



Care 4 Kids Primer

March 2019

What is Care 4 Kids?

Care 4 Kids, the state’s child care subsidy program, provides critical assistance to eligible families who demonstrate the need for care but may struggle to afford to pay for child care. These subsidies support families to obtain infant and toddler care, preschool, and afterschool care for children from Kindergarten through 13 years of age. However, low reimbursement rates to providers and limited eligibility for parents mean that affordable, high-quality child care remains out of reach for many working families. We believe early care and education should be made more accessible to families who need it, providers should be paid a living wage, and families who are seeking to better themselves through education and training should have the opportunity to participate in the program.



Who Currently Participates?

In November 2018, 14,925¹ children participated in Care 4 Kids. This included 5,785 infants and toddlers and 4,870 preschoolers. Enrollment was nearly one-third lower than for same month in 2015 (by approximately 4,400), prior to closure of the program to new applicants in 2016. (The program re-opened in late 2017.) Almost every town in Connecticut (more than 97%) has families who benefit from the program. There are no public data on exactly how many providers receive the subsidy.

Family Eligibility

Families must meet both non-financial and financial requirements² to be eligible for Care 4 Kids. Currently, the income limit for new applications is 50%³ of the state median income (SMI). For a family of four, this amounts to less than

\$56,275 per year.

The program is available to parents who meet certain residency and citizenship requirements. Additionally, parents must “demonstrate a need for care” by:

- being employed with no alternatives for child care
- participating in an “approved employment services activity” while receiving Temporary Family Assistance (TFA)
- attending high school for teenage parents (under 20 years of age) while not receiving TFA

Parents who seek to further their education are not currently eligible for child care during classes or class-related activities.

This analysis is a collaboration between Connecticut Voices for Children, the Connecticut Association for Human Services and the Connecticut Early Childhood Alliance. It is made possible by funding from the Partnership for America’s Children.

Providers Eligibility Requirements

All Connecticut families face multiple challenges when seeking child care: availability, affordability, and quality. A robust Care 4 Kids system benefits all families, even when they do not receive the subsidy themselves. The federal government has established several requirements for quality of care that providers must follow, so all children under these providers' care also benefit.



Providers who participate in Care 4 Kids include center-based programs,⁴ family child care,⁵ and relative providers⁶ (e.g., a grandparent, aunt/uncle, or sibling who are at least 20 years old). There is a range of professional learning requirements,⁷ depending on the type of provider. These may include health and safety, CPR, and first aid. The Office of Early Childhood (OEC) is required to set aside some of the federal funds to offer training and professional learning opportunities.⁸ Additionally, parents receive resources, including information about family benefits, developmental screenings, and consumer protection.

How is it Funded?

Care 4 Kids is funded with a mix of state and federal funds. The OEC receives money from the Federal Child Care and Development Block Grant (CCDF) and those funds are supplemented with funding from the state budget. More funds are needed to ensure that all families have access to care and education, while ensuring that providers receive a living wage

Rates of Reimbursement

Providers are reimbursed based by provider type, child age, region of the state, and hours/week of care. While the average cost of care for infants and toddlers is \$300⁹ per week, the average rate of reimbursement rate¹⁰ by Care 4 Kids is only \$211 per week. Parents must make of the difference, which adds up to more than \$4,600 per year per child over 50 weeks. It should be noted that family child care providers receive an average of \$221 per week for the same level of care.

Recommendations



An investment in early education for our children is an investment in our future. Connecticut needs an early childhood system that supports children, their families, and the people who care for and educate them. Governor Lamont proposes to increase funding for Care 4 Kids in his state budget for Fiscal Years 2020 (\$4.9 million) and 2021 (\$9.8 million). This is in addition to an increase of \$14 million in federal CCDF funding.

At the same time, there are several bills from both sides of the aisle that would increase funding for reimbursement to providers and expand eligibility for families. This increased funding should be used to:

1. Increase rates of reimbursement to providers to the 75th percentile of market rates. Providers should make a living wage and parents should not be asked to pay more than they can afford.
2. Expand family eligibility by:
 - Including parents who are attending a program of study, including two- and four-year college programs;
 - Increase eligibility to 75% of the SMI for new applicants. This amounts to \$84,412 for a family of four. This is just over what the United Way calls a “survival budget” (\$77,832) for a family of four with an infant and preschool aged child. Parents should not have to choose between basic needs and the cost of child care.

¹ <https://www.ctcare4kids.com/care-4-kids-program/reports/>

² <https://www.ct.gov/oec/cwp/view.asp?q=545048#17b74902a>

³ <https://www.ctcare4kids.com/care-4-kids-program/income-guidelines/>

⁴ <https://www.ctcare4kids.com/provider-information/centerbasedprograms/>

⁵ https://www.ctcare4kids.com/licensedfamilychild_careproviders/

⁶ <https://www.ctcare4kids.com/provider-information/unlicensedrelativeproviders/>

⁷ <https://www.acf.hhs.gov/occ/resource/ccdbg-of-2014-plain-language-summary-of-statutory-changes>

⁸ <https://www.acf.hhs.gov/occ/fact-sheet-occ>

⁹ <https://www.ctcare4kids.com/wp-content/uploads/2018/04/2017-C4K-Reimbursement-Rates-rev-2018.pdf>

¹⁰ <https://www.ctcare4kids.com/wp-content/uploads/2018/04/2017-C4K-Reimbursement-Rates-rev-2018.pdf>