

# The New America Care Report <sup>[1]</sup>

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## AVAILABILITY

Full report PDF <sup>[2]</sup>

Care index online <sup>[3]</sup>

## Executive summary

In the past 50 years, the experience of the American family has undergone a sea change. In the mid-twentieth century, breadwinner-homemaker families were not only more the norm, but held up as the ideal. Today, there is no one “typical” American family. And in a majority of families with children under 18, all parents work for pay outside the home. That means, on any given day, about 12 million children under the age of five will need a safe place to go and someone loving to care for them.

A good early care and learning system should support the healthy development of children, particularly at a time when their brains are rapidly growing and laying the foundation for all future learning. A functioning system should sustain the financial stability and health of families, promote opportunity and equity, support and sustain businesses, and help the economy thrive. And an effective system should be built on three pillars: affordable cost, high quality, and easy availability.

That is not happening in the current fragmented, patchwork system.

The Care Index, a data and methodology collaboration between New America, Care.com and others, examined cost, quality, and availability data in all 50 states and the District of Columbia and found that no single state does well in all three categories. Instead, families, providers, and policymakers in every state make difficult compromises that often shape family decisions and can determine the course of children’s futures.

The Care Index found that child care is expensive, even though caregivers make poverty wages; that care can be difficult to find, and that, though quality is difficult to measure, only a handful of centers and family homes are nationally accredited for quality. More specifically, the Care Index found:

The average cost of full-time care in child care centers for all children ages 0-4 in the United States is \$9,589 a year, higher than the average cost of in-state college tuition (\$9,410). To cover the cost of full time in-center care for one child, a family earning at the median household income would need to spend one-fifth (18 percent) of its income. For an individual earning at the minimum wage, full time in-center care is even less affordable: Child care costs two-thirds (64 percent) of their earnings.

Nationally, the cost of full-time care in child care centers is 85 percent of the monthly U.S. median cost of rent. In four states—Kentucky, Montana, Oregon, and Wisconsin—the cost of full-time care is more than the median rent in the state. In 11 states—Idaho, Illinois, Iowa, Kansas, Massachusetts, Michigan, Minnesota, Ohio, South Dakota, Vermont, Washington—and the District of Columbia, full-time care is greater than 90 percent of the typical cost of rent.

Infant care in centers is 12 percent higher than for older children, and outstrips the cost of in-state tuition and fees in 33 states. Full-time infant care in centers ranges from a low of \$6,590 in Arkansas, about 15 percent of median income, to a high of \$16,682 in Massachusetts, where it costs one quarter of the median income.

The average cost of full-time care using an in-home caregiver, or nanny, is \$28,353 a year. That’s equal to 53 percent of U.S. median household income, or 188 percent of income for a minimum wage earner, and is three times the average cost of in-state college tuition. Full-time in-home care costs range between \$25,774 a year in Wisconsin and \$33,366 a year in Washington, D.C.

Nationally, only 11 percent of child care establishments are accredited by the National Association for the Education of the Young Child or the National Association for Family Child Care. Accredited child care centers and family homes range from a low of 1 percent in South Dakota to a high of 46 percent in Connecticut. In Washington, D.C., 56 percent of child care establishments are accredited.

Care is most available in Connecticut, Massachusetts, New Hampshire, Rhode Island, and Vermont. Alaska, Hawaii, Utah, Idaho, and South Dakota are among the states with the lowest availability of care.

Care is not always available for families who need it. In South Dakota, all parents work in 82 percent of families with children under 18, the highest share of working families in the country. Yet the state has among the lowest availability of care. That suggests that working families

are relying primarily on informal or “gray market” care. Utah has the lowest share of such working families, but still has a majority, 63 percent, of all parents working.

One-fifth of families surveyed by Care.com have more than one child care arrangement, both paid and unpaid, in a typical week.

The short version, then, is that the Care Index found that the early care and learning system isn’t working. For anyone.

But this is meant to be the beginning, not the conclusion, of this conversation. The New America Care Report uses the Care Index as a jumping off point to explore the complexity of the fragmented child care system. Using the Care Index cumulative scores, we divided states into quartiles, from highest to lowest, and traveled with a video crew to one state in each quartile in each region of the country to report on the consequences of the trade-offs between cost, quality and availability.

We profile a caregiver in Massachusetts, one of the highest rated states in the Care Index, who still makes poverty wages and relies on food stamps after decades doing a job she loves and considers important.

We write about Georgia, in the second quartile, a state that was one of the first to adopt a universal pre-K program, where infant care is nevertheless so expensive, low quality and difficult to find that one family began paying \$1,450 a month, on top of the \$1,375 for their three-year-old, just to reserve one of the few spots in a quality center before their child was even born.

In Illinois, in the third quartile, we tell the story of the owner of a high-quality Montessori School who, instead of turning away low-income children when a state budget crisis wiped out funding for child care subsidies, took out a high risk personal loan.

And in New Mexico, a state with one of the lowest cumulative scores, the highest rate of child poverty and a growing population of children who speak a language other than English at home, we show how the high cost of care has driven many families into the cheaper, informal gray market.

The Care Index’s findings are drawn from a variety of sources including unique, proprietary Care.com cost data, including the cost of nanny care, and a new Care.com national survey of more than 15,000 households with children under 18 in every state conducted in October 2015, as well as data from the U.S. Census, and the National Association for the Education of Young Children, among other sources.

The New America Care Report proposes systemic change to the early care and learning infrastructure, including additional public and private investment in early care and learning; better training; pay and professionalization of the teaching workforce; as well as select innovative policy recommendations to help make high quality care more affordable and accessible to all families, including:

- Universal paid family leave
- Expanding and improving cash assistance programs
- Implementing high quality universal pre-K programs
- Focusing resources on programs aimed at dual-language learners

**Region:** United States <sup>[4]</sup>

**Tags:** quality <sup>[5]</sup>

availability <sup>[6]</sup>

cost <sup>[7]</sup>

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