



# Improving Parent Choice in Early Learning

By Elliot Regenstein and Chris Strausz-Clark

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## Key Points

- Many families struggle to identify good early education and care (EEC) options.
  - State governments often do not have good information about these EEC options, which limits their ability to help inform parent choice and deliver appropriate services.
  - State governments should reorganize and strengthen governance systems and data capabilities to improve outcomes for families.
  - State EEC quality rating and improvement systems should also be updated to provide more useful guidance to families and better support for EEC providers.
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Early education and care (EEC) is a market-driven sector in which parent choice is a core value. In some ways, parents have more choices available to them in early childhood than in K–12. Services are available in a range of settings, and political boundaries do not define options as they do with public schools.

Practically, however, many parents have no real access to early childhood services. Quality services are not always available, particularly in less-affluent neighborhoods. Even when options are available, EEC is a deeply fragmented field, and parents must navigate a complex path of eligibility requirements, program characteristics, available slots, and other elements—all of which make choice less feasible.

While some EEC programs are free for parents when available, they may have strict eligibility requirements, and other programs require parent co-payments. Many lower- to middle-income parents do not qualify for public subsidies but cannot afford to pay for quality childcare out of their own

pockets. So while parent choice is always articulated as a core value of the system, the practical reality is that choices are limited and hard to exercise.

The COVID-19 pandemic has exposed that not only are parents struggling with a lack of choice and information, but public funders of EEC services are too. Publicly funded EEC is a crucial aspect of the early childhood system; yet most government organizations struggle with the fragmented, competitive, and interdependent nature of the public-private market and how these dynamics affect parent choice. This situation is exacerbated further by EEC services being funded by multiple federal and state agencies, so in many states there is not a lead agency tasked with monitoring the entire system.

During the pandemic, there have been bipartisan calls for dramatically increased public funding for EEC. As that money is being invested, more needs to be done to make it easier for families to exercise true choice—in which they have affordable,

accessible, and high-quality options and the information they need to make the right choice for their child. This report outlines the alternatives families have with EEC and the supports already in place to help them navigate those options. It then looks at how states influence the universe of available options. It concludes with recommendations for state and federal actions to support and improve family choice.

## **What Early Education and Care Options Do Parents Actually Have?**

States use federal Child Care and Development Fund dollars primarily to provide subsidies for parents paying for childcare they find in the market—in effect, vouchers.<sup>1</sup> The eligibility limits for vouchers are usually low; in most states, families with incomes over 200 percent of the federal poverty level are not eligible for subsidies.<sup>2</sup> Even when families are eligible for vouchers, they may not receive them due to lack of state funds and could be placed on a waiting list.<sup>3</sup> Childcare providers are not obligated to accept state vouchers,<sup>4</sup> meaning that even a family that is eligible for a subsidy is not guaranteed to find a childcare slot that meets its needs.

When families do receive subsidies, vouchers' amounts can be inadequate. Federal law anticipates that families will be charged a co-payment based on their income and family size.<sup>5</sup> State reimbursements are based on the market rate for childcare, but state methodologies for calculating market rates tend to dramatically understate the actual costs of services.<sup>6</sup> In fact, in 2019 only four states set reimbursement rates at the federally recommended level.<sup>7</sup> When there is a gap between the provider's actual cost and the family's expected co-payment, families end up paying a "second co-payment" to cover the gap.<sup>8</sup>

Given all the limitations of state and federal funds, childcare continues to strain many working families' budgets, and the pandemic has made the situation worse.<sup>9</sup> A Bipartisan Policy Center survey found that 54 percent of parents had a hard time finding childcare that fit their budget. Unsurprisingly, the challenges are greatest for the lowest-income families; 72 percent of parents with incomes under \$50,000 had problems finding adequate care.<sup>10</sup>

A recent report from the US Chamber of Commerce Foundation argues:

The reopening of childcare centers is essential to building back a healthy economy and reducing the strain on those who stepped in to provide care when centers had reduced capacity or closed entirely. Without viable childcare solutions, working parents will have a difficult time returning to work, especially as unemployment is concentrated in industries that provide in-person services.<sup>11</sup>

Childcare subsidies are not the only public support for parents with young children seeking EEC services. The federally funded Head Start program is a comprehensive child development program focused on low-income children that is free for eligible children. State governments also subsidize preschool programs, which are typically free. These vary dramatically in availability; nine states serve more than half their 4-year-olds, and others have no preschool program.<sup>12</sup> Some children also receive special education services through the Individuals with Disabilities Education Act (IDEA); in states with no state-funded preschool, IDEA funds may be one of the largest sources of funding for EEC, even if the number of children served is relatively low.<sup>13</sup>

All told, children receive EEC in a wide range of settings: homes, centers (both for-profit and not-for-profit), and schools (including charters). Some of these providers seek to combine multiple public funding streams to increase the quality of service—such as pairing subsidized childcare with state preschool or Head Start. This is permitted and even encouraged in some states, and indeed, the federal government encouraged this through the Early Head Start childcare partnerships.

These publicly funded efforts to support EEC represent only a portion of the supply of EEC services, as the EEC market consists of a wide range of childcare arrangements. Many children are cared for in center-based or family home settings where parents pay the entire cost of care but are regulated by the state for health and safety. A small number of employers offer childcare centers as an employee benefit.<sup>14</sup> Some children in higher-income

families have private arrangements such as nannies.<sup>15</sup> Many families across income ranges have children whom a friend or relative care for.<sup>16</sup> And, of course, in some families one parent stays home with the child.<sup>17</sup> In general, arrangements for younger children are more likely to be variable (formal, informal, or unpaid). As children approach kindergarten, they are increasingly likely to end up in more formal settings.

Because of this fragmentation and complexity, defining and monitoring market demand is challenging. Parents often might want one arrangement if given the choice but end up with another due to a lack of availability or circumstances beyond their immediate control.

### **What Publicly Funded Supports Do Parents Have to Find Early Childhood Services?**

Given the diverse range of services available and the lack of support for coordination among providers, it can be difficult for parents to figure out which program is best for their child—or even what they are eligible for. States have long supported “resource and referral networks,” which have been helpful but are frequently under-resourced or not well publicized.<sup>18</sup> More recently, states have ramped up their efforts to provide “coordinated enrollment,” allowing parents to find potentially relevant services more easily. There are two major approaches to coordinated enrollment:

1. “No wrong door,” in which parents show up at any provider and that provider shepherds them to the right service based on their need; or
2. “One-stop shop,” in which a centralized enrollment service helps get parents to the right place. The aspiration of advocates for one-stop shops is to have real-time supply data that show parents vacancies, but for now, in most jurisdictions, that is a distant dream.

If done correctly, these systems can help parents. Some communities have made progress in developing this infrastructure, leveraging new technology to make information more accessible.

But many factors make this challenging. In the childcare market, the diversity and fluidity of options—or the lack thereof—can make coordinating enrollment operationally difficult. The providers involved are often competitors, so participants in a coordinated system can feel like it demands that they act against self-interest. If providers do not see it to their advantage to be part of a coordinated enrollment approach, then these misaligned incentives make the system less useful to families. And maintaining the system requires dedicated capacity—including expertise in maintaining a real-time website—that local governments serving the families with the greatest need frequently do not have.

### **Are States Maximizing the Availability of Good EEC Options?**

In some communities, there are simply not enough EEC services to meet demand. State preschool and childcare funding often focuses on the lowest-income families, but EEC services are unaffordable even to families with slightly higher incomes (200–400 percent of the federal poverty level). This can create a gap in which parents lack access to subsidies but cannot afford services in the market.

Even where publicly funded services are available, the government’s participation in the market may be inefficient. Maximizing the availability of quality EEC in a community is a complex and difficult undertaking, largely because so many different services are available and they are not necessarily designed to work well together. In particular, state-funded preschool often creates challenges for Head Start and childcare providers.

In some communities, Head Start providers have complained about the expansion of state-funded or school-funded preschool. State-funded preschool programs frequently have more permissive eligibility requirements, and parents end up choosing those programs over Head Start, but in many cases parents do not really understand the difference between the two. If a Head Start provider cannot fill its expected enrollment, it loses money—and runs the risk of losing its place in the program.

Similar issues also come up between providers of state-funded preschool and private childcare

providers. Where free preschool for 4-year-olds is expanded, parents will often choose that over subsidized childcare—a completely rational choice given the costs. State preschool is often free, whereas even subsidized childcare requires a co-pay. So the opening of free preschool frequently leads to an exodus of 4-year-olds from childcare programs.

For these private providers, losing 4-year-olds can be a devastating blow. State policy appropriately requires lower adult-child ratios for younger children,<sup>19</sup> but the reimbursement rates typically are not adequate to cover the differential. Accordingly, private providers need to have 4-year-olds in their programs to stay afloat. That means moving 4-year-olds into public preschool can damage the overall supply of childcare.<sup>20</sup> States can make specific efforts to support private providers during an expansion of preschool—such as improving reimbursement rates for younger children and ensuring that publicly funded preschool is delivered in nonschool private settings. But without those complementary policies, a preschool expansion might reduce the system’s capacity to serve infants, toddlers, and 3-year-olds.

Of course, there is not a crisp division among providers of Head Start, state preschool, and childcare, as some organizations provide more than one of these services; some even provide all three. The need for private providers to deliver preschool services tends to be greater in areas that have experienced population growth, where schools have no physical space to provide services. But those are also often the communities where it can be hardest for private providers to find quality space.

In contrast, areas that have lost population typically have room available in school buildings—so school districts can provide preschool simply by hiring a new teacher, which is a competitive advantage over private providers that also need to pay for space. Even in states that allow private providers to deliver preschool, the per-child funding may not adequately account for the need to obtain the facilities to do so.

Finally, even among private providers of childcare, there are important divisions that state policy can either alleviate or exacerbate. In particular, there are often differences between center- and home-based providers, as licensing standards and funding approaches can be seen as favoring one

segment over the other. Tension between for-profit and not-for-profit providers is also relatively common.

Fundamentally, there will always be strain in a mixed-delivery system that includes school districts and private providers. Each has competitive advantages and disadvantages and will resist states’ efforts to advantage one segment at the expense of the other. During periods of service expansion, those tensions can be papered over, but they remain real and deep. When states set childcare or preschool policies, they are influencing how these sectors interact and how the market operates, even if they do not always conceive of their role that way. A more sophisticated understanding of how each part affects the whole would allow states to be more effective at expanding one service without accidentally undercutting another.

## Recommendations for Action

The market-driven nature of EEC has advantages for parents, but too often, the market fails for families. Some changes in how the market operates need to come from the childcare businesses themselves.<sup>21</sup> But government can change its behaviors to help the market function more effectively.

**Create Focused Expertise on the Entire EEC Market in State Government.** That publicly funded programs end up inadvertently competing with each other is partly a function of state governments administering those programs from separate agencies. According to a recent Education Commission of the States analysis, only 13 states administer childcare and state preschool out of the same agency.<sup>22</sup> Rather than having a single agency with real expertise in early childhood services, state governments leave childcare in a larger human services agency and state preschool in an education agency. This often means each program is administered by a division manager whose primary responsibility is to ensure that all funding is expended and all relevant regulations are complied with. These division managers are neither positioned nor empowered to define a coherent vision for the field and then ensure coherence across multiple programs.<sup>23</sup>

Organizing early childhood programs into the same agency with higher-level leadership does not guarantee that states will participate effectively in the market, but it at least gives them a better chance.<sup>24</sup> More focused and organized governmental involvement—as both a purchaser of services and a regulator—should increase choices for families. States have substantial impact in the EEC market, and actually organizing themselves to participate thoughtfully should improve efficiency and reduce friction among EEC programs.

**Create a Clear Vision for How to Focus Resources Where They Are Needed Most.** States have correctly seen EEC as an area in which additional funding is required to serve the children and families with the greatest need, but they have not always done a good job of actually getting money to those families. There are multiple reasons for these funding gaps.

- States do not always have a clear agreement on which families actually have the greatest need. Fortunately, in the past two years, many states have made progress on this front. The federal Preschool Development Grant Birth through Five (PDG-B5)—a grant that has been awarded to 52 states and territories to build the capacity of their early childhood systems—required states to define “vulnerable or underserved” children.<sup>25</sup>
- Even when states have a clear definition of families with the greatest need, they generally have not had good information about those families’ demand for services—or the availability of services in their communities.
- In addition, states with limited funds still must confront some difficult trade-offs:
  - Families in poverty often live in neighborhoods with fewer community assets—such as acceptable physical space and qualified staff—making it hard to establish childcare centers with a viable business model. As a result, it can be difficult and more expensive for states to reach these families.

- Families between 100 percent and 200 percent of the federal poverty line are still eligible for childcare subsidies but often must supply a co-payment. Given limited subsidy funds, states must often assess the trade-offs in supporting this segment relative to the lowest-income children (under 100 percent).
- Families in the working poor—above 200 percent of the federal poverty line—are not eligible for childcare subsidies in more than two-thirds of states.<sup>26</sup> States often have limited data and policy options for these families, even though they are an important segment of the population with a real need for services.

If states had updated supply-and-demand data, they could regularly focus funding allocations to ensure that resources are reaching the children and families that need services (discussed further later). That supply-and-demand data should focus on the populations prioritized by the state, and the analysis of supply and demand should inform policy and funding choices so the state can support those populations more effectively.

With scarce resources, governments need a clearer vision of whom they are trying to serve—and exactly what services they are trying to provide. There are trade-offs inherent in system design; increasing per-child expenditures can raise quality and improve outcomes for the children served but reduce the number of children who benefit from the program. States to date have not been holistic and thoughtful about these trade-offs across the EEC sector. Too often, this blind spot has led to low-quality programs that meet the political need to “do something”—but do not have the intended impact on child outcomes.

**Improve Enrollment and Quality Systems to Support the Process of Family Choice.** Given how fragmented the EEC market is, governments have funded efforts to support parents attempting to navigate the system. Historically, resource and referral agencies have played this role, but some

states and communities have attempted to develop more comprehensive “no wrong door” or “one-stop shop” approaches. Indeed, strengthening the infrastructure supporting parent choice processes was an important focus of the federal PDG-B5 grants, which provided some limited one-time funds to help states analyze their needs and launch the process of designing better systems.<sup>27</sup>

Regardless of whether states have already started building coordinated enrollment systems using PDG-B5 funds, they can work toward implementing systems that simplify the enrollment process for families.<sup>28</sup> Importantly, these systems must be sensitive to families that will want a wide range of different things out of their EEC experience—meaning that for coordinated enrollment to truly work, it must support providers using different funding sources in a full range of settings. Coordinated enrollment systems are most successful when they give families the full range of options in an easy-to-digest manner, then help them find and enroll in the programs they want—including helping them easily navigate the eligibility process. Strong supports for families have substantial systemic benefits while still preserving individual freedom.<sup>29</sup>

Another important missed opportunity in many states is quality rating and improvement systems (QRIS), which are meant to evaluate provider quality and should be a more valuable source of information to families. But states have not done a good job marketing QRIS, so families do not know what the ratings mean—and therefore do not use them.<sup>30</sup> QRIS should never be expected to be the primary factor families use to choose services; cost, location, and relationships will always play a significant role.<sup>31</sup> But QRIS could be much more prominent than it has been to date in influencing parent choice, and states could be more aggressive in marketing QRIS to increase the visibility and importance of quality to parents when they make decisions about EEC services.

**Structure Quality Ratings to Actually Drive Quality Improvement.** In addition to informing parent choice, QRIS is supposed to drive improvements in quality—thus, the name “quality rating and improvement systems.” But the “I” in QRIS

too often is minimized or ignored. There are a few reasons for this.

*Many Providers Do Not Participate.* The upper end of the EEC market—private and more expensive centers—may not have much incentive to participate in QRIS unless it is mandated, because they have alternate means of marketing to families. This means that the centers serving the families that can be the most demanding with quality are not part of QRIS. This lack of participation undercuts QRIS as a lever for quality improvement because QRIS measures of quality apply to only some providers, and other high-quality providers are not rated.

*It Is Hard to Agree on Standards That Make Sense to the Entire Field.* When states attempt to set high standards, providers may not feel that meeting those standards is realistic. Many childcare professionals receive low wages; nationally, roughly half of childcare workers also receive some other form of public assistance.<sup>32</sup> Providers scraping to get by may not have the bandwidth to focus on the state’s definition of quality improvement and achieving higher levels of quality, especially if those standards were set aspirationally without engaging providers. This dynamic often positions QRIS as establishing a minimum standard, rather than an improvement system designed to encourage providers to achieve excellence.

*States Are Not Good at Designing Financial Incentives to Support Improvement.* In a previous generation of Louisiana’s QRIS, the state had a five-star rating system that offered more money for providers as they improved their rating, but most providers ended up as two-star providers. It turned out that the financial incentives to move to higher tiers were not strong enough, so providers stayed at the two-star because that was where they could make the most profit (given that higher ratings did not translate into better enrollment). Louisiana was wise enough to examine the system and change it, but other states are still living with designs that do not actually create financial incentives for higher ratings.

*Better Ratings May Not Be Meaningful to Providers.* Providers know that most parents choose based on cost, location, and relationships, so a provider's higher rating may not factor into parents' decision-making and lead to an increase in enrollment. Given that achieving higher ratings can be expensive, the work of obtaining a higher score may not be worth the cost.

*Better Ratings May Not Be Meaningful to Parents.* Even parents interested in quality ratings may find that the criteria in state QRIS are not that meaningful; they may be hard to understand and more focused on program-design characteristics than a child's actual experience. A related and deeper problem is that parents and providers may be undervaluing the benefits of high quality. To correct this issue, states may need to play a bully pulpit role to communicate to parents the importance of this issue—and, ideally, support the kind of child experiences that research shows will lead to later success.

The bottom line is that if states are going to invest in QRIS, they should ensure that it is actually providing families with useful information to inform decision-making and help support the provision of more high-quality options.<sup>33</sup> Some actions that states could take that could lead to improved quality include:

- Ensuring that QRIS is designed to incentivize experiences that promote child development and learning, with design elements that focus providers on quality adult-child interactions;
- Designing financial incentives that are calculated to support real improvement by providers;
- Engaging the provider community to understand what QRIS design elements—and communication strategies—would make QRIS meaningful in the marketplace, thereby improving the experience for providers already in the system and drawing in providers that have not yet joined;
- Designing and launching more proactive and expansive marketing strategies to raise parent awareness regarding QRIS and why

it matters when making a childcare choice; and

- Addressing policy failures—such as the misuse of market rates in setting reimbursement levels—that fundamentally undermine states' ability to support quality EEC.

Without these underlying changes, QRIS will likely be perceived as just one more attempt by the state to avoid actually solving the problem, rather than as a meaningful part of a well-designed strategy to serve families effectively. Individually and collectively, these initiatives will take a meaningful investment of new resources—particularly if paired with other efforts needed to increase accessibility and enrollment.

**Build Better Data Systems Focused on Market Research and Predictive Analytics.** In some communities, there is a serious shortage of EEC services, whereas in others, multiple publicly funded programs are scrambling to enroll the same kids. In many states, data are insufficient to provide even a partial understanding of these dynamics, and generally, information regarding overall enrollment patterns are poor.<sup>34</sup> To date, even the most ambitious state efforts to understand the early childhood market tend to focus only on publicly funded early childhood. A true systems analysis would require understanding behaviors in the parent-pay market for childcare and preschool, but states know even less about those segments.

Private providers typically do not want to be part of state data systems. Indeed, from their perspective sharing data with the state would likely be burdensome without providing much benefit (at least under current conditions). For states to engage them will require changing that equation and building data infrastructure that those providers would find useful. For example, many early childhood providers would like to know what happens to the children they served after they enter the K–12 system; a shared data environment that enables access to that information could help create partnerships with providers that do not currently engage with the state—including high-end providers and Head Start sites.

Of course, current data on family eligibility, enrollment, and attendance patterns are poor even for publicly funded services that are already participating in state data systems. We know little about children who are or could be taking advantage of publicly funded services throughout their childhood—including those who receive multiple services at once (typically preschool or Head Start for part of the day and subsidized childcare for the remainder). Only a handful of states can provide a distinct count of children enrolled in publicly funded programs.<sup>35</sup>

All the recommendations here rely on states acquiring and using data more effectively, which will require new approaches. For example, cloud-based technology can accelerate the process of sharing, analyzing, and transforming data from multiple sources.<sup>36</sup> This in turn enables states to more effectively analyze the market, allocate resources, and coordinate among programs—which maximizes the impact of funding and improves outcomes for families. In some states, public-private partnerships have played a valuable role in supporting the development of new data systems.

States need to develop the capability to perform market research and predictive analytics; they need to know the actual supply and demand and project the effect in the market of particular policy changes.<sup>37</sup> This approach should be centralized. Even if programs such as childcare and preschool are in different agencies, this analysis should be holistic about the prekindergarten market. This expertise does not necessarily need to sit in a state agency; it could be a center at a university, for example.<sup>38</sup>

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## About the Authors

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## Conclusion

To date, the funding and quality measurement approaches state governments use do not address the huge market failure represented by the lack of affordable EEC service to families with need—and simultaneously distort the market for those parents participating in it. If states reconceived their role in supporting the EEC market, they could help the market operate more efficiently while providing better supports for parents to navigate that market. The current EEC market is extremely difficult for parents to deal with, and a new state approach could make it easier for parents while still preserving the strengths of a fundamentally market-based enterprise.

Importantly, many issues raised in this report are ones in which the federal government and states have partnered in the past. Through the Early Learning Challenge and Preschool Development Grant programs, the federal government has provided important support for states looking to strengthen their capacity—including on data systems and coordinated enrollment. If states are committed to rethinking their approach in supporting parent choice, the federal government should consider an appropriate role in guiding and funding those efforts.

The pandemic is destabilizing an early childhood system that was already fragmented and under-resourced.<sup>39</sup> Early childhood advocates have taken to heart the idea that post-pandemic the system should not just revert to operating the same way it did before.<sup>40</sup> As the federal government and states approach the difficult process of rebuilding the system, states should reconceive their role in the marketplace in a way that supports families in having and making choices about the services most beneficial to their children.

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## Notes

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4. Monica Rohacek and Gina Adams, *Providers in the Child Care Subsidy System*, Urban Institute, November 2017, <https://www.urban.org/sites/default/files/publication/95221/providers-and-subsidies.pdf>. Providers may choose not to participate because the terms of reimbursement are frequently unfavorable.
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21. For example, providers need to build their capacity to use automated management tools and can develop provider networks to improve economies of scale. Louise Stoney, “Reinvent vs. Rebuild: Let’s Fix the Child Care System,” *Opportunities Exchange*, April 2020, 2, [https://opportunities-exchange.org/wp-content/uploads/OpEx\\_2020\\_ChldCrCtrsNwWrldOrdr\\_Covid19\\_Brief\\_Stoney.pdf](https://opportunities-exchange.org/wp-content/uploads/OpEx_2020_ChldCrCtrsNwWrldOrdr_Covid19_Brief_Stoney.pdf).
22. Those states are Connecticut, Florida, Indiana, Maryland, Massachusetts, Michigan, Nevada, New Mexico, North Carolina, Oregon, Pennsylvania, Vermont, and Washington. Education Commission of the States, “Early Care and Education Governance,” November 2020, <https://coarw235.caspio.com/dp/b7f9300052eb2611a5614d33a2cc>.
23. Elliot Regenstein, *Early Childhood Governance: Getting There from Here*, Foresight Law + Policy, June 2020, 40–45, [https://www.flpadvisors.com/uploads/4/2/4/2/42429949/flp\\_gettingtherefromhere\\_061120.pdf](https://www.flpadvisors.com/uploads/4/2/4/2/42429949/flp_gettingtherefromhere_061120.pdf).
24. In the 2012 book *The Futures of School Reform*, Terry Moe and Paul Hill propose an education system that uses a “mixed model,” one in which the state government sets minimal expectations and then provides a framework for choice. Terry Moe and Paul Hill, “Moving to a Mixed Model,” in *The Futures of School Reform*, ed. Jal Mehta, Robert B. Schwarz, and Frederick M. Hess (Cambridge, MA: Harvard Education Press, 2012), 65. The mixed model is effectively how the early education and care (EEC) sector operates. In Moe and Hill’s conception, the system would be intentionally set up that way and managed holistically. In EEC, it evolved that way over time, and each form of public funding is managed independently. Consolidating authority over the state government’s role in the market would be a step toward making the early childhood system more like Moe and Hill’s proposed mixed model.
25. US Department of Health and Human Services, Administration for Children and Families, Office of Child Care, *Preschool Development Grant Birth Through Five (PDG B-5)*, November 6, 2018, 26, <https://ami.grantsolutions.gov/files/HHS-2018-ACF-OCC-TP-1379-3.pdf>.
26. Schulman, *Early Progress*, 9.
27. US Department of Health and Human Services, Administration for Children and Families, Office of Child Care, *Preschool Development Grant Birth Through Five (PDG B-5)*. The Build Initiative’s guidance for states applying for these funds provides a useful overview of the issues facing states in developing coordinated enrollment systems. Build Initiative, “Ideas on How to Approach the Preschool Development Grant 2019 Bonus—Coordinated Application, Eligibility, Enrollment,” October 18, 2019, <https://www.buildinitiative.org/Portals/0/Uploads/Documents/BT5%20PDG/PDG%20B5%202019%20Bonus%20on%20Coordinated%20Application%20Eligibility%20Enrollment.pdf?ver=2019-10-18-155340-743>.
28. Louisiana has aggressively pursued the implementation of coordinated enrollment. Some lessons learned from Louisiana’s experience are summarized in Jill S. Cannon, Sophie Meyers, and Julia H. Kaufman, “Raising the Bar for Early Childhood Education: Early Signals on How Louisiana’s Education Policy Strategies Are Working for Early Childhood Providers and Community Networks,” RAND Corporation, 2019, 24–28, [https://www.rand.org/content/dam/rand/pubs/research\\_reports/RR2300/RR2303z1/RAND\\_RR2303z1.pdf](https://www.rand.org/content/dam/rand/pubs/research_reports/RR2300/RR2303z1/RAND_RR2303z1.pdf).
29. For an analogous analysis from the K–12 context, see Richard H. Thaler and Cass R. Sunstein, *Nudge: Improving Decisions About Health, Wealth, and Happiness* (New York: Penguin Books, 2009), 201–07. Advocates for K–12 choice have also noted the importance of support for families in making choices. V. W. Ford, “Myth: Only Rich Parents Can Make Good Choices,” in *School Choice Myths: Setting the Record Straight on Education Freedom*, ed. Neal P. McCluskey and Corey A. DeAngelis (Washington, DC: Cato Institute, 2009), 185–86.
30. Families do have access to privately supported websites that can assist with searching for childcare or preschool. See Wonderschool, website, <https://www.wonderschool.com/>; and WeeCare, website, <https://weecare.co/daycare-near-me>.
31. For more analysis on why childcare is so expensive for families, see Child Care Aware of America, *The US and the High Price of Child Care*; and Center for the Study of Child Care Employment, “Why Do Parents Pay So Much for Child Care When Early Educators Earn So Little?,” April 6, 2020, <https://cscece.berkeley.edu/why-do-parents-pay-so-much-for-child-care-when-early-educators-earn-so-little/>. Families also face a range of accessibility issues, with one of the most significant being nontraditional work hours; parents who work evenings or overnights may not find a childcare center that can watch their children while they are at work. Child Care Aware of America, *Finding Child Care for Non-Traditional Work Schedules*, June 13, 2019, <https://info.childcareaware.org/blog/finding-child-care-non-traditional-work-schedules>.
32. Lea J. E. Austin et al., “Racial Wage Gaps in Early Education Employment,” Center for the Study of Child Care Employment, December 19, 2019, <https://cscece.berkeley.edu/racial-wage-gaps-in-early-education-employment/>.
33. For some examples of efforts to do this funded by the Early Learning Challenge grants, see Debi Mathias, “Impact of the Early Learning Challenge on State Quality Rating and Improvement Systems,” in *Rising to the Challenge: Building Effective Systems for*

*Young Children and Families*, a *BUILD E-Book*, ed. Harriet Dichter (Boston, MA: Build Initiative, 2015), 19–20, <https://www.buildinitiative.org/Portals/0/Uploads/Documents/Chapter8Mathias.pdf>.

34. Smith, Bagley, and Waters, *Child Care in 25 States*, 24–26.

35. One of the more ambitious and long-standing state efforts to provide data on supply and demand at a community level is the Illinois Early Childhood Asset Map, website, <https://iecam.illinois.edu/>.

36. Data Quality Campaign and Foresight Law + Policy, “Early Childhood Data Systems: Responding to COVID-19 and Building for the Future,” June 2020, 4, [https://dataqualitycampaign.org/wp-content/uploads/2020/06/DQC-FPL\\_Early-Childhood-Data-Systems\\_Responding-to-COVID-and-Building-for-the-Future.pdf](https://dataqualitycampaign.org/wp-content/uploads/2020/06/DQC-FPL_Early-Childhood-Data-Systems_Responding-to-COVID-and-Building-for-the-Future.pdf).

37. Jane Wiseman, *The Case for Government Investment in Analytics: Why Every Government Executive Should Care About Data*, Harvard Kennedy School, Ash Center for Democratic Governance and Innovation, Data-Smart City Solutions, September 3, 2019, <https://datasmart.ash.harvard.edu/news/article/case-government-investment-analytics>.

38. In addition to upgrading state-level data infrastructure to support better policy, states might consider supporting providers to use technology more effectively in their operations. Improved technology can help providers use resources more efficiently and could help states get closer to having real-time supply-and-demand data. Stoney, *Reinvent vs. Rebuild*; and Opportunities Exchange, “Sustainability + Technology, Making Business Leadership Real: The Role of Automation,” October 2019, [https://opportunities-exchange.org/wp-content/uploads/Making-Business-Leadership-Real\\_Technology.pdf](https://opportunities-exchange.org/wp-content/uploads/Making-Business-Leadership-Real_Technology.pdf).

39. US Chamber of Commerce Foundation, *Childcare: An Essential Industry for Economic Recovery*, September 2020, [https://www.uschamberfoundation.org/sites/default/files/media-uploads/EarlyEd\\_Minis\\_Report3\\_090320.pdf](https://www.uschamberfoundation.org/sites/default/files/media-uploads/EarlyEd_Minis_Report3_090320.pdf).

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