Key Takeaways from the Research Reports for each Work Group - **Providers**

Study C (Barriers to using Child Care Subsidy)

- Providers struggle financially; both in terms of generally keeping their businesses viable and as related to the subsidy program.
  - Research shows Oregon (and nationally) child care businesses operate on razor thin margins.
  - Providers spoke to how they set their tuition rates based on what parents can afford.
    - Nearly all said they would charge more if parents could afford it.
    - Providers with staff spoke to challenges in paying staff and wish they could pay them more.

- Providers attributed their financial challenges with subsidy to:
  - Being paid after month-of-care-provided
  - Not always receiving the full state payment expected because child had too many absent days, or child attended more hours than were approved by DHS.
  - DHS Reimbursement rates do not cover the true cost of care.
    - Home based providers, particularly registered family (small home) reported setting tuition rates at or below the current DHS rates.
    - Many discussed increasing rates due to COVID.
  - Unpaid parent copays are common and particularly harmful to the business, especially when copay is high.

- To deal with financial risk associated the ERDC program, providers restrict how enrollment of ERDC participating families.
    - Providers want to serve more children on subsidy, but feel limited by financial risks associated with parent out-of-pocket costs and delayed state payments.

- Complicated processes hinder participation – administrative burden of subsidy is a barrier to participating
  - Providers and parents spend a lot of time trying to figure out specifics of case
  - Application and approval processes at start is cumbersome, as is billing process for providers each month.

Study B (Supply and Demand Studies)

- Oregon has an inadequate child care supply; and that, at least partially, can be explained by the relatively low ranking in public investment in child care and early education programs.
- To target investments that improve access for all of Oregon's children, considerations at both levels is needed:
  - targeting child level barriers with interventions for families to facilitate access to existing care
  - community interventions to increase supply overall.
- Also need to understand how to better support informal adult providers, many of who are unpaid.
  - In light of the low levels of regulated supply across the state, it is reasonable to assume that informal adults (family, friends, neighbors) are filling families' child care needs. Asking parents (survey) is best way to identify informal providers.
  - Community institutions, like public libraries, are well situated to engage and support anyone caring for a school-age

Prepared by Megan Pratt, Oregon State University , October 26, 2020

Key Takeaways from the Research Reports for each Work Group – **Providers (cont.)**

Other Resources

Structural Indicators of Quality (one-pager with graphics)

At the facility level:

- 75% of center staff and 80% of large family staff remain at average facility for 1+ years [retention]
- Half of both centers and large homes have most staff achieving 18+ hours of training over their licensing period. In contrast, only 23% of small family have most staff completing 18+ hours.
- A larger proportion of centers have at least half of their staff with associates degree or higher (49%) compared to large family providers (34%) and small family providers (14%)
- Large family providers have larger % of staff at step 7 or higher (59%) than centers (44%) and small family providers (19%)
- 66% of certified centers offer medical benefits to staff (question not asked of home-based child care)

State of Oregon Early Care & Education Profile (8-pager, with graphics)

- See Page 5 - Affordability estimates (Price of toddler care in center vs. university tuition)
- See Page 7 – Comparison of child care expenditures funded by parents vs. government
- See Page 8 – State-level engagement in public programs (contracts & subsidy/ERDC)

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