

EARLY CHILDHOOD EDUCATION

REIMBURSEMENT RATES

High-quality early childhood education can ensure that kids start school kindergarten ready, and increase test scores throughout their elementary and high school education.¹ These benefits are particularly important for kids from low income families, who face more income-related stress and are more likely to have all parents working. Currently, only 33% of kindergarteners from low-income households enter school fully kindergarten ready – nearly half the rate of kindergarten readiness for their non-low income peers.²

But many working families who use state-subsidized programs to ensure their kids are prepared for kindergarten – Working Connections Child Care (WCCC) subsidies and the Washington Early Childhood Education and Assistance Program (ECEAP) – often struggle to find a program for their children because the state doesn't fully reimburse providers for the care and education they provide.³ These low reimbursement rates – in some regions nearing only 50% of the cost of care – often mean providers have to limit the slots they offer to babies and preschoolers from low income families – or endanger their small businesses. When providers offer fewer slots for kids on subsidy, their parents have difficulty finding high-quality programs who will accept their children – sometimes contacting as many as thirty or forty providers before they can find a safe, loving place for their children while they work.⁴

This problem looms beyond the economic situation of families and providers. Washington's federal monies for early childhood education via the Child Care and Development Block Grant (CCDBG) requires us to provide adequate and fair subsidies to providers. This federal requirement is in place to ensure that children from low income families are not disadvantaged in finding care.⁵ But our subsidies fail to cover cost of care in any region⁶ – a situation which disadvantages children from low income families in finding high-quality child care placements.

By investing the money necessary to meet the cost of care, our state could bolster the entire early childhood education sector. With higher reimbursement rates, providers will have more resources to meet Early Achievers standards, accept more children, or pay their staff higher wages to reduce staff attrition.



LOOKING AHEAD

Washington should make the necessary investments to make sure every kid can access high-quality childcare between birth to age 5, when 90% of their brain growth happens. This year, that means increasing Working Connections and ECEAP reimbursement rates to the cost of care in each region – starting with infant care rates.

¹Karoly, Kilburn & Cannon (2005). Broberg et al., "Effects of day care on the development of cognitive abilities in 8-year olds: A longitudinal study," *Developmental Psychology*, 33(1): 62-9. DeFeyter & Winsler, "The early developmental competencies and school readiness of low-income, immigrant children: Influences of generation, race/ethnicity, and national origins," *Early Childhood Research Quarterly* (2009): 24: 411-31. Barnett & Lamy, "The effects of state pre-kindergarten programs on young children's school readiness in five states," *The National Institute for Early Education Research* (2006). Fantuzzo, Rouse, et al., "Early childhood experiences and

kindergarten success: A population-based study of a large urban setting," *School Psychology Review*, 34 (4): 571-88. Gilliam & Zigler, "A critical meta-analysis of all evaluations of state-funded preschool from 1977 to 1998: Implications for policy, service delivery and program evaluation," *Early Childhood Research Quarterly*, 15(4): 441-73. Barnett, "Long-term effects of early childhood programs on cognitive and school outcomes," *The Future of Children* 5(3): 25-50.

² www.k12.wa.us/DataAdmin/PerformanceIndicators/Kindergarten.aspx

³ Washington State Department of Early Learning, 2018 Market Rate Survey Final Report, July 2018.

⁴ Joint Select Committee on Early Achievers Program, September 13, 2018.

⁵ Section 658E(c)(4) of the Child Care and Development Block Grant (CCDBG) Act , 42 U.S.C. § 9858c(c)(4).

⁶ Washington State Department of Early Learning, 2018 Market Rate Survey Final Report, July 2018.