

Report: Child Care Subsidies Unfair  
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ALBANY – A report released by Empire Justice Center, “Mending the Patchwork”, documents a persistent lack of fairness in the way child care assistance is administered in New York State.

The report, which includes a summary of policy variations in each county and an economic analysis by the Fiscal Policy Institute, says that the current practice of allowing the local Social Services Districts to determine parental co-payments and other eligibility criteria has no rational basis and must be changed to ensure that both low income working parents and child care businesses across the state are treated equally in this federally funded program.

“Through my work in this field I continually see hard working parents and providers undermined by our state’s practice of allowing counties to make these critical decisions about child care program benefits which should be uniform across the state,” said Susan Antos, senior staff attorney in the Albany office of Empire Justice Center and co-author of the report.

“Many parents pay up to four times more for child care than parents with identical incomes in neighboring counties, simply because of the different co-pay multipliers chosen by their counties”, she said.

“Other parents lose their child care slots when they are laid off because 30% of the districts won’t pay for care while they look for another a job”, Antos adds. “Providers in some counties, but not others, lose money when children are absent or when caring for children whose parents work evenings and weekends because of differing county policies on payment. This is not the way a state such as New York should allow its child care program to function”.

“Our analysis concluded that across the state there is no relationship between personal income and costs for housing or child care and the co-payments that social services districts charge working poor families for child care. Therefore, districts’ discretion in providing child care subsidies does not ensure equal access to child care funds, and the current formula and guidelines provided by the state to set these family shares should be changed,” said Carolyn Boldiston, senior fiscal policy analyst with the Fiscal Policy Institute.

Susan Wawrzyniak, a grandparent caring for her young grandson, shared her own story as an example of how the practice of allowing counties to arbitrarily set policies hurts parents and caregivers. Her county does not pay for child care for caregivers who work nights and need time to sleep. She works the night shift at her job and although she was financially eligible, she was denied child care for those sleeping hours. “A child care subsidy would have given me the critical support I needed to care for my beautiful grandson and would have taken away much of the stress in an already stressful endeavor”, said Ms. Wawrzyniak.

“Some counties don’t pay providers for the days when children are absent due to illness. When kids are sick and miss a day or two, our programs are still open and our operating costs are the same. Paying for child absent days is a reimbursement rule that should be consistent across

because it helps ensure that we can meet our operating expenses and that kids have access to quality early learning and care programs that ready them for kindergarten,” noted Wendy Nashid-Jackson, VOICE/CSEA Member, Westchester County.

Providers that invest in improving the quality of their care and provide enhanced or flexible services for parents are rarely able to obtain higher compensation from the counties for their efforts. The report found that only ten districts pay providers an enhanced rate if they have national accreditation and only 12 districts pay a higher rate for care provided during non-traditional hours.

To address inequities like those described above, the report calls on the legislature to introduce legislation that would establish a temporary work group to develop a sliding fee scale for childcare copayments, based on the family’s ability to pay. Any geographic variations would be tied to specific economic factors such as cost of living. The legislation would require that all districts pay for care while a financially eligible parent or relative care giver who works the night shift – like Ms. Wawrzyniak – sleeps. It would also adopt statewide policies regarding absences and higher payments for accredited care.

Finally, the report recommends that until the legislation developed by the work group is enacted, the state uniformly caps parental co-payments at 10 to 12% of household income to provide immediate equity to parents across the state.