

## Young Children's Early Care and Learning in Vermont

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This brief provides key insights into the early care and learning practices, needs and perceptions of Vermont households with children under age six years. We use data from the 2018 Vermont Early Care and Education Household Survey, which was sponsored by Building Bright Futures (BBF) and conducted by NORC at the University of Chicago. Altogether, 583 households participated in the state-representative survey via a web-based questionnaire. We explore three main topics:

- What are households' current early care and learning (ECL) arrangements for children not yet in kindergarten?
- What are parents' perceptions and preferences for ECL?
- What factors can constrain parental choices?

We begin by summarizing the perceptions of, use of, and parental out of pocket costs of different types of care. Use of regular care is very common among households with young children, with center-based care the most prevalent. Parents perceive different types of care to have quite different attributes.

After documenting these overall patterns, we examine three factors that may constrain parental choices: their work status, their household income, and their local community density (for example, how rural the location is).

Compared to the nation as a whole, center-based care use is much more common in Vermont for infants and toddlers as well as preschool-age children. Vermont families also are more likely to report receiving help paying for care than nationally.

## TYPES OF CARE

Just one in five households (21 percent) report using no regular non-parental care. Center-based care is most commonly used, at 57 percent. This might include private preschools, public pre-kindergarten, Head Start centers, or other day care facilities. We asked about paid and unpaid home-based care. Twenty-one percent of households reported using paid home-based care (including family child care or babysitters or other informal paid arrangements) and a larger 29 percent reported using unpaid home-based care. Of those who use unpaid home-based care, such family, friends or neighbors, just over half of respondents use non-standard (during evenings, weekends, or overnight) hours care, compared to very few for paid home- and center-based care. Households using centers and paid home-based care reported a similar 28-29 hours per week of care, while unpaid care is used on average 15 hours per week.

**Exhibit 1. Use of Regular Non-Parental Care for Children Under 6 Years**

Provider Type	% of Households Using Provider Type	% of Households Using Type that Pay for Care	Average Weekly Cost Paid for Care	Average Hours per Week	% of Households Using Type During Non-standard Hours
Center-based	57	80	\$168	29	4
Paid Home-based	21	98	\$140	28	7
Unpaid Home-based	29	0	0	15	58
None of these types	21	N/A	N/A	N/A	N/A

**Exhibit 2. Child level use of care by age group**

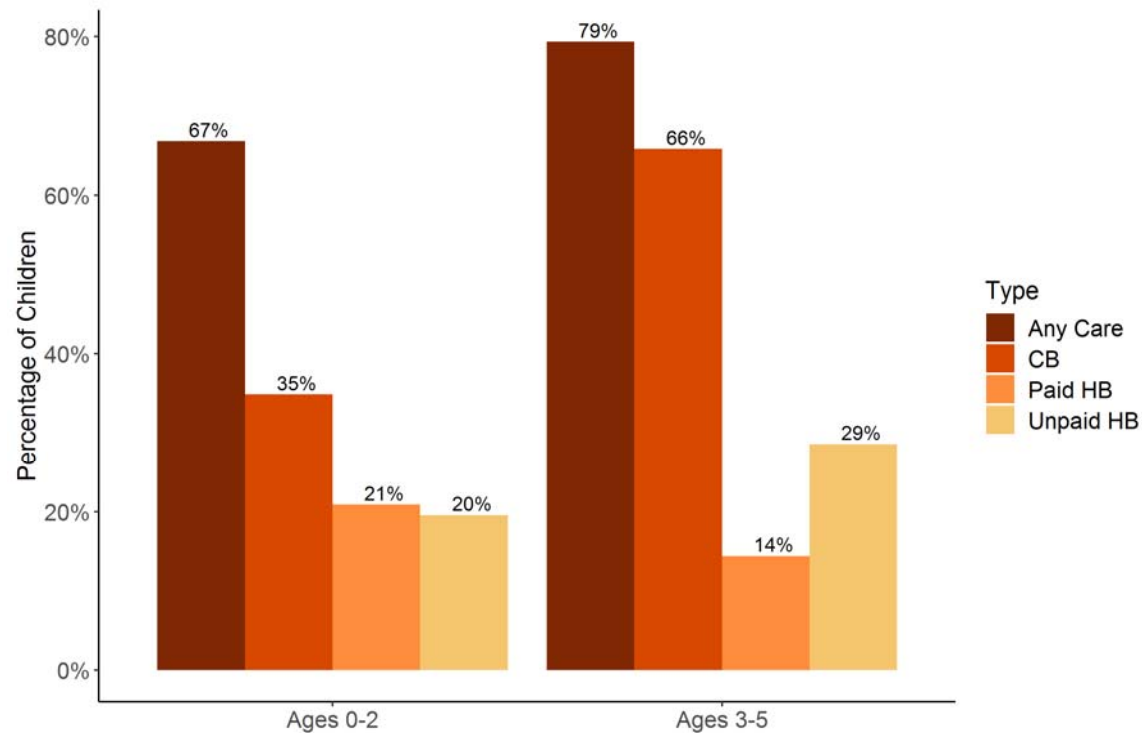


Exhibit 2, above, shows ECL usage by child age. Children in both age groups are more likely than not to be in regular care, and to be in center-based care most frequently, but preschool-age children three to five years are 30 percentage

points more often in center-based care than are infants and toddlers (under 3 years of age). Use of center-based care is about 20 percentage points higher in Vermont than was measured nationally in 2012 for both children under 3 and 3 to 5 years.<sup>1</sup>

About one in four households use more than one type of care (center-based, paid home-based, unpaid home-based) for their children under age 6. Of these, almost all use multiple types of care for at least one of their children under age 6.

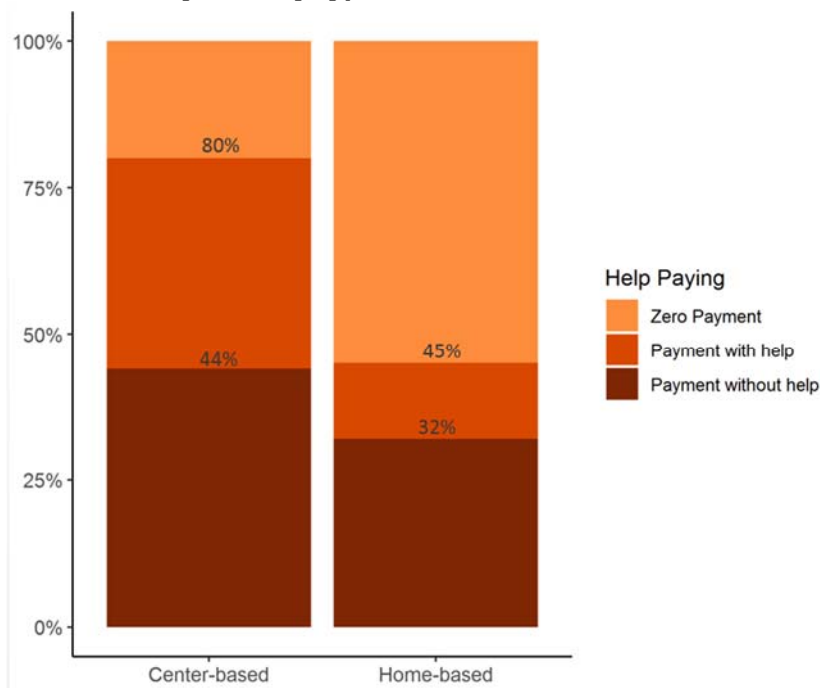
We asked three questions to try to better understand paid home-based care. As indicated in Exhibit 3, below, of those who use paid-home based care, most families’ providers cared for more than five other families. Over half of families using this type of care reported that their provider was licensed, and just under half had a previous relationship with the provider before their child started receiving care. The data indicate that the majority of families using paid home-based care are using formal arrangements.

**Exhibit 3. Paid home-based providers**

Paid Home-based Providers	% of all households
How many families does the provider care for?	
1	22
2-4	29
5+	49
Respondent believes provider is licensed to provide child care	76
Family and provider had a previous relationship before the child received care	40

Exhibit 4, below, shows the percentage of households using a particular type of care that don’t pay anything for that care, receive help paying for care, or pay for the care without assistance. The exhibit combines paid and unpaid home-

**Exhibit 4. Payment by type of care**



based into a single category. The vast majority (80 percent) of households using center-based care pay for that care, although fewer than half of households using home-based care pay for that care. Financial assistance can come from the provider, from a public subsidy, from an employer or a charity, or from other family members. Compared to 2012 national estimates, rates of receiving help paying for care are about double in Vermont.

Exhibit 5, below, indicates that just over half of households (57 percent) use center-based care, with similar percentages (57 percent) using either paid or unpaid home-based care. Note that some families may use both types of care. Setting aside those who do not pay for a certain type of care, we tabulate the average weekly cost that parents are paying for a child in the given type of care. On average, parents paying for center-based care spend \$173 per week on care if they are not receiving any financial assistance. Those parents who do report receiving financial assistance pay a very similar \$159 per week out of pocket. The small difference in weekly parental costs does not indicate how much the assistance covered. For example, it may be that parents are buying more hours of care when they receive financial assistance, or that they are able to afford a better type of care than they could without assistance.

**Exhibit 5. Parental out of pocket costs with and without financial assistance, by type of care, among households using any type of care**

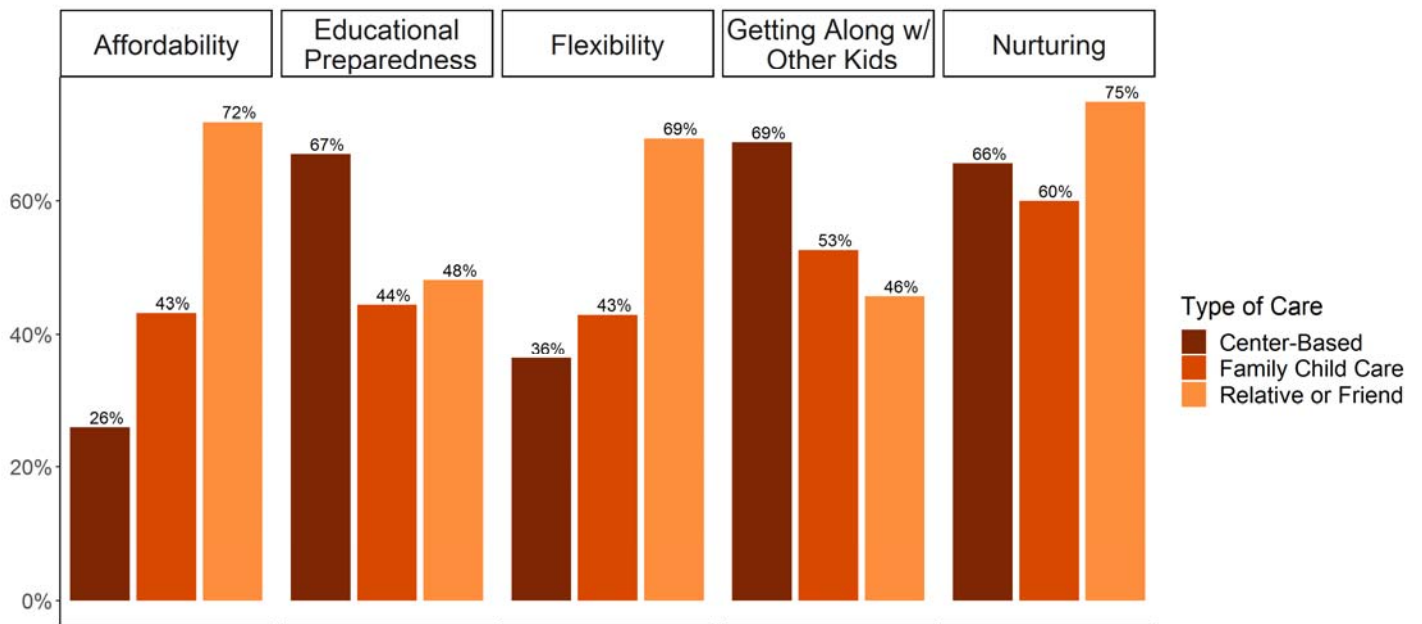
	% who use this type of care	% who pay for this care	Avg hourly cost for those paying for care	Avg weekly cost for those who have no help paying	% of those who pay for care who receive help	Avg weekly cost for those who have help paying
Center-based	57%	80%	\$5.86	\$173	36%	\$159
Home-based	57%	45%	\$5.91	\$143	13%	\$123

Note: Home-based numbers include paid and unpaid care.

Parents' weekly costs for home-based care (among those who pay at all) are \$143/week without help and \$123/week with help, although the proportion of households receiving help is much smaller (13 percent) for home-based than for center-based (36 percent). Hourly cost of care among those paying for care is roughly equivalent for both center-based and home-based care at just under six dollars per hour. Households' values for costs and hours of care are based on the child with the most hours of care or highest expenditure for care within the household. In this way, household hours and cost figures represent the child within the household who is using the most child care.

The graphs in Exhibit 6 document the percentage of parents indicating good or excellent perceptions of each of three types of care: center-based, family child care, and care provided by a relative or friend. In family child care, someone operates a business in their own home to care for children. Relative or friend care may be paid or unpaid, but is generally considered informal care. Interview responses indicate that center-based care is perceived as strong for children’s educational preparedness and ability to get along with other kids, while the two home-based types are stronger on affordability and flexibility for parents. All three types are seen as nurturing.

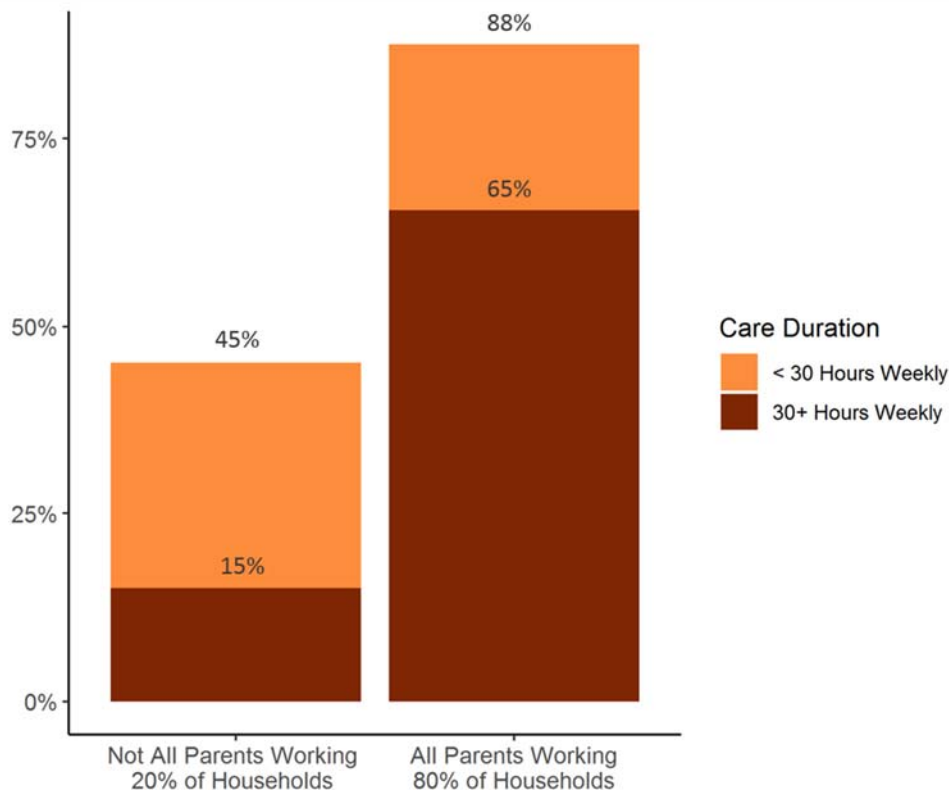
**Exhibit 6. Perceptions across different types of care, percent indicating as good or excellent**



## WORKING PARENTS

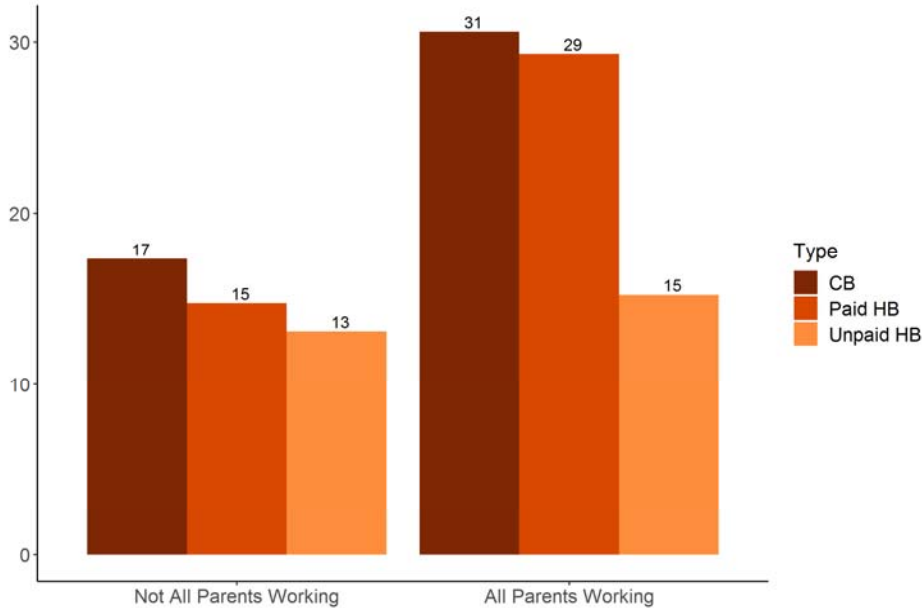
We define a household as having ‘all parents working’ if it is a two-parent household with two workers, or a single-parent household with one worker (80 percent of interviewed households). All other households are indicated as having ‘at least one parent not working’ (20 percent of interviewed households). Exhibit 7 shows considerable differences in use of any regular care between households with all working parents vs at least one non-working parent. Almost 90 percent of working families use some non-parental care, compared with about 45 percent of families with at least one non-worker. Further, a substantial majority of families with all parents working use at least 30 hours of care each week, while among families with at least one non-worker, just one third of households with children in care use 30 or more hours of care each week.

**Exhibit 7. Use of non-parental care by parental work status**



We can look more closely at the types of care and hours of care that these two types of families are using. Exhibit 8, on the following page, shows the average number of weekly hours of care used by families across three types of care (center-based, paid home-based and unpaid home-based). The hours of unpaid home-based care (13-15 hours/week) are similar for families regardless of parental work status, but families with all parents working who use center-based or home-based care use quite a bit more of both – about 14 hours/week more of each, equivalent to about two days per week (weekly averages for working families of 31 hours for center-based care and 29 hours for paid home-based care). Working parents in either type of household may be working full-time or part-time.

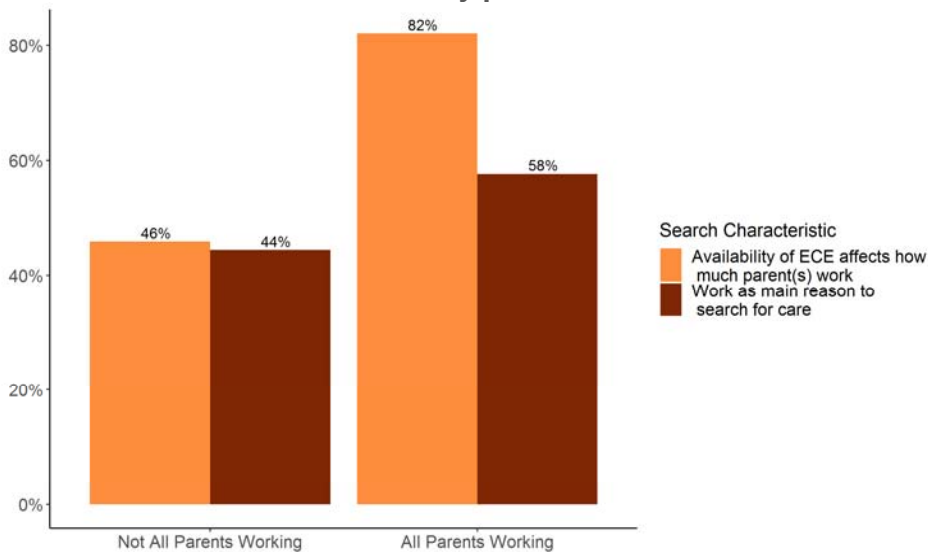
**Exhibit 8. Hours of care used by parental work status**



We also asked families about their most recent search for childcare. Exhibit 9, below, illustrates the following about the search characteristics of households with working and non-working parents:

- a majority of households with all parents working cited work as the reason for searching for child care, and an even larger percentage stated that availability of care affected how much they worked,
- nearly half of households with at least one non-working parent gave work as a reason to search for care, and that the availability of care affected how much they could work,
- in addition, the most common factors driving households’ choice of child care during that search were cost or quality of care (not illustrated).

**Exhibit 9. Search characteristics by parental work status**



## HOUSEHOLDS WITH DIFFERING INCOMES

To study how child care usage differs across families with different income levels, we divide the sample into three groups as follows: (1) < 150 percent of the federal poverty level (FPL), (2) 150 – 300 percent of FPL, (3) > 300 percent of FPL. FPL is calculated based on a household's income relative to the number of residents in the household.

Exhibit 10, below, looks at use of any care, and each of three types of care, by household income category. In all three income groups, the use of any regular care is quite high, covering at least 70 percent of all children. Center-based care is the most commonly used type of care, with paid home-based least used and unpaid home-based in between. Unpaid home-based care is particularly common among the lowest income households, where it is used by about forty percent of families compared to about one quarter of the other two income categories.

**Exhibit 10. Use of care by ratio of household income to federal poverty level**

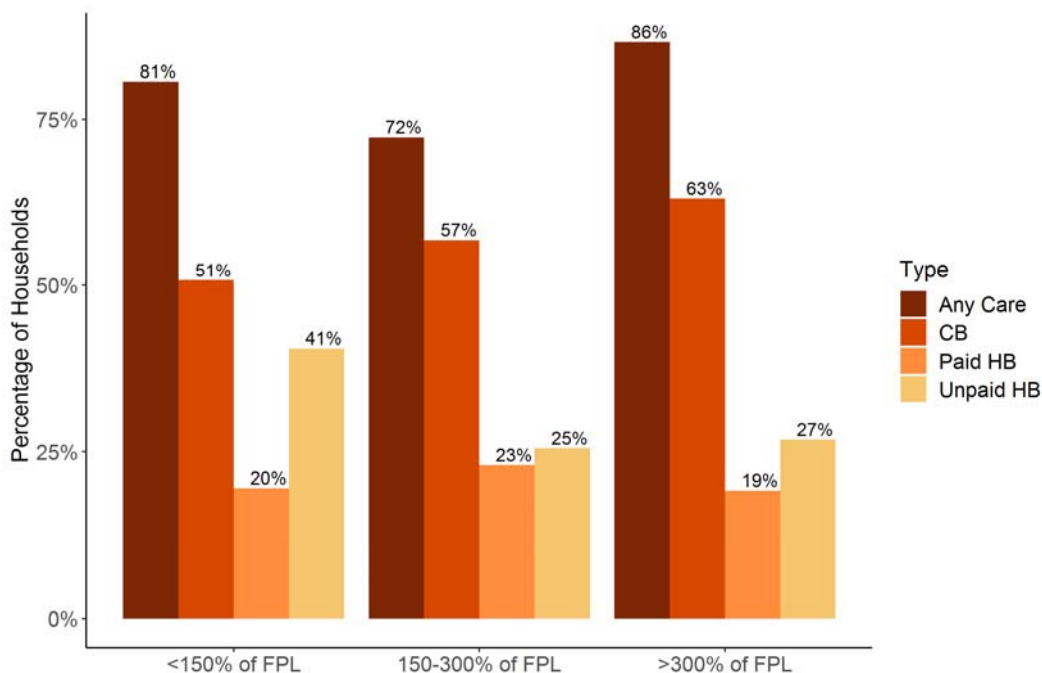
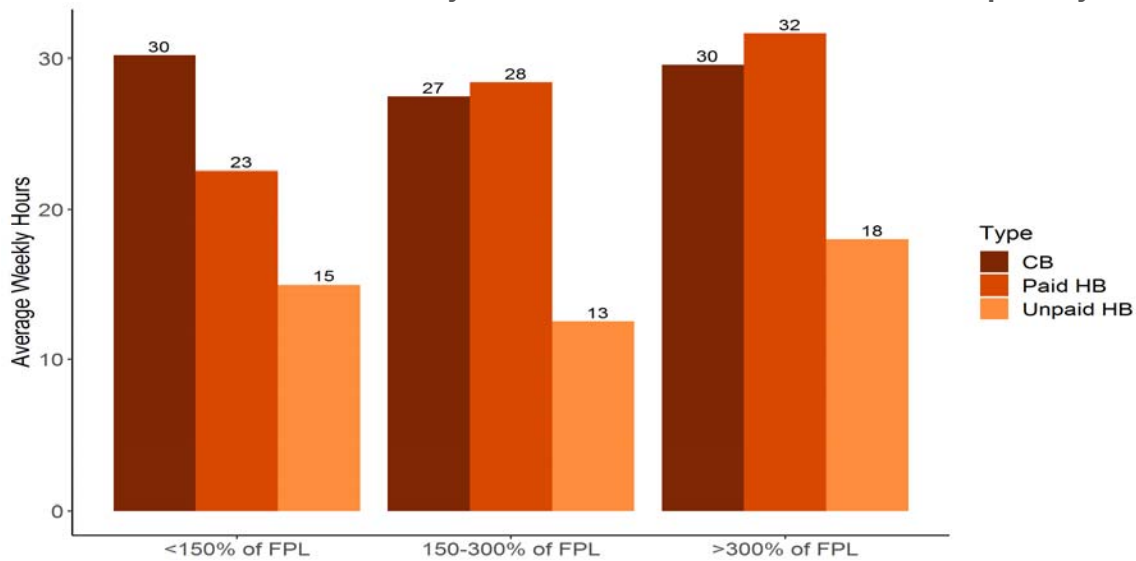


Exhibit 11, on the next page, examines the child care hours usage of these three income groups. Among the lowest income households, children spend the most time in center-based care (almost 30 hours per week), while those in home-based care spend just over 20 hours weekly and unpaid care runs about 15 hours weekly. Center-based hours are similar for the other income groups, almost 30 per week. We see a distinct income gradient for paid HB, with the hours increasing from about 20 hours/week to over 30 hours/week, even overtaking the average weekly hours in center-based care for the highest income category.

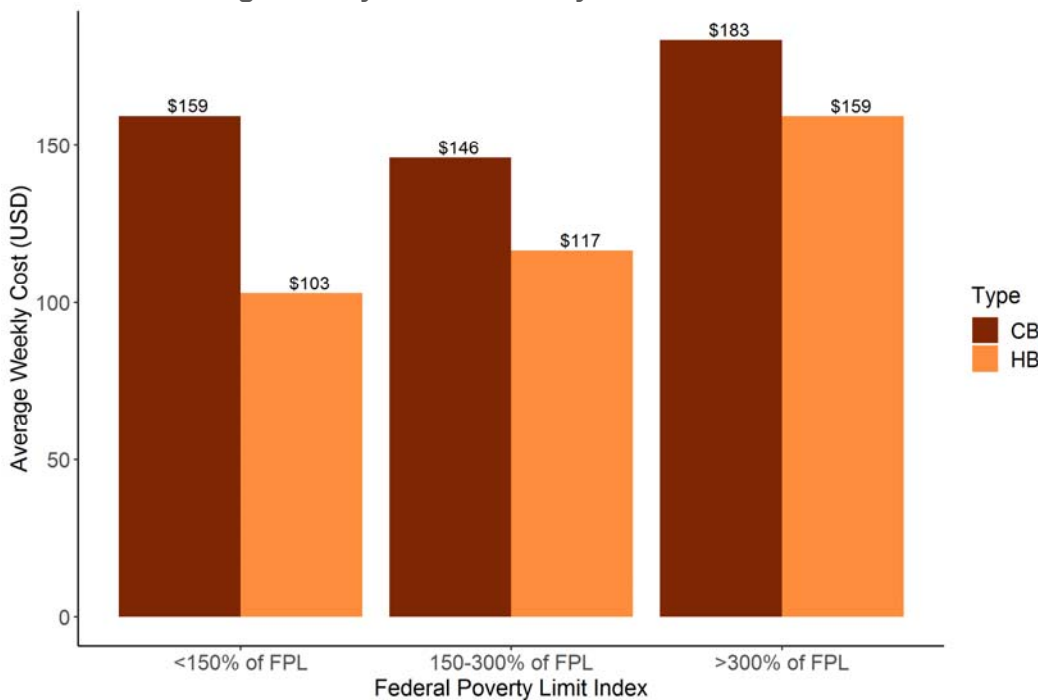


**Exhibit 11. Hours of care used by ratio of household income to federal poverty level**



In Exhibit 12, below, we compare average weekly cost for those who pay for center-based or home-based care by income category. Although households with higher incomes pay somewhat higher costs, the differences in costs are much smaller than the differences in income; low-income households pay a significantly greater portion of their income in ECL costs when they pay for care. Households from the highest income category reported slightly higher hourly rates for center-based care than lower income categories.

**Exhibit 12. Average weekly cost of care by ratio of household income to federal poverty level**



## HOUSEHOLDS BY COMMUNITY DENSITIES

Our final analysis examines the relationship between ECL choices and the community density where families live. Using the U.S. Bureau of the Census classifications of the percentage of a census tract that is rural, we create three types of locations by community density: low density locations are entirely rural, while high density locations would include many of the city and town centers across the state. Although there are some differences by community density, the three types of locations show quite similar ECL practices. Exhibit 13 shows the use of any care and the three types of care. All types of locations have high rates of using any regular care (at least 75 percent), with center-based care most prevalent (55 to 59 percent). Families in medium density locations seem to use paid home-based care more often than other families, and families in high density locations use less unpaid home-based care than those in low or medium density areas.

**Exhibit 13. Type of care used by community density**

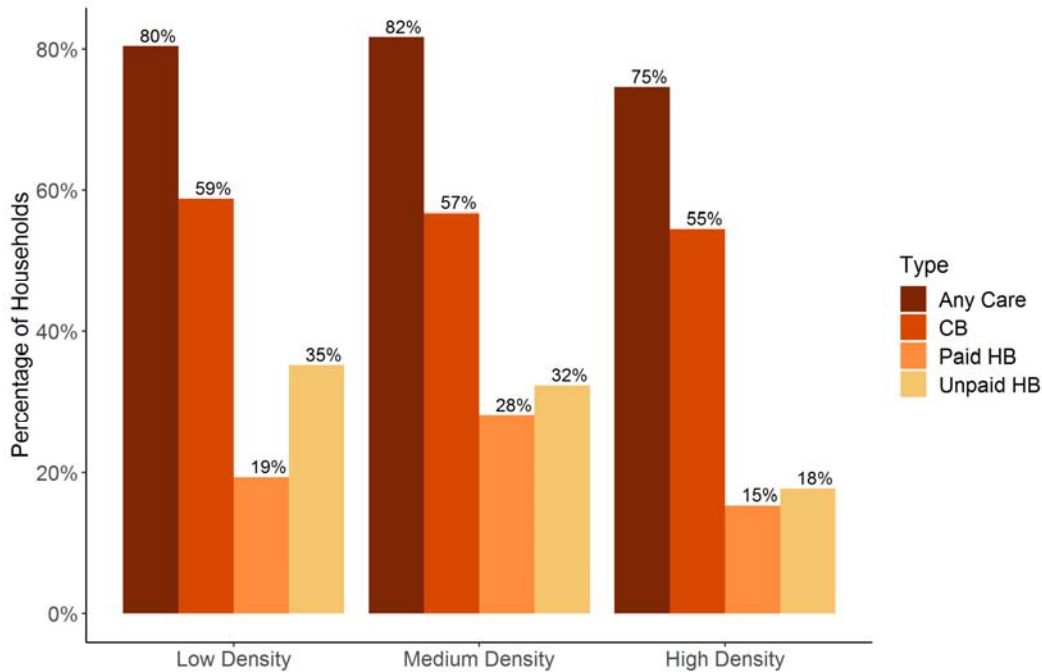


Exhibit 14 shows the weekly hours of care used by community density among families using a given type of care. Again, differences are generally small. Low-density locations use fewer hours of paid home-based care each week, and perhaps slightly more hours of unpaid home-based care than medium or high-density locations.

**Exhibit 14. Average weekly hours by community density**

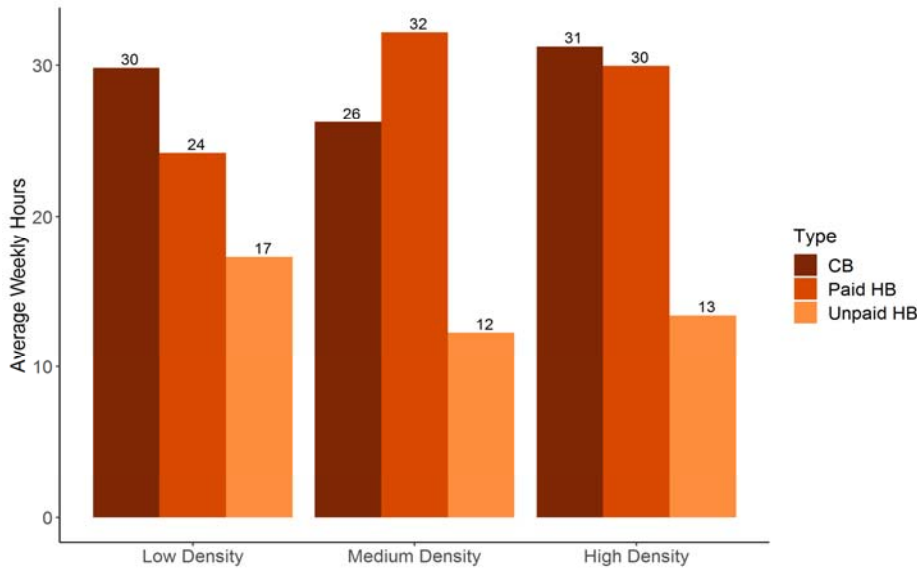
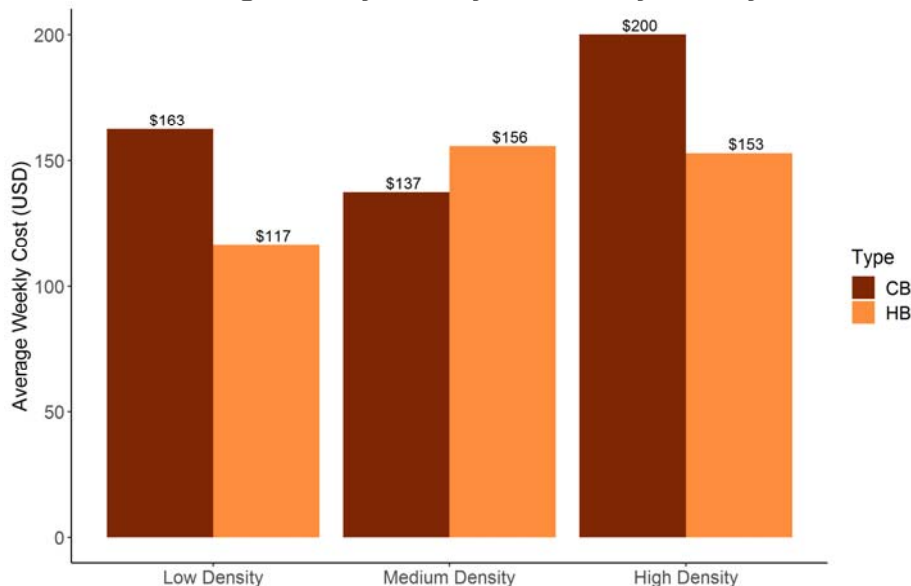


Exhibit 15 shows average weekly costs among those who pay for center-based or paid home-based care. Center-based care shows a U-shaped price distribution similar to the weekly hours used; hours in medium density areas are about 15 percent lower than in high or low density. Weekly costs are similarly about 16 percent lower for medium density center-based care relative to medium density; there does appear to be a further cost premium for care in high-density locations, where the average weekly cost for center-based care is \$200/week. For paid home-based care as well, weekly costs follow the same patterns as weekly hours across low vs medium and high density locations. There are limited differences in hourly cost of care for both center-based and home-based care reported by households across density categories.

**Exhibit 15. Average weekly cost by community density**



## APPENDIX

### Exhibit A1. Weighted proportions of subgroups discussed in this report

<b>Parental work status</b>	
All parents working	79.6%
Not all parents working	20.4%
<b>Ratio of household income to federal poverty level</b>	
<150% of FPL	23.1%
150%-300% of FPL	35.3%
>300% of FPL	41.6%
<b>Community density</b>	
Low density	41.5%
Medium density	28.3%
High density	29.8%
Location not reported	0.4%
<b>Child age (at child level)</b>	
Ages 0-2	48.0%
Ages 3-5	52.0%
<b>Care duration</b>	
Less than 30 hours weekly	45.1%
30+ hours weekly	54.9%

#### Data Collection and Sampling Methodology

Survey respondents were identified through dual-frame sampling techniques, drawing from US Postal Service-based lists of all residential addresses in Vermont, as well as a list of households participating in the state's child care subsidy program. NORC worked with BBF as well as the State of Vermont's Department for Children and Families to create a questionnaire, largely pulled from the 2012 National Survey of Early Care and Education, which addressed the research questions of interest. The final set of questions was programmed as an approximately 15 minute self-administered Web survey.

For addresses selected from Postal Service lists, outreach began with an advance letter mailing which described the purpose of the study, a \$2 incentive, and the URL, PIN, and password to access the survey online. A few weeks after the advance letter, non-respondents were sent a scratch-off postcard encouraging their participation. A final reminder letter was sent a few week after the postcard as a final prompt to complete the survey online. NORC also sent two batches of prompt letters via priority mail to respondents who had started the survey but had not yet completed. A priority mail prompt letter was also sent to a sample of 500 Wave 2 cases in a final attempt to boost the response rate. In-person visits were also made to a subset of cases (approximately 2,500), in areas with a high geographic concentration of households with children under the age of six.

Mailing to the subsidy cases was handled by the Data Outreach Coordinator in the Child Development Section in the State of Vermont. NORC did not participate in outreach to those sampled from subsidy lists. These mailings followed a slightly different pattern, starting with an advance letter which included a sheet of stickers, rather than the \$2 bill. This was followed by two emails, a prompt letter and then a final email prompt.

Mailings took place between the end of September and mid-November 2018. Web data collection ended the first week of December.

Region of the state and sample source (subsidy list vs address list) were used for stratification of the sample set. The final weighted sample is distributed across region and sample source as follows:

Region	% of households in sample
Burlington area	24.5
Northern	24.9
Central	24.8
Southern	25.7

Subsidy List	% of households
Yes	8
No	92

### Sampling

The following tables provide a breakdown of the number of cases contacted, screened, how many were eligible and how many completed the survey. The Conditional Percent (Cond Pct) column shows the percentage of the previous rows that appear in the current row, such as the percent of mailed addresses that were successfully screened for eligibility. The overall percent is the percent of the total mailed addresses that appear in the current row. Finally, the AAPOR Response Rate #3 is presented for each table. This is a standardized survey response metric which represents the estimated percentage of eligible households in the overall mailing that responded to the survey.

#### USPS

Status	Count	Cond Pct
Mailed	24,872	-
Screened	2,470	9.9%
Eligible	488	19.8%
Complete	465	95.3%

AAPOR Response Rate #3: 9.9%

#### Subsidy

Status	Count	Cond Pct
Mailed	2,049	-
Screened	192	9.4%
Eligible	140	72.9%
Complete	118	84.3%

AAPOR Response Rate #3: 9.4%

#### Overall

Status	Count	Cond Pct
Mailed	26,921	-
Screened	2,662	9.9%
Eligible	628	23.6%
Complete	583	92.8%

AAPOR Response Rate #3: 9.9%

<sup>i</sup> Comparisons made to 2012 national estimates are based on data found in National Survey of Early Care and Education Project Team (2016) Early Care and Education Usage and Households' Out of Pocket Costs: Tabulations from the National Survey of Early Care and Education (NSECE). OPRE Report #2016-09, Washington DC: Office of Planning, Research and Evaluation, Administration for Children and Families, US Department of Health and Human Services. Available at:

<http://www.acf.hhs.gov/programs/opre/index.html>.