Is This the Care We Need?
An Examination of Childcare Policy in Pennsylvania
Introduction

For working families with young children, childcare is an ever-present concern. Parents need quality care that meets the needs of their children, accommodates their work schedules, and is safe and reasonably priced. Finding care that meets these criteria may be difficult and can be a significant burden on a family. This report outlines the state of this challenge for families in Pennsylvania. It will examine the status of quality childcare access in the state, the challenges that exist, and the policies in place at all levels of government. Furthermore, this report discusses how Pennsylvanians assess the government’s role in ensuring quality, affordable childcare and offers responsible policy suggestions for improving care options for Pennsylvania’s families.

Of course, the challenge of accessing childcare is not limited to Pennsylvania. Families in every corner of the United States are in search of acceptable childcare options, which are becoming more difficult to find as the gap between costs and what families can reasonably afford widens. Childcare costs for one child can range from $344 a month in rural South Carolina to $1,472 in Washington, D.C. (Gould & Cook, 2015) In fact, just one year of childcare, averaging $10,000 dollars in 2013, can exceed the cost of a year of in-state college tuition (The White House, 2015). This is true in 33 states and the District of Columbia, with infant care costs exceeding the cost of in-state college tuition at public 4-year institutions (Gould & Cook, 2015). In Pennsylvania in 2014, center-based infant care cost an average of $10,470 a year and $7,943 a year in home-based care (Legislative Budget and Finance Committee, 2015). For a single four-year-old, parents pay an average of $8,727 a year for center-based care, and $7,128 for home-based care (Legislative Budget and Finance Committee, 2015). According to the national childcare resource ChildCare Aware of America, in Pennsylvania the cost for a married couple with children averages almost 14 percent of the median income. For single mothers, the financial burden is particularly high, absorbing up to 40 percent of their annual income (ChildCare Aware of America, 2014). Forty percent would be considered an excessive burden to most considering that in a recent survey of Pennsylvanians, almost 89 percent of those surveyed believed childcare should cost less than 30 percent of a families’ income, and more than 48 percent believe it should be even more affordable or less than 15 percent. Forty percent also greatly exceeds the U.S. Department of Health and Human Services recommendation of a 10 percent affordability threshold for childcare (Gould & Cook, 2015). In fact, according to a report created by the Economic Policy Institute (EPI), only in a handful of the EPI’s 618 family budget regions are childcare costs near the recommended 10 percent threshold (Gould & Cook, 2015). This is a major financial consideration for most families, and especially impacts low-income and single family households.

Pennsylvania ranks 22nd for least-affordable infant care and 20th for least-affordable care of four-year-olds (Childcare Aware of America, 2014). Arguably, this major concern for parents has received minor public policy attention, and a complex web of public policy prescriptions at the national, state, and local levels offers only a weak network of support for parents that need help finding and affording care.

Almost 89 percent of those surveyed believed childcare should cost families less than 30 percent of their income, with more than 48 percent believing it should be even more affordable or less than 15 percent.

Pennsylvanian Attitudes on Childcare Issues

Throughout this report, we also report the findings from our original survey of Pennsylvanians. We asked residents of The Commonwealth to report their impressions of childcare options available to Pennsylvania families—revealing whether they see the options as adequate on measures of accessibility, affordability, and safety. We also asked them to provide some feedback on what childcare should look like in Pennsylvania. Should, for instance, families pay more or less than they currently do for care? What level of government should be most involved in providing care subsidies or regulations?

Using the 2014 Qualified Voter File of registered voters in Pennsylvania, 2000 voters were randomly selected to receive a mail survey in June, 2015 via the United States Postal Service. A follow-up post card was also sent in early August, 2015 offering an online version of the survey. Eighty-six respondents returned their mail surveys, and five completed the online version, for a total response rate of 4.5 percent.
While this response rate is low, it is not surprising (Dillman 2011). Americans have grown increasingly skeptical of “junk mail” and are accordingly less and less likely to complete mail surveys. Nonetheless, the small sample of respondents still allows us a unique perspective of Pennsylvanians, and one that is not altogether unrepresentative of the population.

Of the respondents, more than 90 percent described themselves as white, which is somewhat higher than the 2014 U.S. Census report that about 83 percent of Pennsylvanians are white (U.S. Census 2014). The average age was 55 years, with ages ranging from 21-85 years old. Likely due to the topic of survey, a majority of the respondents were women (74 percent) and most had college or advanced degrees or had attended some college (82 percent). Most participants were either married or in a long-term committed relationship (65.9 percent).

The mean household income was in the range of $30,000-$52,500. The sample aligned well with the political dynamics of The Commonwealth, but skewed somewhat more Democrat (46% D, 30% R, 24% I) (Pennsylvania Department of State 2014).

Childcare Matters

Studies have shown that learning begins at birth, and during the first few years of a child’s life they undergo growth in cognitive skills, social skills, emotional skills, and patterns of engagement in school and learning (Florida’s Office of Early Learning, 2012; National Center for Infants, Toddlers and Families, 2013; Morin, 2014). Early years are remarkably important; by four years of age, a child’s brain is usually 90 percent of its adult size (Winter, 2010). High-quality childcare is linked to school readiness, physical well-being, motor development, social and emotional development, and cognitive and language development (Brown, 2002). Furthermore, children who receive quality childcare exhibit benefits in all stages of childhood and into adulthood. In elementary school, these children have improved math and language ability, fewer behavioral problems, fewer cognitive and social issues, and are less likely to have to repeat a grade (Reynolds, Temple, Robinson, & Mann, 2001; Schweinhart et al., 2005; Peisner-Feinberg & Yazejian, 2004).

As children age, those who participated in preschool are more likely to graduate from high school and less likely to enter a juvenile detention program (Reynolds et al., 2001). As adults, these children are less likely to commit a crime or felony, less likely to rely on social assistance programs, and more likely to be employed in a high-skilled job (Schweinhart et al., 2005). Quality childcare has also been linked to increased intellectual and language test performance, and higher median annual earnings (Schweinhart et al., 2005). On the other hand, studies have found that children who have experienced poor-quality childcare may lack academic interest, adequate school skills, and exhibit heightened aggression (Helburn & Howes, 1996).

Childcare matters not only to parents and their children, but should and does matter to U.S. businesses as well. In the United States, businesses lose “$3 billion annually due to employee absenteeism as a result of childcare breakdowns” (ChildCare Aware of America, 2015). In a six-month timeframe, 45 percent of parents miss at least one day of work due to a failure of childcare plans. Additionally, 65 percent of parents reported having to make adjustments to their work schedules due to the challenges of childcare plans. Finally, 65 percent of parents reported having to make adjustments to their work schedules due to the challenges of childcare (Child Action, n.d.). In 2014, problems related to childcare prevented 6.2 percent of families from spending more time at work (RegionTrack Inc, 2015). Many parents have few options but to stay home when a child is sick or if schools are closed. This situation also presents challenges for employers. In a 1992 survey, nearly 30 percent of workers knew employees who quit their jobs due to inadequate childcare (Economic Opportunity Institute, n.d.). The ability to retain employees is important to companies and affects their bottom line (Abbasi & Hollman, 2000). Yet, when a company has to hire and train a new employee it costs them 150 percent of a salaried employee’s annual pay and 75 percent of an hourly employee’s annual salary (Child Action, n.d.). Visible costs of replacing an employee include things such as recruitment, hiring, and orientation, while hidden costs include things such as disruption of work flow, vacancy until the job is filled, and disruption of customer relations (Abbasi & Hollman, 2000).
Research conducted by the Families and Work Institute, found that employers find substantial benefits of childcare programs (Department of Treasury, n.d.). In a survey of more than 1,100 companies, more than two-thirds of respondents reported that the costs of childcare programs are outweighed by the benefits, or that the programs are at least cost-neutral (Department of Treasury, n.d.).

The availability of quality childcare provides both short and long term economic benefits. In the short term, an increase in childcare centers has the potential to provide jobs and, in turn, allow employees to spend wages and pay taxes. Centers also purchase goods and services, and company sponsored childcare centers enable employers to attract and retain employees and increases productivity (Calman & Whelan, 2005). In the long term, the benefits children receive from quality childcare causes the economy to experience a boost due to the lowered cost for remedial and special education services, more school completion and increased skills, better job preparedness and ability to meet future labor demands, higher incomes and tax payments, lower criminal justice costs, and fewer welfare payments (Calman & Whelan, 2005). In Pennsylvania, a report using Impact Analysis for Planning (IMPLAN), an economic modeling system often used for conducting economic impact, looked at how the childcare industry impacts the state. IMPLAN revealed that, in Pennsylvania, each addition dollar that is invested in early childcare and education contributes $2.06 to the state's economy. Thus, while providing access to quality childcare for children within Pennsylvania would require $2.2 billion in investment, the investment would yield $2.4 billion in additional sales in Pennsylvania’s economy. The $2.2 billion price tag would also generate 75,000 jobs, an estimated 17,000 of which would be found in other economic sectors (America’s Edge, 2011).

Policy: An Inadequate Patchwork

But these investments are hardly on the table in either the public or private sector and families rely on a weak and often inadequate system of public and private solutions. Policymakers have done little. Since mothers have become common in the workforce, action on childcare policy seems to have received both support and dismissal. In 1971, the United States seemed to be moving towards universal childcare when the Comprehensive Child Development Act was proposed. This legislation would have mandated that childcare programs be available to all children regardless of race, economic status, and family background. Low-income families would have received free childcare, while those who earned more would receive care on a sliding scale.

The program would have been funded at $2 billion annually and outlined quality standards as well as, funding for training and purchase of facilities (Cohen, 1996). While the act passed through Congress, President Richard Nixon vetoed it, and there have been no subsequent serious attempts at providing universal childcare. Instead, funding for childcare now comes from a mixture of federal, state, and local programs. Nonetheless, despite the limitations within the current system, a plurality of PA survey respondents 36 percent indicated that funding and regulation for programs should be the responsibility of multiple levels of government – potentially expressing approval for the system of shared responsibility as it currently is.

Federal: At the federal level, multiple programs exist including the Childcare and Development Block Grant (part of the Childcare and Development Fund), Head Start, Early Head Start, Childcare Means Parents in School Program (CCAMPIS), Child and Dependent Care Credit (CDCC), and Childcare Works. The Childcare and Development fund provides subsidies to assist low-income families in paying for childcare. Parents are provided either a slot at a contracted care provider or a voucher that can be used at any provider that meets state requirements (National Center for Children in Poverty, 2014). This program is funded by a combination of federal and state sources and allows states to have some flexibility in setting income eligibility requirements and parental co-payment fees (Assistant Secretary for Planning and Evaluation, 2015). Requirements include a maximum income eligibility limit of 85 percent of the state median income (National Center for Children in Poverty, 2014). In Pennsylvania, as of 2013 for a family of three, the 85 percent threshold would mean $4,675 a month or less (Office of Child Care, n.d.).
As of September 2015, 92,800 children in Pennsylvania were being served under the Childcare and Development Fund (Childcare State Systems Specialist Network, 2015). The federal expenditure under this program was $339 million, while the state’s contribution was $97 million (Childcare State Systems Specialist Network, 2015).

The Childcare and Development Block Grant is used as a supplement for state funds for childcare assistance. The grant is designed specifically for children under 13. To qualify, a family’s income cannot exceed 85 percent of the state median income and the parents must be working or attending job training (FederalGrantsWire, 2015). Of the children who received the Childcare and Developmental Block Grant in 2013 in Pennsylvania, 72 percent were cared for in licensed or regulated childcare centers, six percent in licensed or regulated family childcare homes, four percent in licensed or regulated group homes, and 16 percent by license-exempt providers (National Women’s Law Center, 2015).

Both the federal Head Start and Early Head Start programs promote school readiness in young children coming from low-income families. They focus on five domains including language and literacy, cognitive and general knowledge, approaches to learning, physical development and health, and social and emotional development (Early Childhood Learning & Knowledge Center, 2015). Nationally in 2013, the Head Start program helped more than 923,000 children and the early head start center assisted 150,100 infants and 6,391 pregnant women. Head Start is administered by the Administration for Children and Families within the Department of Health and Human Services. The program receives approximately $7.2 billion in federal funding, which is given to states and territories to fund these programs (Head Start, 2014). Despite the need, in Pennsylvania between 2014 and 2015 there was a 14.9 percent decrease in federal funding for the Head Start and Early Head Start programs which lead to a 26.5 percent decrease in the number of children served (Head Start, 2014; Childcare State Systems Specialist Network, 2015).

The Childcare Access Means Parents in School (CCAMPIS) program provides childcare for low-income parents who are eligible for the Federal Pell grant (U.S. Department of Education, 2014). The Federal Pell grant is money the government gives students needing assistance to pay for college that does not have to be repaid. The funds help support campus-based childcare for primarily low-income students enrolled in institutions of higher learning (U.S. Department of Education, 2014). In 2014, $15 million was allocated nationally for CCAMPIS grants which created 86 awards (U.S. Department of Education, 2014). Of the 86 schools provided a grant, three of these schools were located in Pennsylvania: Northampton County Area Community College, Pennsylvania College of Technology, and Slippery Rock University of Pennsylvania (Childcare Access Means Parents in School Program, 2014).

In addition to grant funding and other direct financial support, the federal government also use tax credits to help all families in the form of the Child and Dependent Care Credit. To qualify for this credit, and individual must have paid someone to care for their child in the last year, the child must be 12 or younger, and the care must have been provided so you could work or look for work.

The credit may be up to 35 percent of the qualifying expenses depending on adjusted gross income (IRS, 2011). In 2012, Pennsylvania had over 228,000 claims for this credit, which amounted to $121 million in tax credits (Legislative Budget and Finance Committee, 2015).

Lastly, Childcare Works is funded by both the state and federal government and is managed by the Childcare Information Services or CCIS (Department of Human Services, 2015). In Pennsylvania, eligibility criteria include: being a Pennsylvania resident, having a child who needs care while their parent either works at least 20 hours a week, or is participating in an education program for at least ten hours a week. Participants who do not already have a job must have a job within 30 days of applying for assistance, while teen parents must attend an education program. (Department of Human Services, 2015). Additionally, income qualifications stipulate that a family’s income must be 200 percent or less of the Federal Poverty Income Guidelines (Department of Human Services, 2015).
Table 1. Requirements for each Keystone STARS Level

<table>
<thead>
<tr>
<th>STAR Level</th>
<th>Requirements</th>
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<tbody>
<tr>
<td>STAR Level 1</td>
<td>• Full DHS Childcare Certification of Compliance or Registration for a year</td>
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<td>• Plan to increase early childcare training for staff</td>
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<td>• Increased staff communication via team meetings</td>
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<td>• Completed self-assessment</td>
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<td>STAR Level 2</td>
<td>• Director and Staff must receive 3-6 more hours of professional development</td>
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<td>• 1/3 of staff must have completed or are enrolled in credentials or degrees</td>
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<td>• Learning materials are provided for some of the day</td>
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<td>• Some involvement of parents</td>
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<td>• Plan to address needs found in a standardized self-assessment</td>
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<td>STAR Level 3</td>
<td>• Even more professional development</td>
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<tr>
<td></td>
<td>• 1/2 staff completed or enrolled in credentials or degrees</td>
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<tr>
<td></td>
<td>• Learning material available for most of the day</td>
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<td></td>
<td>• Literacy activities</td>
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<td></td>
<td>• Increases parental involvement</td>
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<td></td>
<td>• Written policies and procedures</td>
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<td>• Implementation of a financial system, increased staff compensation and benefits</td>
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<tr>
<td>STAR Level 4</td>
<td>• Even more development and training then level 3 requires-2/3 of staff completed or enrolled in</td>
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<tr>
<td></td>
<td>credentials and degrees</td>
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<tr>
<td></td>
<td>• Activities designed to encourage children to communicate</td>
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<tr>
<td></td>
<td>• Parental and community resources used to deliver quality childcare</td>
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<tr>
<td></td>
<td>• Business, organizational, and staff compensation practices maximized</td>
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<tr>
<td></td>
<td>• Review of facility by a nationally recognized environmental rating scale with a high-score</td>
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For instance, in 2016, a family of three in Pennsylvania must earn less than $40,320 annually to qualify (Families USA, 2016). In 2014, Childcare Works served approximately 160,000 children, only 22 percent of the U.S. Census Bureau’s estimate of children in Pennsylvania who qualified (Legislative Budget and Finance Committee, 2015). Because all of the federal programs offer different income cut offs and are funded differently, it can be difficult for families to pick which program is right for them, which they qualify, and understand the different requirements for each.

STATE: At the state level, Pennsylvania provides several unique programs in addition to federal programs. Most of the state programs are tied into federal programs that receive joint funding, so limits and regulations are set both by the state and federal governments. Governor Tom Wolf’s 2015-2016 budget, proposed $35 million in federal funds to be invested towards childcare with almost $18 million going towards providing childcare assistance (Wolf, 2015). In 2011-2012, through a combination of state and federal funding, Pennsylvania provided subsidized childcare to 126,393 children from birth to age 13 during the year through Childcare Works (Pennsylvania Partnerships for Children, 2013). This figure represented a decrease from the previous year.

The state is primarily responsible for regulating care quality. In Pennsylvania, the Keystone STARS program measures the quality of Pennsylvania’s childcare facilities on a scale of one to four stars, as demonstrated in Table 1. Keystone STARS was created as an initiative of the Office of Child Development and Early Learning (Pennsylvania Early Learning, 2009). The program measures staff education, learning environment, leadership management, and family and community partnerships. The program is not required for providers, but can allow families to measure quality of the care they use or seek (Pennsylvania Department of Human Services, n.d.). As of March 2011, 978 programs in Pennsylvania had a top Keystone STARS rating of 3 or 4—a 10 percent increase from 2010 (Keystone STARS, 2011). Despite the large number of participants through Childcare Works, however, only 20 percent of participants received care at a highest rated provider (see Table 1) (Pennsylvania Partnerships for Children, 2013). In 2008, Pennsylvania was allocated $1.8 million in federal funding to help remove children from their Childcare Works waiting list, but the waiting list continues to grow (Pennsylvania Office of Child Development and Early Learning, 2009).
Nationally in 2013, the Head Start program helped more than 923,000 children and the early head start center assisted 150,100 infants and 6,391 pregnant women.

Pennsylvania also created the program Pre-K Counts,\textsuperscript{15} which is a public-private partnership designed to help expand high quality childcare for 3 and 4 year olds (PSEA Education Services Division, 2008). Pre-K Counts offers free, high-quality Pre-Kindergarten that is available for either full or half-day classes. To be eligible, a child must be under 300 percent of the federal poverty level, a language-minority, or demonstrate cultural or special needs (PSEA Education Services Division, 2008). The program is state funded through grants, with Pennsylvania allocating $82.8 M to fund Pre-K Counts programs in 2012-2013 (Pre-K for PA, 2014). The program has over 300 childhood programs and many school districts currently participating (PSEA Education Services Division, 2008).

Pre-K Counts appears to have strong results. For instance, a 2010-2011 evaluation of the program indicated that nearly every child (99 percent) showed age-appropriate or emerging age-appropriate language, math, and social skills after their time in Pre-K Counts (Pennsylvania Pre-K Counts, 2011). Unfortunately though, in 2010-2011 the Pennsylvania Pre-K Counts program served 11,500 children in 62 counties, representing only four percent of the preschoolers in The Commonwealth. More than 4,500 children were on the wait list for the program (Pennsylvania Pre-K Counts, 2011). Students on the wait list are eligible for assistance but, because of limited funding, are admitted on a first come first served basis.

**LOCAL:** At the local level, there are many different types of programs that vary by county within the state. This variation creates substantial disparities in access to affordable childcare and childcare assistance throughout the state. In Pittsburgh, for instance, one local program is Angels’ Place: A Place to Grow. This nonprofit organization provides single, low-income full-time students with free childcare and family support programs to help them complete their education (Angels’ Place, 2012). The childcare provided is flexible, Monday–Friday, year round, and is provided for children between birth to five years. In 2013-2014, 71 parents participated and 91 children benefited from the program. Angels’ Place (2012) reports 86 percent of the participating children obtained age-appropriate skill levels or higher. Furthermore, Pittsburgh Public Schools Early Childhood Education Department provides children birth to five years with a flexible program that is funded through state, federal, and local sources (Pittsburgh Public Schools, n.d.).

For income-eligible families there is no cost, and for families whose income is 300 percent or more than the poverty level there is a fee-for-service model (Pittsburgh Public Schools, n.d.). If there is more interest in one site than spots are available, a lottery is held and the remaining children are placed on a wait list (Pittsburgh Public Schools, n.d.).

The YMCA in both Pittsburgh and Philadelphia also provides childcare using an income-based scale. For instance, in Philadelphia, rates usually fall between $208-$235 a week, depending on the child’s age (Philadelphia Freedom Valley YMCA, 2015). The YMCA programs are funded by a combination of charitable contributions, membership dues, program dues, and fundraising. The non-profit’s program at the Roxborough Center has earned a 4 star rating and is also a PA Pre-K Counts site (Philadelphia Freedom Valley YMCA, 2015).

In Philadelphia, The School District of Philadelphia also directly provides preschool to more than 9,500 children through its Bright Futures and Prekindergarten Head Start Programs (The School District of Philadelphia, n.d.). Additionally, federal employees are also eligible to receive affordable childcare at the Academy for Early Learning, which
is managed by the General Services Administration (Academy for Early Learning, 2015). For civilian workers, this childcare is paid for by the Childcare Subsidy Program, while for military personnel, funding is provided by the Army Fee Assistance program (Academy for Early Learning, 2015).

A sprinkling of other programs are available throughout other counties including the Childcare Scholarship Fund in Butler County, the Community Action Program (CAP) Childcare Center and Lancaster Early Education Center, the West Chester Area Day Care Center, the Elizabethtown Childcare Center, the Cambria County Child Development Corporation program, and a Pre-K Counts program in Warren. The Childcare Scholarship Fund in Butler County administers federal and state aid for low-income families, and hopes to provide 50 families an average of 58 days of care (United Way of Butler County 2015). In Lancaster, the CAP Childcare Center provides full time care, for which families pay using their CCIS subsidy plus a daily $5-25 dollar co-pay (Community Action Program of Lancaster County, 2015). Whereas costs at the Lancaster Early Education Center, are subsidized in part by donations, private contributions, and fundraising activities (Lancaster Early Education Center, n.d.)

The West Chester Area Day Care Center is a non-profit program that does not impose caps on how many children on subsides can enter the program, and offers scholarships for families in financial crisis. The program has a STAR 3 rating and is funded by state and county subsidies, private fees, the United Way and Food Program Grant, and parent co-pay (West Chester Area Day Care Center, 2015). The Elizabethtown Childcare Center provides care for infants to school age children up to fifth grade. The center is a non-profit organization that is funded through community and corporate donations as well as fundraising. Tuition assistance is provided on a sliding fee scale based on income (Elizabeth Childcare Center, n.d.). In Cambria County, the Child Development Corporation Program of Cambria provides before and after school care for infants, toddlers, and preschoolers for $20 per week for five hours of care plus $4 an hour per child past 5 hours. The program is funded by the Pennsylvania Department of Education, and the 21st Century Community Learning Centers Grant (Cambria County Child Development Corporation, 2013). Warren currently has only a few spots available in their Pre-K Counts program for children 3-5 years. Enrollment is eligibility based on income as well as other factors that include children who are learning English, are homeless, have special needs, or are born to a teen mother (Jefferson DeFrees Family Center, n.d.).

These are just some examples of local Pennsylvania programs that offer childcare to moderate and low-income families. Other options can include having a friend or family member care for the child or receiving non-center care in a person’s home. A parent can also remain home with the child, though for financial reasons, this option is not available to many. Yet while a range of local, state, and federal childcare options are available, a number of obstacles may hinder a parent’s ability to utilize them, as described in the next section.
Status of Quality Care in PA

Challenges

Many challenges stand in the way of obtaining quality care in Pennsylvania. The patchwork of care that is currently available is far from systematically covering all families. Some options are unaffordable for many families. Quality of programs varies significantly and may be hard to assess, since childcare programs are not required to participate in the Pennsylvania Keystone STARS program. Families may also face issues with accessibility; more children need care than there are available spaces. Furthermore, those parents who work non-traditional schedules must face a lack of programs offering more flexible hours. These challenges, discussed in the next section, stand in the way of providing quality childcare for all of Pennsylvania’s children.

AFFORDABILITY: Despite the importance of early childcare for development, current programs are not keeping up with the need. Low-income and single parent homes are especially affected, with many parents unable to afford the childcare they need. These families, already at or close to the poverty level, are not guaranteed government assistance.

In 2012, the Bureau of Labor Statistics reported that, over 10 million people were considered to be among the “working poor” (BLS Reports, 2014). In Pennsylvania, more than a quarter of children under six and almost 18 percent of older children live below the poverty line. However, due to a lack of federal funding, in 2011, only 17 percent of the estimated 14.3 million children who would qualify for federal childcare assistance received it, with assistance in 2013 at its lowest levels since 1997 (National Womens Law Center, 2015).

In terms of specific programs, in 2015, estimates suggest that Head Start, which provides care and education for low-income children under the age of five, only reached half of eligible children, while the Early Head Start program reached only five percent of the eligible infants and toddlers nationally (National Women's Law Center, 2015). At the national level, the Childcare and Development Fund, served only an estimated 12-15 percent of eligible children in recent years (Administration for Children and Families, 2000).

Out of those children that received funding in 2011, most funding went towards younger children (Assistant Secretary for Planning and Evaluation, 2011).

With limited funds and lengthy waitlists, programs cannot support every needy child. Instead, only some of the most needy receive care and the rest often slip through the cracks. Our survey data shows evidence of this concern: respondents with household incomes under $30,000/year were more likely to express concerns about affordability and funding of childcare. Most respondents indicated that they view costs for childcare in the state as being “average”, but Democrats and Independents were more likely to express more concern about the cost of care (see Table 2).

QUALITY: Even when families can afford care, a lack of quality childcare facilities poses a challenge. One Cost, Quality, and Child Outcomes study, conducted in 1993-1994, focused on childcare across four states including California, Colorado, Connecticut, and North Carolina (Helburn & Howes, 1996). Examining 401 childcare centers, researchers found that 86 percent of the centers provided mediocre or poor-quality services, while only 14 percent of centers met levels of process quality high enough to support the emotional development of children.

But studies like this reveal little about the unregulated environments where an abundance of children receive care. In Pennsylvania, any care provided in the home to three or fewer children is left up to the parents to monitor the childcare provided, and quality varies. In those settings that are regulated, very few meet Pennsylvania’s Keystone STARS® requirements for four-star facilities (see Table 1). High quality childcare

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Table 2. Survey Respondent Perception of Affordability, By Political Affiliation

<table>
<thead>
<tr>
<th></th>
<th>Poor</th>
<th>Below Average</th>
<th>Average</th>
<th>Above Average</th>
<th>Excellent</th>
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</thead>
<tbody>
<tr>
<td>Democrat</td>
<td>4%</td>
<td>10%</td>
<td>13%</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>Independent</td>
<td>1</td>
<td>2</td>
<td>12</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Republican</td>
<td>1</td>
<td>0</td>
<td>10</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Total %</td>
<td>6</td>
<td>12</td>
<td>35</td>
<td>4</td>
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</table>

*Percentages do not equal 100% Don't Know/ No Opinion was selected 42% of the time.
versus low quality childcare is measured by looking at process quality and structural quality (Helburn & Howes, 1996).

Process quality is the experiences children have in care while structural quality includes aspects of childcare that are usually regulated by the government such as child to caregiver ratio (Helburn & Howes, 1996).

For Pennsylvania, the most recent process quality study was conducted in 2006 using the Early Childhood Environment Rating Scale, Revised (ECERS-R) and Family Day Care Rating Scale (FDCRS) (Pennsylvania Office of Child Development, 2006). The study looked at 356 childcare centers, 81 group homes, and 135 family childcare homes (Pennsylvania Office of Child Development, 2006). The Early Childhood Environment Rating Scale, Revised (ECERS-R) measured program quality using 7 subscales including things such as program structure, activities, and personal care routines (Pennsylvania Office of Child Development, 2006), whereas the Family Day Care Rating Scale (FDCRS) measured the quality of family childcare programs using 7 subscales including things such as basic care, adult needs, and social development (Pennsylvania Office of Child Development, 2006). Quality of childcare in Pennsylvania has increased over time, primarily due to participation in the STARS program (Pennsylvania Office of Child Development, 2006). Compared to the previous study, conducted in 2002, in 2006, family and group practitioners rated higher in quality according to the FDCRS, and childcare centers rated higher according to the ECERS (Pennsylvania Office of Child Development, 2006). Moreover, facilities rated as 2 STARS or higher were found to be rated significantly higher in quality than the sites in 2002 (Pennsylvania Office of Child Development, 2006).

Nonetheless, provider standards are mandated and enforced by the state, and each year many childcare facilities are found in violation of standards. For group childcare homes and childcare centers inspections occur when a facility first opens and annually after that. Every year, 15 percent of family childcare homes are randomly selected for inspection (PA's Promise, 2016). Some recent violations included broken glass found in play areas, unfenced pools, and leaking ceilings (Parks, 2015). More information related to violations as well as costs and contact information of childcare facilities Pennsylvania is available on the COMPASS website which allows parents to search all childcare facilities in Pennsylvania and obtain a list of current and past violations (COMPASS, n.d.).

The rating system and monitoring does not appear to help Pennsylvania’s national reputation on childcare. The National Institute for Early Education (NIEER) measures the quality of Pre-K programs across the country using criteria such as early learning standards, teacher qualifications, and class sizes. NIEER gave Pennsylvania a 7 out of 10 quality score for providing merely 10 percent of three-year olds and two percent of four-year-olds quality Pre-Kindergarten education (Pre-K for PA, 2014). This places Pennsylvania behind states such as Oklahoma (9 of 10) which provided 14 percent of three-year-olds and 87 percent of four-year-olds Pre-K through Head Start, and the District of Columbia (8 of 10) which served 96 percent of 3-year-olds and 100 percent of 4-year-olds Pre-K through their quality Pre-K program and Head Start (Pre-K for PA, 2014).

In another area, licensing inspection, Pennsylvania was ranked 14th in the nation with a 65 percent ranking.

Table 3. Survey Respondent Perception of Quality, By Political Affiliation

<table>
<thead>
<tr>
<th>Political Affiliation</th>
<th>Poor</th>
<th>Below Average</th>
<th>Average</th>
<th>Above Average</th>
<th>Excellent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democrat</td>
<td>1%</td>
<td>8%</td>
<td>14%</td>
<td>4%</td>
<td>1%</td>
</tr>
<tr>
<td>Independent</td>
<td>0</td>
<td>5</td>
<td>7</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Republican</td>
<td>2</td>
<td>1</td>
<td>6</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Total %</td>
<td>4%</td>
<td>14%</td>
<td>27%</td>
<td>11%</td>
<td>4%</td>
</tr>
</tbody>
</table>

*Percentages do not equal 100% Don’t Know/ No Opinion was selected 40% of the time.
Second-ranked Oklahoma received a 74 percent, while bottom-ranked California received a 39 percent. These scores were based off of factors of oversight and regulation (NACCRRA, 2016).

Of our survey respondents, 42 percent reported that they believe quality of childcare in the Commonwealth is average or better. Partisan differences were also common on this measure, though many Republicans in the sample indicated that they either “didn’t know” or had “no opinion” of the quality of care available (see Table 3).

ACCESSIBILITY: Even when families are eligible for childcare subsidies, they are not guaranteed assistance. In 2014, 18 states had either waiting lists or were no longer accepting names even for the waitlist for assistance. In some states, families are placed on a waiting list for quite some time with lists in some states reaching into the thousands (National Women’s Law Center, 2015).

As of February 2014, 2,651 children were on the wait list for childcare assistance in Pennsylvania (Schulman & Blank, 2014). Families are told that wait times can vary, and are usually at least several months or longer. The Childcare Works Subsidy Program in Pennsylvania stated, that as of January 2015, when funding became available (which was estimated to take at least four months) they would be giving openings to people who had applied as early as September 2014. This delay could pose significant challenges to families whose members need to maintain jobs or go to school in the mean time. Also, some programs allow applications before babies are born, there is no guarantee a spot is available when the baby is born. Furthermore, while prices do become more affordable as children get older, almost 30 percent of children in Pennsylvania six years and older live in a one parent working household and nearly 40 percent live in a two-parent working household (Child Care State Systems Specialist Network, 2015), a majority of which require some before and/or afterschool and summer care.

Generally, the need for assistance far outweighs the availability of assistance available.

NON TRADITIONAL SCHEDULES: Another problem that families face is lack of childcare for non-traditional schedules. Families of all incomes work nights or weekends, rather than a typical 9 to 5 schedule. As many as one-third of working-poor mothers and more than one-quarter of working-class mothers worked on weekends (Hofferth, 1996) and half of working-poor parents work a rotating schedule potentially requiring them to work weekends. Despite this potential need for care, only 10 percent of centers and six percent of family day care homes provide weekend care (Vandell & Wolfe, n.d.).

While studies have mostly focused on those of lower income, non-traditional schedules can impact any family with young children. In addition, working overtime may not be an option for families who have to juggle childcare and work.

It is possible to see evidence of concerns around these issues in our survey data. Very few respondents expressed that they thought access or flexibility in options were “excellent” and, while most rated these criteria as “average”, notable minorities gave “below average” or worse ratings for both accessibility and flexibility (15 and 17 percent, respectively) (see Table 4).

Despite the seeming limitations of childcare in Pennsylvania, PCWP survey participant’s ratings of quality, affordability, flexibility, and safety were mostly favorable. Most who felt they had enough knowledge to rate childcare in these areas ranked the state’s options as being “average” on each of the above metrics. Furthermore, those with children, tended to offer better ratings, a perhaps encouraging perspective. However, very few respondent’s viewed childcare in the state as “excellent” on any measure.
A report using an economic modeling system often used for conducting economic impact, looked at how the childcare industry impacts the state. It revealed that, in Pennsylvania, each addition dollar that is invested in early childcare and education contributes $2.06 to the state’s economy.

Public Opinion on Childcare

While public opinion is notoriously subject to change, Americans have consistently supported greater federal and state assistance for childcare. In a national study of 1500 voters conducted by EDK Associates, the majority of voters expressed support for public financing of childcare, while six in ten voters expressed support for a significant proposal meant to make quality childcare affordable, and 67 percent favored a more limited package (Klein, n.d.). A 2000 poll by the Opinion Research Corporation International found that 68 percent of respondents rated “providing access to after school programs and early childhood development programs like Head Start as a higher priority than cutting taxes” (Sylvester, n.d.). In 2002, 80 percent of Washington State voters agreed that tax dollars should be used to support early learning programs for children, while 76 percent favored providing funds for all-day kindergarten accessible by all children, and 75 percent supported funds for high quality preschool for all three to four year olds (Economic Opportunity Institute, 2002). As these large majorities suggest, support for developing public policy to improve early learning cut across income, age, geography, party affiliation, and gender (Economic Opportunity Institute, 2002).

In 2010, Child Care Aware conducted multiple national surveys hoping to better understand what parents needed and wanted out of their childcare options. The organization found that parents’ top two concerns were quality of childcare (38 percent) and cost (20 percent) (National Association of Childcare Resource & Referral Agencies, 2011). Furthermore, 73 percent of all parents supported paying $10 more in taxes a year to improve childcare quality. Similarly, 65 percent of all parents supported paying $10 more in taxes a year to reduce the cost of childcare (National Association of Childcare Resource & Referral Agencies, 2011). Emphasizing how crucial childcare is to working families, 31 percent of respondents in another survey rated affordable childcare as the most important factor affecting families (National Association of Childcare Resource & Referral Agencies, 2010). Of significant concern were the 20 percent of parents that reported using their savings to pay for childcare and the 10 percent that reported either removing their children from a formal arrangement, moving closer to relatives, or moving their children to a care center of lesser quality in order to save money (National Association of Childcare Resource & Referral Agencies, 2010).

Those parents who are earning low incomes were more likely to say that they changed childcare arrangements due to not being able to pay (35 percent) and were more likely to support the use of federal funds to reduce the cost of childcare (59 percent) (National Association of Childcare Resource & Referral Agencies, 2010). Lastly, a 2015 Washington Post report found that 37 percent of mothers rated their cost of childcare as very expensive (The Washington Post, 2015). Parents were also asked to rate how easy or difficult it was to find childcare in their area that was both affordable and high quality. In this case, mothers rated finding childcare as very difficult 28 percent of the time.

When asked how satisfied parents were with the flexibility in their work schedule after their first child only 56 percent of mothers were satisfied. Many parents even reported quitting their jobs or switching to a less demanding (and often lower paying) job in order to manage childcare concerns (The Washington Post, 2015). These various reports demonstrate that the majority of people within the United States support increased federal and state funding for childcare programs. Moreover, women appear to be especially
vulnerable to a lack of childcare quitting or changing their jobs to accommodate their children. Many households are willing to tolerate a small increase in taxes to help establish quality childcare facilities as well as making childcare more affordable.

**Addressing Inadequacies**

Despite legitimate concerns around issues highlighted in this report, few attempts have been made to change our current system. At the state level, legislation has been consistently introduced, but with little success. In December 2015, Governor Tom Wolf signed into law the bi-partisan sponsored HB1322, which addressed issues of potential fraud in subsidized care and upgraded the Keystone Education Yields Success program, which provides childcare for low-income parents seeking training or education.

While Pennsylvania seems slow to make changes, other states have had greater success. Several other states including Florida, New York City, Vermont, and Washington DC provide free Pre-Kindergarten to all resident children. The programs vary in daily length of program, number of free hours provided, and in some cases provide after school care for older children. Each program incorporates a curriculum and quality requirements, making high-quality childcare affordable to all.

Suffering from chronically poor education performance, Mississippi, in 2013, introduced a new Pre-K program to serve 15,000 children throughout the state. The legislation also established requirements for teachers to hold degrees in early childhood education, independent program evaluation and reporting, and implementation of an early childhood tax credit. Colorado also extended their childcare assistance eligibility to parents taking unpaid leave from work due to the birth of a child, and in 2014 modified their Child Care Assistance program by capping co-payments for low-income families to no more than one percent of their income. Recognizing that some families with income to high to qualify for assistance may also struggle to afford care, the state also established a tiered co-pay structure to offset costs. In 2015, California provided supplemental funding to qualifying California state preschool programs on the condition that they provide parenting education and staff development for teachers. And, in Nebraska, eligible parents now receive up to 24 consecutive months of childcare or until their family income exceeds 185 percent of the federal poverty level—even after they exceed the standard 140 percent cut off.

These examples name just a few ways states have attempted to manage issues around childcare in their states. In sum, in the absence of a national childcare program, states have acted in varied ways to attempt to meet the needs of families. While other states have shown leadership on these issues, Pennsylvania has lagged behind.

**Recommendations**

According to our survey of PA voters, more than a third (36.3%) believe that the best childcare solutions will be those that are offered cooperatively by—potentially—both governmental and private sources. Therefore, we recommend that solutions to childcare challenges be addressed in diverse ways and by varied sources. We offer suggestions at several levels of government and in the private sector.

First, we compel Pennsylvania’s members of Congress and those across the nation to consider addressing issues around childcare systematically at the federal level. Pennsylvania is, in no way, alone in struggling with how to best provide affordable, accessible, and quality care. Cost, in particular, is a national problem. The Economic Policy Institute recently reported that childcare was an excessive burden on family budgets in virtually every region of the country (2015). It is clear that the patchworks of limited programs that have been created over the last several decades are not adequate. Only a national program that addresses issues of affordability will make childcare affordable to all American families. Since efforts to develop a national childcare program failed in the 1970s, the best potential for expanding federal provision has come in the form of proposals that would provide universal Pre-K for the nation’s children. The recently reauthorized Elementary and Secondary Education
Act of 2016, for the first time, explicitly allows federal funds to be used in support of preschool programs. Though this will likely only offer a small expansion of existing programs, it is a step in the right direction towards offering families both quality and affordable options for their young children. We recommend continued focus on addressing these issues at the federal level.

However, in the absence of federal action—which seems unlikely in the current political climate, state and local officials have options at their disposal as well. Expanding access to Pre-K in some way seems to have bipartisan support in many areas of the state and, to some extent, the legislature. While many observers have noted the difficulties divided government in Harrisburg has caused, opportunities still exist for small changes in public policy. Governor Wolf recently signed legislation that made small, but important changes in the Child Care Works program that will allow displaced workers to not experience disruption in childcare while they retrain or look for other jobs. Surely there are similarly small changes lawmakers could agree on around regulation, costs, and access. An expansion of the Pre-K Counts program to cover more or all preschool-aged children would be one option. We encourage lawmakers to work across the aisle to find—even if they are small—ways to make incremental changes to existing, successful programs. We recognize these efforts and see promise in, for instance, the efforts of Mayor Jim Kenney in Philadelphia to expand programs within his city. But Pre-K typically only addresses the care and intellectual development needs of four- (and potentially three) year-olds. We therefore recommend that state and local officials consider programs that would cover the needs of all children. We highlight the leadership of the councilwomen on the Pittsburgh City Council who in 2014 sponsored and passed legislation to conduct a local needs assessment and address the concerns of care providers. As a result, the city now has an Office of Early Childhood and an Early Childhood Manager that are tasked with working with local schools and non-profits to high quality childcare and Pre-K. The opportunities for local communities to address the particular needs of the families in their own communities are limitless, and we encourage more counties and municipalities to look specifically at the needs of their communities and determine how they can show leadership in addressing them. Finally, nearly a quarter of Pennsylvanians in our survey indicated that they did not want government solutions to these issues, and there are certainly ways to recognize the vibrant self-reliance of Pennsylvania families, the powerful action communities can take, and the crucial role of employers independent of government intervention. We encourage parents of all socioeconomic statuses to examine how they can work with their neighbors and friends to form nonprofit childcare collectives that may reflect the important values and needs of the communities. We compel more employers to explore ways to offer childcare in the workplace. The federal government and some states offer corporate tax credits to employers who provide childcare payments to on-site facilities. Despite the 25 percent credit (or more in states with additional benefits), few employers have on-site care (Galinsky and Bond, 2000)—particularly smaller employers.

Most importantly, issues around childcare need more time in the policy spotlight. Many families are struggling to find and pay for the care they need and children need the best possible care available. When Pennsylvania’s children have the best possible care during their early years, the entire Commonwealth reaps the benefit. Now is the time to collectively address how to foster a system that works for everyone.

1 For center-based care
2 Also based on center-based care statistics.
3 Some studies argue that children who don’t obtain quality childcare are able to catch up to their peers who do in the later years. (http://peabody.vanderbilt.edu/research/pr/VPKthrough3rd_final_withcover.pdf)
4 Children from birth to four years.
5 The grant was first established in 1990 and was later reauthorized in November 2014.
6 Head Start was founded in 1965.
7 In 1994 the Early Head Start program was created, serving children under 3.
9 The Child and Dependent credit was first created as a deduction in 1954. Later in 1976 the deduction was turned into a credit.
10 Also sometimes called Childcare Information Services, CCIS goes back to 1970 and was given its own office in 1993.
11 In 2013, if a family of three made 100 percent of the state median income for Pennsylvania they would make $5,500 monthly, at 85 percent they would make $4,675, and at less than 85 percent they would make $3,325.
12 The grant is also available for up to 19 years of age if physically or mentally incapable of self-care.
13 As of this writing, this budget was still under consideration by the state legislature.
14 Standards, Training/Professional Development, Assistance, Resources, Support (STARS)
15 PA Pre-K Counts was established in 2007 by Act 45.
16 The Keystone STARS program was first piloted in 2002.
17 Hoffarth defined the working poor as individuals whose income was less than the poverty line, and working class individuals as those who had incomes that were above poverty level but less than $25,000 (1995).
References


Building a tower helps develop this young child’s motor skills and hand-eye coordination. Photo courtesy of the Community Action Program of Lancaster County.
Mayor Carolyn Comitta (back center) poses with the children and staff of the West Chester Area Day Care Center. Photo courtesy of the West Chester Area Day Care Center.