



# Child Care and Early Education in Michigan 2000-2005

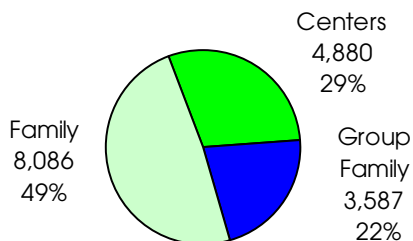
Three of five young children under the age of six have all parents in the labor force.

Most of these parents work full-time, and many of these children will spend a substantial amount of time in non-parental care during their critical early years.

## A rough estimate of available slots substantially overstates the availability of regulated child care.

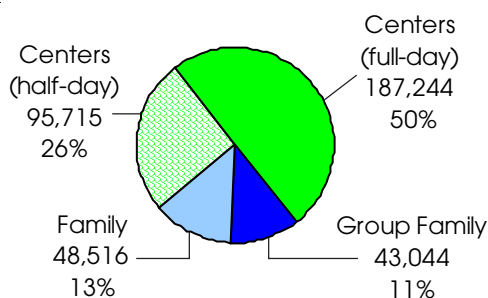
While the 8,000 family homes are the most numerous providers of child care, most child care slots are in the state's 4,800 child care centers. However, many centers do not provide care that meets the needs of working parents. More than one-quarter (27%) of centers do not offer infant care, and two of five (43%) do not provide full-day care (more than five continuous hours). While family providers can care for a maximum of six children, national survey data suggest that most family home providers care for roughly half the that number or three children on average. In recent years Michigan's supply of registered family homes has contracted quite dramatically—from roughly 12,000 to 8,000. A total of 349 of the 16,553 regulated programs in the state are nationally accredited.

### Family homes represent half of regulated child care providers.



Source: Michigan Department of Human Services

### Centers represent more than one-half of full-day slots.



Source: Michigan Department of Human Services

## Regulated care fails to meet the needs of many low-income parents.

Regulated caregivers rarely provide evening or weekend care nor can they easily accommodate the shift work common in the retail and restaurant trade where workers have their schedules adjusted from week to week. Studies suggest that parents who have children with special needs also experience serious difficulties finding caregivers for their children. For these reasons as well as the inadequate subsidy levels, it is no surprise that seven of ten young children in subsidized child care are in unregulated care, that is, relatives and in-home aides. Data are not available about the number of young children who are in unsubsidized or unregulated care also rely on relatives and in-home aides.

## CATEGORIES OF PROVIDERS

**Regulated Child Care** is approved by the Office of Children and Adult Licensing at the Michigan Department of Human Services (DHS).

- A “**child care center**” or “**day care center**” is a facility, other than a private residence, that provides care for at least two consecutive weeks, regardless of the number of hours of care per day, for one or more preschool or school age children.
- “**Group (family) day care home**” is a private home in which more than six but fewer than 12 minor children (unrelated to an adult member of the family by blood, marriage, or adoption) are provided care and supervision for periods of less than 24 hours a day for more than four weeks during a calendar year.
- “**Family day care home**” is a private home in which one but fewer than seven minor children (unrelated to an adult member of the family by blood, marriage, or adoption) are provided care and supervision for periods of less than 24 hours a day for more than four weeks during a calendar year.

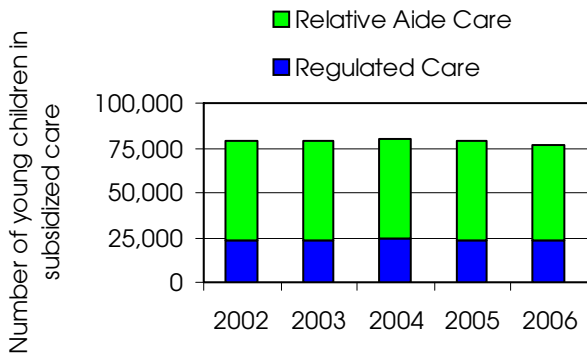
**Reservation Child Care** includes regulated child care providers or day care centers authorized by the Tribal Council or designated tribal agency. Not all of these regulated providers are in the state system.

## Unregulated Child Care

- **Enrolled providers**, that is, In-Home Aides (at least 18 years old) and relatives providing care to children eligible for the child care subsidy. These providers submit applications for enrollment at the local DHS office.
- **Other child care providers** include family, friends or neighbors who may or may not receive payment from a parent or guardian.

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**Seven of ten young children in subsidized care are in unregulated care. (N=76,904)**



Source: Michigan Department of Human Services

## Eligibility for subsidized child care and the subsidy value have been curtailed.

Eligibility for subsidized child care ends at 144 percent of poverty level or an hourly wage of roughly \$12 for a single parent with two children. At that income level a working mother with two young children would need to spend almost one-third of her income to replace the subsidy. Three of four children supported by the subsidy are low-income working parents. Michigan is one of only two states in the nation that has not adjusted its subsidy by market rates since 1997. Over the last five years the number of children eligible for the child care subsidy has remained relatively stable at around 79,000, but federal work requirements for Temporary Assistance for Needy Families could result in as many as 20,000 more children needing subsidy support.

## Children at-risk

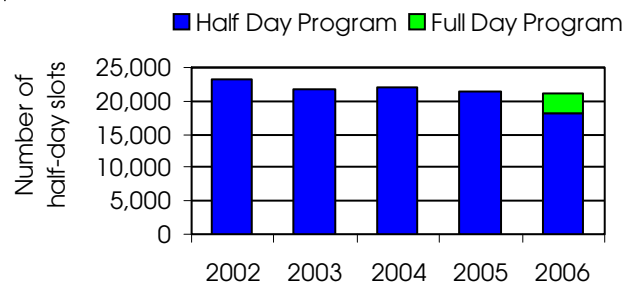
- Roughly 8 percent of infants and toddlers under the age of three are at risk of developmental delay.
- Seven percent of children, ages 3-6, participated in Special Education in 2004. The number receiving Special Education services rose by 15 percent between 2001 and 2004—from 32,000 to 37,000.
- One-fifth of first graders are older than their cohort—putting them at higher risk for retention and dropout.

## State and federal preschool programs serve at-risk four-year-olds in Michigan.

While the number of at-risk four-year-olds in Michigan served by the federally funded Head Start program rose by 17 percent between 2002 and 2006, those served by the state funded Michigan School Readiness Program (MSRP) dropped by 9 percent over the same period.

Two trends affected the MSRP availability: more dollars being directed into parent involvement in education programs instead of preschool programs by school districts and the introduction of the full-day option. Almost 2,000 MSRP half-day slots disappeared between 2001 and 2005—a drop from 23,300 to 21,200 slots. In 2006 the number of children served contracted even more when full-day programs, which use two half-day slots per child, were implemented. In 2006 roughly 1,500 of all available half-day MSRP slots constituted the second half of full-day programs.

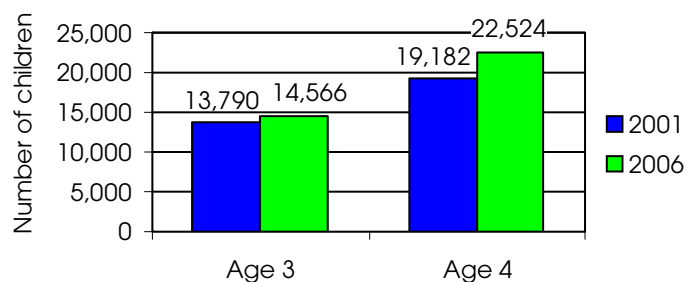
## The total number of MSRP slots dwindled between 2002 and 2006.



Source: Michigan Department of Education

Over the same trend period the number of four-year-olds in Head Start rose from roughly 19,200 to almost 22,500 between 2002 and 2006.

## Participation in Head Start increased most substantially among four-year-olds.



Source: Head Start Program Information