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Understanding the State and Local Role in Home-Based Child Care

Infant/Toddler Care



Across the United States, state and local leaders recognize the urgent need to address the lack of affordable child care and the significant impact it has on local economies.

A 2023 report found that 85 percent of primary caregivers said problems with child care hurt their efforts or time commitment at work.¹ The lack of access to infant-toddler child care alone costs the nation \$122 billion in lost earning, productivity and revenue every year.

In recent years, cities, counties and states have made significant investments to grow and sustain the supply of child care, particularly in response to the COVID-19 pandemic. While there is no one approach that will solve the child care crisis, each level of government has a role to play in supporting families and the child care providers that serve them.

Home-based child care is a key part of the solution. Nearly 6.4 million children ages birth to five receive child care in a home-based setting. This series of issue briefs will explore how cities, counties and states are making investments and changing policies to support home-based providers.



The Challenge

To ensure the safety and well-being of children and promote healthy development, states regulate the number of children allowed in a care setting and the child-to-staff ratio. Very young children require more attention; therefore, providers need to arrange a lower child-to-staff ratio when caring for this age group. For preschool-aged children, a larger group size and lower ratio allows for adult support and guidance while encouraging independent play. For infants and toddlers, research shows that child development and caregiving quality improve when group size and child-to-staff ratios are smaller.² Lower ratios also allow for more direct interaction, which supports the safe, stable and nurturing relationships necessary for cognitive and emotional development.³

Child care in the United States is treated as a market-based service, meaning the price of care is closer to what parents can afford than the actual cost of providing care. To keep costs down, providers are often paid low wages and receive no benefits.⁴ This system, paired with the need for lower ratios for very young children and the fact that providers are paid per child, creates a disincentive for providers to serve infants and toddlers. In some states, a home-based provider could either care for — and be paid for — two infants or eight four-year-olds. Even with mixed-age groups, which are common in home-based child care settings, the U.S. Department of Health and Human Services' Administration for Children and Families recommends a maximum child to staff ratio of 6:1 and suggests no more than two of these children should be 24 months or younger.

Recommended Ratios and Group Sizes

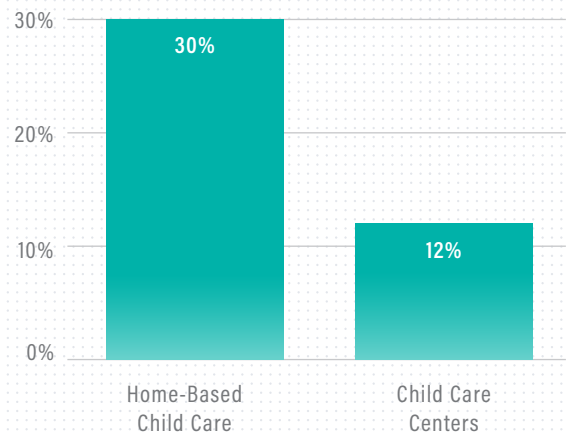
AGE GROUP	CHILD:STAFF RATIO	MAXIMUM GROUP SIZE
INFANTS: Younger than 12 months old	2:1	6
TODDLERS: 13–23 months old	2:1	8
TODDLERS: 24–35 months old	3:1	12
PRESCHOOLERS: 3 years old	7:1	12
PRESCHOOLERS: 4–5 years old	8:1	12

Source: Childcare.gov

The Solution

States and localities can improve and sustain child care access for infants and toddlers by providing incentives to child care providers, such as increased reimbursement rates for this age group or offering funds and supports to help providers build capacity. Home-based child care is also the most prevalent form of care for very young children: 30 percent of infants and toddlers are in home-based settings as their primary care arrangement, compared to 12 percent in centers. Even if investments are not specifically targeting infants and toddlers, supporting home-based care can be a good strategy for increasing availability of care for the youngest children since many families choose this type of care for this age group.

Home-Based Child Care is the Most Prevalent Form of Care for Very Young Children



Source: [Home Grown](#)

Research shows that child development and caregiving quality improve for infants and toddlers when group size and child-to-staff ratios are smaller.



Snapshots from the Field

City of Burlington, Vt.

Established in 2017, the [Early Learning Initiative](#) (ELI) supports access to infant/toddler care by providing scholarships to families and investing in providers' capacity. Families in Burlington who are at or below 80 percent of the Area Median Income and seeking full-time care are eligible for scholarships at high-quality programs in and around the city of Burlington. To help build the supply of infant/toddler care, the ELI Capacity Grant Program has awarded \$785,000 to establish new child care programs, create more space in existing programs and stabilize existing spots.⁵ While home-based providers are not eligible to receive funds for major renovations or additions, they can apply to receive funding for specific program quality improvement efforts or programmatic changes that will increase the total number of infants and toddlers served by the program.⁶

Michigan

Michigan used American Rescue Plan Act (ARPA) funding to create the Infant Toddler Quality Improvement Grant Program to increase the number of infant/toddler slots in the state. Through this pilot, providers received funds to support existing infant/toddler slots and create new slots. By pre-awarding funds, providers were able to hire staff or make adjustments to space as needed to increase the number of infants and toddlers their program could serve.⁷

Multnomah County, Ore.

In November 2020, voters in Multnomah County approved a ballot measure to expand access to free, culturally responsive and inclusive preschool. While the [Preschool for All](#) (PFA) program serves three- and four-year-olds, it was designed to support the whole early childhood system and not worsen the county's existing infant/toddler child care desert.⁸ Through PFA, providers receive stabilization funds that can be used to increase wages and benefits for educators caring for infants and toddlers. In recognition of the cultural and linguistic diversity of home-based providers in Multnomah County, the county partnered with Mico Enterprise Services of Oregon to support home-based providers and facilitate their participation in PFA. In the program's first year, 24 of the 48 PFA sites were home-based.⁹

San Mateo County, Calif.

Between 2017 and 2022, San Mateo County lost 16 percent of its family child care homes, leading to the loss of nearly 1,000 slots for children under two years old.¹³ To increase capacity, the county allocated \$870,000 of ARPA funds for the Family Child Care Infant and Toddler Expansion Grant, which provided \$10,000 grants to help providers sustain their businesses and build capacity to serve more infants and toddlers.¹⁴

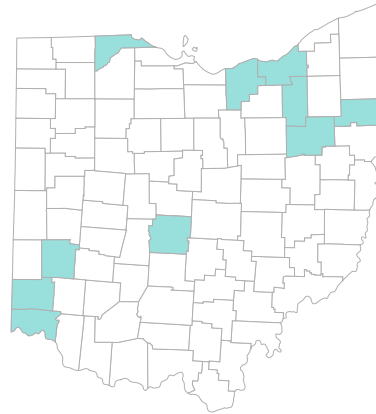
Ohio

The Ohio Department of Children and Youth launched the Infant and Toddler Infrastructure Grant Program in late 2023. The program will provide \$15 million in grants to help existing licensed providers expand their programs.¹¹ Providers must be located in an [Ohio Equity Initiative](#) (OEI) community. The OEI is a grant-funded collaboration between the Ohio Department of Health and local partners that aims to address the state's racial inequities in birth outcomes and infant deaths. This investment was informed by a task force recommendation to increase child care options in these target communities.¹²

North Dakota

In 2023, the state passed House Bill 1540, which will provide more than \$65 million to support the child care system. The investment includes \$15 million to incentivize infant/toddler care by increasing the reimbursement rates for this age group for both center- and home-based providers.¹⁰

THE OHIO EQUITY INITIATIVE:



[Working to Achieve Equity in Birth Outcomes](#) is a grant-funded collaboration between the Ohio Department of Health and local partners, created in 2012, to address these racial inequities in birth outcomes. Population data is used to target areas for outreach and services in the 10 counties with the largest disparities. These 10 counties accounted for 84% of Ohio's Black infant deaths in 2020 and 62% of all infant deaths.

Through these efforts Ohio is working to amplify the vision and voices of communities most impacted by disparities in birth outcomes and infant deaths. It is important that we also support a locally-driven, holistic approach to racial inequities in birth outcomes and infant deaths led by those with the deepest knowledge about the changes needed—the affected communities themselves.

Source: Ohio Department of Health

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Scan the QR code to learn more about strategies to support home-based child care and explore our other resources to support youth and families.

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