

Child Care Provider Survey Results

February 2021



About the Survey

- Survey Fielded from February 5-12, 2021
- Total Unique Responses: **387**
- Distributed to broad range of providers via:
 - Email to list of Subsidy Providers
 - Child Care Aware® of Missouri
 - Missouri AfterSchool Network
 - Partners in Kids Win Missouri's network
- Goal: Take the current temperature of child care in Missouri
 - Understand the current state and needs of child care
 - Obtain information about what strategies and activities would best support providers and families through and beyond the pandemic
- Survey responses may not be scientifically representative of the state
 - Respondents' characteristics are compared to known providers in Missouri, when information is available

Key Takeaways

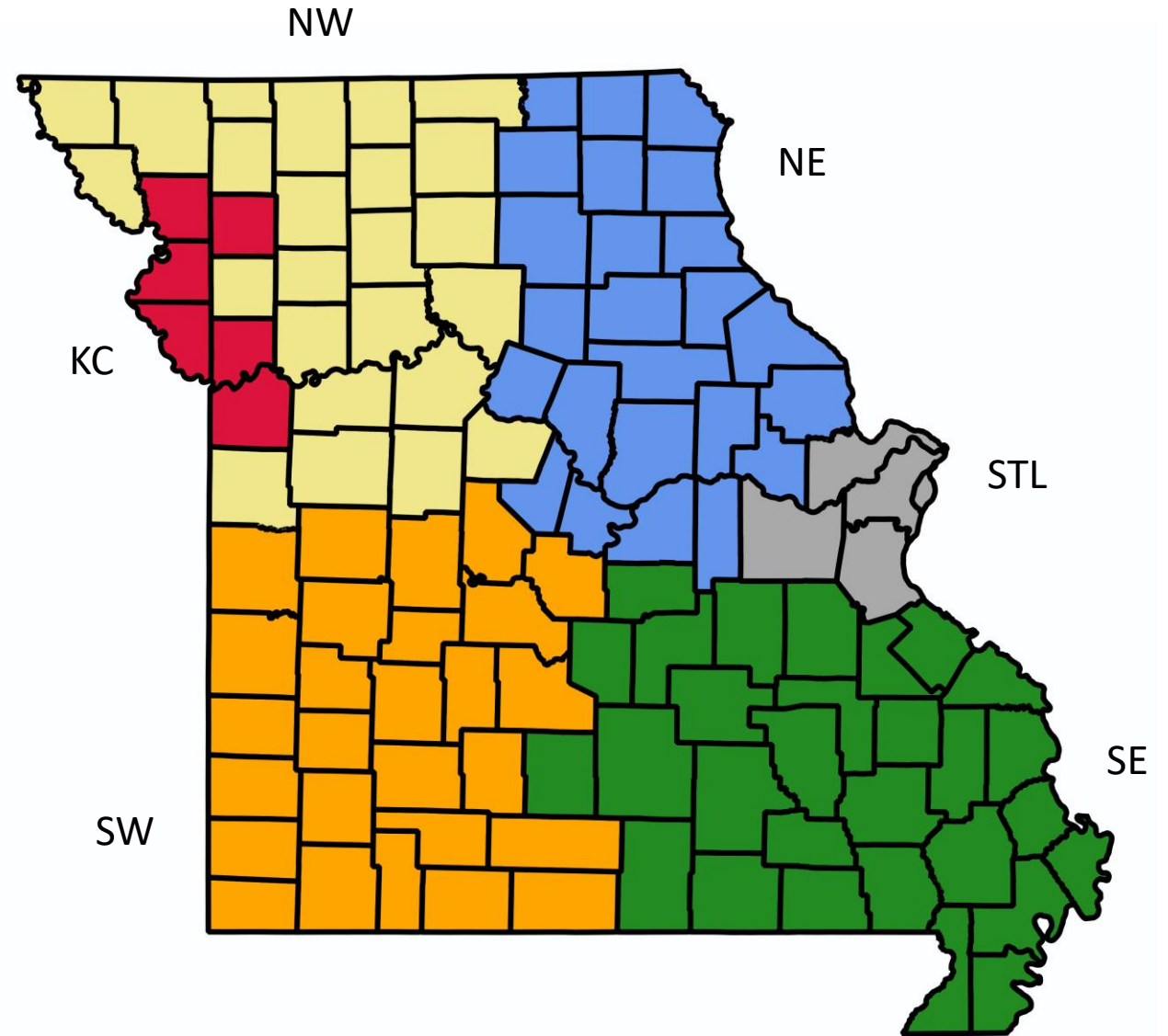
- Child care in Missouri is in a fragile state
 - 39% of respondents have < 1 month of operating expenses available, and more than 70% have < 2 months
 - 57% of respondents have had to layoff, furlough or cut pay for staff
 - 79% of respondents have realized a decrease in enrollment
- Retaining and recruiting the child care workforce is the greatest worry
 - Raising compensation for classroom teachers and aides and providing guaranteed and regular payments to providers for families receiving subsidies would be the most helpful long-term
- Providers will most likely raise rates they charge families without additional public support

Responses by CCDBG Region

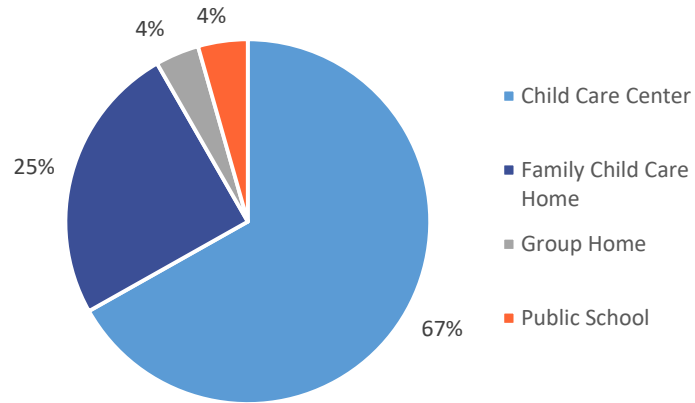
Region	% of Respondents	% of MO Facilities*
KC	21	17
NE	19	16
NW	7	8
SE	13	12
STL	27	31
SW	13	16

Respondents' facilities covered 80 of Missouri's 115 counties.

*As tracked by Child Care Aware® of Missouri

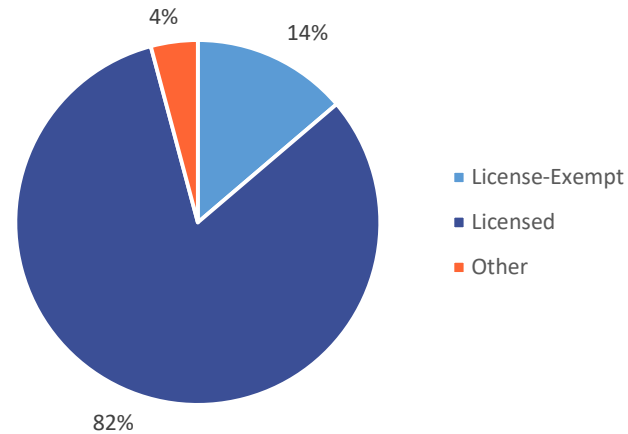


Program Type



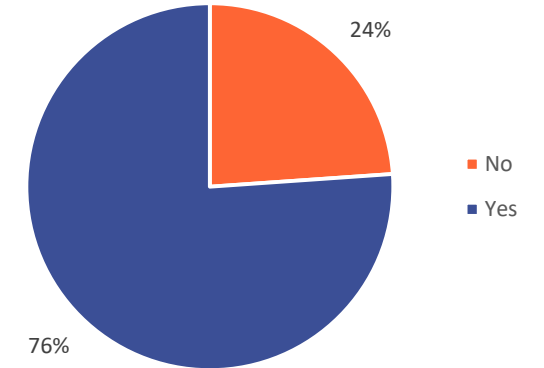
Program Type	% of Respondents	% of MO Facilities*
Child Care Center	67%	70%
Family Child Care Home	25%	25%
Group Home	4%	4%
Public School	4%	N/A

Regulatory Status



Regulatory Status	% of Respondents	% of MO Facilities*
License-Exempt	14%	13%
Licensed	82%	86%
Other	4%	1%

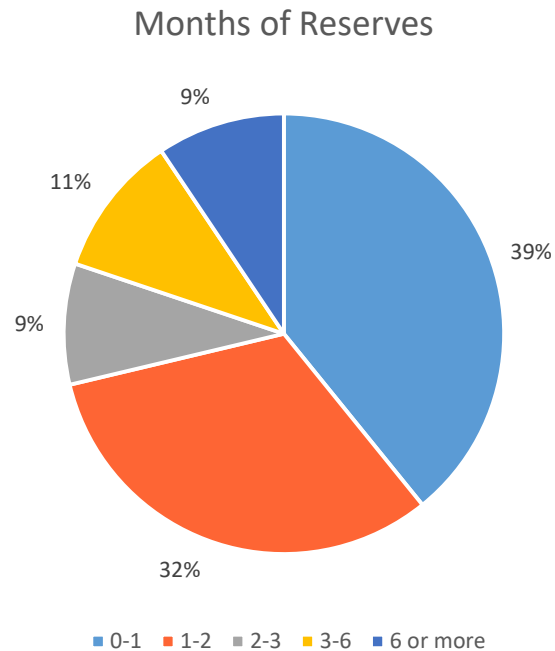
Accept State Subsidies



Accept State Subsidies	% of Respondents	% of MO Facilities*
Yes	76%	55%
No	24%	45%

*As tracked by Child Care Aware® of Missouri.

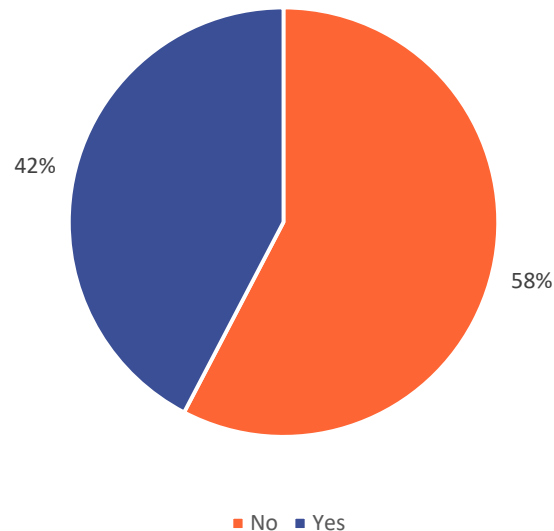
Providers' Current Operating Capital



- 39% of respondents have < 1 month of operating capital
- More than 70% have < 2 months

Providers Accessing Non-Forgivable Debt During Pandemic

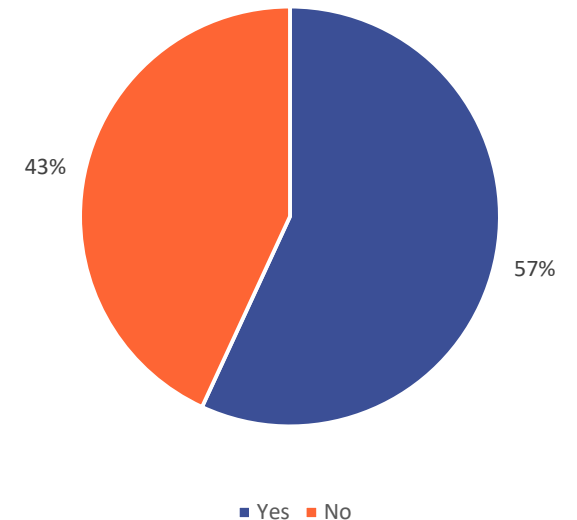
Took on Nonforgivable Debt During Pandemic



42% of respondents have had to borrow money to make ends meet

Pandemic Impact on Workforce Changes

Had to Layoff, Furlough or Cut Pay for Staff



57% of respondents have had to make staff cuts during the pandemic

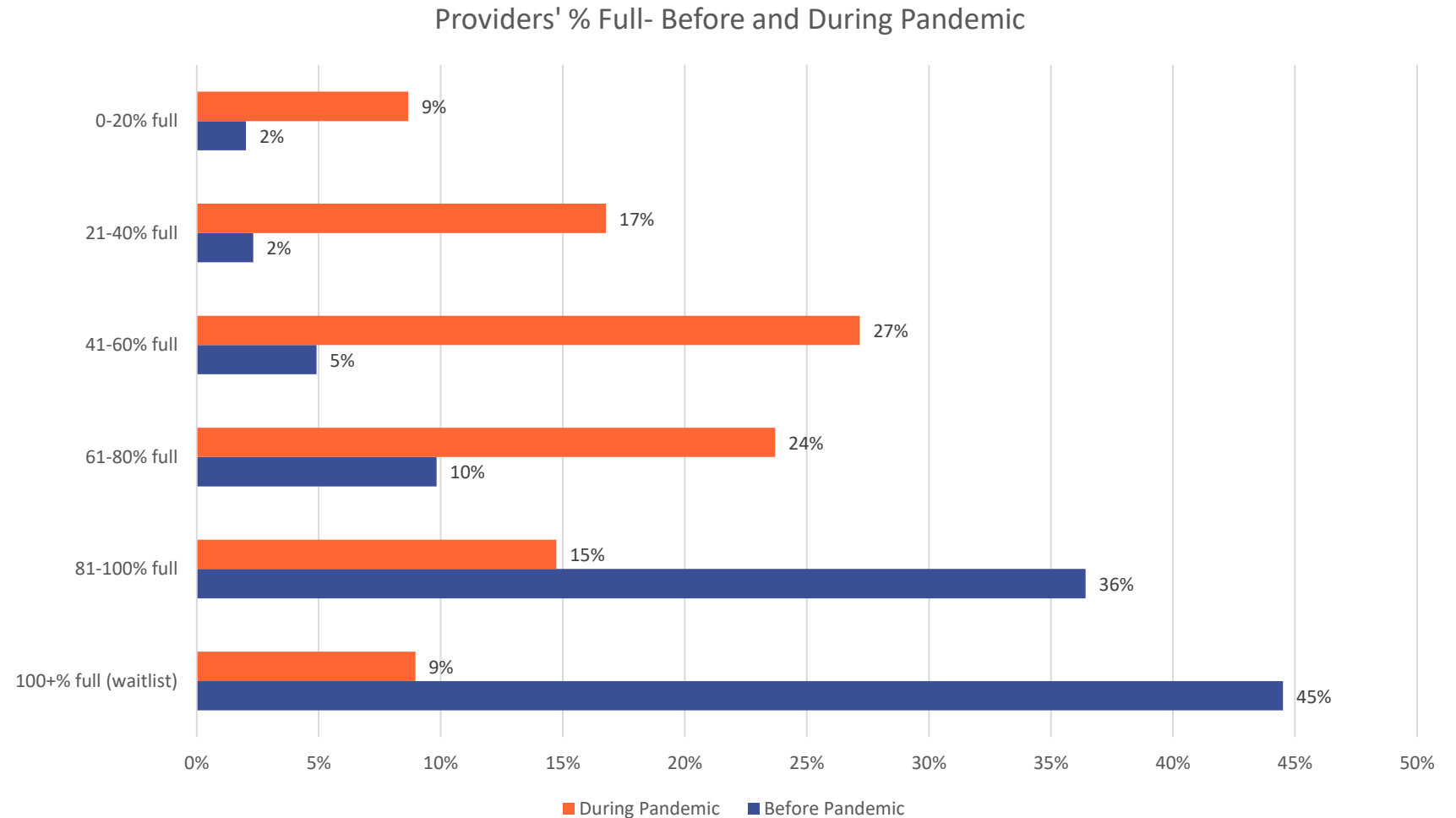
“I'm the only worker and cut my salary once and probably getting ready to cut it again.”

- Licensed Family Child Care Home in St. Louis

Enrollment Before and During Pandemic

Before the pandemic, nearly half of respondents were full and/or had a waitlist. During the pandemic, this dropped to 9%.

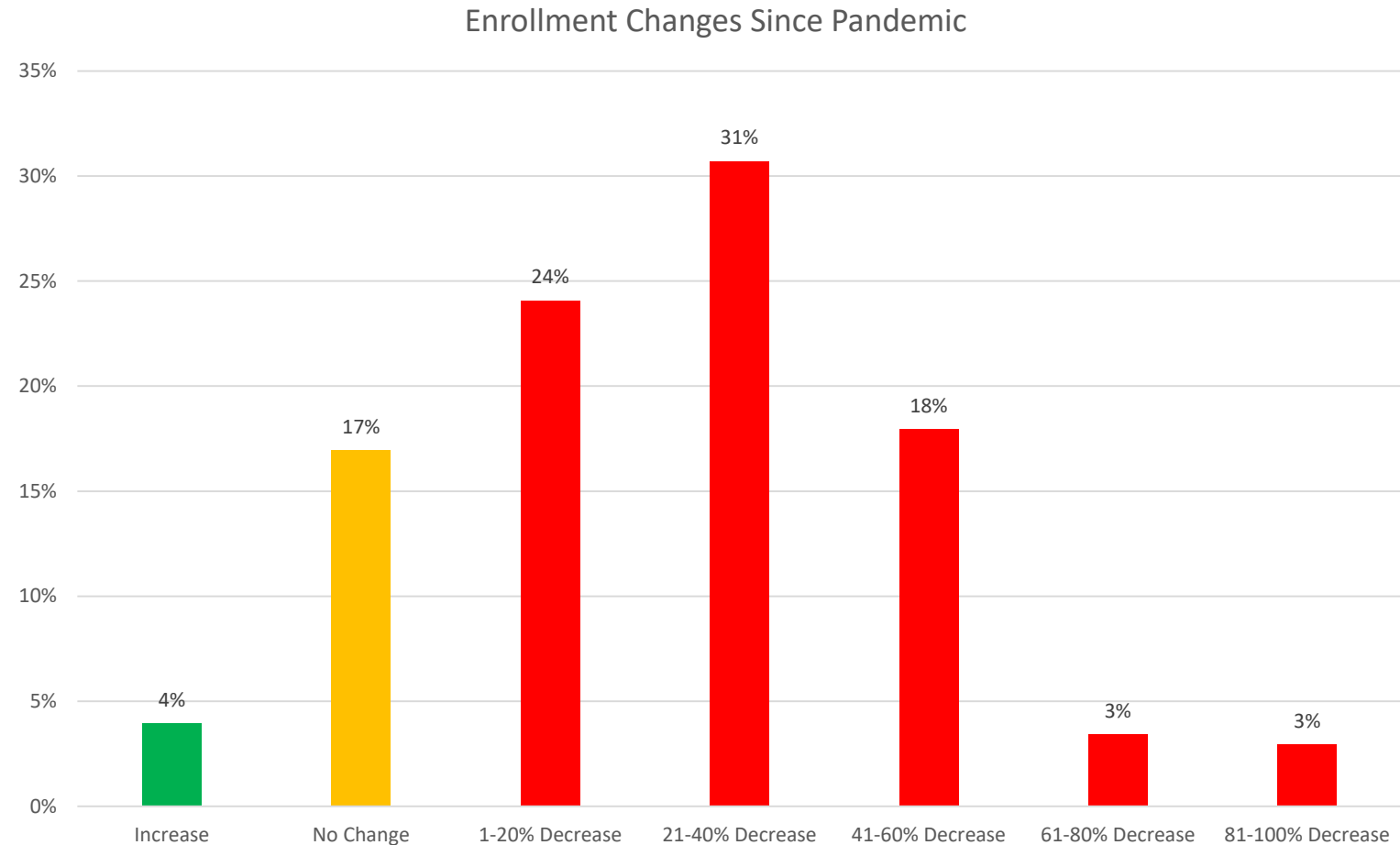
During the pandemic, 53% of respondents are now less than 60% full.



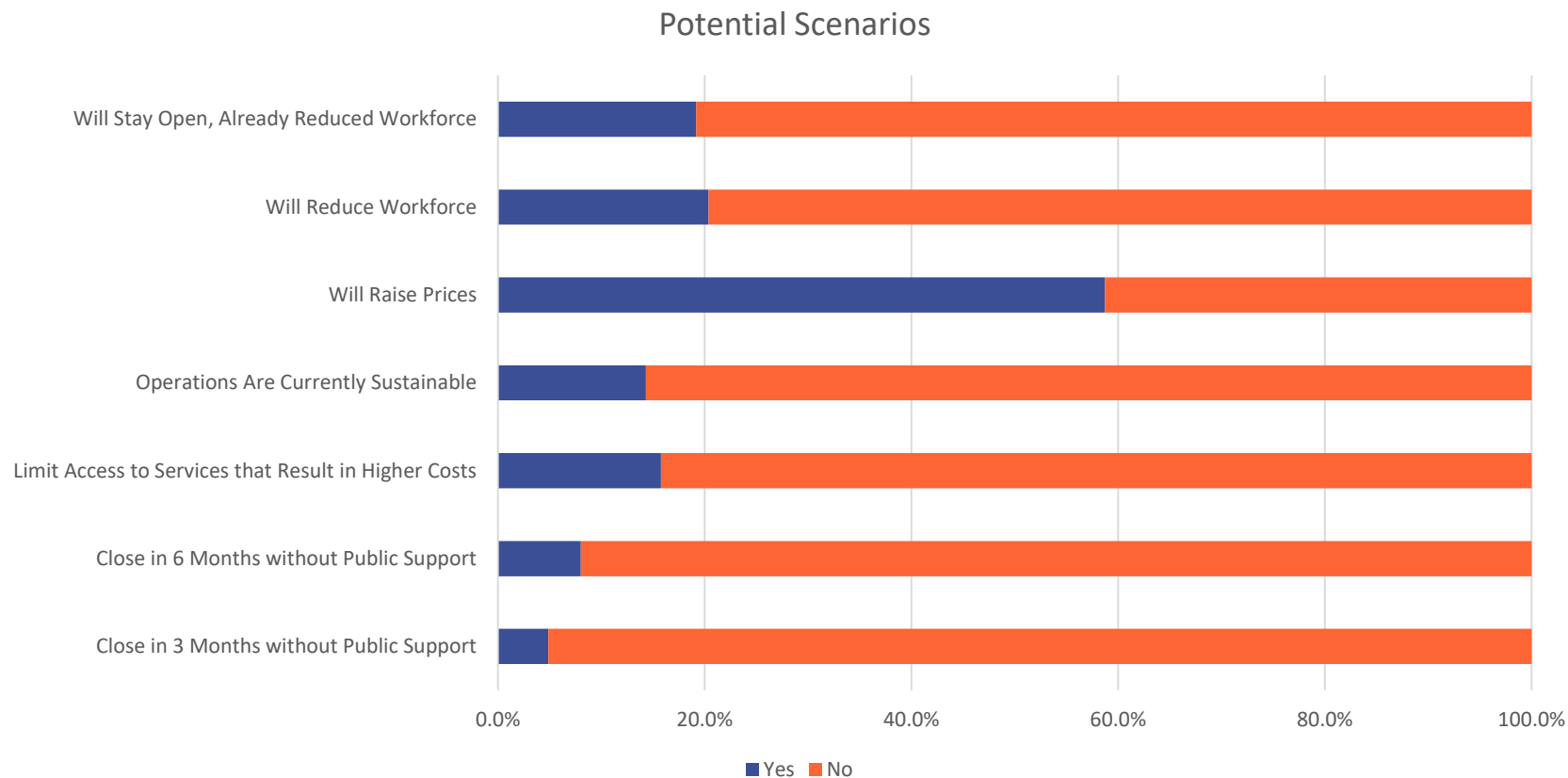
Enrollment Changes Since Pandemic Started

When comparing respondents' enrollments before and during the pandemic:

- Nearly one-third of providers have seen a 21-40% drop in enrollment during the pandemic
- 79% of respondents have realized a decrease in enrollment
- 4% have realized an enrollment increase
- 17% have had no change



Which Statements Best Describe Respondents' Financial Situation?



- More than half of respondents are considering raising prices for the services they provide
- 20% may reduce their workforce
- Another 20% already have reduced their workforce, which is allowing them to continue their operations
- 5% may close within 3 months without public assistance
- 8% may close within 6 months without public assistance

Greatest Current Needs of Providers

Response	% Mention
Staff/Workforce	40%
Money	45%
Higher Enrollment	16%
Facility/Operating Needs	29%
Streamlined State Administration/Consistently and Timely Payments	12%



Programs' Needs

"Getting my mortgage back on track. I am currently in a forbearance. Once that ends, IF I don't have enrollment needed to support the payment, I don't know how can stay open. The income we have now is paying insurance, utilities, food, staff and PPE."

- Licensed Child Care Center in Kansas City

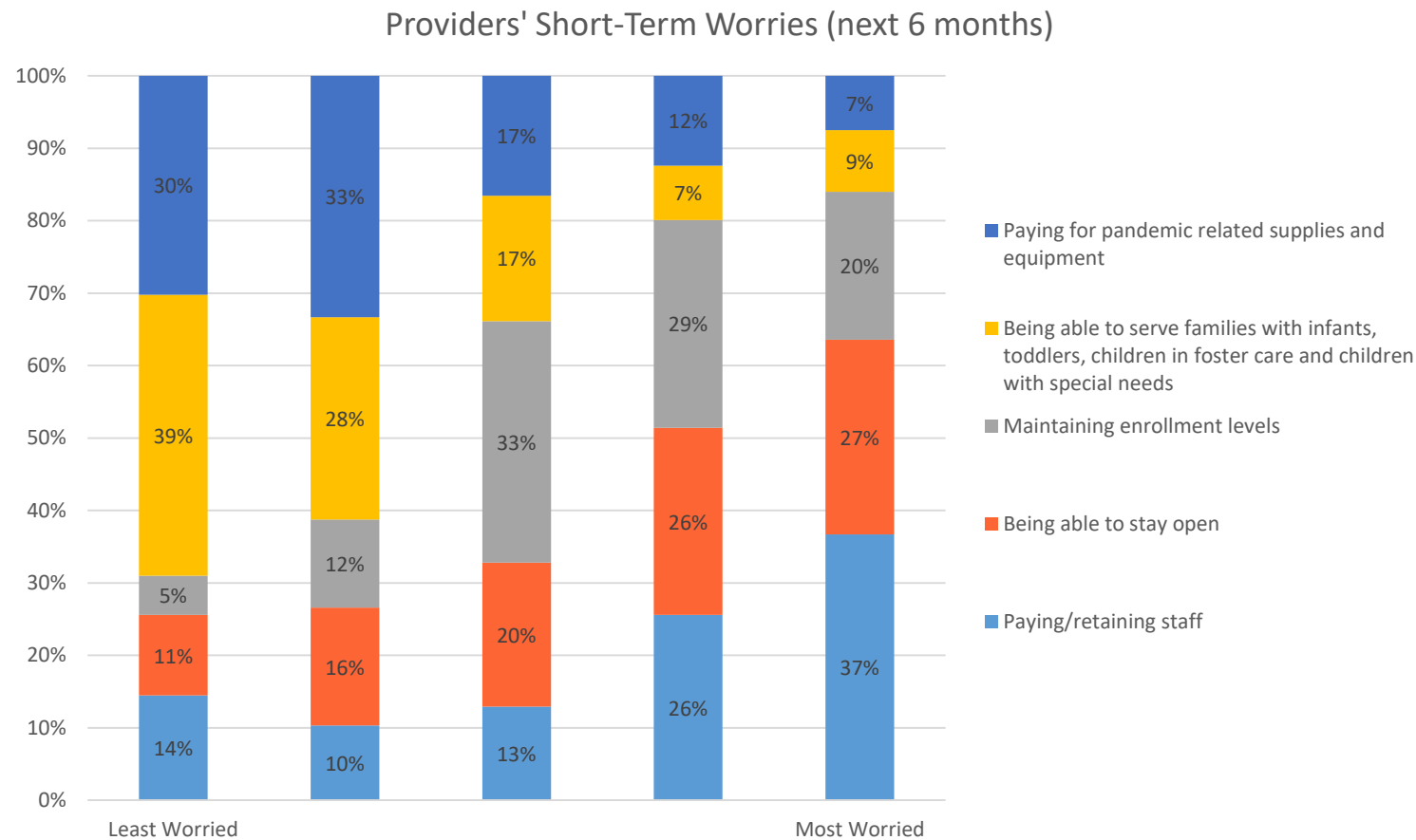
"Ability to pay staff more than minimum wage ."

- Licensed Child Care Center in Johnson County

"Being able to pay decent salaries to keep the good help I have and still stay in business. I wish we could get paid the amount for a foster child as what the center charges. I like to take the foster children but I lose money every week on a foster child because I am not paid what I charge."

- Licensed Child Care Center in Gasconade County

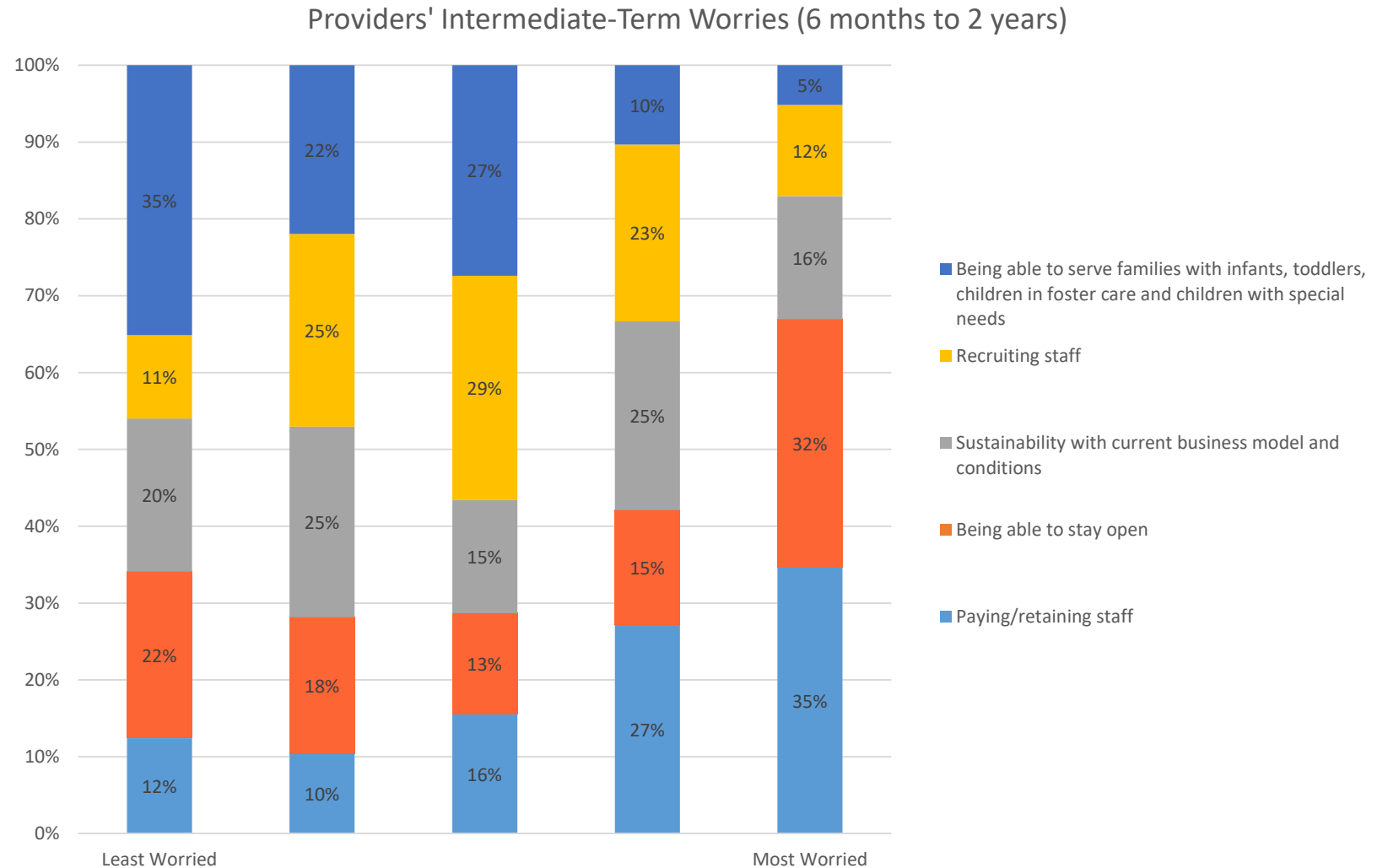
Providers' Short-Term Worries



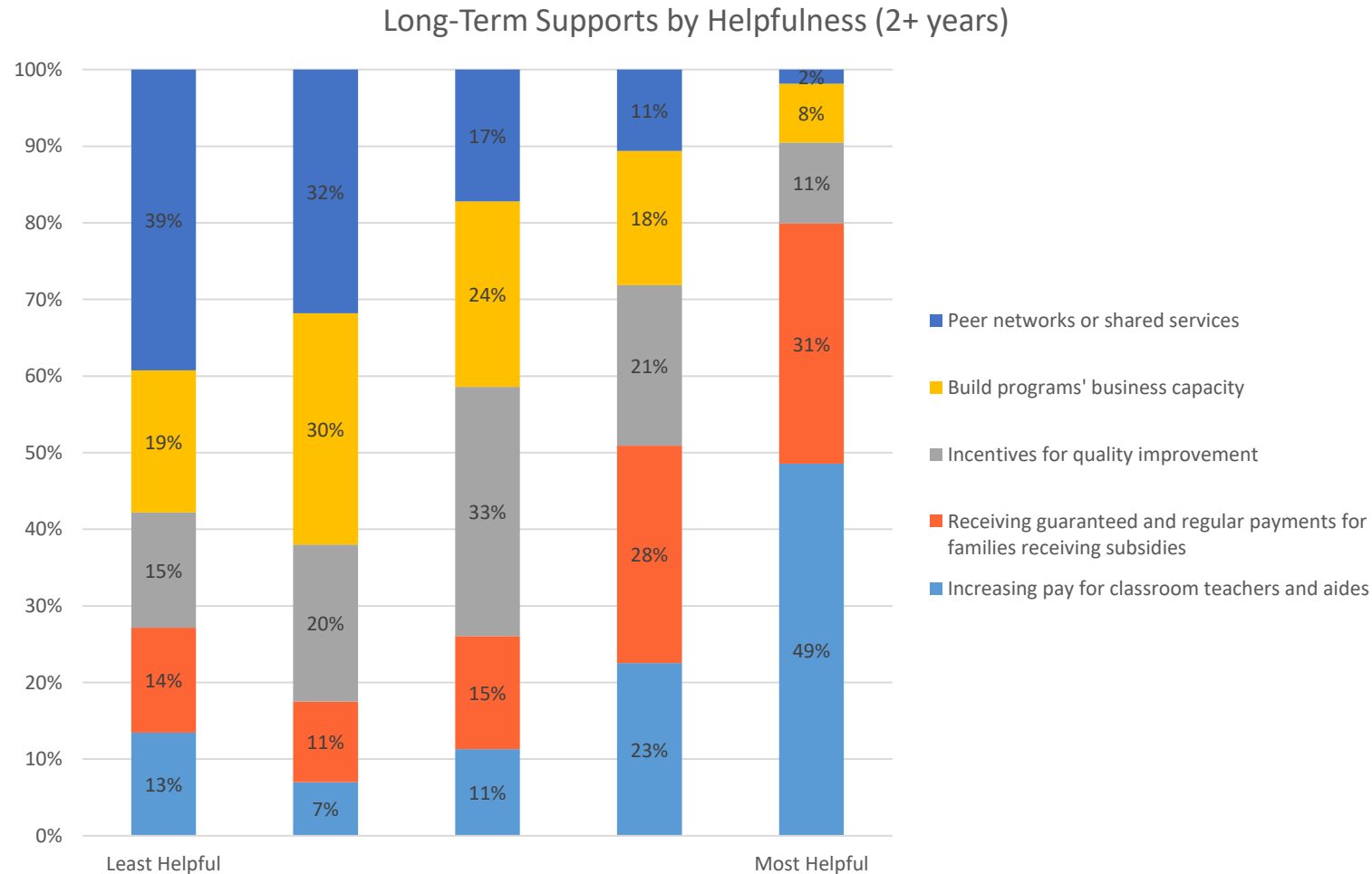
In the next 6 months, respondents named paying and retaining staff as their top worry, followed by being able to stay open.

Providers' Intermediate-Term Worries

Overall, the worries don't change from the short-term to the intermediate-term. In the 6 months to 2 years timeframe, respondents named paying and retaining staff as their top worry, followed by being able to stay open.



What Would Most Help Providers Long-Term?

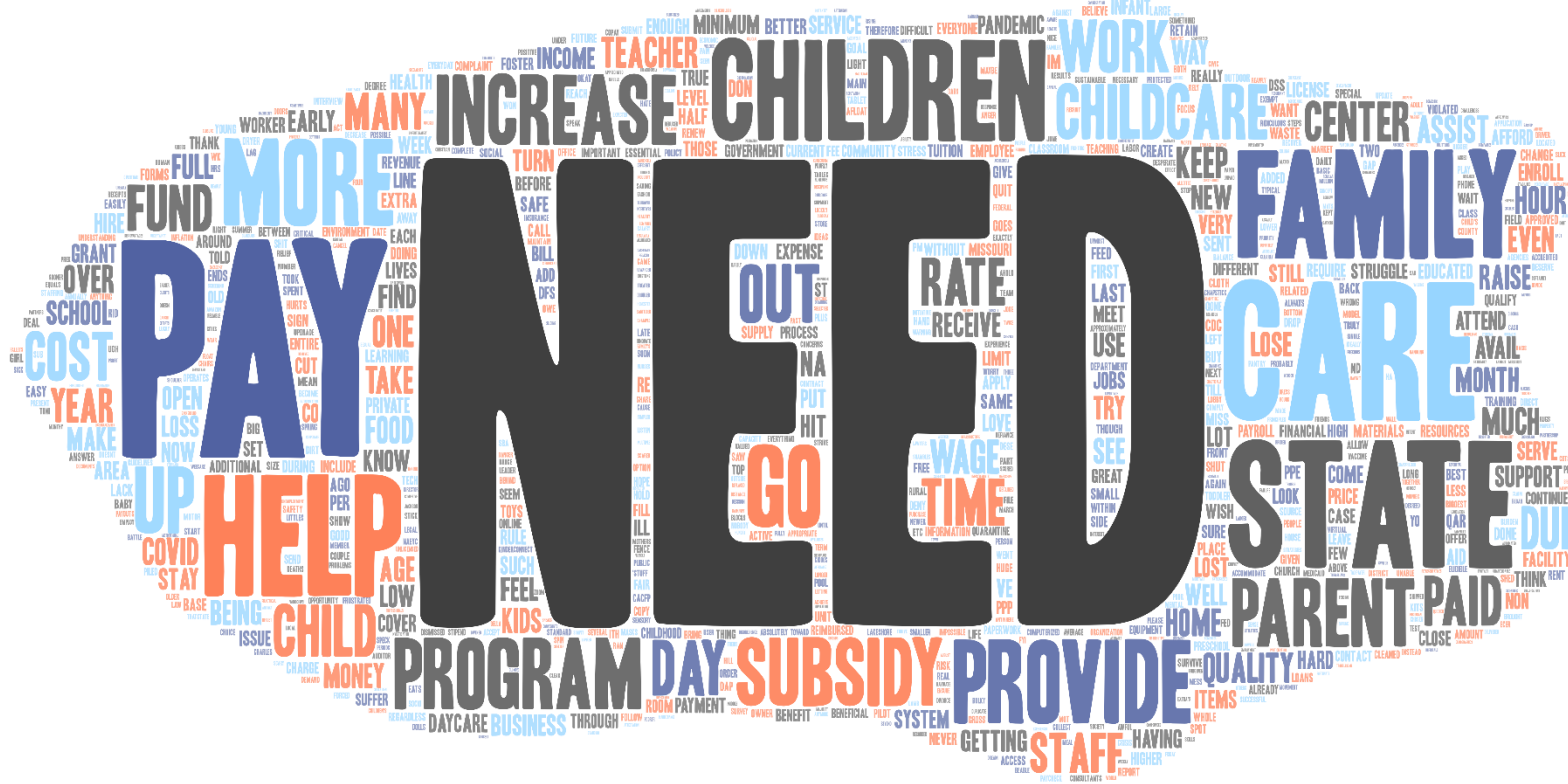


Respondents indicated increasing pay for classroom teachers and aides would be the most helpful to providers, followed by receiving guaranteed and regular payments for families receiving subsidies.

“My teachers are significantly underpaid, and they lack an accessible benefits package. This creates substantial pressure on retention, which undermines quality. The single greatest determining factor in the quality of early education is the interaction between teacher and student. Increases in the reimbursement rate (as well as new models of reimbursement outside of attendance) are needed in order to invest in teachers and enhance quality.”

- Licensed Child Care Center in Kansas City

Other Comments from Providers



Response	% Mention
Need Public Support	17%
Lack of Resources	10%
Need More Resources for Families	6%
Need Resources for Workforce	10%
Issues with State Administration	5%

“I have stayed open this entire time. Only closing for a day or two at a time pending test results. Most of my parents have had the option of working from home, I still take their kids so they can get work done. My state pay kids have spent the most time at home due to weather or illnesses. Because of that I've lost a significant amount of income. The state does not pay my full rate for the week and when they're gone I lose more income. 8 of my 26 kids are state pay and I cannot charge a copay for what the state does not cover because they are all adopted or special needs. Between preschool rate and school age rate, for those 8 children I would be bringing in 2200/month. The state pays me 700-800/month for them if they don't have any absences. I don't want to deny children for being state pay but I also cannot maintain the business with that much of a loss.”

- Licensed Group Home in Greene County

Greatest Current Child Care Needs of Families Respondents Serve

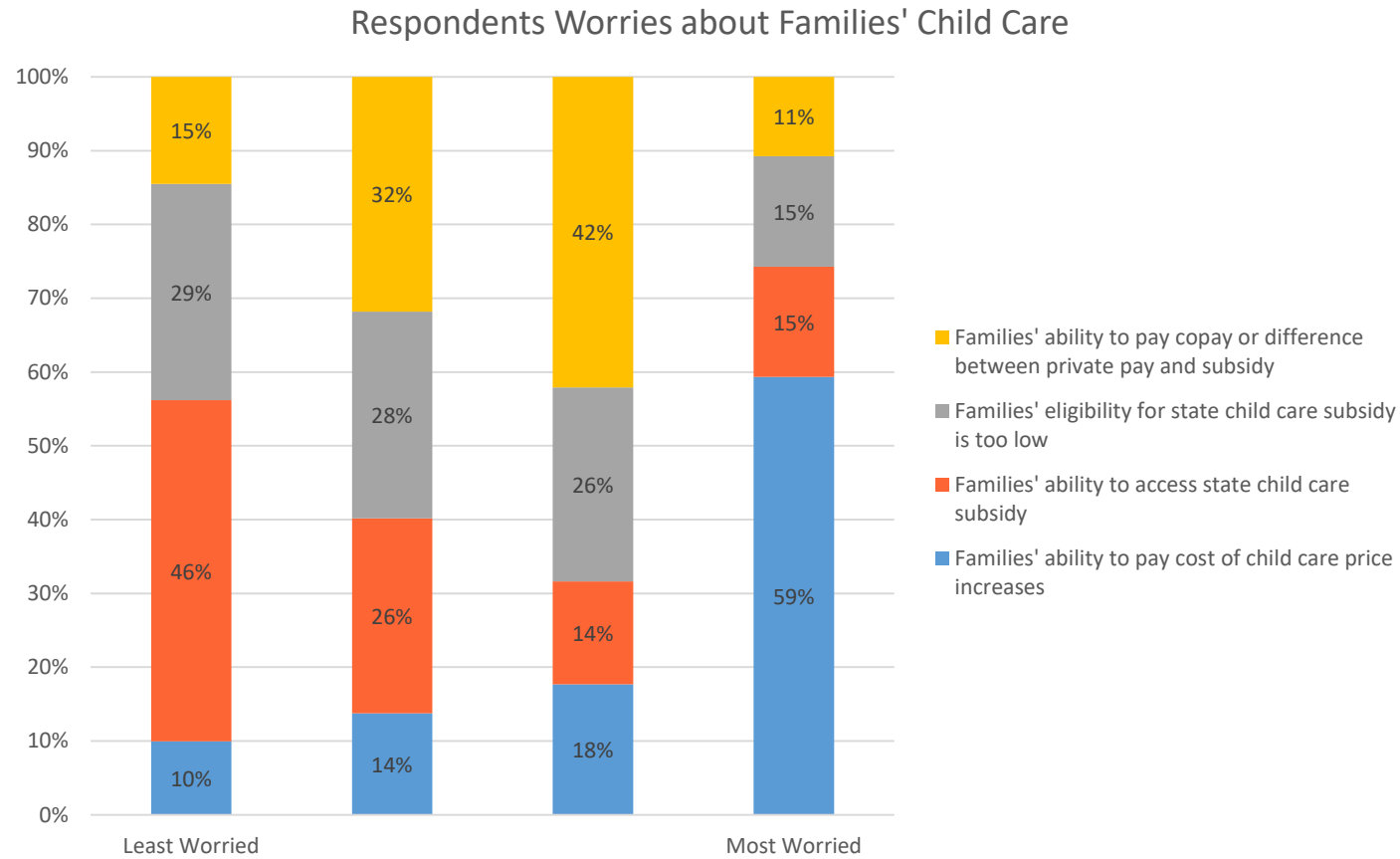
Response	% Mention
Not Being Able to Pay	43%
Availability of Care	30%
Supports for Children	6%
Availability for infants/toddlers and children in foster care	6%
Challenges obtaining subsidy	5%



“We have many families on our waiting list for infants because we have such limited capacity for infant/toddlers. Our families that are making too much to receive state assistance are struggling as we continue to raise our rates to help cover the increase of minimum wage. We have yet to make any increases in fees to help with losses due to the pandemic but we are going to need to do so. This will create even more of a financial hardship for many of our families. We also have many families that are struggling with childcare when school is closing unexpectedly. We do not have the space for these children and there is really no place for them to just drop them off on an as needed basis.”

- Licensed Child Care Center in Buchanan County

Providers' Intermediate-Term Child Care Worries of Families



In the next 6 months to 2 years, respondents are most worried about families' ability to pay for child care price increases and co-pays.

“Parents cannot afford the DSS co-pay, my rates increase in June to meet the increasing payroll costs and I anticipate families leaving.”

- Licensed Child Care Center in Cole County

“We have a lot of families that need help paying the childcare fees and don't qualify for the state assistance so they fall behind and have a hard time catching up.”

- License-Exempt Child Care Center in Phelps County

Greatest Current Non-Child Care Needs of Families Providers Serve



Response	% Mention
Work/Employment	18%
Financial Assistance	18%
Food/Basic Necessities	23%
Social and Emotional Supports	8%
Parenting Supports	6%

Families' Needs

“They need help with diapers, formula, food, utility bills.”

- Licensed Child Care Center in Dent County

“Families are dealing with the emotional and psychological strain brought on by the current restrictions we are living under.”

- Licensed Child Care Center in St. Louis

Policy Needs

- Immediate Revenue to Stabilize Child Care
- Incentives to Retain and Attract the Child Care Workforce
- Increasing Affordability of Child Care for Families
- Reimbursing for Child Care Services Based on Cost of Care
 - Particular Attention Needed for Services Provided to Families Participating in the Foster Care System
- Creating Regular and Certain Funding Streams for Child Care Facilities Serving Families Receiving Subsidies
- Better Understand the Needs of Unlicensed Providers



Questions?

Contact bschmidt@kidswinmissouri.org