The Stability of Subsidized Childcare in Georgia

Rodrigo Aranda  
*Georgia State University, rarandabalcazar@gsu.edu*

David C. Ribar  
*Georgia State University, dribar@gsu.edu*

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Georgia’s Childcare and Parent Services (CAPS) program subsidizes childcare for children in families with low incomes and in vulnerable circumstances while their parents work or pursue training. We investigated stability in the CAPS program by examining continuous, uninterrupted periods (i.e., spells) of children holding CAPS scholarships, receiving subsidized care from the same provider, and holding scholarships but not using them. We found that program experiences for most children are stable.

What did we learn?
Most CAPS scholarship spells are stable. Nearly two-thirds are calculated to last six months or more; 30% last a year or more, and 15% last two years or more. About two-thirds of children experience a single spell of holding scholarships.

Care arrangements are also relatively stable. Only 34% of children ever change providers. However, many take breaks from their providers. Care arrangement spells tend to be shorter for older children and vary only slightly with other demographic characteristics, such as race and ethnicity.

Scholarships often go temporarily unused. Nearly two-thirds of children have spells where they hold a scholarship but do not use it. Most spells of non-use are short.

Many care arrangement spells end when families are required to renew their eligibility for CAPS services.

What are the policy implications?
Georgia changed provisions of its CAPS program in 2016 to make it easier for participating families to continue their eligibility; the stability of scholarship holding and care arrangements are consistent with these changes.

The similar experiences for children from different racial and ethnic backgrounds and from rural and urban areas indicates that program outcomes are equitable.

The large numbers of children who leave the program at eligibility renewal dates may be concerning because it is unlikely that families’ needs change on these specific dates.

Researchers
Rodrigo Aranda
David C. Ribar

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What questions did we answer?

1. Are most childcare arrangements in the CAPS program stable or unstable?

2. How long do children continue with an arrangement? How often do they transition? How many children experience transitions?

3. How long do children who have been issued CAPS scholarships go without using their scholarships? When do these outcomes occur? How many children experience them?

4. What characteristics of children, families, providers, care arrangements, and communities are associated with childcare stability?

5. How do CAPS program characteristics, such as the change in eligibility requirements in 2016, priority group eligibility status, and Quality Rated star ratings, affect scholarship and care spells?

What data did we use?

We used weekly records of CAPS scholarship holding and use for children aged 0 to 12 years old who newly entered the CAPS program in or after 2015 and before the start of the Covid emergency in March 2020.

Why is this issue important?

Research shows that stable childcare arrangements help children’s development, family functioning, and parents’ well-being. Studies have documented substantial instability in eligibility for subsidized care, but these studies examined other states and were conducted before 2014 when federal legislation changed eligibility requirements. In addition, little is known about instability that arises from subsidy non-use. Non-use reduces the ability of the CAPS program to assist families with the cost of childcare or support parents’ work and training.

Want to learn more?

A report is available at gpl.gsu.edu/gpl-publications

Suggested citation