

Work Support Strategies:

Streamlining Access,
Strengthening Families



Job Hours and Schedules: Implications for State Child Care and Development Fund Policies

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Introduction: State Policy Choices Related to Work Requirements, Job Hours, and Job Schedules

The Child Care and Development Fund (CCDF, also known as the Child Care and Development Block Grant or CCDBG) provides child care assistance for low-income families who are working or in education or training programs. CCDF allows states broad discretion to develop their child care assistance programs within federal guidelines.¹ States determine what activities qualify as work, education, or training; whether to require a minimum number of hours of a work activity as a condition of eligibility; whether and how to collect and verify information on work activity, job schedules and/or job hours; and what role job hours and job schedules play in determining child care authorization (i.e., when a child can attend care and for how long). These state decisions have an enormous impact on which low-income families receive child care assistance, as well as children's experiences in child care (for example, whether children can attend on a regular basis, all day, or only during the hours their parents are on the job). These decisions also impact child care providers, who may be more willing to care for children receiving assistance when children are authorized for full-time care on a regular basis, or when subsidy payment policies more closely resemble the payment practices of families who pay for child care privately and are less tied to the circumstances of parental employment.²

Work Support Strategies (WSS) is a multistate initiative led by CLASP in partnership with Urban Institute and the Center on Budget and Policy Priorities. It provides a select group of states with the opportunity to design, test, and implement more effective, streamlined, and integrated approaches to delivering key supports for low-income working families, including health coverage, nutrition benefits, and child care subsidies. The Ford Foundation is the project's lead funder. The Open Society Foundations, The Annie E. Casey Foundation, The Kresge Foundation, and JPMorgan Chase & Co. have provided crucial additional support. For more information, go to <http://www.clasp.org/wss>.

In November 2014, Congress reauthorized CCDBG with strong bipartisan support. The updated law makes a number of improvements including increased health, safety and quality standards for child care, as well as reforms to make the child care subsidy program less burdensome for families and improve children’s continuity of care.³ The reauthorization recognizes the need to make improvements to state child care subsidy programs that support both parental employment and child well-being. Not all of these policies related to determining eligibility and authorizing care are explicitly addressed in the new law; however, improving state policies in the areas discussed in this brief would further advance the goals of the legislation and are worth considering as states undertake major changes to subsidy policies.

Within the large set of state decisions impacting eligibility and authorization of care, a few policies to simplify the provision of child care assistance stand out. In our work with states through the WSS initiative, we have found the following policy areas to be particularly burdensome for both parents and CCDF administering agencies, as well as disruptive of continuity for children and impeding access to high-quality care:

- Minimum hour work requirements for eligibility;
- Job schedule and hours verification; and
- Matching children’s child care hours precisely to parents’ work hours.

In this brief, we discuss how recent trends related to job schedules and subsidy policies provide an opportunity for states to make changes in eligibility and verification policies. Furthermore, we outline potential state policy choices and the implications for how changes in the subsidy policies would improve the receipt and retention of child care assistance for low-income families.

Recent Trends Related to Work Activity and Schedule Policies

Recent trends in the low-wage labor market and new developments in child care policy underscore the necessity of improving current policies to better meet the needs of low-income families:

- 1. Increasing job schedule volatility in the low-wage labor market.** Low-wage workers increasingly navigate job schedules that are non-traditional, variable, and unpredictable. For many, employers provide schedules only days or hours before employees are to work; the timing of shifts fluctuate from week to week; and the number of hours they work rises and falls unexpectedly. Nearly half of early career hourly workers receive their schedules one week or less in advance of the upcoming work week. Three quarters of these workers experience fluctuation in the number of hours they receive each week.⁴

Volatile job schedules exacerbate the complexities faced by low-income parents trying to access quality child care and maintain child care subsidies. Restrictive state child care subsidy eligibility policies and burdensome verification requirements related to work hours and job schedules further exacerbate child care challenges for these parents.⁵

- 2. Increasing focus on continuity of care and access to quality child care.** Policymakers and advocates are increasingly concerned with the extent to which the child care subsidy system

allows children consistent access to high-quality care. This has been an area of concern in states and as well a focus of the federal reauthorization. States that tightly restrict child care subsidy authorizations to the schedules or hours that parents work reduce access to high-quality care and contribute to instability in children’s care. Many child care providers do not offer part-time slots and require families to commit to a set schedule and number of hours. They will not accept payment levels changing from week to week, as they cannot operate their business and hire staff with the inconsistent and unreliable cash flow. This puts many high-quality settings out of reach of parents who have limited authorizations under CCDF.

- 3. Increasing focus on reducing client and administrative burden.** At the federal and state levels, there has been interest in ensuring that child care subsidies are delivered in ways that minimize both client burden and administrative burden. The federal CCDBG reauthorization included provisions to make the eligibility and redetermination processes in states less onerous for families. Overly burdensome eligibility requirements and processes not only cause eligible families to lose assistance – and threaten economic stability and children’s continuity of care, but also create significant administrative costs when families cycle off and on the program because of procedural problems (also known as “churn”).

This effort is leading policymakers to pursue policies that simplify processes, including reduced documentation and verification requirements. States can minimize the potential for improper payments by simplifying policy and limiting the areas of eligibility determination in which errors can be made. If a requirement is not in state policy, by definition it cannot trigger an error that creates an improper payment.⁶

For all of the above reasons, we recommend states take the time to examine the work-related policies within their child care assistance programs. Moreover, the timing of the federal CCDBG reauthorization makes this an opportune time to take a step back and consider a broader set of subsidy policies ripe for reform.

State Policy Choices

Minimum Hour Work Requirements

There is no federal requirement that parents work a minimum number of hours to qualify for child care subsidies. CCDF requires that parents of eligible children must be “working or attending a job training or educational program,” or the child must be in need of protective services. The law does not specify a minimum number of hours per week or month that a parent must be working in order to qualify for child care subsidies, although some states set policies requiring a minimum number of work hours to be eligible for assistance. The majority of states, at least 28, do not have a minimum number of work hours established in policy for determining subsidy eligibility.⁷ Some states have different minimum requirements for parents with part-time work.

Establishing minimum work hour requirements can make it difficult for parents to keep their subsidies, given the instability and unpredictability in employment hours experienced by many low-income workers.

Additionally, such requirements limit the extent to which the significant proportion of the low-income labor force that works part-time can get help paying for child care (if the minimum is set high). Eliminating or reducing minimum hour requirements for eligibility can reduce access barriers and allow for maximum eligibility for low-income working parents.

Job Schedules and Hours

There is no federal requirement that agencies document or verify parents' job schedules or hours.

States vary in their policies on the collection of job hours and schedule information. In practice, states gather information on the number of work hours for multiple reasons. They may use the information to restrict eligibility (as in the case of minimum hour requirements) or they may use the information to determine how much care they will authorize (for example, part-time or full-time or a specified number of hours). It's possible to ask clients the number of hours worked (or an average number of hours) to determine authorization for child care without restricting eligibility.

In addition to hours, some states require clients to document actual job schedules or verify schedules with employers. Others allow families to report the hours worked if necessary and to establish a child care schedule that meets their needs. Job schedule verification is difficult on multiple fronts. Unpredictable and fluctuating schedules, or working multiple jobs, can make verification challenging. If parents are required to resubmit work schedules every time their schedule changes, retaining child care assistance becomes untenable. Depending on employers to submit or verify work schedules can also contribute to processing delays even for workers with stable schedules.

Overall, this single verification requirement can result in significant administrative burden and processing delays—both in trying to verify job schedules, and in dealing with changes in work once the family is receiving subsidies. Rhode Island, for example, identified the collection of job schedules as a primary requirement contributing to churn in the child care subsidy system. Job schedules were difficult for clients to provide and the absence of a job schedule resulted in denials and delayed authorizations for otherwise eligible families. While Rhode Island still requires parents to self-report job schedules, it was able to significantly improve subsidy processing times by removing its verification requirement for job schedules, and improving its business processes.⁸

States should eliminate job schedule verification requirements, allowing families to self-report hours worked if necessary. States that maintain job schedule verification requirements should consider how parents with volatile schedules access child care subsidies and ensure caseworkers are instructed on appropriate methods for authorizing care for these parents.

Matching Work Hours to Child Care Hours

There is no federal requirement that parents' work hours match the number of child care hours authorized, or that parents' work hours match children's hours in child care. Some states require a precise match between the hours of child care authorized and the parents' hours of work. The federal Office of Child Care has clarified that states are not restricted to limiting authorized child care based on the work, training, or educational schedule of the parent.⁹ Moreover, the updated CCDBG law encourages states to support the fixed costs of care and generally accepted payment practices for providers. While this

paper does not go into detail on provider payment policies, it's worth noting that direct links between work schedules and child care authorization have payment implications, and precisely tying parental work to children's care is not necessarily supportive of the goals of the legislation.

While some states currently require that the hours of authorized child care match parents' job schedules, our review of state policy manuals and application forms suggests that some states do not have such requirements. Colorado, for instance, passed legislation in 2014 prohibiting the linking of child care hours to parents' employment, education, or training schedules.¹⁰

Requiring that child care hours match the job schedule can, in effect, reduce parents' ability to access some child care options. Many child care providers require families to commit to a schedule and number of hours and will not accept payment levels changing from week to week, as they cannot operate their business and hire qualified teaching staff with inconsistent cash flow. Alternatively, parents who are authorized for 20 hours per week of care without a specified schedule may keep their children in a consistent child care arrangement, even if their hours of work fluctuate.

In the interest of supporting child care continuity for children, providing access to more formal care settings, and minimizing both client and administrative burden, states should eliminate policies that require the matching of work and child care hours.

Conclusion

States have enormous flexibility in how they set policies related to work that determine eligibility and child care authorizations. By simplifying eligibility and verification requirements, states can reduce client and administrative burden, support parental employment, and in turn improve continuity of care for children and increase access to quality child care.

For technical assistance related to these child care subsidy policies, please contact Hannah Matthews at hmatthews@clasp.org or Christine Johnson-Staub at cjohnsonstaub@clasp.org.

Endnotes

¹ While the reauthorization of the Child Care and Development Block Grant in November 2014 increased federal requirements for child care assistance, states retain broad discretion over the policy areas addressed in this brief.

² The discussion in this paper is limited in scope and does not address provider payment policies.

³ CLASP, *Child Care and Development Block Grant Act of 2014 Reauthorization Resources*, www.clasp.org/ccdbg

⁴ Susan J. Lambert, Peter J. Fugiel, and Julia R. Henly, *Precarious Work Schedules Among Early Career Employees in the U.S.: A National Snapshot*, University of Chicago, April 2014, http://ssascholars.uchicago.edu/work-scheduling-study/files/lambert.fugiel.henly_.precarious_work_schedules.august2014.pdf.

⁵ Liz Ben-Ishai, Hannah Matthews, and Jodie Levin-Epstein, *Scrambling for Stability: The Challenges of Job Schedule Volatility and Child Care*, CLASP, March 2014, <http://www.clasp.org/resources-and-publications/publication-1/2014-03-27-Scrambling-for-Stability-The-Challenges-of-Job-Schedule-Volat-.pdf>.

⁶ For more on reducing client and administrative burden, see Gina Adams and Hannah Matthews, *Confronting Child Care Eligibility Maze*, CLASP, 2013. <http://www.clasp.org/resources-and-publications/publication-1/WSS-CC-Paper.pdf>.

⁷ Sarah Minton, Christin Durham, Erika Huber, and Linda Giannarelli, *The CCDF Policies Database Book of Tables: Key Cross-State Variations in CCDF Policies as of October 1, 2013*, 2014, OPRE Report 2014-72, Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services (Table 2., page 28), available at <http://www.urban.org/UploadedPDF/2000021-The-CCDF-Policies-Database-Book-of-Tables.pdf>.

According to the source, this information "...shows a minimum work hour requirement only when the State/Territory has an explicit policy requiring parents to engage in an approved activity for a minimum number of hours. Even if a program has no explicit minimum work hour policy, the number of work hours generally affects the number of hours approved for subsidized child care.

⁸ Heather Hahn and David Kassabian, *Early Lessons From the Work Support Strategies Initiative: Rhode Island*, Urban Institute, March 2013, <http://www.urban.org/UploadedPDF/412794-Early-Lessons-from-the-Work-Support-Strategies-Initiative-Rhode-Island.pdf>.

⁹ *Child Care and Development Fund Reforms to Support Child Development and Working Families*, Federal Register, May 2013, <https://www.federalregister.gov/regulations/0970-AC53/child-care-and-development-fund-reforms-to-support-child-development-and-working-families>.

¹⁰ *House Bill 14-1022*, Colorado, March 2014.

http://www.leg.state.co.us/clics/clics2014a/csl.nsf/fsbillcont3/8E32BC5A5F81453F87257C30000603B5?Open&file=1022_enr.pdf.