

From Pandemic to Progress

Eight Education Pathways for COVID-19 Recovery

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Bringing Home-Based Child Care Providers Into the Fold

The year 2020 precipitated long-overdue attention on early care and education (ECE). After the COVID-19 pandemic shut down early childhood providers, [local](#) and [national media](#) outlets wrote often and loudly about the role child care plays in propping up the economy. [Voters](#) across the political spectrum favored increased investment in the early childhood system, and policymakers [responded accordingly](#). And during his presidential campaign, President Biden proposed a [comprehensive early care and education system](#) for children from birth through age five. This current confluence of support presents a unique opportunity to deliver better ECE for our nation's most vulnerable children.

But any effort to improve access to and quality of ECE must not repeat the mistakes of the past. Specifically, home-based child care providers — those who do not operate out of more formal settings, like schools or centers — must be truly brought into the fold of the early childhood ecosystem.

In the wake of COVID-19, families should have access to a robust sector of high-quality home-based child care providers.

From Pandemic to Progress puts forth eight ambitious but achievable pathways that leaders and policymakers can follow to rebuild education – and student learning and well-being – as the country begins to emerge from the COVID-19 pandemic. To read more from this series, visit www.bellwethereducation.org/pandemictoprogress.

This is critical if policy is to address families' needs and respect their preferences for ECE. Over the coming years, policy can support families' access to a robust sector of high-quality home-based child care providers by instituting policies and practices to improve financial sustainability of home-based child care providers. Policymakers can also ensure that these providers are equitably included in efforts to improve quality of care and increase children's access to comprehensive services.

Home-based child care providers are invaluable to ensuring the country's most vulnerable children and families have access to high-quality care.

The early care and education system is built on a diverse delivery model; a range of early childhood providers can care for young children, and families decide which setting is best for their child. "Home-based child care" (HBCC) is an [umbrella term](#) for child care settings operated in private residences. This type of care can include providers who operate as small businesses and are paid for their services, as well as more informal caretakers, such as grandparents, neighbors, or family friends.

To the uninitiated, HBCC providers may seem out of place in the context of early childhood policy, but they are crucial players in the early childhood provider ecosystem and must be prioritized in efforts moving forward.

In a world with debilitatingly limited access to [child care](#), HBCC providers offer much-needed supply, allowing families to work and supporting children's development. Altogether they care for about 7 million [children](#), more than any other early childhood setting. By way of comparison, Head Start – the largest publicly funded early childhood program in the country – serves about 1 million [children](#). HBCC providers are particularly crucial for historically marginalized populations: Low-income families, families with low educational attainment, single parents, and Black and Latinx families are more likely to choose HBCC providers for their children.

Families opt for HBCC providers for a range of reasons. Often, HBCC providers offer services that families struggle to find in more formal settings. For instance, HBCC providers are more likely to care for [infants and toddlers](#) and [mixed-age groups](#), operate in [rural](#) areas, and offer nontraditional hours, including weekends, early mornings, and [on-call](#). HBCC providers also are typically more affordable and geographically easier to [access](#). In addition, many HBCC providers are located within families' communities, so they are more likely to speak the family's home language and share similar racial, ethnic, and cultural backgrounds and [experiences](#).

Millions of families choose HBCC providers for their children, and those families should be able to trust that policy provides equitable resources and supports for home-based care as in other settings – but that's not the current reality.

The “center-centric” nature of early childhood policy disadvantages home-based child care providers — and the children and families they serve.

The number of licensed HBCC providers has been plummeting for [years](#), and those who do continue to operate lack access to supports and resources that are crucial to improving the quality of care for children.

These challenges stem, in part, from early childhood policy’s tendency to be “center-centric,” or anchored around more formal care settings as the norm. When centers and schools are considered the standard unit of measurement, decisions reflect that assumption. As a result, policy and practice — intentionally or otherwise — prioritize center- and school-based providers.

HBCC providers receive less public funding than providers in other settings, and it’s possible that funding will continue to shift away from HBCC providers and toward [centers](#). Among payments for services alone, they receive [about \\$100 per child per month less than other settings](#). The difference in funding may appear inconsequential, but it’s not, particularly given the fragility of HBCC providers’ business models. HBCC providers take on comparable administrative burden while caring for fewer children in a sector where all providers, regardless of setting, operate on alarmingly thin margins. One child’s inconsistent attendance can mean the difference between an HBCC provider staying open or closing. That’s simply not the case for center-based child care providers.

Funding delivery mechanisms and compliance standards exacerbate these challenges. Public funding is most often based on attendance rather than enrollment and paid after services are provided. Health and safety standards can require expensive reworking of residential homes in ways that aren’t necessary for children’s well-being but rather push HBCC providers to look more like center-based facilities. These challenges are substantive, too: For example, public funding sources, like many state-funded preschool programs, may require providers to use curriculum that meet certain standards of quality. But both the standards and the available curricula were designed for centers, so HBCC providers invest scarce dollars in something that has not been extensively studied or validated in home-based settings.

Finally, HBCC providers often lack access to efforts to improve quality and comprehensive services available to center- and school-based providers. State-funded professional development opportunities, for example, are a crucial vehicle for improving the quality of care, but trainings are often offered at times, at locations, or in languages that HBCC providers cannot access. When HBCC providers can attend, few trainings are tailored to, or truly relevant for, home-based caregivers.

When a parent chooses home-based care, that cannot mean that their child shouldn’t have equitable access to the resources and supports that come with center-based care — but right now, it does. There are clear equity implications: Because of the population that HBCC providers serve, policy is effectively designed to disadvantage low-income and Black and Latinx children.

As we begin to emerge from the pandemic, policy and practice must bring home-based child care providers into the fold of the early childhood ecosystem.

Any future efforts to improve access to and quality of early care and education must recognize the value that home-based child care providers bring to families and the early childhood field, and integrate and support them accordingly.

In the years ahead, federal, state, and local policymakers must:

- Institute policies and practices to improve financial sustainability of home-based care providers.
- Ensure home-based child care providers are equitably included in efforts to improve quality of care and increase children's access to comprehensive services.

Together, these strategies can lead to an increase in the supply of high-quality early care and education options for families. Crucially, these recommendations outline the contours of a path forward to better support HBCC providers, but practitioners themselves must be directly engaged in developing any specific policy and practice recommendations.

Institute policies and practices to improve financial sustainability of home-based care providers.

Improving financial stability for HBCC providers starts with increasing funding. Policymakers should increase reimbursement rates available through existing funding streams, particularly the Child Care and Development Block Grant (CCDBG) and Head Start/Early Head Start. Reimbursement rates should be tiered to incentivize providers to fill critical shortage areas in the ECE system — such as providers who care for infants and toddlers, offer round-the-clock care, or are located in child care deserts — and accommodate the additional cost of doing so.

Policymakers also should consider other sources of funding for HBCC providers, specifically programs that are not focused on ECE. HBCC providers offer benefits that align with priorities across agencies and, as a result, may be eligible for economic mobility, small business, and housing and community development funding opportunities. Increasing these funding streams, and ensuring they do not unintentionally exclude HBCC providers, can substantially improve financial stability. Policymakers also can provide indirect funding by covering the cost of key expenses that place a disproportionate burden on HBCC providers, such as background checks and necessary facilities upgrades, and ensure that HBCC providers have simple, low-burden ways to access these varied funding streams.

Further, policymakers can make key infrastructure changes, such as to when and how providers are paid. Allocating funds through contracts rather than vouchers, calculating reimbursements based on enrollment rather than attendance, and paying providers in advance all increase the predictability of funding.

Finally, policymakers can explore ways to reduce the complexity of navigating regulatory requirements.

For example, HBCC providers often must go through multiple approval processes with multiple agencies; health department inspections, fire department inspections, and local and state business and child care licenses all have their own requirements. Policymakers and agency staff should inventory regulations governing HBCC providers, assessing if they are appropriate for this setting. As necessary, policymakers and agency staff should align requirements or grant reciprocity between types of required licenses.

Policymakers can alternatively — or simultaneously — encourage or fund staffed child care [networks](#). These networks offload administrative responsibilities — like interpreting license requirements — so HBCC providers don't need to develop that expertise in-house, can increase efficiency and create economies of scale so that HBCC providers can invest their resources elsewhere, and can support multi-agency efforts to align policy and funding for HBCC providers.

Ensure home-based child care providers are equitably included in efforts to improve quality of care and increase children's access to comprehensive services.

Federal, state, and local policymakers and agency staff should examine existing efforts to support early childhood quality and comprehensive services with an eye toward the treatment of home-based child care providers within these efforts and rework initiatives that inequitably exclude or deprioritize these providers. Per the previous example of professional development, trainings should be offered at times, at locations, and in languages that make it logistically possible for HBCC providers to participate. Home-based child care providers should also have equitable access to other types of professional development that center-based providers receive, specifically intensive job-embedded [coaching](#).

But most importantly, professional development content should be relevant to the home-based care environment. It's not appropriate, for example, for an HBCC provider to spend a morning in a training about communicating child outcomes data to staff or be coached on classroom management. A session on good business practices, however, or coaching on supporting children's development in mixed age groups would be relevant. Other quality improvement efforts — like program accreditation, early childhood learning standards, credential requirements, and use of data and assessment — have similar challenges with content relevance. A version of these strategies can substantially improve the quality of care that children and families receive, but only if they are oriented to support quality in home-based care environments.

Finally, policymakers and agency staff must address situations in which children in home-based child care settings experience inequitable access to comprehensive services. For example, cross-agency efforts to provide comprehensive services for children — mental health consultations, disability services, vaccinations, health and dental screenings — tend to deliver these services at centers or schools. Administering these services at every home-based child care provider isn't the solution; networks, for example, can be a way for systems to partner with HBCC providers and deliver support. It's crucial to consider which children these policies and practices are leaving out.

No comprehensive birth-to-five system can exist without home-based child care providers.

The mainstream early childhood narrative treats center- and school-based care as the norm, subtly communicating a hierarchy of early childhood providers, with home-based child care at the bottom. Policy and practice decisions reflect this narrative, creating challenges for home-based child care providers that providers in more formal settings never encounter. As a result, millions of children and families — disproportionately Black, Latinx, and low-income — don't receive the resources or supports to which they're entitled.

There is an opportunity, in the near term, to course correct. To meet families' child care needs and honor their preferences, equitably prioritizing home-based child care providers in policy and practice is the only acceptable path forward.

To read more from this series, visit www.bellwethereducation.org/pandemictopprogress.

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About Bellwether Education Partners

Bellwether Education Partners is a national nonprofit focused on dramatically changing education and life outcomes for underserved children. We do this by helping education organizations accelerate their impact and by working to improve policy and practice. Bellwether envisions a world in which race, ethnicity, and income no longer predict opportunities for students, and the American education system affords all individuals the ability to determine their own path and lead a productive and fulfilling life.