

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 through the Rhode Island Department of Human Services' Child Care Assistance Program (CCAP). 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 access child care.¹

In Rhode Island, the average cost of full-time child care for an infant in a child care center consumes 50% of the median single-parent income and is more than the average tuition and fees at public colleges. 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 and is 11% higher than the average annualized mortgage.² Using the federal affordability guideline that families should spend no more than 7% of their income on child care, a Rhode Island family would need to earn at least

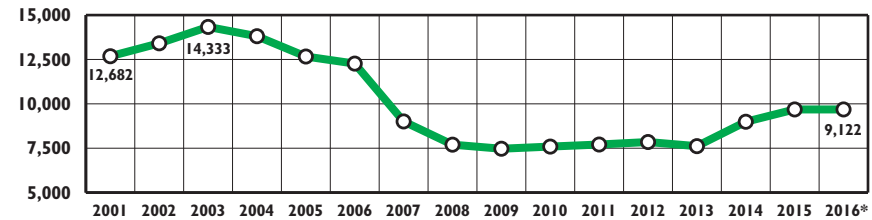
\$145,314 annually to afford the average yearly cost for a three-year-old at a licensed center (\$10,172).^{3,4}

Child care subsidies increase the likelihood that low-income parents are able to work, are employed full-time, and maintain employment over longer periods of time. Parental employment improves family economic security and improves social and emotional well-being of children.⁵

Subsidies help low-income families access higher-quality child care programs that support children's development and learning. Low provider reimbursement rates restrict access to high-quality child care. Rates set below the 75th percentile of the market do not allow for the provision of high-quality care and may violate the federal law's provision that families receiving child care subsidies have equal access to child care options. Rhode Island is one of only 12 states that do not have a tiered child care rate system with higher payments going to higher quality child care programs to incentivize and support quality.^{6,7,8}

As of July 2016, 11% of children participating in the Rhode Island Child Care Assistance Program ages birth through 12 were enrolled in a program with a high-quality BrightStars rating (four or five stars). Preschool-age children were more likely to be enrolled in a high-quality program (14%) than infants and toddlers (9%).⁹

Child Care Subsidies, Rhode Island, 2001-2016



Source: Rhode Island Department of Human Services, InRhodes Database, December 2001–December 2015, September 2016. *CCAP data for December 2016 were not available as of March 2017.

◆ In September 2016, there were 9,122 child care subsidies in Rhode Island, down 6% from 9,684 in December 2015 and down 36% from the 2003 peak. In September 2016, 77% of child care subsidies were for a licensed child care center, 22% were for a licensed family child care home or group family child care home, and 1% were for a non-licensed relative, friend, or neighbor.¹⁰

◆ Rhode Island families with incomes under 180% FPL (\$36,756 for a family of three) who work a minimum of 20 hours per week are eligible to receive CCAP. Families may continue to participate until their income reaches 225% FPL (\$45,945 for a family of three) as part of a graduated phase-out pilot set to expire on September 30, 2017 unless it is extended or made permanent. Families in Rhode Island Works may also be eligible for CCAP to support education and employment activities.^{11,12,13}

◆ In September 2016, 84% of all child care subsidies in Rhode Island were used by low-income working families not receiving cash assistance and 7% were used by families enrolled in the Rhode Island Works Program. Another 9% of child care subsidies were used for children in the care of the Rhode Island Department of Children, Youth and Families.¹⁴

Average Annual Cost for Full-Time Child Care, Rhode Island, 2015

PROGRAM TYPE	COST PER CHILD
Child Care Center (infant care)	\$12,091
Child Care Center (preschool care)	\$10,172
Family Child Care Home (preschool care)	\$8,655
School-Age Center-Based Program (child age 6-12)	\$7,775

Source: Rhode Island KIDS COUNT analysis of average weekly rates from Bodah, M. M. (2015). *Statewide survey of childcare rates in Rhode Island*. Kingston, RI: University of Rhode Island.

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Table 35.

Child Care Subsidies, Rhode Island, September 2016

CITY/TOWN	SUBSIDY USE BY CHILD RESIDENCE				SUBSIDY USE BY PROGRAM LOCATION			
	UNDER AGE 3	AGES 3-5	AGES 6-12	TOTAL CHILD CARE SUBSIDIES	CENTER	FAMILY CHILD CARE	LICENSE EXEMPT	TOTAL CHILD CARE SUBSIDIES
Barrington	3	7	8	18	36	0	0	36
Bristol	13	15	16	44	22	2	0	24
Burrillville	7	13	12	32	31	1	0	32
Central Falls	108	140	185	433	306	94	6	406
Charlestown	5	4	0	9	6	1	0	7
Coventry	23	47	44	114	145	2	0	147
Cranston	142	209	199	550	419	197	2	618
Cumberland	21	36	43	100	108	6	3	117
East Greenwich	8	9	10	27	73	0	0	73
East Providence	74	118	145	337	352	10	0	362
Exeter	6	7	5	18	14	4	0	18
Foster	1	7	7	15	7	0	0	7
Gloicester	4	8	1	13	37	2	0	39
Hopkinton	1	5	0	6	1	12	0	13
Jamestown	1	1	0	2	7	0	0	7
Johnston	38	60	46	144	338	28	2	368
Lincoln	24	35	52	111	170	8	0	178
Little Compton	1	0	0	1	0	0	0	0
Middletown	19	28	20	67	66	0	0	66
Narragansett	10	15	13	38	12	0	0	12
New Shoreham	0	0	0	0	0	0	0	0
Newport	69	93	60	222	204	12	3	219
North Kingstown	44	59	37	140	176	1	0	177
North Providence	54	73	75	202	165	14	1	180
North Smithfield	11	14	15	40	55	0	0	55
Pawtucket	217	360	410	987	884	111	7	1,002
Portsmouth	7	10	2	19	31	0	0	31
Providence	836	1,055	1,277	3,168	1,642	1,430	30	3,102
Richmond	3	1	2	6	5	0	0	5
Scituate	5	5	7	17	2	0	0	2
Smithfield	4	16	21	41	113	0	0	113
South Kingstown	18	22	17	57	70	11	1	82
Tiverton	9	13	6	28	14	3	0	17
Warren	16	13	16	45	71	0	0	71
Warwick	113	141	120	374	573	8	1	582
West Greenwich	2	4	3	9	7	0	2	9
West Warwick	68	127	106	301	253	4	0	257
Westerly	22	44	38	104	112	0	3	115
Woonsocket	130	202	274	606	487	44	8	539
DCYF	NA	NA	NA	850	NA	NA	NA	NA
Out-Of-State	0	0	0	0	33	1	0	34
Four Core Cities	1,291	1,757	2,146	5,194	3,319	1,679	51	5,049
Remainder of State	846	1,259	1,146	3,251	3,695	326	18	4,039
Rhode Island	2,137	3,016	3,292	8,445*	7,047	2,006	69	9,122*

Source of Data for Table/Methodology

Rhode Island Department of Human Services, InRhodes Database, September 2016. Data for 2016 should not be compared with previous years since the month differs. CCAP data for December 2016 were not available as of March 2017.

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 subsidies used by Rhode Island resident children who attend child care located outside of Rhode Island; they are included in the state count.

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

NA=Not applicable or available.

Subsidy data by age of child are reported by the child's residence. Subsidy use by program type is reported by 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.

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.

References

- ^{1,8} Schulman, K. & Blank, H. (2016). *Red light green light: State child care assistance policies 2016*. Washington, DC: National Women's Law Center.
- ² *Parents and the high price of child care: 2016 report*. (2016). Arlington, VA: Child Care Aware of America.
- ^{3,7} U.S. Department of Health and Human Services. (2016). Child Care and Development Fund Program: Final rule. *Federal Register*, 81(190), 67438-67595.

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