

# FACILITIES PROVIDING CARE TO CHILDREN ON SUBSIDY

## INTEGRATION OF OREGON'S SUBSIDIZED CHILDREN

*Produced by the Oregon Child Care Research Partnership, May 2023*

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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 Child Care Development Fund (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. Since the subsidy program provides parents with a voucher with which to purchase care, we focus on facilities that charge tuition to at least some parents (i.e., the priced child care market<sup>1</sup>).

**To assess the extent to which subsidized children are integrated in Oregon child care and education facilities, we ask two questions based on current estimates, as well as trends over time:**

1. *What percent of licensed<sup>2</sup> facilities that charge parents a fee care for at least one child receiving a subsidy?*
2. *What percent of licensed facilities have more than 50% of the facility's desired capacity filled by children on subsidy?*

**In 2022, we found that:**

- **Nearly 60% of all licensed facilities that charge a fee serve at least one child on subsidy.** Fifty-seven percent of home-based providers, 64% of centers, and 59% of large home-based providers serve at least one child on subsidy.
- **Over the last 12 years, the number of small home-based facilities serving children on subsidy has decreased by nearly half.** In contrast, the number of large home-based facilities has nearly doubled and centers have increased by 45%.
- **The vast majority of Oregon children receiving subsidies are in facilities in which they are typically integrated with children from families not receiving subsidies.** Only 2% of centers, 21% of small-home based facilities, and 26% of large home-based facilities have over half of their desired capacity filled by children using subsidy.

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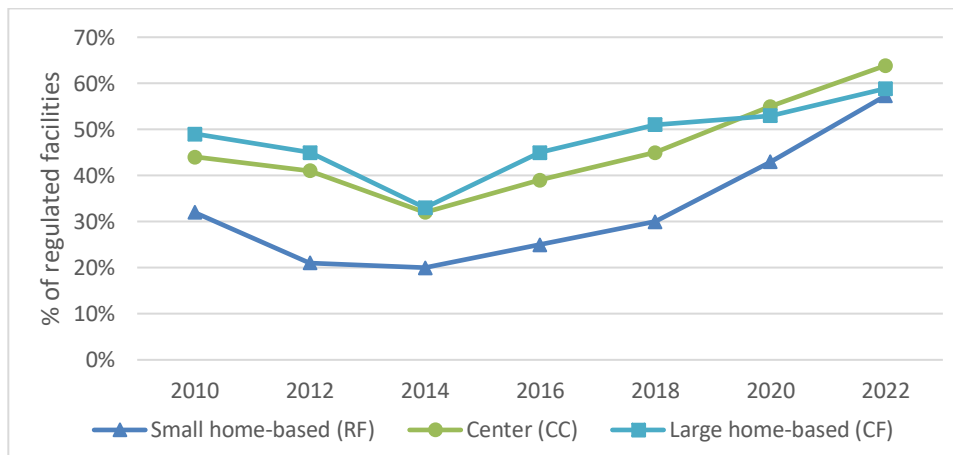
<sup>1</sup> **Data Source:** For this analysis, we use the datasets created every two years to conduct the biennial market price study. We use datasets for the years 2010 to 2022. Over a three-month period in each of the data collection years, the Child Care Resource and Referral agencies or 211 updated data on each child care and education facility's prices and desired capacity. Facilities that reported to charge a fee or tuition to parents are considered part of the priced market and make up the analytic sample. For more on the sample, see the [2022 Market Price Study](#). These market price data are merged with child care subsidy data from the Oregon Department of Human Services 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 percentage of capacity filled with subsidized children. Data is current as of December 2022.

<sup>2</sup> Licensed or regulated facility types include Registered Family homes (small home-based), Certified Centers (centers), and Certified Family homes (large home-based).

# FACILITIES PROVIDING CARE FOR AT LEAST ONE CHILD ON SUBSIDY BY TYPE OF CARE, 2010-2022

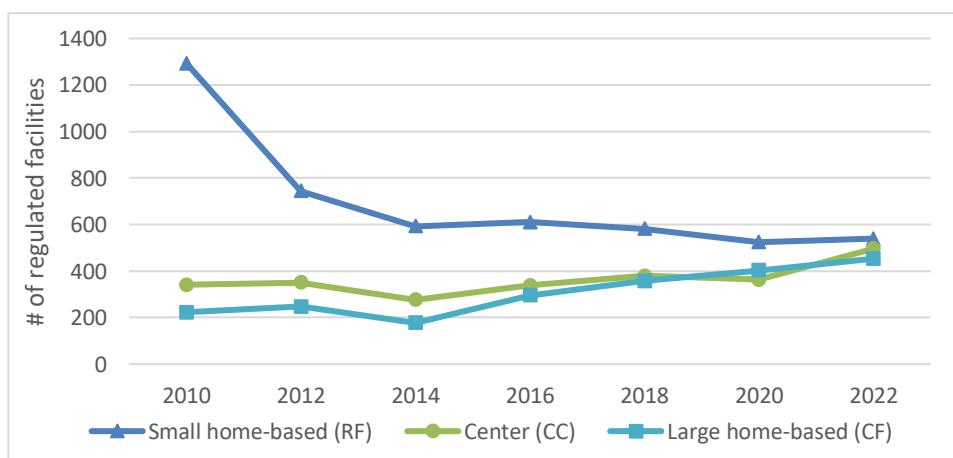
Over the past 12 years, the percentage of facilities that care for at least one child on CCDF subsidy varies by type of care. In 2022, more than half of facilities in all three types of care serve at least one child on subsidy. From 2010 to 2018, large home-based facilities were the most likely to care for a child on subsidy (between 33% and 59% each year), with center facilities the most likely in 2020 and 2022, where percentages were between 55% and 64%. Small home-based facilities continue to be the least likely to serve at least one child on subsidy (between 20% and 57% each year).

**Graph 1. Percent of Regulated Facilities with at Least One Child on CCDF Subsidy**



When examining the number of facilities that care for at least one child on subsidy, the picture looks slightly different (see below). Small home-based facilities have experienced the largest decrease in the number of facilities that care for a child on subsidy than any other type of facilities, yet it is important to note that this parallels the overall decrease in the number of small home-based providers over the last 12 years<sup>3</sup>. In 2010, almost 1,300 small home-based facilities cared for at least one child on a subsidy compared to 539 in 2022. The number of center and large home-based facilities has increased slightly over time with 496 centers and 453 large home-based facilities with at least one child on subsidy in 2022 (versus 380 centers and 357 large home-based facilities in 2010).

**Graph 2. Number of Regulated Facilities with at Least One Child on CCDF Subsidy**



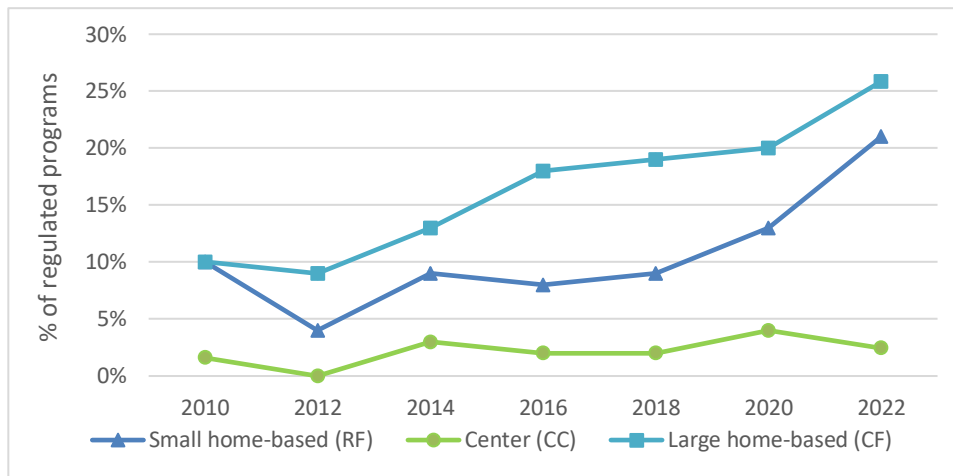
<sup>3</sup> The number of small home-based facilities who charge parents a fee declined from 4,045 to 1,221 from 2010 to 2022; whereas, the number of large home-based facilities increased from 454 to 762 and number of centers that charge a fee has remained relatively stable overtime (around 700-800).

# PERCENT OF FACILITIES' DESIRED CAPACITY FILLED WITH SUBSIDIZED CHILDREN, 2010-2022

Estimating the percent of a facility's desired capacity 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?

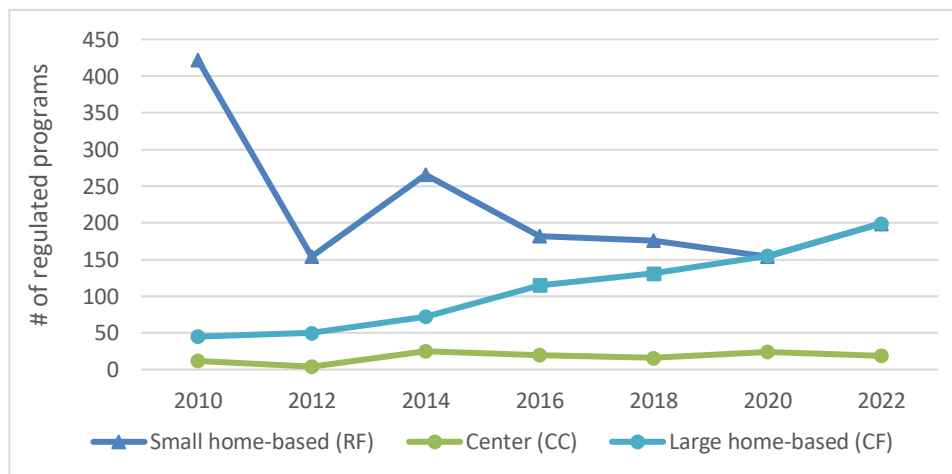
Only a small percentage of facilities have more than 50% of the facility's desired capacity filled by subsidized children. Over the last 12 years, having 50% or more of desired capacity filled with subsidized children is the case for up to 4% of centers, up to 21% of small home-based facilities, and up to 26% of large home-based providers.

**Graph 3. Percent of Regulated Programs Serving a Majority of Children on CCDF Subsidy**



The number of facilities where subsidized children fill over 50% of desired capacity has changed over the past 12 years. The figure below illustrates that small home-based facilities increased by 45 facilities between 2020 and 2022, after several years of declining. The number of large home-based facilities has quadrupled since 2010, increasing from 45 in 2010 to 199 facilities in 2022. Centers have remained relatively stable as they fluctuate from year to year around 20 facilities.

**Graph 4. Number of Regulated Programs Serving a Majority of Children on CCDF Subsidy**



# FACILITIES PROVIDING CARE FOR SUBSIDY CHILDREN BY COUNTY, 2010-2022

As seen from the table below, the percentage of facilities that care for at least one child or have a majority of children (more than 50%) on CCDF subsidy varies by county.

**Table 1. Number and Percent of Regulated Programs Serving Children on CCDF Subsidy**

County	All facilities <sup>1</sup>	Facilities with 1 or more slots filled by children on subsidy		Facilities with more than 50% of slots filled by children on subsidy	
	N	N	Percent	N	Percent
Baker	16	8	50%	2	13%
Benton	53	27	51%	2	4%
Clackamas	203	95	47%	15	7%
Clatsop	23	8	35%	0	0%
Columbia	29	17	59%	4	14%
Coos	33	22	67%	7	21%
Crook	12	7	58%	1	8%
Curry	7	4	57%	1	14%
Deschutes	162	77	48%	16	10%
Douglas	51	36	71%	13	25%
Gilliam	2	2	100%	0	0%
Grant	5	1	20%	1	20%
Harney	2	2	100%	0	0%
Hood River	36	11	31%	0	0%
Jackson	134	82	61%	29	22%
Jefferson	13	8	62%	5	38%
Josephine	40	30	75%	3	8%
Klamath	43	30	70%	10	23%
Lake	1	0	0%	0	0%
Lane	213	149	70%	59	28%
Lincoln	30	16	53%	2	7%
Linn	74	36	49%	9	12%
Malheur	17	11	65%	4	24%
Marion	285	196	69%	75	26%
Morrow	3	2	67%	0	0%
Multnomah	543	277	51%	64	12%
Polk	63	46	73%	14	22%
Sherman	3	1	33%	0	0%
Tillamook	9	5	56%	1	11%
Umatilla	67	36	54%	17	25%
Union	42	18	43%	12	29%
Wallowa	1	1	100%	0	0%
Wasco	26	13	50%	5	19%
Washington	443	225	51%	64	14%
Wheeler	1	0	0%	0	0%
Yamhill	67	44	66%	10	15%
<b>Oregon</b>	<b>2,752</b>	<b>1,543</b>	<b>56%</b>	<b>445</b>	<b>16%</b>

<sup>1</sup>Total number of facilities that reported charging a fee to parents.