

**Testimony Supporting  
S.B. 273: An Act Concerning the Care4Kids Program**

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Select Committee on Children

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Senator Gerratana, Representative Urban, and Members of the Committee on Children

We are testifying today on behalf of Connecticut Voices for Children, a research-based public education and advocacy organization that works statewide to promote the well-being of Connecticut's children, youth, and families.

**We strongly support SB 273, "An Act Concerning the Care4Kids Program,"** which enlarges the category of minor teen parents eligible for Care4Kids, extends the eligibility period for women who are temporarily absent from work for maternity leave and parents looking for work following a job loss, and phases in an increase in reimbursement rates for providers up to the federal guidelines by 2022.

**1. Eligibility Expansion for Minor Teen Parents**

**Expanding Care4Kids eligibility for teen parents by excluding their parents' income from need calculations will help prevent teen parents from dropping out of high school and will promote more positive outcomes for their children.** Currently, when a minor parent lives with her own parents and applies for Care4Kids, the minor's parent's income is taken into account. As a result, many teen parents are deemed ineligible. The high cost of child care can lead to the minor parent dropping out of high school in order to work.<sup>1</sup> In other instances, the young mother may leave her parents' house to live on her own so that she will be eligible for the child care subsidy. Young parents need support, stability, and education if they are to achieve long-term success for themselves both as parents and workers. Expanding Care4Kids to this small and vulnerable population will allow them to remain at home and in school.<sup>2</sup>

Furthermore, research shows that babies born in the U.S. to teenage mothers are at risk for long-term problems in many major areas of life, including school failure, poverty, and physical or mental illness.<sup>3</sup> Access to high quality early care experiences can be particularly beneficial to young children

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<sup>1</sup> See, for example, a study of urban teen parents which found that 70% of parents who received free on-site child care for their infants and toddlers graduated from high school, compared to 28% of those who did not receive access to the free child care. (Hugh Crean, A.D. Hightower, Marjorie Allan, "School Based Child Care for Children of Teen Parents: Evaluation of an Urban Program Designed to Keep Young Mothers in School," *Evaluation and Program Planning* Vol 24:3 (August 2001), available: <http://www.sciencedirect.com/science/article/pii/S0149718901000180>)

<sup>2</sup> There were 826 births to girls 15-17 in 2008 (the most recent year for which data is available), and approximately 60 births to girls under 15 (Connecticut Department of Public Health, Published data, Table 4 (SFY 2001, 2004, 2006, and 2008); Connecticut Department of Public Health, Estimated Populations in Connecticut as of July 1, 2001, July 1, 2004, July 1, 2006, and July 1, 2008; U.S. Census Bureau 2000, Summary File 1, Table P12, in Kids Count Data Center, *Annie E. Casey Foundation*, available at: <http://datacenter.kidscount.org/data/bystate/Rankings.aspx?state=CT&doct=5&ch=a&order=a&ind=558&dtm=13419&tf=35>). Many of these girls are likely already in families with incomes under 50% of SMI, meaning they already qualify for Care4Kids, so the eligibility extension impacts at most 500 or 600 girls.

<sup>3</sup> "When Children Have Children," *American Academy of Child Adolescent Psychiatry*, No. 31 (July 2004), available at: [http://www.aacap.org/cs/root/facts\\_for\\_families/when\\_children\\_have\\_children](http://www.aacap.org/cs/root/facts_for_families/when_children_have_children)

in at-risk families, reducing special education needs and closing achievement gaps.<sup>4</sup> Again, expanding Care4Kids eligibility for teen parents will allow more of these at-risk children to be in safe, stable early care environments that will yield high returns in the future.

## **2. Coverage Extension for Women on Maternity Leave**

**Providing continued Care4Kids coverage for women on maternity leave helps ensure continuity of care and stability for children, and allows parents to return to work, promoting family economic security.** Currently, when a woman who receives Care4Kids takes time off due to a pregnancy or after the pregnancy to care for her newborn, she is expected to notify the program of her change in employment status, at which point her subsidy is suspended until her return to work. The consequences are severe. The child is pulled out of care for the period of maternity leave, interrupting his routine. The child care center must scramble to cover the costs of an open slot. Frequently, the child loses her slot, disrupting the child's life further. Without child care, the mother cannot return to work.

Studies have documented that schedules and routines influence children's emotional, cognitive, and social development, and that predictable and consistent schedules in preschool classrooms help children feel secure and comfortable.<sup>5</sup> Continuity of care is critical for development, particularly in very young children. Children who experience fewer changes in child care providers during their earliest years experience more outgoing and less aggressive behaviors in preschool and kindergarten.<sup>6</sup> Sustained stable relationships with caregivers allow children to form positive, secure attachments which build the healthy brain architecture that increases the odds of desirable outcomes – including health, academic, and emotional – later in life.<sup>7</sup>

Currently, a woman must be physically back at work before reapplying for Care4Kids and it can take up to 45 days for Care4Kids to be reinstated, causing a financial burden to a new mother at a time of already heightened stress. This can also create a financial burden to the child care center, should it choose to absorb all or some of the cost of care during this period. In the worst case scenario, if a family loses its child care spot and cannot secure another, a woman may lose her job. Parental job insecurity and the potential loss of family income have significant impacts on children. Extensive bodies of research find that family economic distress is associated with negative social, economic,

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<sup>4</sup> See, for example, a study of the high quality preschool program in Utah's Granite School District, which found that high quality preschool helped reduce and even eliminate the achievement gap between at-risk children. It further found significant reductions in the number of at-risk children in need of special education services compared to their at-risk peers who had not participated in a high quality preschool program. (Janis Dubno "High Quality Preschool Closes the Achievement Gap and Reduces Special Education Costs for At-Risk Children: Evidence from the High Quality Title I Preschool Program in the Granite School District in Utah," *Voices for Utah Children*, (October 5, 2011), available at: [http://www.readynation.org/uploads/20111025\\_GraniteSchoolDistrictReport.pdf](http://www.readynation.org/uploads/20111025_GraniteSchoolDistrictReport.pdf))

<sup>5</sup> See, for example, Diane Dodge and Toni Bickart, "How Curriculum Frameworks Respond to Developmental Stages: Birth through Age 8," *Clearinghouse on Early Education and Parenting, University of Illinois at Champagne-Urbana*, available at: <http://ceep.crc.uiuc.edu/pubs/katzsym/dodge.pdf>

<sup>6</sup> See, Rachel Schumacher and Elizabeth Hoffmann, "Continuity of Care: Charting Progress for Babies in Child Care Research-Based Rationale," *Center for Law and Social Policy*, (August 2008), available at: <http://www.policyarchive.org/handle/10207/bitstreams/13791.pdf>

<sup>7</sup> See, for example, Rachel Schumacher and Elizabeth Hoffmann, "Continuity of Care: Charting Progress for Babies in Child Care Research-Based Rationale," *Center for Law and Social Policy*, (August 2008), available at: <http://www.policyarchive.org/handle/10207/bitstreams/13791.pdf>

and health outcomes for children, and child outcomes are highly correlated with family income levels more generally.<sup>8</sup>

### **3. Coverage Extension for Unemployed Parents**

**Extending Care4Kids coverage for up to six months after a parent loses his or her job provides greater continuity of care for children and facilitates the parent's successful location of new employment.** Working parents who lose their jobs currently maintain Care4Kids eligibility for only one to two months.<sup>9</sup> However, in the current economic climate, this period is often insufficient to obtain new employment, and it is difficult to conduct a job search without access to child care. In 2010, 64 percent of Connecticut's unemployed workers were out of work for 15 weeks or more, and half of all unemployed workers were looking for work for 27 weeks or longer.<sup>10</sup> The average job search in Connecticut in 2010 lasted 36 weeks, up from 26 weeks in 2009 and 19 weeks in 2008.<sup>11</sup> In addition to the family destabilization and loss of income as a result of unemployment, termination of Care4Kids and the subsequent loss of access to child care would cause the family and the child further stress and instability. Extending the period of Care4Kids coverage increases the likelihood of the parent securing new employment, and doing so without causing a disruption to his or her child's care.

### **4. Phased-in Increase in Provider Reimbursement Rates**

**The increase in reimbursement rates for providers is a critical investment in improving both quality of programs and access for families.** Raising reimbursement rates will allow families to access more high quality child care options, and will allow providers to attract and retain well-qualified staff, both of which will go a long way to closing the preparation gap that exists at kindergarten between our better-off and at-risk populations. Furthermore, increased compensation will provide the financial resources necessary for early childhood educators to meet the rigorous educational credentialing requirements of P.A. 11-54 and accommodate the workforce expansions needed to support the School Readiness slot expansion. Additionally, more choice for working parents gives them more convenient options for childcare, helping increase stability in the workforce.

Connecticut is one of just three states receiving federal Child Care Development Block Grant funds that have not raised their reimbursement rates for child care providers since 2002.<sup>12</sup> The federal government recommends that states set reimbursement rates at the 75th percentile of current market rates, which would allow families to access three out of four slots with their subsidy. Our

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<sup>8</sup> See, Mark Mather and Dia Adams, "The Risk of Negative Child Outcomes in Low-Income Families," *Population Reference Bureau, Annie E. Casey Foundation*, (April 2006), available at: [http://www.prb.org/pdf06/RiskNegOut\\_Families.pdf](http://www.prb.org/pdf06/RiskNegOut_Families.pdf)

<sup>9</sup> The current Care4Kids regulations provide eligibility and payments through the end of the month in which a parent terminates their employment, with an additional month of eligibility and payments available for those who lose a job and are looking for work. See, "Regulations of Connecticut State Agencies, Sec. 17b-749-19(b) and Sec. 17b-749-19(g)(5),(6)" *Department of Social Services* (July 18, 2007), available at: <http://www.ct.gov/dss/cwp/view.asp?a=2353&q=305180>.

<sup>10</sup> See, "Table 26. States: unemployed persons by sex, race, Hispanic or Latino ethnicity, and duration of unemployment, 2010 annual averages," *US Bureau of Labor Statistics* (2011) [http://www.bls.gov/opub/gp/pdf/gp10\\_26.pdf](http://www.bls.gov/opub/gp/pdf/gp10_26.pdf)

<sup>11</sup> See, Table 1: Unemployed Persons by Duration of Unemployment, 2007-2009 Annual Average in Sally Anderson, "Duration of Unemployment in States, 2007-2009," *US Bureau of Labor Statistics* (December 2010), available at: <http://www.bls.gov/opub/mlr/2010/12/art3full.pdf>

<sup>12</sup> See Table 4A: State Reimbursement Rates in 2011 in "State Child Care Assistance Policies 2011: Reduced Support for Families in Challenging Times," *National Women's Law Center* (October 2011), available at: [http://www.nwlc.org/sites/default/files/pdfs/state\\_child\\_care\\_assistance\\_policies\\_report2011\\_final.pdf](http://www.nwlc.org/sites/default/files/pdfs/state_child_care_assistance_policies_report2011_final.pdf)

state's rates are far below the federal recommendation. For example, the reimbursement rate for a four-year-old in North/Central Connecticut in center-based care is 40% lower than recommended.<sup>13</sup>

Recognizing the costs associated with a reimbursement rate increase sufficient to align Connecticut with the federal guidelines, this bill reasonably phases those increases in over the next ten years. It also makes a down payment on this investment by dedicating the \$6.8 million FY13 Care4Kids funding increase to raise provider rates, demonstrating this committee's understanding of the need for and implications of raising reimbursement rates, and its commitment to so doing

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<sup>13</sup> See Table 4C: State Reimbursement Rate Amount in 2011 Compared to Market Rate Amount for Child Care Centers in "State Child Care Assistance Policies 2011: Reduced Support for Families in Challenging Times," *National Women's Law Center* (October 2011), available at: [http://www.nwlc.org/sites/default/files/pdfs/state\\_child\\_care\\_assistance\\_policies\\_report2011\\_final.pdf](http://www.nwlc.org/sites/default/files/pdfs/state_child_care_assistance_policies_report2011_final.pdf)