

FACILITIES PROVIDING CARE TO CHILDREN ON SUBSIDY

INTEGRATION OF OREGON'S SUBSIDIZED CHILDREN

Produced by the Oregon Child Care Research Partnership, 2018

In some states, children receiving subsidies are clustered in a limited number of facilities. That is, in those states, some facilities care totally or primarily for children whose care is subsidized by the State's CCDF program. Integration of children from all income groups in early learning programs is more likely to meet the needs of all children, especially those from low-income families. **In order to assess the extent to which subsidized children are integrated in Oregon child care and education facilities, we ask two questions:**

1. *What percent of facilities that charge parents a fee, care for at least one child receiving a subsidy?*
2. *What percent of a facility's desired capacity is filled with children on subsidy?*

Since the subsidy program provides a parent a voucher with which to purchase care, we focus on facilities that charge tuition, ones that charge tuition to at least some parents.

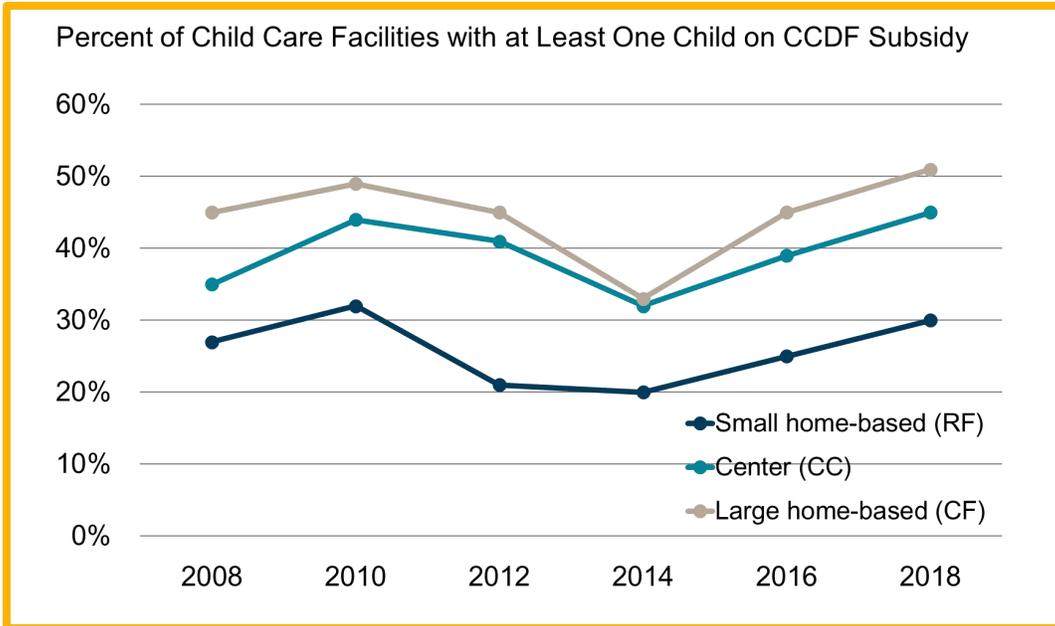
As described in more detail below, we find that:

- **Children whose tuition is paid (at least in part) by the subsidy program are typically in a facility with children whose fees are not paid by the subsidy program.** Almost a third (30%) of small home-based facilities, almost half (45%) of centers, and about half (51%) of large-home based facilities in Oregon care for at least one child on subsidy.
- **It appears that the vast majority of Oregon children receiving subsidies are served in child care and education facilities in which they are typically integrated with children from families not receiving subsidies.** Depending on year, subsidy children make up more than 50% of a facility's desired capacity in: 1% to 3% of centers, 4% to 10% of small home-based facilities, & 8% to 19% of large home-based facilities.

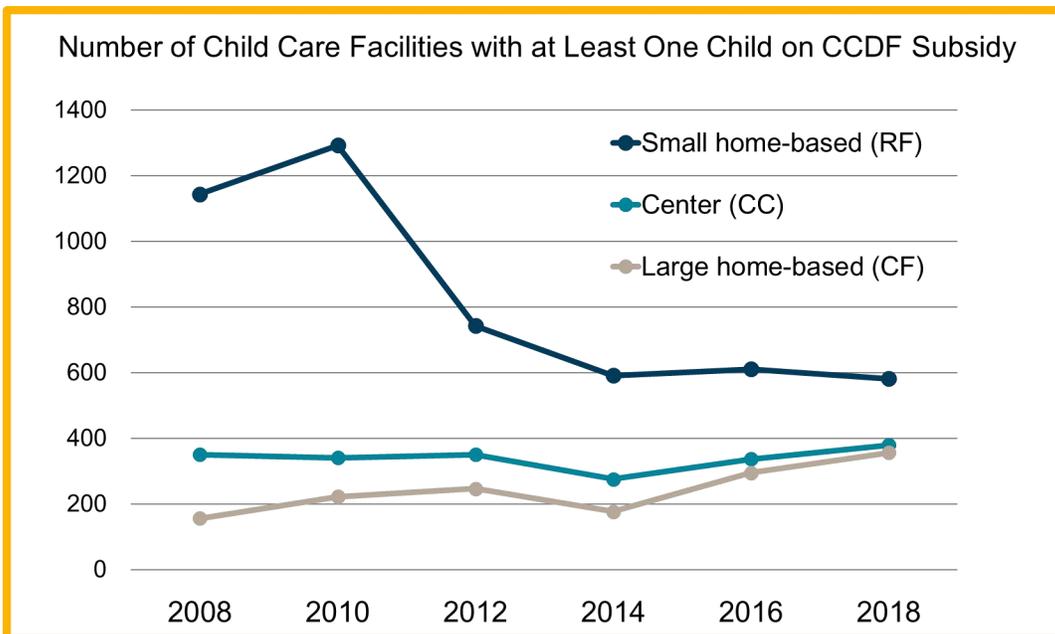
Data Source: For this analysis, we use the datasets created every two years to conduct the biennial market price study. We use datasets for the years 2008 to 2018. Over a three-month period in each of the data collection years, the Child Care Resource and Referral agencies or 211 update data on each child care and education facility's prices and desired capacity. Data on 89% or more of facilities met a six-month period for each of the reported years. These data are merged with child care subsidy data from the Department of Human Services/Early Learning Division to determine if a facility cared for a child on subsidy and, if so, the number of children on subsidy in that facility. Having both the number of subsidized children and the desired capacity, we estimate the percent of capacity filled with subsidized children.

FACILITIES PROVIDING CARE FOR AT LEAST ONE CHILD ON SUBSIDY BY TYPE OF CARE, 2008-2018

As can be seen below, over the 10 years, the percent of facilities that care for at least one child on subsidy varies by type of care. Large home-based facilities (Certified Family) are the most likely to care for a child on subsidy (between 33% and 51%). Small home-based (Registered Family) facilities are the least likely to do so (between 20% and 32%). The participation of center (Certified Center) facilities has hovered between 32% and 45%.



When examining the number of facilities that care for at least one child on subsidy, the picture looks slightly different (see below). More small home-based facilities care for a child on subsidy than do other types of facilities. In 2010, almost 1,300 small home-based facilities cared for at least one child on a subsidy (vs. the highest number of centers was 380 and large home-based facilities was 357).

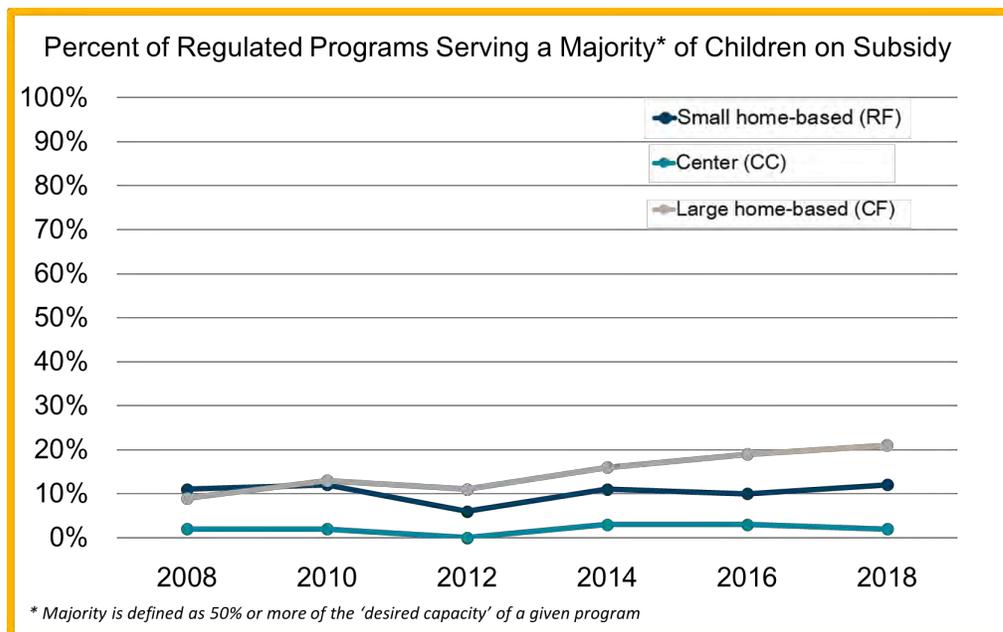


It is important to note that during these 10 years, the number of small home-based providers who charged a price declined from 4,255 to 1,957 and the number of large home-based providers increased from 348 to 700. So, for home-based facilities the change in numbers was partially explained by declines in small home-based facilities and increases in large home-based facilities. The number of centers with a price for at least one age group ranged between 773 and 994 between 2008 and 2018.

PERCENT OF FACILITIES' DESIRED CAPACITY FILLED WITH SUBSIDIZED CHILDREN, 2008-2018

Viewing the percent of a facility's desired capacity that was filled with subsidy children addresses the question of whether children from low-income families receiving subsidies are segregated into facilities serving only children on subsidy. That is, do these children make up a large portion of the children in a facility?

As can be seen in the figure below, in only small percentages of facilities do subsidized children fill more than 50% of the facility's desired capacity. Having 50% or more of desired capacity filled with subsidized children is the case for between 1% and 3% of centers, up to 10% of small home-based facilities, and up to 19% of large home-based providers.



The table below focuses on differences by geography. We classify counties into Metropolitan (an urbanized area of 50,000), Micropolitan (at least one urban cluster of 10,000 to 49,000), and Noncore (no population cluster larger than 10,000). We observe few differences by geography among small home-based facilities. However, for both centers and large home-based facilities, being located in a Micropolitan county is associated with having higher percentages of desired capacity filled with children on subsidy. A quarter (26%) of large home-based facilities in Micropolitan counties had 50% or more of capacity filled with children on subsidy, whereas this was the case for less than a fifth (18%) of facilities in Metropolitan and Noncore counties. Small percentages (0% - 11%) of small home-based facilities or centers had more than 50% of desired capacity filled with children on subsidy regardless of geographic location.

Percentages of Facilities that Serve Children on Subsidy by Type of Care and Geography in 2018

	Small home-based (RF)	Center (CC)	Large home-based (CF)
Metropolitan	30%	45%	50%
Micropolitan	29%	49%	65%
Noncore	32%	37%	36%