

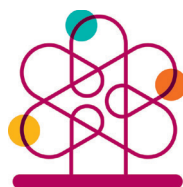
Reversing the Loss of Infant Toddler Child Care Slots in Denver

Community Solutions to Supporting the
Well-Being of Expectant Parents, Babies,
and Toddlers

March 2020 | PN-3 Community Innovations



**Center for the
Study of
Social Policy**
Ideas into Action



**National
Collaborative
for Infants
& Toddlers™**



**DENVER'S EARLY
CHILDHOOD COUNCIL**



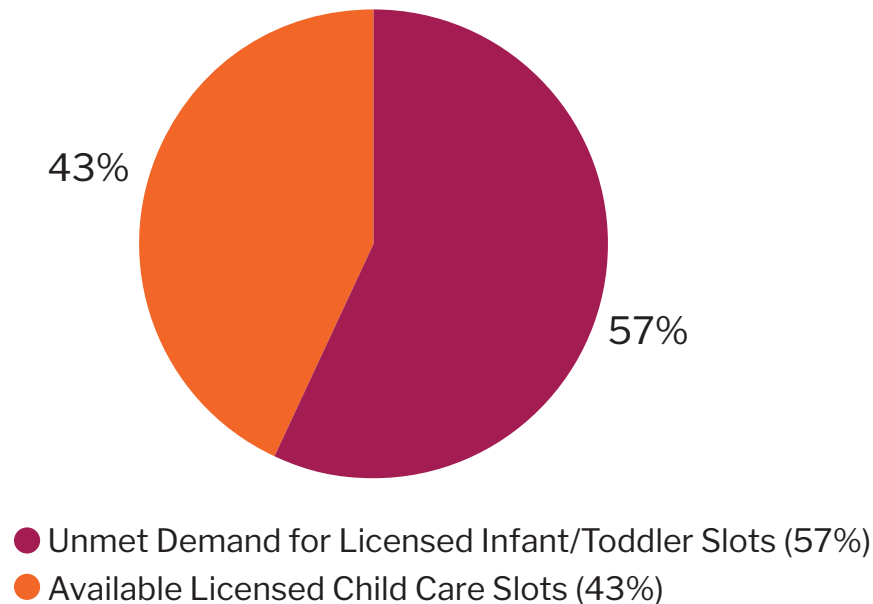


You just had a baby. You're learning to get a handle on the constant, round-the-clock demands of caring for a newborn. You only have a couple more weeks before you return to work. A family friend with young children of her own asks you about your child care plan. You knew finding high quality care is tough so as soon as you found out you were expecting, you put yourself on numerous child care waitlists. Your friend's nudge prompts you to check and see where you are on the waitlists. Despite your best efforts to act early and find care, you learn that none of the lists you're on accommodates your return-to-work date. In fact, some waitlists are so long you're unable to enroll your baby until 12-14 months from now—yes, next year!

What do you do next? How will you navigate the shortage of child care? What if your employer cannot hold your job? What if your employer enforces a rule that employees must pay back the benefits received during their family leave period if they don't return to work at the agreed upon return date? There's a nice lady down the street who cares for children—but you looked her up on-line and she doesn't appear to be licensed or registered. Would you risk sending your child there so that you can get back to work?

Across the country, millions of parents faced with these tough questions and timelines, are scrambling for care. In 2018, advocates in Denver, Colorado took on the issue and set out to solve the problem. They set a big, audacious goal of completely eliminating infant and toddler child care deserts by 2023.

Supply vs. Demand: Licensed Infant/Toddler Slots in Denver (2013)

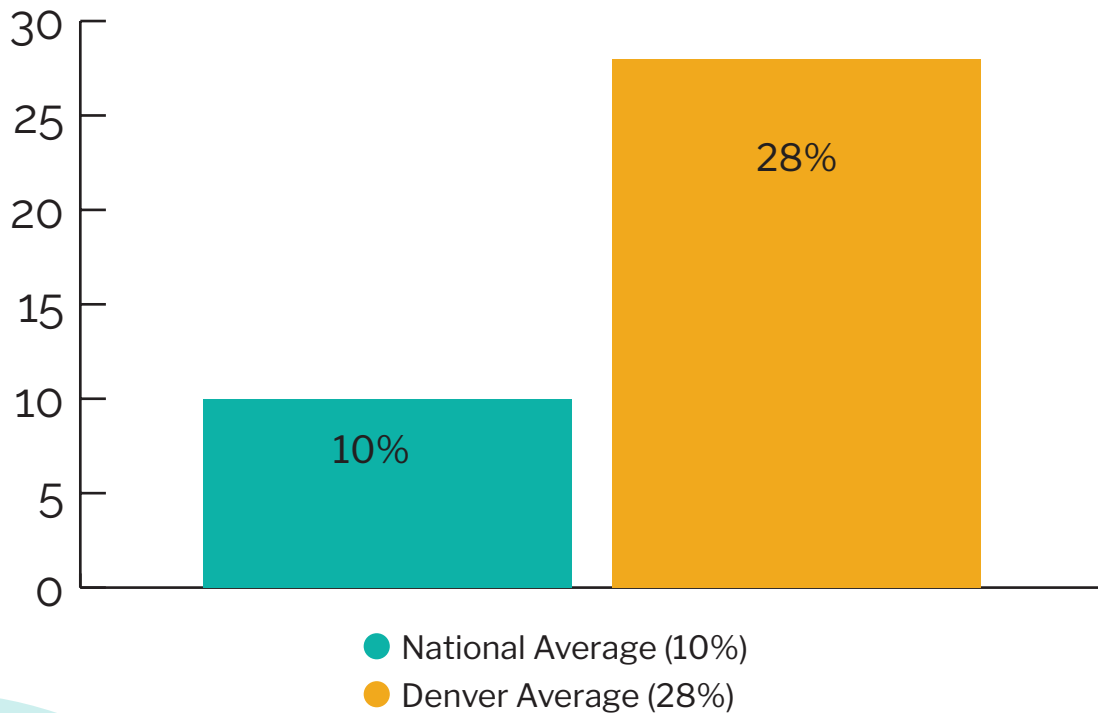


In 2013, Denver faced a 57 percent shortfall between the number of licensed child care slots available and the actual number of infants and toddlers with working parents who needed child care.¹ Even worse, licensed family child care homes, more likely to serve Denver’s youngest children, were decreasing. In November 2016, the city and county of Denver had 141 licensed home providers. The number dropped to 114 in August 2018—a decrease of 19 percent in almost two years. This decrease was greater than the 16 percent decrease statewide over the same period. Denver faced both a shortage of licensed slots and increasing costs of child care—which was nearly 28 percent of the median family income, compared to the national average of 10 percent.²

¹ Colorado Family, Friend, and Neighbor Learning Community. (March, 2013). School Readiness for All: the Contribution of Family, Friend and Neighbor Care. <https://www.coloradokids.org/wp-content/uploads/2013/03/FFN-Final.pdf>

² U.S. Department of Health and Human Services Administration for Children and Families, “Child Care and Development Fund (CCDF) Program,” Federal Register 81 (190) (2016): 67438–67595, available at <https://www.gpo.gov/fdsys/pkg/FR-2016-09-30/pdf/2016-22986.pdf>.

Percentage of Family Median Income Spent on Child Care: Denver vs. United States



All over the country, license-exempt caregivers, also referred to as informal caregivers, or “family, friend, and neighbor care (FFN),” often fill the child care gap. While FFN care plays an important role in supporting the needs of working families, more effort is needed to ensure that FFN providers can also access training and supports to promote the safety of children. For example, in some states, lack of knowledge about safe sleep practices (e.g., recommendations to put infants on their backs to sleep from the American Academy of Pediatrics) has led to infant deaths in child care settings.

Families with infants and toddlers tend to choose informal care more often and it is often a decision based on necessity due to work schedules, lack of access to high quality care, affordability in populations with low incomes, or the preferred choice due to some cultural norms. In Denver County alone, it is estimated that at least 17,000 children are in some type of informal care setting, with the majority being infants and toddlers. FFN providers are important to ensuring the health, safety, and development of young children. Outreach to FFN providers and ensuring that they have training, support, and access to information

and materials regarding the health, safety, and development of infants and toddlers is critical to improving the quality of FFN care.

Addressing the Barriers with Multiple Strategies and Stakeholders

The complexities of Denver’s child care shortage called for a comprehensive, multi-pronged strategy. Denver’s Early Childhood Council and the partners’ first action was to listen actively. The Council sought out child care providers, parents, Denver’s Office of Children’s Affairs, Denver’s Building Department, Mile High United Way, Early Milestones Colorado, and other partners.

The Denver team became very comfortable with asking the question “why?” As stakeholders discussed the various child care supply barriers, they kept asking the question until they were able to get to the root cause of the issues. They also made sure to engage those most affected by the shortage. They not only listened to child care providers and parents to understand the problems contributing to the child care gap—they brainstormed potential solutions together. Partners met to unpack the problem, strategize, and work together to mitigate Denver’s loss of child care availability and increase slots. Here are the challenges they uncovered and the solutions they developed.

Barrier #1: Low Compensation of Child Care Providers

Across the nation, child care providers are poorly compensated. The average national salary of a child care worker is around \$24,610 or \$11.83 per hour.³ Child care providers take a harder hit when serving children with low income who receive a child care subsidy. Like in many parts of the country, the subsidy only reimburses at 70 percent of the market rate in Denver.

But there was a domino effect happening to both child care providers and families with low income that had gone unchecked. Children of parents who were working in unpredictable service industry jobs or struggling with access to transportation and alternate caregivers when children were sick often had inconsistent attendance at their child care program. Their attendance negatively impacted the Colorado Child Care Assistance Program (CCCAP) subsidy payments from the county to providers because providers worried about losing out on CCCAP reimbursement when attendance fell. Still, child care providers had to pay for the operation of their programs regardless of that child’s attendance, a disincentive for providers to participate and serve

³ U.S. Bureau of Labor Statistics, Occupational Employment and Wages, May 2018, 39-9011 Childcare Workers, <https://www.bls.gov/oes/current/oes399011.htm>.

⁴ Colorado Child Care Assistance Program Changes, HB 14-1317 (2014). <http://www.legispeak.com/bill/2014/hb14-1317>.

families using CCCAP subsidy. For the parents, not having high quality child care available negatively impacted their employment stability and continued work towards self-sufficiency.

In 2014, former Governor Hickenlooper modified the CCCAP with his passage of HB14-1317.⁴ The law gave Colorado's counties "permission to use their CCCAP funds to provide direct contracts or grants to early care and education providers for a county-determined number of program slots for a 12-month period." The goal was to increase the supply, quality, and continuity of child care for certain priority groups, including infants and toddlers, children with disabilities, children in after-hours care, and children in underserved neighborhoods. Prior to the passage of the law, there was no mechanism for ensuring guaranteed slots for children as providers received child care subsidy reimbursements through an attendance-based model where provider reimbursements were based solely on a child's attendance.

Despite this significant policy change, no county in the state elected to contract with a child care provider to help address the shortage of child care slots until April 2018, four years later. Through a series of discussions, advocates learned that County CCCAP administrators were concerned about the cost of implementing direct contracts and grants because of a concern about fraud. The reimbursements to providers in the pilot were not attendance-based and they worried that they might pay for care that is not being used.

Solution: Piloting Contracted Child Care Slots

Early Milestones Colorado, Denver's Early Childhood Council, and other local partners helped the county CCCAP administrators see the benefits of taking a risk and trying out the contracted slot pilot. They brought child care providers and parents to speak to county officials on why it mattered that they had access to the flexibility provided through the contracted slot pilot. As the local child care resource and referral agency, the Denver Early Childhood Council shared data on the status of infant toddler care, as well as recent trends showing the growing crisis of child care in Denver.

The Council helped resolve the County's doubts by proposing operational processes to guide the administration of the contracted slots pilot. They also discussed ways that could be used to track implementation and performance of the pilot. The Council used Head Start as an example of an early care and education program that has successfully managed the task of maintaining a slot for a child in need while also having the flexibility to work with parents to encourage regular attendance when attendance targets are not met. In the end, the County agreed to implementation of the pilot in three counties, including Denver.

The pilot launched in Denver County in April 2018. Contracted subsidy child care slots were funded for infants and toddlers in three child care programs (two centers and one home) through September 2019. The Denver team collected information from the three participating counties and produced a white paper on the outcomes. The Colorado counties convened to determine next steps and explore what the child care landscape in Denver and beyond might look like with the continued use of contracted slots. Colorado just received a federal renewal Preschool Development Grant in 2020. A portion of these funds will create a new data system that will be flexible enough to help Denver transition from tracking attendance to enrollment.

Barrier #2: Unintended Consequences of Policy

Local policy disincentivized child care providers from opening up new home-based child care, or expanding their current services. Denver's recent adoption of the International Building Code included a provision that made it a requirement for all family child care home providers to have a functional fire sprinkler system. The fire sprinkler policy was, of course, well-intended and designed to ensure safety, however, it proved cost prohibitive. The adoption of the policy caused home based child care providers who could not afford the cost of the improvement to their homes to be ineligible to renew their child care licenses and were forced to take out expensive loans or close down their businesses. For those providers looking to open a child care business, they too were negatively affected by the new rule if they did not already have such a system in their home.

Solution: Adjusting Building Codes Requirements

Through a series of meetings starting in 2018 through 2019, Denver community leaders met with city and county officials, including members of City Council and personnel from City and County Fire, Building, and Children's Affairs departments. They provided education about the child care slot losses issue and the barriers family child care providers faced in staying open or starting a child care business.

The city and county partners picked up the issue quickly. Leaders set up quarterly community meetings with local stakeholders to solicit feedback from providers who had been affected. Members of City Council got behind the issue. In spring 2019, they proposed alternate language that would exempt family child care providers and alternative policies that would ensure safety. The draft policy was sent to statewide child care licensing partners to ensure alignment with statewide rules. In December 2019, the full Council made a decision and



voted to exempt family child care providers from the sprinkler requirement, with implementation set to start April 2020.

Barrier #3: Administrative Burdens

Child care providers who sought to physically expand the space of their child care program, in order to accommodate more children, often became discouraged by administrative burdens at the city and county government levels. Long, unpredictable timelines and burdensome, unaligned rules often made it difficult for providers to navigate the rules for expanding physical space. This deterrence usually resulted in providers giving up in the middle of expansion efforts, when time and money were likely already invested.

Solution: Providing Navigation Support for Child Care Providers

Denver's Early Childhood Council partnered with City and County staff at the Building, Zoning and Fire departments to create a pipeline for local residents interested in providing family child care. The navigation support simplifies rules across all of Denver's regulatory departments that has jurisdiction over child care and streamlines the process for providers. The licensing and review times have also been shortened in an effort to increase the speed at which new child care businesses can open. The navigation support also helps Denver residents interested in becoming child care providers access appropriate properties. Child care providers can find these resources online and may also seek support from trained county staff.

Inspiring Statewide Change

Denver's focus on infant toddler slots spurred statewide action. As a result of their work, the state legislature passed SB 19-063 bill, which called for the state's Department of Human Services to produce an Infant and Family Child Care Action Plan, to address the declining availability of child care homes at the state level.^{5,6} Denver's process and lessons learned was used to inform the state's recommendations for taking action. The state is now focusing on ways to improve child care through operational supports, professional development, child care licensing, regulations, and policy review.

⁵ Concerning a Strategic Action Plan to Address Infant and Family Child Care Home Shortages in Colorado, SB 19-063 (2019), available at: https://leg.colorado.gov/sites/default/files/documents/2019A/bills/2019a_063_enr.pdf.

⁶ Colorado Department of Human Services. (2019). Colorado Senate Bill 19-063 Infant and Family Child Care Action Plan: A Strategic Action Plan to Address Infant and Family Child Care Home Shortages in Colorado, available at: <https://dcfs.my.salesforce.com/sfc/p/>.

What's Next?

Denver set a goal of eliminating the infant toddler child care slot gap by 2023. Unpacked, the work is two-fold: increasing the number of infant toddler slots while also decreasing the number of family child care home closures. Denver's strategies are already creating positive change. In 2018, the community set some interim goals to achieve by the end of 2019. One of those goals was to decrease the number of licensed family child care home closures by 85 percent. In 2018, there were 405 licensed family child care providers. With 377 licensed providers at the end of 2019, they exceeded their target with a retention rate of 93 percent. Denver still has work to do but is several steps closer to helping parents with young children alleviate the burden of scrambling for care.

Acknowledgements: The authors of this report include Ngozi Lawal and Erin Robinson of CSSP and Emily Bustos of Denver's Early Childhood Council. We are grateful for the thoughtful feedback and edits from our colleague, Jessica Pika at CSSP. We thank the Pritzker Family Foundation for its generous support of this report and CSSP's prenatal-to-three work.

This report is in the public domain. Permission to reproduce is not necessary provided proper citation of CSSP is made. Published March 2020.

Suggested citation: Lawal, N., Robinson, E. & Bustos, E. (2020). "Reversing the Loss of Infant Toddler Child Care Slots in Denver." Washington, DC: Center for the Study of Social Policy.