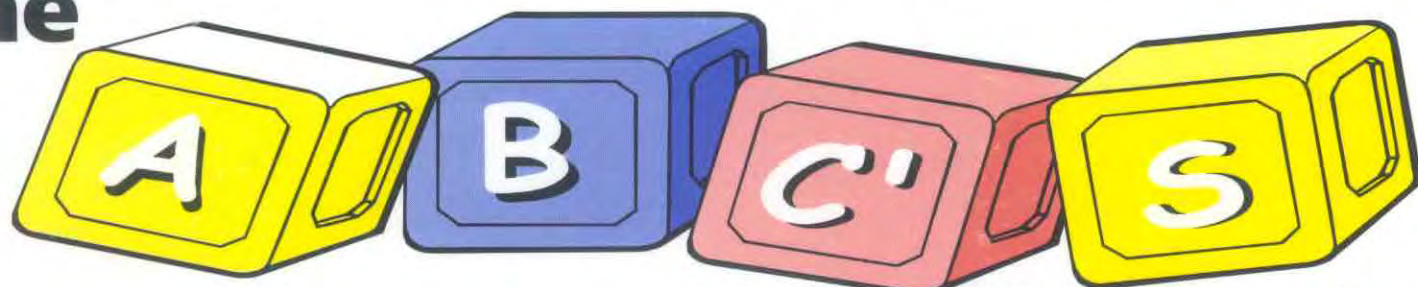


**The**



# **of Early Childhood**

Trends, Information, and Evidence for Use in Developing  
an Early Childhood System of Care and Education



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A Joint Publication of

**1999**



Iowa Forum for  
Children and Families

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# Table of Contents

<b>Introduction</b>	<b>3</b>
---------------------	----------

## **Part I. Reasons for Developing an Early Childhood System of Care and Education**

Section 1. Growth in Workforce Participation	5
Section 2. Trends in Child Well-Being	7
Section 3. Brain Development Research	10
Section 4. Cost-Benefits of Early Care and Education	13

## **Part II. Components of a Comprehensive Early Childhood System of Care and Education**

Section 5. Health Care	16
Section 6. Family Support, Parenting Education, Home Visiting, and Family Literacy Services	20
Section 7. Preschool Programs	25
Section 8. Child Care/Education	29

<b>Conclusion</b>	<b>39</b>
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<b>Postscript</b>	<b>40</b>
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*Note: This publication is a joint Iowa Kids Count Special Report and Iowa Forum Policy Update. It is intended as a companion volume to the Community Empowerment Toolkit for use by communities in implementing Iowa's community empowerment legislation.*

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# Introduction

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In 1990, the bipartisan National Education Summit convened by then-President George Bush and the nation's Governors led by then-Governor Bill Clinton established eight national educational goals. Fittingly, the First National Education Goal started with the first years of a child's life:

*By the year 2000, all children will start school ready to learn.*

During the last decade, interest in developing public policies that can achieve this goal has continued to grow. This interest stems from several different factors:

- Workforce participation: the increased participation of parents in the workforce, with the majority of the nation's and Iowa's children now spending at least part of their early years in non-parent care [section 1];
- Trends in child well-being: indicators of poor child outcomes related to the first years of life, such as increases in the number of low birthweight births and founded cases of child abuse, and the lack of health insurance coverage, give rise to long-term concerns for children's growth and development [section 2];
- Brain development research: the recognition of the importance of care and education during the first years of life to long-term child development and well-being, particularly as related to brain development research [section 3]; and
- Cost-benefit analyses: the evidence that certain investments in early childhood, particularly when targeted to high-risk children and families, can prevent future social problems and costs [section 4].

Each of these four factors is discussed in part one in this special report. These factors provide a background for the importance of early childhood investments.

Determining what investments to make in early childhood raises additional issues. In general, there is emerging consensus upon what elements need to be in place to insure that children start school ready to learn.

These elements include:

- Health care coverage: access to medical care that includes primary and preventive health services [section 5];
- Family support: home visiting, family support, family literacy, and parenting education services that insure parents provide the nurturing home environment needed for young children to thrive [section 6];
- Preschool programs: preschool experiences, particularly for low-income and socially vulnerable children, that offer additional developmental supports needed to assure that children start school ready to learn [section 7]; and
- Child care/education: safe, affordable, and developmentally appropriate child care/education arrangements that meet all parents' needs while they are at work or away from home [section 8].

Each of these elements is discussed in part two of this report, with an eye to defining the current provision of services and the expansions needed if all children and families are to be served.



*Photo by Jane Gross.*

*"Babies rejoice in the sound of your voice."*



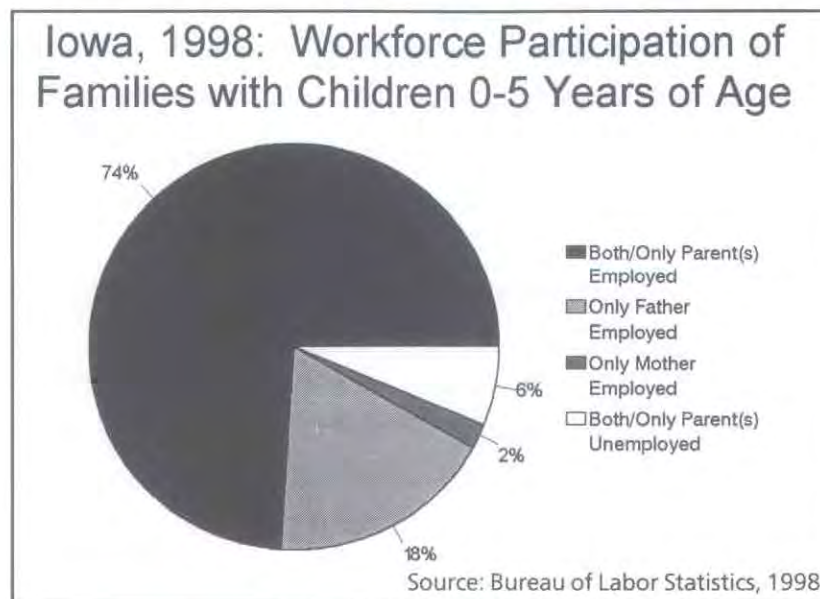
## Section 1:

### Workforce Participation and Increased Demands for Child Care/Education

One of the most profound changes in Iowa and the country over the last three decades has been the increased participation of women in the workforce. While in 1970, the majority of preschool children had a parent at home, today the reverse is true.

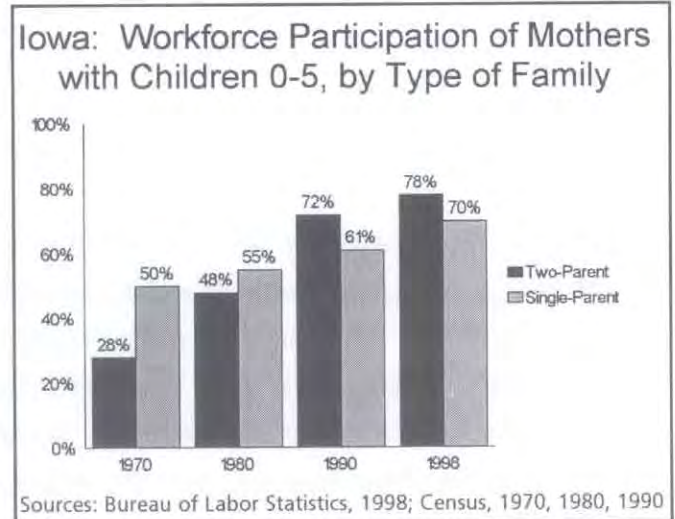
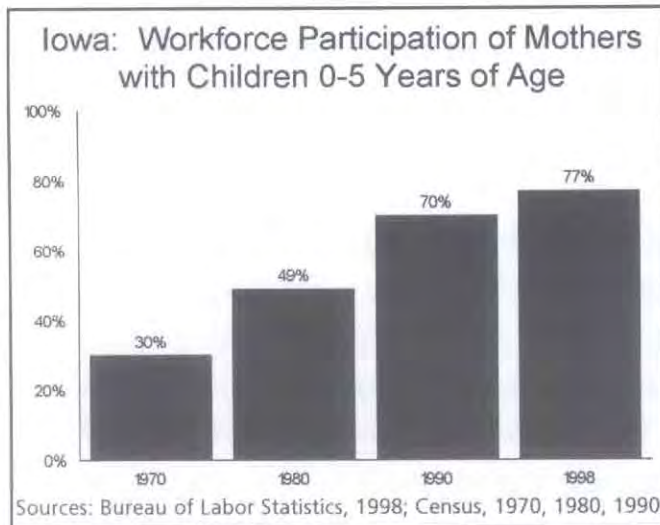
Some of this change has been the result of declining real (inflation-adjusted) wages during this period, which has meant that two-parent families have needed two incomes to maintain their household. Public opinion polls consistently show that many two-parent families would prefer that one parent not work when their children are of preschool age, but feel they need the second income to support the family. Another factor behind the increased participation of women in the workforce has been the growing number of single-parent families headed by women.

Today, nearly three-quarters of all Iowa families with preschool children have both parents, or the only parent in the household, in the workforce (see graph below).



<sup>1</sup> Both the family structure and family roles have changed significantly over the last thirty years. In response to these changes, the methods used to track child-related or parent-related data have also changed. While the 1998 Bureau of Labor Statistics data examined the employment status of single and married mothers and fathers, the 1970, 1980, and 1990 censuses only examined the employment status of married and single mothers, omitting any examination of the employment status of married fathers and the entire category of single fathers. Therefore, in order to show trend data (i.e., 1970-1998) regarding parent workforce participation in Iowa, mothers were the necessary focus.

The growth in labor force participation of women in both two-parent and single-parent families is shown in the graphs below. The information is shown regarding women because that is the only data that is comparable across Censuses and Bureau of Labor Statistics Census updates.<sup>1</sup>



While the increases in workforce participation have been most dramatic among two-parent families, the increase among single-parent families has been steady. Further, some of the increase between 1990 and 1998 among single mother families may be the result of welfare reform. It also should be noted that single-parent families, while more likely to be in the workforce today, also are much more likely to be poor, even when they are working full-time, than they were thirty years ago. The decline in real wages over this period has made it especially difficult for single-parent families, who generally cannot add a second income.

These long-term trends in employment have major implications to child-rearing and, in particular, the need for quality, affordable, and available substitute care arrangements.<sup>2</sup> Parents' employment demands also reduce the time that parents can spend with their young children and produce additional stress when they do. They create new challenges to insuring that children receive the nurturing they need in the early years and start school "ready to learn."

<sup>2</sup> Figures from Graph 1A cannot be used to directly determine the amount of child care needed for pre-school children. Some two-parent, working families try to compensate for these demands by working complementary shifts. With a mother working the day shift and a father working the night shift (or vice versa), two-parent, working families can have two incomes and a parent present in the home at all times.

The success of this complementary shift employment practice varies between families, and the extent to which it is used by two-parent families in Iowa is unknown. However, this practice needs to be considered when examining parent workforce participation data, as it relates to the need for child care.



## Section 2:

### Trends in Child Well-Being and The Status of the First Educational Goal

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In addition to the overall goal, the First National Education Goal set three broad, measurable objectives:

1. All children will have access to high quality and developmentally appropriate preschool programs that help prepare children for school.
2. Every parent in the United States will be a child's first teacher and devote time each day to helping such parent's preschool child learn, and parents will have access to the training and support parents need.
3. Children will receive the nutrition, physical activity experiences, and health care needed to arrive at school with healthy minds and bodies, and to maintain mental alertness necessary to be prepared to learn, and the number of low birthweight babies will be significantly reduced through enhanced prenatal care.

On many key indicators of early childhood well-being related to these objectives, however, the most recent data (1996 Kids Count Data) show that young children fare less well today than they did when the National Educational Goals were adopted in 1990.

In Iowa during this period, the low birthweight rate has risen from 5.4% to 6.4%,<sup>3</sup> the incidence of founded cases of child abuse has risen from 11.4 to 13.9 per thousand,<sup>4</sup> and the rate of child-bearing for unmarried teenagers has risen from 7.2% to 8.9% (Iowa Kids Count, 1998; see graphs on the next page).

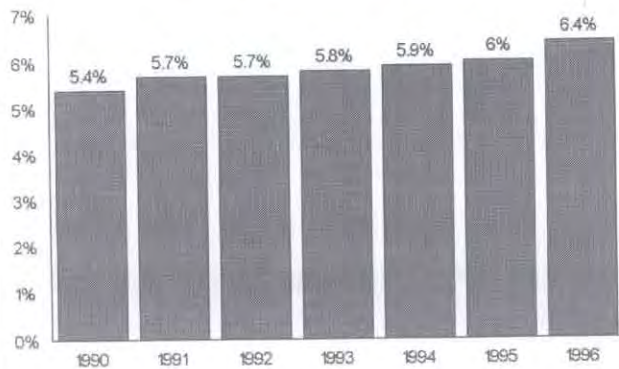
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<sup>3</sup> Both National and state "Healthy People 2000" goals are for low birthweight rates of no more than 5.0%, a rate achieved in many countries around the world. Birthweight is a critically important indicator of a good start in life, with low birthweight associated with a number of preventable disabling conditions and future poor child outcomes.

<sup>4</sup> As a result of a change in Iowa's Child Protection System, 1995 is the most current child abuse and neglect data available. Iowa's CPS moved from an "investigative" model, that primarily focused on the alleged incident of abuse, to an "assessment" model, that is designed to be more holistic and consider the environment - including the family's strengths and weaknesses - in which the alleged incident of abuse occurred.

### Iowa, Low Birthweight:

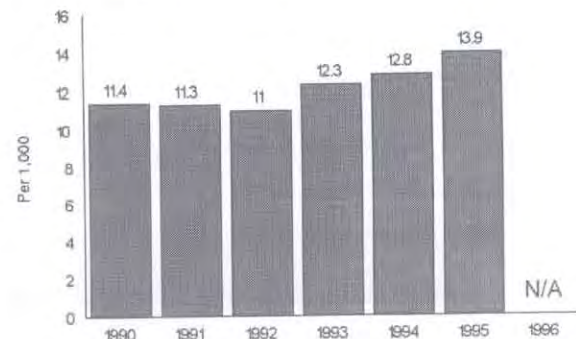
Percent of Iowa children born at low birthweight from 1990-1996



Source: Iowa Kids Count, 1998.

### Iowa, Child Abuse and Neglect:

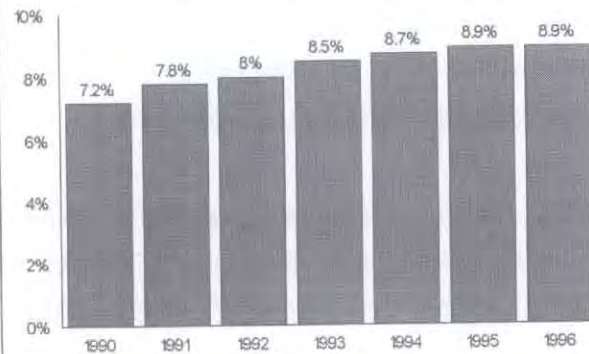
Iowa children who were victims of child abuse, per thousand, from 1990-1996



Source: Iowa Kids Count, 1998.

### Iowa, Teen Unmarried Births:

Percent of births in Iowa that were to unwed teenagers from 1990-1996



Source: Iowa Kids Count, 1998.

Further, it is estimated that 88,000 Iowa children are without health insurance (Iowa Department of Human Services, HAWK-I Board, 1999, personal communication) and 60% of Iowa children eligible for Head Start preschool programs are not being served (Iowa Department of Education, 1998). Finally, only 13% of all licensed child care centers and preschools in Iowa have obtained accreditation through the National Association for the Education of Young Children (NAEYC), and, if national studies are used as a base, a majority of child care in Iowa does not meet minimal standards for quality (Iowa Child Care Resource and Referral, 1998).

These trends have occurred despite efforts at the state and federal levels to increase child care funding, expand the number of children served in Head Start and other preschool programs,



and provide financial access to child health coverage for low and moderate-income families. They also have occurred despite improvements in the overall economy.

While there have been many promising initiatives developed since the adoption of the First National Education Goal, these have not resulted in sufficient investments to meet the laudable goal that "all children will start school ready to learn."

In part, this may be due to the fact that the expansions in such programs as Head Start, the increases in funding for child care, and the development of new prevention programs for families with young children simply have not met the increased demand for those services, particularly as evidenced by the increasing number of young children whose parents are now working outside the home (see Section 1).

---

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Iowa Child Care Resource and Referral. (1998). *1997-98 Child Care Status Report*. Iowa Child Care and Early Education Network Data/Information Systems Committee: Des Moines, Iowa.

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## Section 3:

### Brain Development Research: The Importance of the First Three Years of Life

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In 1994, the Carnegie Corporation published *Starting Points: Meeting the Needs of Our Youngest Children*. The report drew attention to what it referred to as “the quiet crisis,” the country’s “pattern of neglect [of early childhood development] that must be reversed.” *Starting Points* drew attention to long-known evidence and to recent scientific findings regarding the critical importance of the first three years of life to long-term intellectual, physical, and emotional development (See “When Brain Development Goes Awry” on the next page).

Subsequently, the Families and Work Institute and the “I am Your Child” campaign, a national public awareness and engagement campaign spearheaded by Rob Reiner, have brought early brain development to the public’s attention. Both have used research regarding the manner in which neural pathways are developed in order to promote increased support for home visiting and parent education designed to support families with infants and toddlers as well as expanding and improving quality early childhood education programs.

Brain development research indicates that the first three years of life are crucial to neural development and can have life-long impacts regarding healthy cognitive/emotional development. The insert below summarizes some of the findings from this significant research:

#### Some Basics About Brain Development

There are roughly 100 billion neurons in a child’s brain at birth; few or no more will be produced for the rest of the child’s life. At birth, connecting a newborn’s neurons are “tentative connections” which, through experience, will become the brain’s hardwiring. Hardwiring connections are responsible for all of a child’s major cognitive and emotional functioning, some of which includes vision, hearing, language, emotions, and movement.

Research has shown that simple interactions between the child and caregiver are crucial in the development of the brain’s hardwiring. These connections are produced at their highest rate during the first few years.

During this hyper-production period, the brain makes more connections than it will need. As a result, the connections that are habitually used will become permanent fixtures in the brain, while under- or unused connections will be eliminated. This process of cementing and discarding connections happens rapidly; by age 3, roughly 85% of the brain’s core structure will be formed.

Research indicates that some interactions/relationships with caregivers are better than others in promoting healthy brain development. Specifically, “sensitive” and “responsive” child care in the early years is crucial for intellectual and emotional development. Children need to be able to develop positive attachments with caregivers who nurture and stimulate them. Children need developmentally-appropriate challenges and a relationship with a nurturing caregiver who helps the child along as s/he jumps from one developmental plateau to the next.



The brain development research is important because it provides scientific evidence that challenges states and communities to take action to insure that all young children have the best start in life possible.

### When Brain Development Goes Awry

In all of human development, there is no period of growth faster or more complex than prenatal growth. However, with this speed and complexity comes greater vulnerability.

The prenatal period is a time of massive brain organization and development. Research demonstrates that some brain development is lost forever if it is not realized by a certain time. Dr. Richard Restak, a neuroscientist and author of *The Infant Mind*, summarized what can occur if necessary brain development is stunted by prenatal trauma to the brain:

If [the trauma] is extreme, the fetus will be aborted. If it is milder, the pathologist would detect this malformation. However, if it is even milder, it will not come to the pathologist but to the psychiatrist. (*The Infant Mind*, p. 37)

Prenatal trauma has long been associated with infant death and birth defects, even developmental difficulties not evident until a child's later developmental stages. Yet only recently has the relationship between prenatal trauma and a child's later behavior been examined. In their book, *Ghosts from the Nursery: Tracing the Roots of Violence*, Karr-Morse and Wiley suggest that there is a relationship between stressors a child is exposed to in the womb and that child's violent behavior later in life.

Karr-Morse and Wiley cite studies suggesting trauma suffered by a pregnant mother, drug use and abuse by a biological mother and/or father, a mother's stress level during her pregnancy, a mother's lack of desire for the pregnancy, and trauma suffered by the child before and/or during birth, contributed to a child's later violent behavior. At the core of these findings is the refutation of the long-held assumption that pre and perinatal experiences are erased from memory. According to these studies, some pre and perinatal experiences are not only remembered (at some level), but they have long-term behavioral consequences for children.

Researchers now know that the interaction of multiple stressors, both biological and environmental, occurring both early and later in life, are responsible for violent behavior. Pre or perinatal trauma, such as prenatal exposure to alcohol or birth complications, may contribute to a child's later violent behavior, but it does not dictate violent behavior. Pre and perinatal research is important, however, because like the more commonly known violence-promoting stressors - birth defects, learning disabilities, abuse, and poverty - early stressful experiences play important roles in the violence equation.

While knowledge regarding the roots of violence is still developing, there is substantial knowledge pertaining to what works to prevent many factors in the violence equation, including pre and perinatal trauma. Family planning, a mother's positive physical and mental health (starting from pre-conception), and social support systems all reduce the likelihood of pre and perinatal trauma. When such factors are not present, early and consistent intervention is the key to prevention. Karr-Morse and Wiley recommend the following programs for curbing pre and perinatal trauma: home-visiting, comprehensive prenatal health care, pre-parent training, teen pregnancy prevention, and drug and alcohol education and intervention programs.

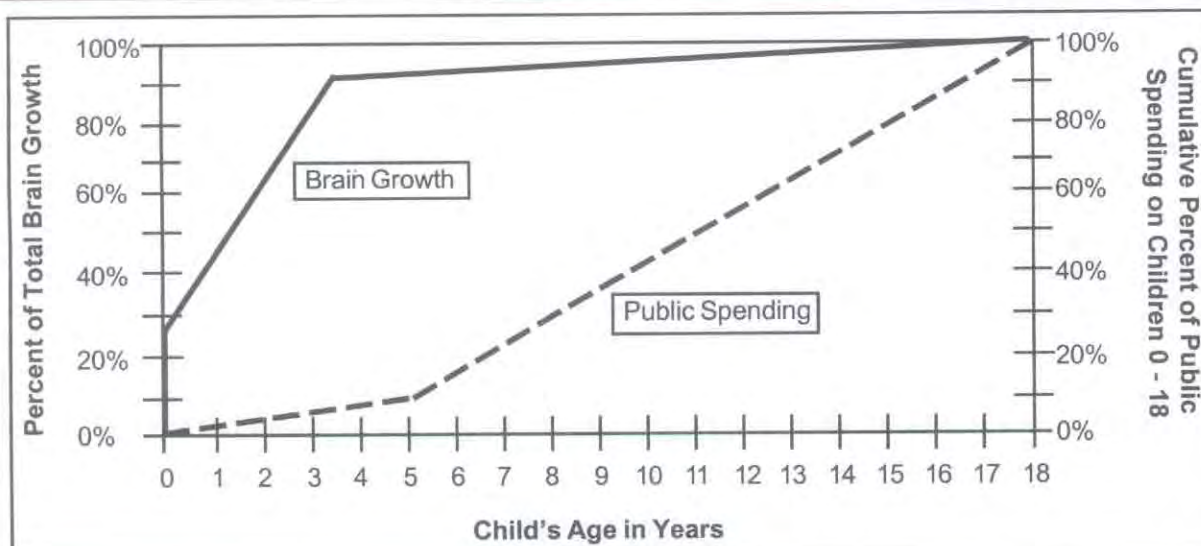
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Restak, R. (1986). *The Infant Mind*. Doubleday: Garden City, NY.

## Child Development and Public Expenditures: Are Public Investments in Line with Investment Opportunity?



This chart, developed by the RAND Corporation, shows the timing of brain development versus public spending on children. Research demonstrates that 90 percent of a person's total brain growth occurs by age three. The highest level of responsiveness to environmental influences occurs at these earliest ages. During these first three years, however, less than five percent of public spending occurs. Per child public spending averages \$1,472 per year (in 1992 dollars) for children 0 - 5 (on early childhood development, welfare programs, and health care). For children 6 - 18, public spending averages \$6,567 per year (on K - 12 education, criminal justice, youth employment, and other programs). RAND researchers indicate that the relationship between the two curves poses a challenge for policy makers: "What is the optimum time-profile of public spending on children? At what age and in what form would public expenditures on children have the greatest return on investment?"

Sources: Chart courtesy of researchers at the RAND Corporation (see *Investing In Our Children* in Section 4). Brain development curve from Figure 2.4 in D. Purves, *Body and Brain*, Harvard University Press, 1988. Public spending on children from Table 1 in R. Haveman and B. Wolfe, "The Determinants of Children's Attainments: A Review of Methods and Findings," *Journal of Economic Literature*, Vol. 33, December 1995.

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Families and Work Institute. Website: [www.familiesandwork.org](http://www.familiesandwork.org)

I Am Your Child Campaign. Website: [www.iamyourchild.org](http://www.iamyourchild.org)



## Section 4:

### Research and Business Leadership: The Cost-Benefits of Early Childhood Services

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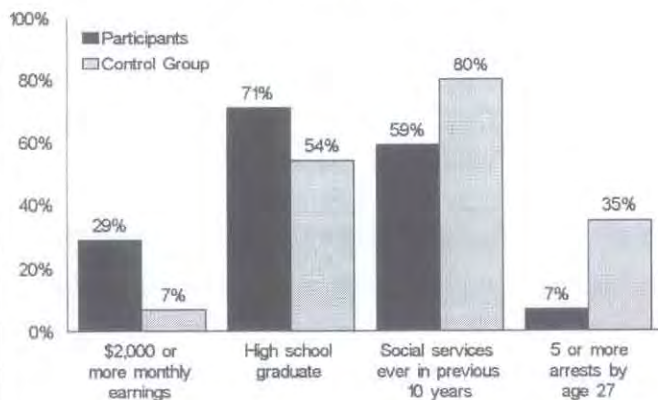
In 1987, the Committee for Economic Development published *Children in Need*, a report calling for increased investments in early childhood programs for disadvantaged children. Omar Butler, then Chairman and CEO of Procter and Gamble, chaired the task force issuing the report and worked tirelessly in promoting its findings. Jim Ranier, former Chairman and CEO of Honeywell International, later led United Way's effort in Minneapolis to create Success by Six and to take that initiative nationwide. Over 200 United Ways now operate Success by Six Initiatives, which build community commitment to developing early childhood services to insure all children start school ready to learn.

Both Butler and Ranier have enlisted business leaders around the country to take leadership in promoting early childhood education programs and services. Business and corporate leadership in early childhood education programs has been one key reason for the expansion of programs for disadvantaged preschool children.

Business leaders like Butler and Ranier have promoted early childhood services because of research showing the cost-benefits, or returns-on-investment, that result from quality early childhood programs. Two studies, in particular, have shown the economic benefits to society of making investments in services for disadvantaged preschool children and their families.

The Perry Preschool program in Ypsilanti, Michigan provided high quality preschool programs for low-income three- and four-year olds in the early 1960's and then tracked the progress of these children into adulthood. The program included home visiting and parent involvement as well as high quality preschool instruction. Children who participated in the Perry Preschool program were much more likely to graduate from high school and go onto college than a control group of children not enrolled in the program. They also were less likely to commit delinquent or criminal acts or enter the welfare system. Their earnings as young adults were much higher too. The graph on the following page shows the comparison between children participating in the Perry Preschool Program and the control group that did not.

### High/Scope Perry Preschool Project Major Findings At Age 27



Source: *Significant Benefits*.

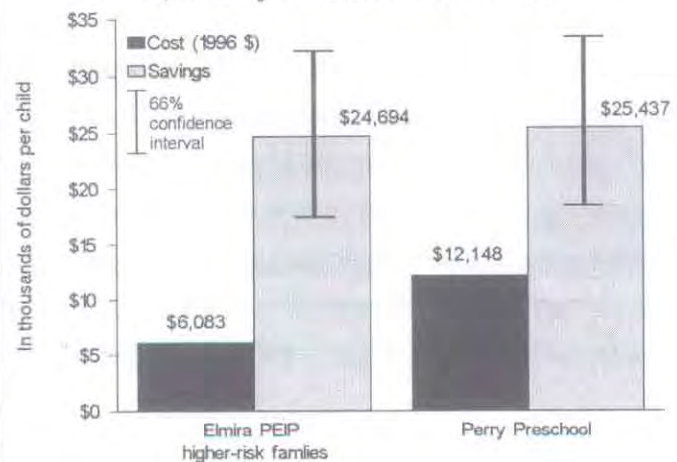
The Prenatal/Early Infancy Project (PEIP) involved extensive home visits during pregnancy through the child's first two years of life by registered nurses trained in parent education to women in Elmira, New York. The PEIP program also tracked the progress of both mothers and children over an extended period of time and compared their results to a control group. Mothers involved in PEIP demonstrated much better employment records and reduced reliance upon welfare than the control group, and

their children were healthier and had fewer behavioral problems.

A recent publication by the RAND Corporation, *Investing in Our Children*, has synthesized these two programs findings and conservatively calculated the returns-on-investment that these programs have produced. Specifically, RAND calculated the savings to society that these programs produced in reduced welfare, criminal justice, and special education costs, and the increases in tax revenues society received as a result of higher earnings. Although both programs are expensive on a per child basis - the PEIP program was \$6083 per child and the Perry Preschool Project was \$12,148 per child (in 1996 dollars) - RAND found that the economic benefits to society for higher-risk families are more than double their cost for Perry and more than four times their cost for Elmira (see graph).

The research shows that high quality, comprehensive services for higher-risk families with young children can improve life outcomes and pay for initial start-up and program maintenance costs. As indicated by Brad Butler, "it is not whether we can afford to make these investments. It is whether, as a society, we can afford not to make these investments."

### RAND Cost-Savings Analysis PEIP, Perry Preschool Studies



Source: *Investing In Our Children*.



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Success By Six. Website: [www.successbysix.org](http://www.successbysix.org)



# Section 5:

## Health Insurance Coverage for Children

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### The Need

At some time, almost everyone needs medical care. Children, in particular, need health and developmental screenings, and primary and preventive health services, that can identify and treat medical conditions early. Early interventions often can prevent or mitigate later health and developmental problems.

Many advocates also speak to the need for a child to have a regular pediatrician or primary care physician, a "medical home," where a child has a complete medical record to insure that regular schedules are maintained for check-ups and immunizations.

Still, children are the most likely people in America to lack medical insurance. Senior citizens are covered by Medicare, and most working adults are provided health coverage through their employer. In many instances, however, this employer coverage does not extend to the employee's children, or employees cannot afford the additional cost of providing that coverage.

Medicaid, a state and federal health insurance program, covers many children, including those from families who receive welfare, those with disabilities that qualify them for supplemental security income (SSI), and those in foster care. While nationally Medicaid covers nearly one out of four children, it has not covered many children in low-income working families, particularly those families whose incomes are too high to qualify for welfare.

As health coverage has become more expensive, the number of uninsured and underinsured children has grown. Today, it is estimated that 88,000 Iowa children currently are not covered by any form of health insurance, public or private. Of these, nearly 54,000 live in families with incomes less than 200% of the federal poverty level (\$32,900 for a family of four). In the country as a whole, the number of uninsured children is estimated at around ten million.

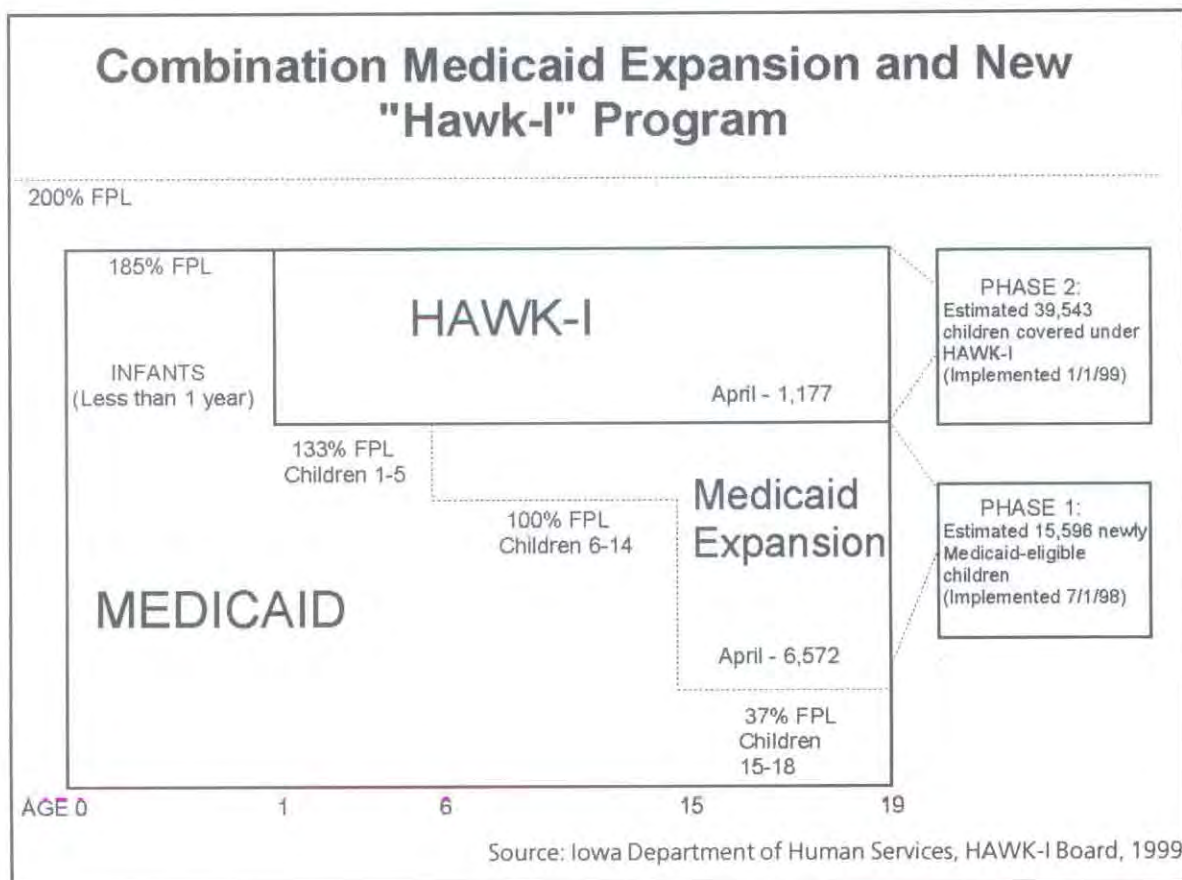
### Programs Providing Service

In 1997, under the bipartisan efforts of Senators Orrin Hatch of Utah and Ted Kennedy of Massachusetts, Congress enacted the "Children's Health Insurance Program (CHIP)," providing

new federal funding support to states for the next ten years for the purposes of insuring children currently falling between the cracks created by eligibility and affordability.

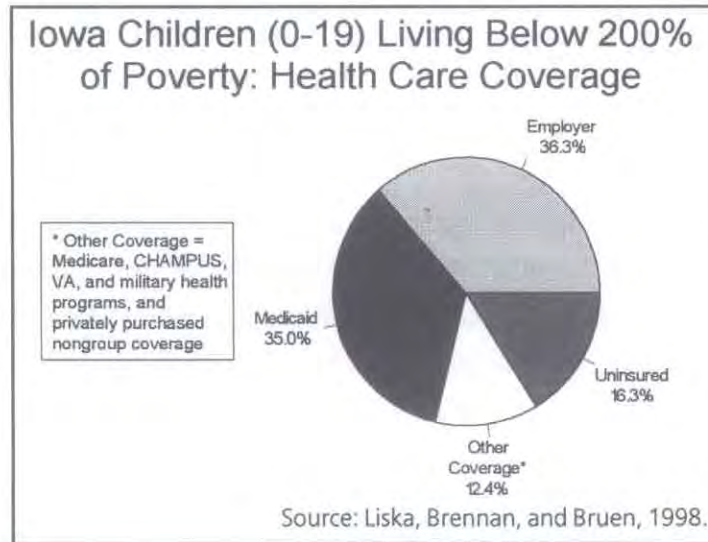
States were given the opportunity to expand their existing Medicaid programs or to develop a private insurance program. At a state's discretion, the CHIP program can cover children in families with incomes up to 200% of poverty. CHIP also can eliminate asset requirements, simplify eligibility determinations, and provide continuous and presumptive eligibility, all actions to make receipt of such health coverage easier. In Iowa, CHIP programs may charge a small fee (no more than \$10 per month per child or \$20 per month per family, if there are more than two children in the family). The federal government provides 75% of the costs of the program, with the state providing the remaining 25%.

Iowa both has expanded its Medicaid program to cover more children and has established a new, private insurance program called HAWK-I. Although the federal legislation enables states to cover families up to 200% of the poverty level, Iowa currently covers families only up to 185% of the poverty level. The chart below shows the old coverage level under Medicaid and the new coverage under Medicaid and HAWK-I.





In 1994-5 (the most recent year for which figures on health coverage are available), nearly 330,000 Iowa children lived in households with incomes below 200% of poverty. As the graph below shows, over one-third were enrolled in Medicaid, and nearly half were covered by insurance through employment or other programs, but one-sixth (16.3%), or nearly 54,000 remained uninsured. Iowa had a higher uninsurance rate among these children than the national rate of 14.3% or the 10.3% rate for North Central states as a whole (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota) (Liska, Brennan, and Bruen, 1998).



While projections are that the Medicaid expansions and the HAWK-I program eventually can cover these 55,000 uninsured children, by April, 1999 (four months after its January 1<sup>st</sup> starting date), the expansions have reached only 7,749 children. While the 1999 General Assembly did not increase the eligibility level to 200%, as proposed by the Governor, the General Assembly did make the Medicaid eligibility process simpler by removing the requirement for face-to-face interviews, eliminating assets requirements, and streamlining applications forms.<sup>5</sup>

While progress has been made, the state of Iowa has not yet enlisted all available options to enroll children. First, the state could expand its coverage to the 200% of poverty allowed under the federal program. Second, the state could simplify its eligibility determinations for Medicaid through presumptive and continuous eligibility. In addition, the state could increase its outreach efforts to enroll children (the Department of Public Health has applied for a grant

<sup>5</sup> These changes also conformed Medicaid requirements with HAWK-I, making the application information for both programs similar. Further, the HAWK-I program is conforming with Medicaid by initiating an "earned income disregard" in determining a family's income. This also will result in more children being eligible for HAWK-I than without that disregard.



from the Robert Wood Johnson Foundation to improve outreach activities in the state). Fourth, the state could work with the health care community to insure that enrolled children have access to a primary care physician and a true "medical home."

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Photo by a staff photographer at the Connecticut Children's Medical Center.

"Every child has a story. Every child has a song."

## Section 6:

### Improving Parenting Confidence and Competence: Home Visiting, Parent Education, Family Literacy, and Family Support Services

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#### The Need

All parents need support at some time in their lives, particularly when caring for very young children. For most parents, this support comes from extended family, friends, neighbors, and voluntary groups, including civic and faith organizations.

Some parents, however, lack such supports. Some parents are under economic and social stress that makes parenting difficult. Some simply have not had nurturing experiences from their own childhoods that prepare them for parenting (see "Family Literacy" on the next page).

A variety of programs have been developed throughout the country to provide support to these families. These programs include *home visiting programs* such as the Elmira PEIP described in section four and the very successful child abuse prevention program, Healthy Families America. Additionally, a variety of *parenting education programs*, including Missouri's Parents as First Teachers, Arkansas's HIPPY program, and Minnesota Early Learning Design have also been established. *Family development programs* are a third program designed to improve self-sufficiency (for one example, see "Polk County Family Enrichment Center" on page 22). Finally, *family support programs* and *family resource centers* constitute places where families can get together and receive the help they need.

While varied, these programs share common features of seeking to improve parenting confidence and competence through providing parenting and family support, particularly for isolated and vulnerable parents who are unprepared for their new role as parents. Often, they focus upon serving parents of infants and toddlers (0-3), who otherwise may receive no other program support.

Successful programs share many common attributes. They are voluntary, work with families as well as individuals, build upon family strengths, partner with people they serve, link families to formal and informal neighborhood support systems, and are comprehensive and holistic in



## Family Literacy: A Two-Generation Approach to Family Support and Child Development

Research demonstrates that one of the most significant predictors of a child's school readiness and success in school is the educational level of the parents, particularly the mother. (Berlin and Sum, 1988; Haveman and Wolfe, 1994). It is believed that this relationship between parental education and the child's academic readiness is due in large part to the language and pre-literacy skills that a child receives from a primary caretaker parent, skills which tend to be more developed and emphasized in more highly educated households.

As a result of these research findings, there is increasing interest in family literacy and dual generation learning programs intended to improve the literacy and education of the parent as one way to promote improved learning and reading results for children. Family literacy programs usually include at least a literacy program for parents and an early childhood development program for children. They also may be integrated into a larger program of family support which involves parenting or vocational education components. The intent of family literacy is to improve parental ability to read to their children, to interact in a manner which promotes verbal development, and to model the importance of literacy in the home environment. One of the best known family literacy programs is Even Start, a federally funded program begun in 1989 as a companion program to Head Start. Even Start seeks to integrate adult literacy, early childhood development and parenting. By 1998, Even Start was serving 39,528 families in approximately 732 projects (U.S. Department of Education, 1998).

Because family literacy is a relatively new area, there is limited research available on its impact and success. Existing research does suggest that success rates vary. The most successful family literacy programs are those which are integrated with other family support and early education programs, which offer long-term and intensive services, and which are sensitive to cultural and language differences. The family literacy approach, if carefully structured, offers opportunities for promoting positive outcomes for children and for their parents as well.

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focus. They place a strong emphasis upon training and supporting their workers, and they are embedded in the communities they serve (Schorr, 1989; Family Resource Coalition, 1996).

High quality home visiting, parent education, and family support programs have demonstrated the ability to reach, engage, and support families that other service systems fail to reach. There is substantial evidence that they can improve parenting confidence and competence and help lend stability to a child's world in the critical first three years of life.



It is estimated that 15% to 25% of Iowa families with infants and toddlers can benefit substantially from family support and parenting education services (Child and Family Policy Center, 1994).

## **State and Federal Programs**

Over the last decade, there has been a proliferation of new programs to serve families with very young children at both the national and the state level. Nationally, Head Start has been expanded to include Early Head Start, a program for children birth to three years. The Adoption and Safe Families Act of 1997 provides funding that can be used for family support. Federal prevention initiatives have been enacted through different federal agencies - from the maternal and child health bureau to the cooperative extension service to the office of juvenile justice and delinquency prevention - that support different forms of home visiting, parenting education, and family support.

In Iowa, Healthy Families America, built upon Hawaii's Healthy Start home visiting program, receives state as well as local funding. Prevent Child Abuse Iowa provides funds for volunteer, home-visiting programs. The Family Development and Self-Sufficiency (FaDSS) program, a welfare reform initiative employing family development services, has been expanded and provides support in achieving self-sufficiency to many families who have very young children. The Child Development Coordinating Council funds both birth-to-three parent education programs and family resource centers. Finally, new funding through the Empowerment initiative places an emphasis upon home visitation and parent support and education services.

### **Polk County Family Enrichment Center**

One successful family support program in Iowa is the Family Enrichment Center (FEC). The FEC is a FaDSS grantee that coordinates with Promise Jobs. Specifically, the FEC is funded to take families referred from Promise Jobs, who have multiple barriers to employment and self-sufficiency, and help them become employment-ready.

The FEC views family support as a "formal, holistic, intensive process" and considers the multiple facets of a family in its goal to help the family overcome the multiple barriers hindering its move to self-sufficiency. To this end, the FEC limits workers' caseloads so that families receive the necessary attention. Case workers keep in steady contact - often 2 to 5 times a week - with families, work with participants' children and significant others, and make home visits. The FEC offers free child care and transportation for participants wanting to attend events, meetings, or counseling at the FEC. The FEC also refers clients, when necessary, to other service providers.

While the goal for both families and the program is economic self-sufficiency, FEC recognizes that families will be stable and productive employees only if their home life is stable and their children are safe and supported.

FaDSS has operated as a demonstration project in Iowa since 1989. In July, 1998, the General Assembly expanded FaDSS statewide, from a program serving 997 families in 37 counties with a \$2.8 million budget, to a program serving 2026 families in 97 counties with a \$5.2 million budget.

In part, this expansion is a recognition of changes in welfare that require an increasing proportion of TANF families to work. As welfare rolls decline, those who remain are most likely to have multiple barriers and concerns, and the need for programs like FaDSS will continue.



While there is a wide array of family-centered program funding sources, the total funding for such programs is relatively small. A 1995 Kids Count Report, *Investing in Families, Prevention, and School Readiness*, estimated that only a small portion of the families who could benefit from such services were receiving them. Overall, it estimated an annual Iowa "service gap" of \$33.8 million in public funding for families with children 0-2 for home visiting, parenting education, and family support services.

Along with Iowa's service gap, two other barriers exist for Iowa families wanting or needing to access family-centered services: a) a lack of information regarding service availability, and b) the stigma of being a "needy" family. In response to these two barriers, the Iowa Review of Family Assets Project, a partnership between the Association of Iowa Hospitals and Health Systems (IH&HS) and the Iowa Department of Public Health (IDPH), is working to "provide a family-centered resource that will allow continuing, non-stigmatizing access to services for families throughout their children's early years" (Iowa Department of Public Health, 1999).

One goal of the Project is to provide this family-centered resource to all Iowa families who deliver their babies in Iowa hospitals. Over the next two years, IH&HS and IDPH will conduct development and pilot testing in four or five hospitals, while a steering committee will pursue additional funding. Statewide implementation is planned to proceed over the subsequent two years (Iowa Department of Public Health, 1999).

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Photo by Jane Gross.

"Children outgrow everything but story."



## Section 7:

### Preschool Education in Iowa

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#### The Importance of Preschool Programs

Young children constantly are developing. They are developing large and small motor skills, arranging and organizing information, growing their vocabulary, and learning to relate to others, both adults and children. Almost all of this learning is experiential - by doing things. The child development literature indicates clearly that three and four year-olds need stimulation and guidance to grow, including structured activities.

Quality preschool experiences provide this stimulation and guidance in an open setting, with much play. Actual "preschool" programming may be two or three hours out of a day, for seven or eight months of the year. Several decades of research indicate that low-income and disadvantaged children benefit significantly from quality preschool experiences. In the short-run, they "are more likely than other low-income children to perform better in school and to demonstrate socially acceptable attitudes and behaviors as young adults" (National Conference of State Legislatures, 1989). Specifically, they exhibit greater motivation towards learning, higher regard for themselves, and higher scores on intelligence and achievement tests through the third and fourth grades (Lazar and Darlington, 1982; McKey, Hubbell, Condelli, Ganson, et al., 1985). They are less likely to be placed in special education classes, classified as mentally retarded, or held back during elementary school (Berrueta-Clement, Schweinhart, Barnett, et al., 1984; Lazar and Darlington, 1982). While fewer studies have focused on the long-term impacts of preschool, one study has indicated that the long-term economic benefits far exceed the costs (see Section 4 regarding the Perry Preschool Program).

What these studies show is that high quality preschool programs working with low-income and otherwise vulnerable children are successful and represent a sound public investment.

Still, the cost of such preschool programming is high, at least \$4000 per child per year served above the costs of full-day child care (some preschool programs are integrated into a full-day child care program, and the overall costs are significantly higher). As a result of these high costs, low-income children are much less likely to attend preschool than children of more affluent families. In families with incomes below \$20,000, less than half (40% to 42%) participate in preschool programs, as compared with three-quarters (75%) of children in families with



incomes over \$75,000 (Annie E. Casey Foundation, 1998).

Public opinion polls have consistently shown the public to be strongly supportive of government funding for such programs. The federal Head Start program is both the largest and the most recognized of such programs. Initiated in 1965, Head Start provides preschool programs to three- and four-year olds. Head Start is guided by program performance standards that require a comprehensive approach to children, including preschool programming but also linking children to education, social, and disability services and stressing parent involvement. Head Start requires that ninety percent of children must be from families with incomes below the federal poverty level. Overall, thirteen percent of participating children are children with diagnosed disabilities. National polls have shown that the public rates Head Start as the most effective government social services programs and believes it should be expanded to reach all children who need it.

### **Iowa's Preschool Programs**

As in most states, Iowa's most significant publicly-funded preschool program is Head Start. In 1997-98, Head Start in Iowa<sup>6</sup> spent over \$28 million in federal funds to serve 6919 child participants.

In addition, Iowa is among thirty-nine states providing state funding for preschool programs, either by supplementing Head Start (13 states) or funding their own program (36 states) or both. Iowa's state program is separate from Head Start but is governed by similar criteria, although it can serve families up to 133% of the poverty level, provided there is some risk factor (child born at biological risk; parents under eighteen; parents have not completed high school or are identified as substance abusers or chronically mentally ill, etc.). Programs must be accredited by the National Academy, a division of the National Association for the Education of Young Children (NAEYC), and meet other quality standards, with strong parental involvement encouraged. Iowa's program, Shared Visions, is overseen by the Child Development Coordinating Council (CDCC), which awards grants to individual programs. In 1997-98, the program served 3,746 child participants at a cost of just over \$8.4 million.

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<sup>6</sup> In response to the early brain development research, Head Start has expanded to offer a program for 0-3 year olds called Early Head Start. Following Head Start principles, Early Head Start works to support children's earliest development. Since 1995, Iowa has developed 10 Early Head Start Programs, each geared uniquely to the needs of their surrounding community.



## **Iowa's Unmet Need**

While the two programs serve 10,665 children annually, this meets only part of the demand for their services. Long waiting lists are common for Head Start programs, and the CDCC can award grants to only a portion of all programs that apply. Most Head Start programs prioritize four-year-olds, and many fewer eligible three-year-olds than four-year-olds are served.

In September of 1997, the Governor's Commission on Educational Excellence for the 21st Century, chaired by Marvin Pomerantz, estimated that 3,400 eligible four-year-olds were not being served under existing Iowa programs and recommended full funding for those children. At \$4000 per child, this would translate to \$13.6 million annually, but this preschool funding was not requested by Governor Branstad nor appropriated by the General Assembly. Covering all three-year olds would require a much larger expansion of funding.

Depending upon what children are covered (four-year-olds only or both three- and four-year-olds) and depending upon what income criteria is used to provide coverage (poverty, 133% of poverty, or some higher figure), the current unmet public funding for preschool programs in Iowa is likely to be from \$13.6 million to \$50 million, or more. The expansion of preschool opportunities for low-income and vulnerable children, those which research shows are most likely to benefit from such experiences, represents an important element of any early childhood agenda for the state.

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*Photo by Jane Gross.*

"Take time to talk to your child.  
It's more than child's play."



# Section 8:

## The Status of Child Care/Education in Iowa

### Child Care/Education in Iowa

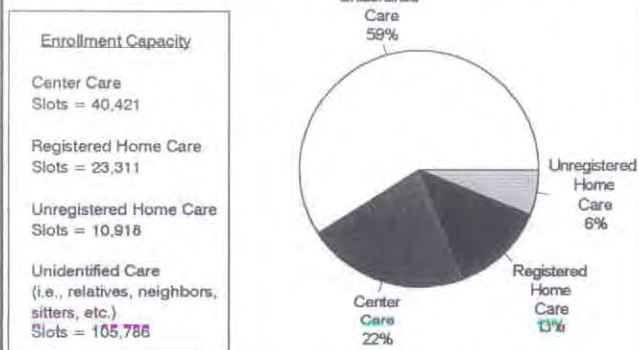
When Iowa families need someone to care for their children while they work, they may have a number of possible child care options. These include the following: a) center care, b) registered home care, c) unregistered home care, and d) other informal care.

A child care center is legally defined as a facility that is licensed by the state and must meet certain staffing and facility standards. Typically, child care centers serve seven or more children and are not housed within a provider's home.

Home (child) care providers care for children at their (the provider's) home. Those providing care for fewer than seven children can but do not need to be registered with the state. When providing care for seven to fifteen children, a home care provider must be registered with the state and meet certain staffing and safety standards. Home child care providers are not allowed to care for more than fifteen children at one time.

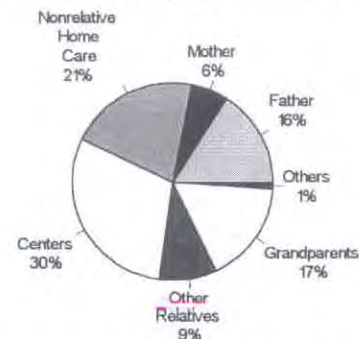
In addition to these arrangements, families also can opt for less formal care arrangements with friends or relatives, or can enlist someone to come into their home to provide care and supervision. The graphs below provide estimates of the child care arrangements currently used by families in Iowa and the U.S., respectively.

**Iowa, 1998:**  
**Full-time child care programs as identified by Child Care Resource & Referral**



Source: Iowa Child Care Resource and Referral, 1998.

**U.S.A., 1993:**  
**Primary child care arrangements for preschoolers used by families with employed mothers**  
(Percent of preschoolers of working mothers in selected arrangements)



Source: The Department of Health and Human Services, Child Care Bureau.

As more parents with children, including very young children, have entered the work force in the past 25 years, the need for child care has grown dramatically (See Section 1). The need for child care has expanded for both preschool and school-age children. While there are many similar issues around before and after-school care (and there is a major need for care for school-aged children), this section focuses on child care for children ages 0-5.

For many working mothers, work is not optional, but is a critical contribution to family income. Fifty-five percent of working women nationally provide half or more of the household income. Almost half of all families with young children earn less than \$35,000 per year. One out of three children of working mothers are poor or would be poor if their mothers were not working (Children's Defense Fund, 1998a).

Despite the increase in government attention to child care, the availability of child care, let alone child care which is both of high quality and affordable, has not kept pace with the need caused by the sharp rise in female employment (See Section 1). This shortage of child care is compounded by changes in the welfare system, which now require recipients to enter the workforce even when their children are very young.

Both federal and state governments have taken steps to make child care more available through providing child care subsidies. In FY 98, Iowa spent \$43,499,931 on child care-related subsidies to make child care more available and affordable, including \$15,160,701 in state-only moneys. This includes funding for child care for low-income families, TANF (Temporary Assistance to Needy Families, or welfare) recipients, and children within the child protection system. Despite these investments, the need for improved supply, quality and affordability remains acute.

### **Availability**

Child Care Resource and Referral (CCR&R) agencies in Iowa indicate that there are 74,650 identifiable child care slots available in Iowa in 1997-8. "Identified" slots are those slots that are known to these referring agencies. Of those slots, 54% were licensed child care center slots, 31% were registered home care slots, and 15% were unregistered home care slots.

Based upon workforce participation, these slots were estimated to be sufficient to provide care for only 41% of children ages 0-5 who need them and for only 11% of school-age children. The remaining 59% of preschool-age and 89% of school-age children are presumed to be in some form of unregistered/unregulated care - in the care of a relative, or, in the case of school-



age children, without supervision. While some unregistered/unregulated care may be good, and may even be preferred by some families, the lack of regulation and oversight in this area makes it impossible to determine what percentage of these settings meet even the most basic safety and quality standards.

Iowa parents who work nontraditional hours find it very difficult to locate child care. CCR&R data show that, in four out of the five regions in the state, fewer than one in six child care providers offer care after 6 p.m. or overnight. Low-income families are especially affected by this shortage, since low-income parents are particularly likely to work nontraditional hours. The National Child Care Survey found that one-fourth of low-income mothers (annual income levels above the federal poverty level but below \$25,000) work evenings or weekends.

When children are ill, locating available child care is difficult. Because few Iowa child care facilities are equipped to care for sick children, parents frequently need to travel across counties to find sick child care. CCR&R has identified only 26 child care facilities in Iowa that either have a few slots for sick children or specialize in sick child care. Breaking the state into five regions, these numbers translate into 2 facilities serving 10 counties in Central Iowa, 3 facilities serving 22 counties in Northwest Iowa, 6 facilities serving 26 counties in Southeast Iowa, 10 facilities serving 20 counties in Northeast Iowa, and 5 facilities serving 21 counties in Southwest Iowa (Iowa Child Care Resource and Referral, 1998).

Child care appropriate for children with special needs, such as physical or mental disabilities or behavioral and emotional problems, is even more difficult to find. While no single comprehensive data source exists regarding the extent of the unmet need for child care of children with special needs in Iowa, the state is currently funding Maps to Inclusion, an effort to map and understand the extent of this need.

Efforts to increase availability. While most of Iowa's resources which are spent on child care are used to subsidize care for low-income families or assist children and families within the child protection system, some efforts are being made to increase the supply of care overall. Iowa's CCR&R agencies, in addition to their duties of referring and educating parents, are also charged with recruiting providers. Unfortunately, it is frequently difficult to recruit a sufficient number of new providers just to replace those who choose to cease providing services, let alone to increase the supply of care.

In FY 98, Iowa received its first allocation of federal infant-toddler funds in the amount of

\$461,787 and expects to receive similar amounts in FY 1999 and 2000. These funds must be used to support the supply of quality infant and toddler care. It has not yet been determined how this money will be used and whether it will be focused on increasing quality, supply, or both.

Efforts to increase the availability of child care often are seen as being in competition with efforts to promote quality, given the costs of creating new slots, the costs of improving quality, and the limited funds available. The two may be linked at times, however, since higher quality programs include higher salaries, more training, and other measures which improve morale and retention among providers, thus promoting both the supply and quality of care. At the same time, maintaining affordability requires increased subsidization, when improving quality requires increased training and salaries.

Gaps. Despite government efforts to increase availability, families at all income levels experience challenges in finding child care, particularly for infant care, care for sick children, and care for children with special needs. Waiting lists suggest that more than half of the Iowa families who seek licensed child care cannot find it.

## Quality

Current Status. Most experts agree that the most essential element of quality child care is attentive interaction between the child care provider and the child. According to the Child Care Bureau of the U.S. Department of Health and Human Services, the four major elements for providing quality child care are:

- 1) a safe and healthy learning environment for each individual child;
- 2) parent involvement;
- 3) training and support for care providers; and,
- 4) continuity of care.

Although there has been no comprehensive national study of the quality of available care, several studies indicate that most child care does not include all these elements. One well-documented study examined 400 child care centers in four states and rated only 14% as developmentally appropriate, with only 1 in 12 infant and toddler rooms found to be developmentally appropriate while 40% were deemed a potential hazard to health and safety. Similarly, a review of state regulations regarding infant and toddler care centers concluded



that regulations in two-thirds of the states were "poor or very poor, indicating that they failed to require even minimally acceptable care." Studies of family care homes (i.e., home care) have also pointed to serious quality deficiencies. A study of both regulated and unregulated home care by the Families and Work Institute rated only 9 percent of home care facilities as being of good quality, while 56 percent were rated as only adequate and 35 percent as inadequate. A General Accounting Office study found that 59% of low-income children attend child care centers which fail to provide the full range of child development, health, and parent services needed to support their school readiness (Annie E. Casey Foundation, 1998).

Efforts to improve quality. A number of approaches, in combination, can contribute to improvements in the quality of care. These include: regulations that control health and safety and that are routinely enforced; low teacher/child ratios; adequate pay and training that reduce turnover and improve staff skills and morale; and opportunities for parental input and monitoring.

Several federal programs provide assistance to promote such improvements. The federal Child and Adult Care Food Program provides reimbursement for a fixed percentage of food costs for providers who comply with the nutritional requirements of the program. The federal Child Care and Development Block Grant (CCDBG) now requires states to use at least 4% of their grant moneys for quality improvement and for additional services to parents, such as resource and referral counseling. An additional \$50 million nationally has been made available to improve the quality of care for infants and toddlers. Additional quality improvement funds also are being distributed to states for the improvement of school-age child care and for Child Care Resource and Referral Services.

In the past, states have used these quality-designated CCDBG funds for a wide variety of purposes, including provider training and career development, resource and referral agencies, consumer education, support of licensing or state certification, creation of family child care networks, coordination, and special needs child care. Iowa has used its CCDBG funds for resource and referral agencies, for targeted training including training of home care providers, and for grants to centers for improvements and programming (National Child Care Information Center, 1995, Iowa Department of Human Services, 1988). Iowa supplements its federal quality funding with modest allocations of state dollars. In FY 98, Iowa contributed \$403,903 in state-only dollars, in addition to \$238,402 in CCDBG (federal) quality funding, to its Child Care Resource and Referral Agencies. Iowa also allocated \$482,846 in state money for FY 98 child care licensing and compliance activities, which are essential elements of quality control (Iowa Department of Human Services, 1998).



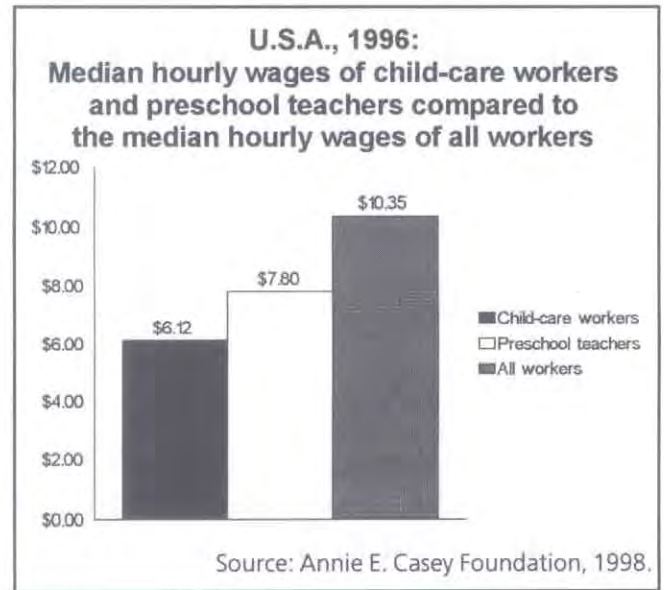
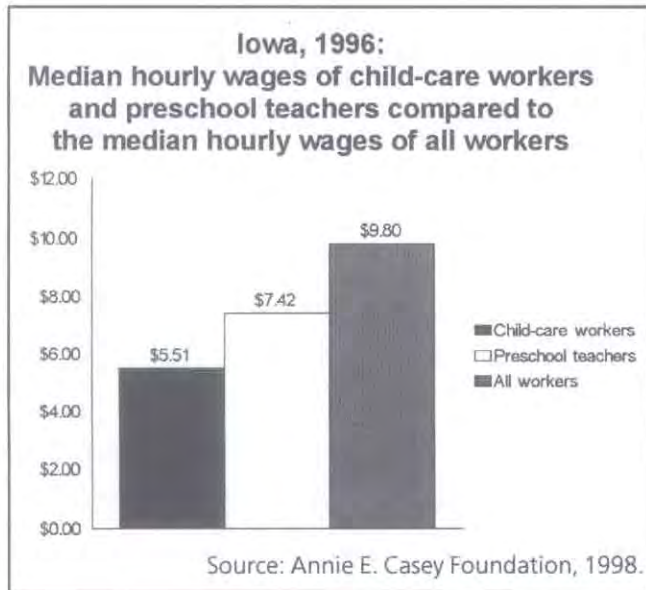
Iowa is undertaking a number of new approaches to improving quality in child care. Iowa is in the process of applying for a federal grant to create an apprenticeship and credential program and a career lattice for child care providers, one which would theoretically include funds in the future for increased compensation. Iowa will also be developing a statewide training and development system for providers; although, no funding has yet been appropriated for this purpose. In addition, the 1999 legislature appropriated \$12,000 for a "gold seal" designation program which provides small cash rewards for centers and home providers who meet certain standards of excellence. The legislature also expanded a pilot project which registered home care at a number of different levels, depending upon the experience and education of provider. The pilot was expanded from 4 to 10 sites, but no new funding was appropriated (Iowa Child Care Coalition, 1999). Given the limited or uncertain additional funds available for these programs, their effectiveness is difficult to predict.

In addition to such government financing efforts for quality improvement, the National Association for the Education of Young Children (NAEYC), the largest organization for early childhood professionals, provides accreditation services for child care centers which comply with their standards for quality. The National Association for Family Child Care (NAFCC) has helped develop an accreditation program for family day care providers. The Cooperative Extension Service provides materials and support services for day care providers. These represent efforts to enlist existing child care providers and offer support and recognition for their efforts to provide developmentally appropriate care.

Gaps. Despite efforts at quality improvement, significant challenges remain. In terms of regulations, while Iowa meets the recommendations of the NAEYC with regard to teacher-child ratios at child care centers for children 0-3 years old, it does not meet those ratios for four-year-olds (permitting 12 children for one teacher, as compared with the recommended eight to ten). Iowa also is one of 40 states that does not require home care providers to have any prior childhood training, and one of 32 states that allow child care center teachers to start work without any prior training (Children's Defense Fund, 1998a).

In 1996, the average annual wage of child care workers in Iowa was only \$11,620 (frequently with no benefits) — less than bus drivers, garbage collectors or bar tenders. Iowa's wages for child care workers in contrast with other occupations are similar to those nationally (see graphs on the next page). Not surprisingly, rapid turnover rates are common, averaging 27% per year but as high as 54% in Bremer County. In contrast, turnover rates for public school teachers nationally are only 6.6%. (Children's Defense Fund, 1998a).





Quality child care, as measured by certification through national accreditation programs, is scarce in Iowa. Eight percent of eligible child care centers, or 16 out of 198, are accredited through the NAEYC. Regionally, this scarcity may be even greater. For example, no registered child care homes in Central Iowa are accredited through the NAFCC. Also, there were no accredited child care centers in Fort Madison or in Bremer County and only one in Waterloo and one in Davenport (Iowa Child Care Resource and Referral, 1998).

## **Affordability**

**Current Status.** Despite the low wages associated with the child care industry, child care often is a very significant work-related expense, particularly for low-income families. In families with young children and incomes under \$1200 per month, child care expenses typically consume 25% of family income.

Depending on the local area in Iowa, average annual child care costs for a four-year-old in a center can be as much as \$5720. Where there is more than one child in the family, costs easily can become overwhelming. A family earning \$21,400 per year (the equivalent of two parents working full-time at minimum wage), and with average annual child care costs for an infant and a four-year-old, would have to spend 45% of their income for child care. (Children's Defense Fund, 1998a).

Most federal and state expenditures on child care have focused on improving its affordability

(rather than availability or quality) through tax credits and subsidies. The Federal Dependent Care Tax Credit reduces the federal tax liability of those who are able to demonstrate child care expenses. Federal dependent care tax credits can be up to \$480 for one child or \$960 for two or more children. The tax credit is on a sliding scale, so lower income families receive a slightly larger credit.

About half the states have similar income tax credits. Iowa's tax credit is available for taxpayers with income up to \$40,000 per year and is one of the most generous in the nation. It is designed on a sliding scale, ranging from 75% of the federal tax credit (for persons with net income less than \$10,000 per year) to 40% of the federal tax credit (for persons earning between \$35,000 and \$39,999 per year.) Unlike the federal tax credit, Iowa's tax credit is refundable, so low income families owing no taxes are able to receive it.

The federal government also provides child care subsidies through the Child Care Development Block Grant (funded at \$2.97 billion in fiscal year 1997). These funds are distributed to the states to be available to families with incomes up to 85% of median state income. States are also authorized to use part of their TANF funds for child care. In addition to federal spending, the states and the District of Columbia appropriate significant amounts of state dollars to child care subsidies each year (\$2.4 billion in 1994). As stated earlier, in FY 98, Iowa spent \$43,499,931 on child care, including \$15,160,701 in state-only moneys.

Gaps. Despite federal and state efforts to make child care more affordable, many low-income families are still unable to afford quality child care because government credits and subsidies include specific conditions or limitations, or because they are simply insufficient to reach all needy families.

The Federal Dependent Care Tax Credit, for instance, is of no assistance to the poorest of working families. Since the credit is not refundable, it cannot be claimed by families too poor to owe any taxes (Annie E. Casey Foundation, 1998). Moreover, since the maximum amount that can be claimed for this credit has not been raised since 1981, it has been outstripped by the actual costs of care. While Iowa's tax credit is refundable, since it is based upon the federal credit, it too has declined in value due to inflation.

The combined federal and state funds currently appropriated for child care subsidies also are not sufficient to meet the needs of all low-income families. Therefore, most states set the eligibility limits for subsidies well below the cut-off permitted by the federal Child Care



Development Block Grant (85% of state median income). As of 1998, Iowa's cut-off was at \$16,670 per year for a family of three, lower than the cut-off in 48 states, and much lower than the \$33,780 limit permitted under federal law.

Even parents who are eligible for subsidies frequently do not apply, because they are unaware of the program or the criteria for eligibility. If all eligible families applied, there would not be adequate funds to serve them all. These pressures are likely to increase as more and more persons on welfare transition to employment (Children's Defense Fund, 1998a).

Further, those Iowa families which are otherwise eligible for state subsidized child care may find that they are unable to utilize it due to various administrative and technical requirements attached to these subsidies. For instance, the state will not pay for a full-time child care slot when the parent needs part-time care, even though many providers insist on full-time payments (since it is often difficult to fill the remainder of a slot). Likewise, eligibility for two-parent families is contingent upon both parents working, with no exception for the serious illness or hospitalization of one of the parents (Children's Defense Fund, 1998a).

## **Conclusion**

Nationally, a Packard Foundation report on child care estimated that, while \$40 billion is spent annually on child care for preschool children, it would require \$120 billion in expenditures to provide the type of quality child care/education children need. Moreover, it is unlikely that families, while they provide the bulk of the \$40 billion in expenditures, can afford much of the \$80 billion in additional expenditures. If this gap is to be addressed, public expenditures are likely to be needed and child care needs to be viewed as an essential investment in the well-being of the country's children.

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# Conclusion

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As this publication indicates, there is both a growing recognition of the importance of early childhood investments and a growing need to make those investments.

The solutions are not simple ones. In his last year in office, Governor Terry Branstad, through the Governor's Commission on Educational Excellence for the 21st Century, recommended new state investments in early childhood services that the General Assembly used to create \$5.2 million in funding for Empowerment grants in 1999. In his first year in office, Governor Tom Vilsack doubled the appropriation for Empowerment grants and made parenting education programs a key priority. Governor Vilsack also established an Early Child Care and Education Task Force, and the General Assembly is committed to continuing to support Community Empowerment in developing early childhood programs.

This represents a start, but not a solution. Tackling the full scope of these issues will require new attention and investments.

It is now clear that the First National Education Goal will not be realized by the year 2000. Hopefully, public attention to these issues and understanding of the information presented here will aid policy makers and the public in devising strategies and investing resources that will achieve this goal earlier rather than later in the new millennium. One of the first steps that needs to be taken is to identify the level of expansion needed - in health care coverage, family support and parenting education programming, preschool programs, and child care - to reach all those children and their families who need them.

# Postscript

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This publication has focussed upon an early childhood agenda that largely involves public sector activity. At the same time, there are many activities that the private sector can provide that also can contribute to early childhood development.

Many employers establish policies - both formal and informal - to support employees with young children through recognizing their caregiving responsibilities as well as their work responsibilities.

These family-supportive policies can include the following:

- a) health care coverage that includes dependents;
- b) personal, family, and sick leave policies that allow workers to care for sick children or address family emergencies;
- c) personal leave policies that allow workers to schedule necessary appointments or conferences about their children during traditional work hours;
- d) flexible benefit systems that provide parents the opportunity to use benefit packages for child care;
- e) flexible hours that enable parents to schedule work to correspond with caregiving needs, sometimes around preschool or school schedules or a spouse's work hours;
- f) family leave policies that enable parents to take time from work to care for newborns, either with or without compensation, while retaining the option to return to work when their children are older;
- g) options for part-time employment to fit the desires of some parents to work only part of the time when their children are young but to retain their job connections and skills for later growth and advancement; and
- h) onsite child care for employees.



Some employers have more capacity to provide specific benefits than others. Larger employers are more likely than smaller employers to develop formal structures around flexible benefit plans or onsite day care, for instance. Employers seeking skilled workers in highly competitive fields with labor shortages are most likely to offer children incentives simply to be able to hire and retain qualified staff.

At the community level, however, it is important to give recognition to actions that employers -both private and public - do take to be "family friendly." In some instances, working with the business community can help support the development of more family-supportive employment policies and identify where these can be "win-win" situations - both responding to employers' need for good and reliable workers and responding to employees' needs to fulfill both work and family responsibilities.

Finally, businesspersons can be leaders in advocating for quality, affordable, and available early childhood services. At the national level (see Section 4), the corporate community has played a leadership role. Iowa needs to nurture its own business leaders in this area.

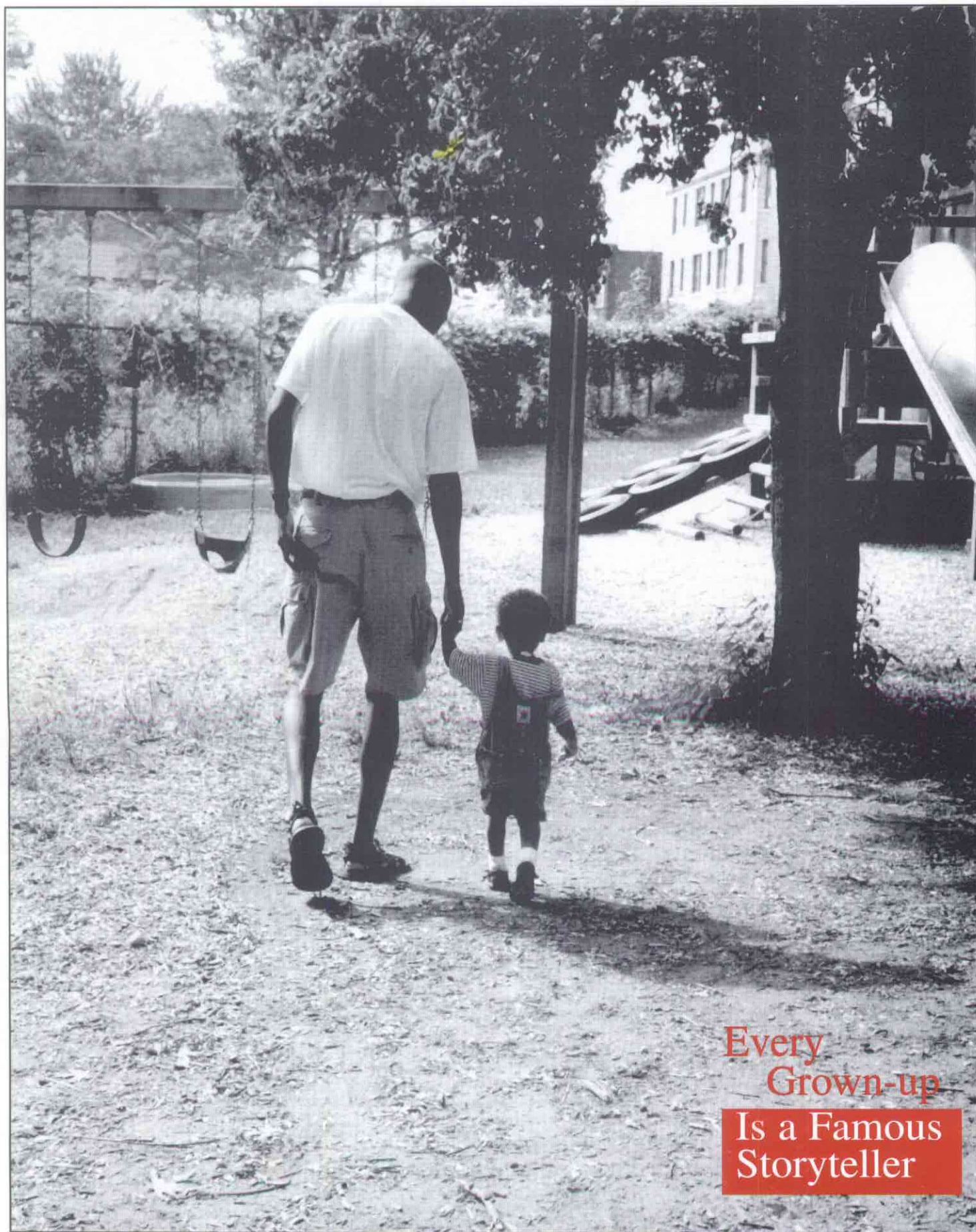
Employers have a stake in early childhood both in the present and in the future. They need employees who can be both effective workers, which requires that their parenting responsibilities are addressed. They also need to insure that the workforce for the next millenium has the skills and work habits to continue economic growth, starting with the assurance that all children start school ready to learn.





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Grown-up  
Is a Famous  
Storyteller

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"Go on long talks together."