,278	754	1,033	1,471	3,258
Richmond	3	15	18	0	3	3	6
Scituate	1	22	23	2	3	4	9
Smithfield	7	27	34	50	63	35	148
South Kingstown	11	45	56	18	32	24	74
Tiverton	3	30	33	4	9	7	20
Warren	5	55	60	25	36	26	87
Warwick	8	306	314	135	220	150	505
West Greenwich	0	8	8	1	4	0	5
West Warwick	11	227	238	58	76	62	196
Westerly	3	70	73	32	36	31	99
Woonsocket	80	522	602	94	187	284	565
DCYF	NA	NA	775	NA	NA	NA	NA
Out-Of-State	0	0	0	12	20	1	33
Four Core Cities	622	4,605	5,227	1,135	1,689	2,328	5,152
Remainder of State	251	2,807	3,058	1,012	1,505	1,289	3,806
Rhode Island	873	7,412	9,060	2,159	3,214	3,618	8,991

Source of Data for Table/Methodology

Rhode Island Department of Human Services, InRhodes Database, December 2014.

RI Works is Rhode Island's cash assistance program (formerly known as the Family Independence Program).

DCYF is the number of children in the care of the Department of Children, Youth and Families who are receiving child care subsidies.

Out-of-State is Rhode Island resident children who attend child care located outside of Rhode Island; they are included in the total count for Rhode Island.

Core cities are Central Falls, Pawtucket, Providence, and Woonsocket.

NA=Not applicable

Subsidy data by age of child are reported by the location of the program. Total subsidy use numbers by child residence and total subsidy use numbers by program location do not match because children may be enrolled in more than one program and the InRhodes database is a live system and reports run on different days can have slight variation.

The average annual cost for full-time child care was determined by multiplying the average weekly tuition rate by 52 weeks (for infants and preschoolers). For school-age children, the annual cost was determined by multiplying the average weekly tuition for before and after school care by 39 weeks and adding three weeks of average school vacation tuition and 10 weeks of average summer vacation tuition.

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